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# Growing Pains

## Analyzing Jurisdictional Fragmentation of Affordable Housing Policy in King County



HOUSING  
DEVELOPMENT  
*consortium*

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## Preface

The Housing Development Consortium of Seattle-King County is pleased to have sponsored this important capstone project. Our thanks to researchers Rebecca Brunn, Steven Le, and John Stovall and to their faculty advisors for this outstanding work.

It is now commonly understood that we have an affordable housing crisis in King County, the magnitude of which is unprecedented. As research and data add to our understanding of the problem, we are forced to ask what's preventing us from connecting the dots.



Our traditional biases towards action and a “solution” mindset will continue to have us falling short. The complexity of this problem demands that we ask the harder questions that we prefer to avoid. What barriers exist in our systems and structures that are preventing us from leveraging the massive bodies of information on both problem and solution to achieve scalable results? How do we make the bold decisions to address a regional crisis with our existing jurisdictional governance structure?

Those questions and their answers lie at the heart of this body of work. Social issues don't acknowledge jurisdictional boundaries. The problems in Kent impact Kenmore; the solutions in Seattle impact Sammamish. Because we live in an interconnected environment, we need to adjust our frame of thinking to see our affordable housing deficit as a regional problem that demands regional solutions.

Unfortunately, we continue to operate in a fragmented system that keeps us from meeting the needs of King County communities. This report asks us to confront our own culpability and compels leaders throughout the county to begin wrestling with how we can think and act regionally. May it also inspire us to create space for meaningful and respectful dialogue about what it means to be a metropolitan region right now.

The Housing Development Consortium of Seattle-King County has been operating in this space for over thirty years. In that time, we've seen substantial progress in both housing outcomes and narratives. Yet recent data from King County's Regional Affordable Housing Task Force show that we are 156,000 affordable homes short of meeting the current need.

So, what will it take? We hope you read this report with an open mind and a hope for our future as we have this next important conversation.

“If you do what you've always done, you'll get what you've always gotten.” - Attributed to Mark Twain and numerous others

-Marty Kooistra, Executive Director



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Thank you!

Rebecca Brunn

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John Stovall

# Executive Summary

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In 2017, the Regional Affordable Housing Task Force (RAHTF) was formed to spur collective, county-wide action to address the region's growing affordable housing crisis. Underlying the creation of the Task Force was the belief that local housing policy is currently designed and implemented in a piecemeal fashion, addressing the regional problem disparately rather than collaboratively. In this report, we refer to this concept as the jurisdictional fragmentation of housing policy. When affordable housing policies are fragmented, misalignment among jurisdictions and sectors leaves capacity on the table, and communities are unable to provide adequate homes for their low- and moderate-income residents. While the RAHTF final report laid out the countywide need and a vision for regional collaboration, it did not entirely explore where jurisdictional fragmentation currently exists.

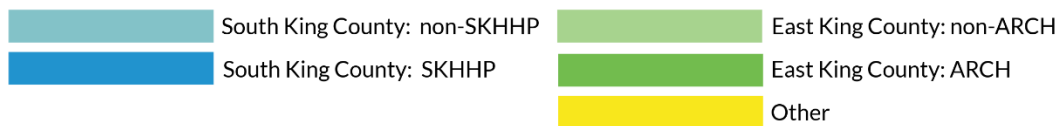
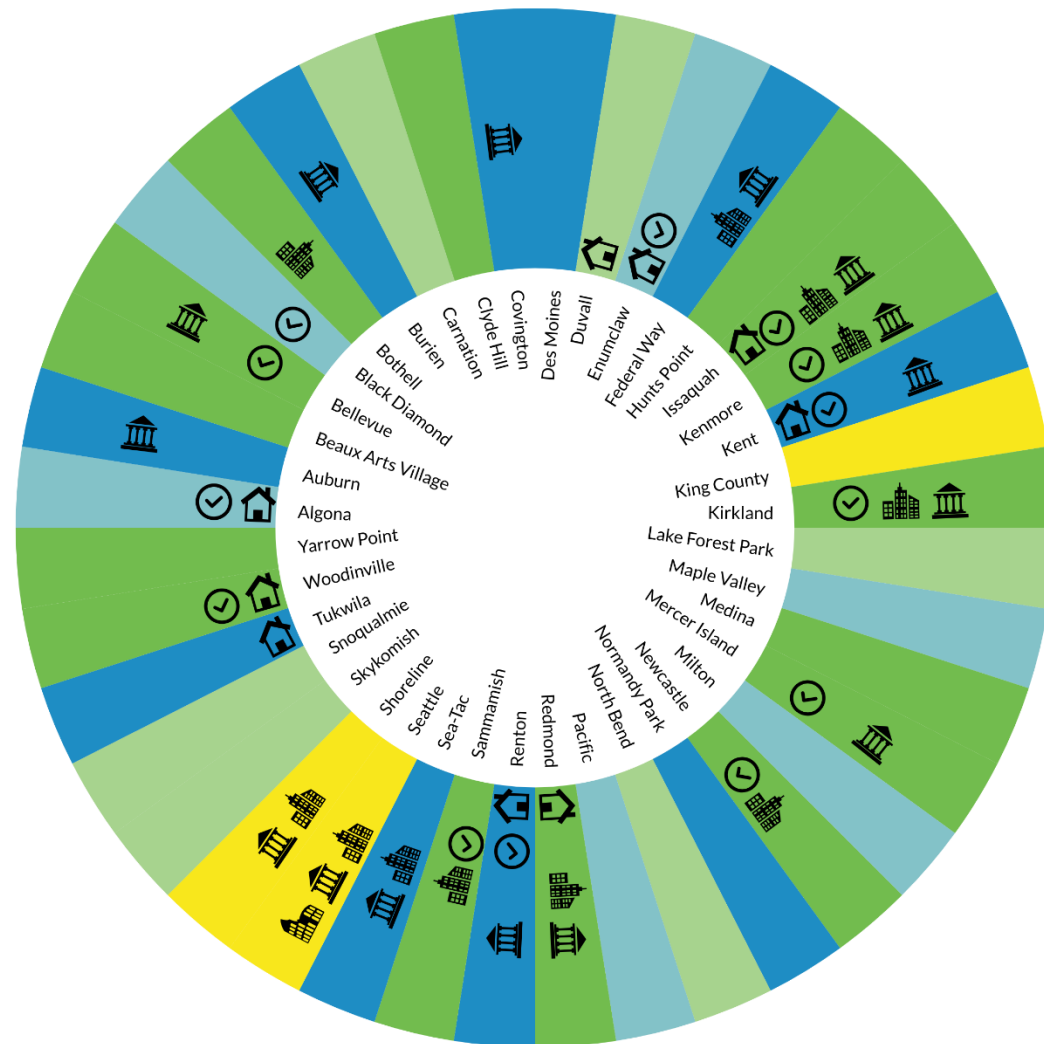
This report explores jurisdictional fragmentation in King County and provides several key findings which help assess the landscape for advocates and policymakers developing a regional strategy. To that end, this report provides a comparison of nine housing policies across local jurisdictions within King County, an analysis of interviews with 22 affordable housing experts, and four case studies of regional collaboration models around the country. This report also provides an additional tool, adapted from research by Hendrick and Shi, for researchers and policymakers to further assess the extent of jurisdictional fragmentation in King County.

## Key Findings

- ❖ Fragmentation around affordable housing in King County exists in five main areas: funding, governance structure, zoning and land use, perception and messaging, and informal relationships.
- ❖ Racial equity is a primary concern, especially in the areas of funding and informal relationships.
- ❖ Factors that contribute to fragmentation include: limited staff capacity, differing priorities across jurisdictions, a lack of enforcement or accountability to meet goals, challenges of political will, cities committing to their “fair share”, economic development vs. affordable housing, and the tension between planning and implementation.
- ❖ City strategies are diverse throughout the county. Among all 39 cities, there are 20 different combinations of affordable housing policies.
- ❖ Some cities do have the exact same affordable housing strategies as each other, but they cluster by sub-region. Further, there is no city in South King County that has the same affordable housing strategy as a city in East King County.
- ❖ More than half of King County cities have three or fewer affordable housing policies. Many of them rely on membership in a sub-regional entity for affordable housing and enact few, if any, other policies.

Together, these findings indicate that affordable housing policy is, to some extent, fragmented in King County. As the Housing Development Consortium engages with cities in the implementation phase of the RAHTF, it should consider what changes will need to be implemented countywide in order to overcome the challenges associated with fragmentation and move toward a more collaborative response.

# Housing Affordability Tools by City



# Chapter 1: Introduction

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## Organizational & Project Background

Founded in 1988, the Housing Development Consortium (HDC) is a nonprofit policy and advocacy association with 180 members throughout King County. Member organizations include nonprofit housing developers, housing authorities, financial institutions, architects, construction contractors, accountants, lawyers, and a variety of other entities working in the affordable housing field in the region. HDC plays several roles, including that of advocate for safe, healthy, and affordable homes for all people, that of broker between sectors, and that of convener of stakeholders to collaboratively meet the housing needs of people with limited incomes throughout King County.

Facing an unprecedented housing crisis, HDC and its membership have been exploring solutions that acknowledge the scale of the problem. King County's population and economic growth has caused a lopsided prosperity that heavily burdens low and middle-income families. Almost 32,000 new households moved to King County between 2013 and 2017, 60% of which earn over \$125,000 per year. At the same time, only about 10,000 new homes were created.<sup>1</sup> The results of this imbalance are clear: 124,000 households spending over half of their income on housing costs, and over 12,000 people experiencing homelessness.<sup>2</sup>

In 2017, the Regional Affordable Housing Task Force (RAHTF) was formed to spur collective, county-wide action. Underlying the creation of the Task Force was the belief that local housing policy is currently designed and implemented in a piecemeal fashion, addressing the problem disparately rather than collaboratively. When affordable housing policies are not coordinated, disconnects among cities and sectors leave capacity on the table and communities are unable to provide adequate homes for their residents. The RAHTF was convened in part to address this problem, hereafter referred to as the jurisdictional fragmentation of housing policy. In January 2019, the RAHTF released their final report following an 18-month process. It laid out seven broad policy goals in addition to quantifying King County's housing need: **244,000 additional affordable homes by 2040.**

The RAHTF reframed the housing crisis in King County as one that is shared across city lines. Indeed, the first of its seven broad policy goals is to develop structures for regional collaboration. This report builds on the work of the RAHTF by diving deeper into the causes and symptoms of jurisdictional fragmentation and asking: **What are the current barriers to regional collaboration that will need to be addressed to provide the additional 244,000 affordable homes for King County households by 2040?**

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<sup>1</sup> Regional Affordable Housing Task Force. (2018). *Final Report and Recommendations* (Rep.)

<sup>2</sup> Ibid.

## Project Description

The goal of this project is to explore and diagnose jurisdictional fragmentation of housing policy in King County. Broadly speaking, we use *fragmentation* to refer to the uncoordinated, siloed and/or redundant delivery of a service. We approach our analysis of fragmentation from two unique angles— a high-level analysis of King County’s policy inventory and an inside perspective from those working in the field.

The following four research questions have guided our work:

- 1) To what extent are local jurisdictions within and including King County fragmented in their approaches to affordable housing solutions?
- 2) What are the reasons that this fragmentation occurs?
- 3) How does fragmentation create barriers to regional collaboration on affordable housing?
- 4) What strategies have other regions around the U.S. proposed or implemented to overcome fragmentation of affordable housing solutions?

To answer these questions, we employed analysis from two broad perspectives. First, we created housing policy inventories of King County jurisdictions to determine the extent to which strategies are aligned and then measured those inventories across a number of metrics. Second, we conducted semi-structured interviews with experienced professionals in local government, nonprofit housing development, and academia, who provided expert opinions on jurisdictional fragmentation, illustrating the day-to-day and political realities of scaling the affordable housing response. Third, we created four case studies of existing regional models that can be used to shape future policy conversations. Finally, we developed a fragmentation assessment tool for use by local governments.

This report is comprised of nine chapters. Chapter 1 introduces the project and lays a case for the following analysis. Chapter 2 provides a brief overview of housing policy at the federal, state, and local levels to provide context for the housing crisis and outline several policy challenges. Chapter 3 reviews the literature on jurisdictional fragmentation and responsive regional approaches. Chapter 4 details the methods, results and analysis of housing policy comparisons across the 39 cities in King County. Chapter 5 outlines the methods, results and analysis of the 22 interviews, from which surfaced more than a dozen important themes. Chapter 6 offers a discussion on the findings from both the policy comparisons and the interviews. Chapter 7 presents case studies of four metro areas, Portland, Minneapolis-St. Paul, New York City, and the Bay Area, all of which have implemented regional initiatives. Chapter 8 posits a fragmentation assessment tool adapted from the fragmentation indices work by Hendrick and Shi (2014)<sup>3</sup>. Lastly, we summarize the report and offer our conclusions.

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<sup>3</sup> Hendrick, R., & Shi, Y. (2015). Macro-Level Determinants of Local Government Interaction: How Metropolitan Regions in the United States Compare. *Urban Affairs Review*, 51(3), 414–438. <https://doi.org/10.1177/1078087414530546>



## **Limitations of this Project**

The scope of this project is limited to descriptive and evaluative research to determine how housing policy is currently developed and implemented, and to what extent collaboration across jurisdictions takes place. This project is not a formal policy analysis; therefore, we make no recommendations about what steps should be taken to combat fragmentation. Future policy analysis is necessary in order to make an informed policy decision on this matter.

The qualitative methods used in this project were designed to solicit candid, open-ended responses from our subjects; as such, because it cannot be standardized or replicated, we are unable to verify statistical significance. However, because interviews were intended to convey expert opinions, we are confident in their contextual validity.

A multitude of affordable housing policies can be found throughout the U.S.; however, HDC requested that we focus on nine in particular. This limits our ability to fully analyze the extent of affordable housing policy implementation in King County. In addition, we used publicly available data to consider likely factors (population, property tax revenue, sub-region, etc.) that may correlate with policy trends; however, further research would benefit from additional metrics by which cities can be assessed.

## Chapter 2: Overview of Affordable Housing Policy

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Affordable housing is broadly comprised of several different policy areas, including land use and zoning, developer incentives and financing tools, residential landlord-tenant regulations, and more. These policy areas also extend into various professional fields, including city and regional planning, finance, law, real estate, public policy and social services. Policy interventions meant to increase the supply of affordable housing typically involve multiple policy areas and affect multiple sectors. For example, housing and transportation policy affect one another in myriad ways, especially in growing metropolitan regions.

Fragmentation often occurs across these sub-categories, which are subject to changing political priorities, unpredictable funding sources, and constant competition for attention. To understand how all these elements interact with each other, it is worthwhile to step back and determine what outcomes affordable housing policy as a whole aims to achieve.

### What is Affordable Housing?

“Affordable housing” is by definition a relative term, referring both to a lower cost of housing in relation to market rates in a given area *and* to the portion of income a household pays toward housing costs. Affordable housing is often equated with low-income or subsidized housing because private market developers typically do not build new housing affordable to people making 80% of the area median income (AMI) or below. This is particularly true for people with 60% AMI or below. While some older market-rate housing can be affordable to people with lower incomes due to the filtering of housing stock over time, the primary way in which housing is made affordable is through government subsidy.

Housing affordability is typically measured by a ratio of one’s housing costs to total income. The standard used by the Department of Housing and Urban Development is roughly 30%, meaning households should spend about a third of their income on housing costs. Those spending more are considered cost-burdened, and may forego spending money on other needs like food, healthcare, and childcare. Cost-burden also prevents low-income households from saving, which can put them at risk of eviction, often a direct cause or precursor to homelessness.

Cost-burden is highly prevalent in the United States; according to the National Low-Income Housing Coalition (NLIHC) 2018 Gap Report, nearly 19.7 million renters earning below 60% AMI are cost-burdened.<sup>4</sup> In Washington State, over half of all renters are cost burdened.<sup>5</sup> Further, 11 million renter households in the U.S. are *severely* cost burdened, meaning they spend more than 50% of their income on rent. Of these, nearly three quarters are extremely low-income, or households

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<sup>4</sup> NLIHC. (2018). *The Gap: A Shortage of Affordable Homes* (Rep.).

<sup>5</sup> Department of Commerce. (2018). *2017 Affordable Housing Update* (Rep.).

making 30% or less of the area median income (AMI).<sup>6</sup> Washington alone has over 234,000 severely cost-burdened households.

Over the last five years, the median income in King County has increased 15 percent from \$89,600 to \$103,400 for a family of four.<sup>7</sup> As a result, rent limits for percentages of AMI have increased as well. Research has shown, however, that for many King County residents the gap between wages and cost of housing is growing; while median inflation-adjusted rents increased by 18% from 2006 to 2015, inflation-adjusted wages increased by just 3%.<sup>8</sup> As of 2018, NLIHC estimates that a Washington renter must earn \$26.87 per hour to afford a market-rate two-bedroom apartment; the average renters wage is \$18.50 per hour.<sup>9</sup>

Affordable housing policy generally aims to ensure that everyone can access and retain a safe, decent, affordable home. Some strategies, like rent control, are impossible in Washington State due to constitutional restrictions.<sup>10</sup> Others, like increasing the earning potential of low and middle-income households, face uphill battles involving many interlocking policies concerning wealth and poverty. The most prevalent approach of late focuses on supply-side strategies, that is, developing a denser, more diverse housing stock in order to drive prices down. While projects that develop market-rate housing are a key part of this strategy, they often fail to serve populations who face barriers to market-rate housing: seniors, those who have experienced homelessness, differently-abled individuals, survivors of many forms of trauma including domestic abuse, and, more and more frequently, people and families who simply cannot afford the high cost of housing.

Affordable housing policies can be quite different at the national, state, and local levels, and in many respects the field has been marked by these differences. Tensions between federal and local involvement, as well as between public and private interventions, have affected the course of affordable housing policy since its inception.

## Federal Disinvestment and the Devolution of Authority

Modern American housing policy is the result of nearly one hundred years of shifting priorities and definitions. Most salient of these shifts regards which level of government oversees housing policy; once directed from the federal level, authority has since moved to the states. Through the late 1970s and 1980s, federal housing policy was mostly consolidated into two programs: Community Development Block Grants (CDBGs) and Section 8 Vouchers. CDBGs allocate federal funds to local jurisdictions for community development and housing projects, while Section 8 vouchers are used by renters to cover the gap between what they can afford in rent and the market rate. President Nixon's "devolution of authority" strategy consolidated seven prior housing programs into these two, with the intent of minimizing the federal role in housing and delegating it to the states instead.

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<sup>6</sup> AMI is the metric used to determine the depth of a housing unit affordability; a unit available to those earning 30% AMI will be cheaper than one available to those earning 80% AMI.

<sup>7</sup> Income and Rent Limits for All Tax Credit and Bond Financed Properties. (n.d.). Retrieved from <http://www.wshfc.org/limits/map.aspx>

<sup>8</sup> Department of Commerce. (2018). *2017 Affordable Housing Update* (Rep.).

<sup>9</sup> Out of Reach: Washington. (2019, March 12). Retrieved from <https://reports.nlihc.org/oor/washington>

<sup>10</sup> United States, Washington State Legislature. (1991). *RCW 35.21.830: Controls on rent for residential structures—Prohibited—Exceptions*. Olympia, WA.

This strategy kicked off a decades-long trend of withdrawing federal responsibility from affordable housing. The two programs remain as pillars of affordable housing today, and there have been no new income-targeted initiatives since.<sup>11</sup>

Meanwhile, the idea of involving the private sector of affordable housing had been gaining traction. Several iterations of public subsidies for private developments had been attempted, only for the models to collapse when revenues ran dry. The solution was the creation of Low-Income Housing Tax Credits (LIHTC), which reduced investors' tax liability in return for funding affordable housing. It quickly rose to prominence as a prime public-private partnership. Since its creation in 1986, LIHTC has built or preserved an estimated 2.3 million units of affordable housing.<sup>12</sup>

LIHTC arrived at the time when the federal government was extracting itself nearly wholesale from most social welfare programs, including housing. Nixon's strategy had evolved into full-blown post-federalism under President Reagan, who was intent on transferring responsibility to the states. Federal housing programs were slashed; households receiving federal housing assistance plummeted 74% by 1988<sup>13</sup>. The Department of Housing and Urban Development's budget was sliced in half. Without federal resources, states found themselves needing to fill the void—if they wanted to continue housing and social programs, they would do so on their own.<sup>14</sup> In the 1990s, federal housing expenditures saw an uptick via programs like HOME and HOPE VI, community investment programs meant to revitalize urban areas. No significant new investments have been made since.

Today, in the wake of the federal retreat, federal housing programs serve only a quarter of all eligible households, with federal housing assistance reaching only one in five eligible households.<sup>15</sup> In Washington State, rental assistance serves only 29% of households paying more than half their income on rent.<sup>16</sup> The rest, an estimated 230,000 households, rely on local programs or receive no assistance at all.

The shift in policy from public to private investment, coupled with the transfer of authority to states and local governments has meant that each jurisdiction is responsible for assessing and addressing its housing needs. In Washington, this is manifested in a complex nebula of policies, funding tools, and authorities interacting and sometimes competing with each other.

## State & Local Housing Policy

The landscape of local housing policy is vast and complicated. The plethora of interacting tools, fund sources, agencies and jurisdictions makes it unlikely that every player will adopt the same strategy. Further, because housing policy itself is not a singular field but a veritable pastiche of them,

<sup>11</sup> Von Hoffman, A. (2012). History lessons for today's housing policy: The politics of low-income housing. *Housing Policy Debate*, 22(3), 321-376.

<sup>12</sup> Urban Institute. (2018). *The Low-Income Housing Tax Credit* (Rep.).

<sup>13</sup> Goetz, E. (1995). Potential Effects of Federal Policy Devolution on Local Housing Expenditures. *Publius*, 25(3), 99-116. Retrieved from <http://www.jstor.org/stable/3330689>

<sup>14</sup> Ibid

<sup>15</sup> NLIHC. (2015). *A Brief Historical Overview of Affordable Rental Housing* (Rep.).

<sup>16</sup> CBPP. (2017). *Washington Fact Sheet: Federal Rental Assistance* (Rep.).

misalignment can occur in a variety of places. Understanding a few especially thorny places, however, can shake loose some common problems in housing provision. The following subsections hone the discussion to individual policy spheres.

## **Planning for Affordable Housing in Washington**

Affordable housing policy is guided by specific planning procedures at all levels of government. Taken as a whole, the planning process dictates how much and what kind of housing can be built and where it should be provided. These procedures direct the course of housing by determining the need, development capacity, strategic goals, and land use policies of the planning area. Each jurisdiction develops its own planning procedure that is meant to inform the plans and policies beneath it. The State's planning protocol (the Growth Management Act) steers the subsequent planning protocols for smaller jurisdictions and bears the standard for what is included within them. Regional plans include long-range projections for population and development growth across multiple jurisdictions, while countywide and comprehensive plans are shorter-term and confined to municipal boundaries. Each protocol is outlined below.

### **The Growth Management Act (GMA)**

Enacted in 1990, the GMA is a series of laws that mandates Washington's fastest-growing cities and counties to undertake long-range planning to manage population growth.<sup>17</sup> To comply with GMA requirements, planning counties—28 in total, out of 39—must develop their own Countywide Planning Policies that then inform individual cities' Comprehensive Plans. The GMA sets forth 14 planning goals that guide counties in their planning procedures, which revolve mostly around managing urban growth and economic development against green space and natural resource preservation. Affordable housing is one of those goals:

*(4) Housing. Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.*<sup>18</sup>

### **Multi-county Planning Policies (MPP)**

MPPs are undertaken by two or more contiguous counties with populations of 450,000 or more. King County participates in a four-county regional plan along with Pierce, Kitsap and Snohomish called VISION, which is overseen by the Puget Sound Regional Council (PSRC). PSRC is a metropolitan planning organization comprised of 80 jurisdictions and is charged with developing and implementing the regional growth strategy. VISION's last iteration, adopted in 2008, projected growth out to 2040. The level of growth experienced, however, far exceeded what was anticipated, prompting PSRC to extend their planning horizon to 2050.

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<sup>17</sup> Ask MRSC. (May 2019). Retrieved from <http://mrsc.org/Home/Explore-Topics/Planning/General-Planning-and-Growth-Management/Comprehensive-Planning-Growth-Management.aspx>

<sup>18</sup> United States, Washington State Legislature. (1990). *RCW 36.70A.020: Planning Goals*. Olympia.



## Countywide Planning Policies (CPP)

CPPs are the planning documents for individual counties. They lay out a framework for the comprehensive plans for cities within the county. King County's CPP was last updated in 2012. Its CPP plan was developed by the Growth Management Planning Council (GMPC), a group of elected officials representing the County, cities and local public authorities.<sup>19</sup> This body is responsible for a countywide vision that comprehensive plans must align with; however, the CPP's authority does not supersede land use policies of individual cities.<sup>20</sup>

## Comprehensive Plans

These plans are developed by individual cities and updated every eight years. Comprehensive plans are composed of "elements" that detail planning goals by subject; housing and land use are two such elements. Out of all the plans, comprehensive plans have the most policy traction. Proposed policy changes that relate to goals in the comprehensive plan must be approved to be aligned with those goals before they are enacted. Housing elements typically outline broad goals and strategies for housing, such as depth of affordability, housing for special populations, and integration of social services. Land use is especially linked to the plans, as zoning changes cannot be made unless they have been coordinated with the future land use map contained in a city's plan. Cities in King County are required to align their comprehensive plans with both the CPP and VISION.

## Housing Goals

The GMA puts forth a regional vision calling for housing to be available for "all economic segments of the population". While this vision generally calls for coordination between jurisdictions on planning and accommodating growth, it is the CPP that articulates the vision and describes how these relationships are formed.<sup>21</sup> Along with this, the King County CPP sets a non-binding affordable housing quota known as the "countywide need". According to the King County CPP, countywide need is defined by the 16-12-12 rule laying out how much housing stock should be available and different income levels, specifically

- a) 16% of housing stock should be affordable to those earning between 50-80% AMI
- b) 12% for those between 30-50% AMI
- c) 12% for those between 0-30% AMI.<sup>22</sup>

Even with tangible benchmarks, **CPPs contains no enforcement mechanism that holds cities accountable to the countywide need.** This is because the county recognizes that not all cities have the resources to supply affordable housing. Moreover, though cities may lack enough housing at one income level, they may meet or surpass housing requirements at others, which can make measuring progress difficult. To address this, CPPs allow cities to state their intention to meet the regional

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<sup>19</sup> Countywide Planning Policies. (n.d.). Retrieved April 27, 2019, from <https://www.kingcounty.gov/depts/executive/performance-strategy-budget/regional-planning/CPPs.aspx>

<sup>20</sup> United States, Washington State Legislature. (1991). *RCW 36.70A.210: Countywide Planning Policies*. Olympia, WA.

<sup>21</sup> United States, Washington State Legislature. (1991). *King County Comprehensive Plan*. Olympia, WA.

<sup>22</sup> Ibid

need. In doing so, cities can “reflect on the current income and housing cost breakdown within their jurisdiction” and “implement policies to preserve and work toward the countywide need”.<sup>23</sup>

## Funding Affordable Housing

In addition to planning, affordable housing is subject to the accessibility of funding. Funding can be used in many ways, but a key concern is providing gap funding to finance LIHTC projects. Affordable housing is notoriously expensive to build, averaging around \$300,000 per unit in Seattle.<sup>24</sup> This pricetag is squarely between those of units elsewhere on the west coast: \$425,000 and \$250,000 per unit in California<sup>25</sup> and Portland, OR<sup>26</sup>, respectively. The national average as of 2016 was \$182,498.<sup>27</sup>

Because projects are financed in the long-run by revenues from rents, income-restricted housing developments typically face revenue shortfalls that threaten the viability of the project. These shortfalls are made up for by “gap funding” sources that bridge the divide between revenues and costs. Gap funding in Washington is primarily provided by various governments. At the state level, the Department of Commerce administers the **Housing Trust Fund (HTF)**, which funds projects serving extremely low-income households and the chronically homeless.<sup>28</sup> The Washington State Housing Finance Commission (WSHFC) oversees the state **LIHTC** allocation. 9% credits, which finance the majority of a project’s costs, are highly competitive in Washington and are reserved for projects serving the lowest income households. 4% credits are less competitive because they finance only about a third of a project’s costs, but are limited by the State’s capacity to bond against them.

More locally, King County manages several targeted funding programs. The **Veterans, Seniors & Human Services Levy** funds housing for the named populations, as does the **Mental Illness & Drug Dependency** program. The **Housing Finance Program** distributes King County’s allocation of federal HOME funds, as well as revenue earned through the **Regional Affordable Housing Program** and the **Document Recording Fee**. The County is also responsible for **TOD bond funds** and the affordable housing portion of the **lodging tax revenue**.<sup>29</sup>

Interlocal agreements have formed two coalitions of King County cities that contribute to sub-regional housing trust funds. **A Regional Coalition for Housing**, known as ARCH, manages the trust fund on behalf of most East King County cities, while the **South King Housing and**

<sup>23</sup> Casey, A., Marshak, A., Rubel, R., & Wang, X. (2016). *Under One Roof: Analysis of City-Level Affordable Housing Commitments and Actions to Meet Housing Needs in King County* (p. 17, Rep.).

<sup>24</sup> Building affordable housing in Seattle isn't cheap. (2018, May 16). Retrieved from <https://www.king5.com/article/news/local/building-affordable-housing-in-seattle-isnt-cheap/281-552498112>

<sup>25</sup> Turner Center for Housing Innovation. (2016). *The Cost of Building Housing*. University of California, Berkeley. Retrieved from <https://turnercenter.berkeley.edu/construction-costs-series>

<sup>26</sup> Redden, J (2018). *Building Affordable Housing in Portland Not So Affordable*. Oregon Public Broadcasting. Retrieved from <https://www.opb.org/news/article/portland-oregon-affordable-housing-costs/>

<sup>27</sup> Barrow, O. (2016). *New Report Finds Reasonable Development Costs in Housing Credit Units Nationwide*. Enterprise Community Partners. Retrieved from: <https://www.enterprisecommunity.org/blog/2018/09/new-report-finds-reasonable-development-costs-in-housing-credit-units>

<sup>28</sup> Washington State Department of Commerce. Housing Trust Fund. Retrieved from: <https://www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/>

<sup>29</sup> King County. (2018). *Housing Finance Program Guidelines* (Rep.). WA.

**Homelessness Partnership** (SKHHP) plays the same role in South King County. Although SKHHP has not yet set up a trust fund, sharing revenue across jurisdictions is a future objective.

The City of Seattle receives its own allocation of federal funds and thus can manage its own housing finance program. The majority is administered through the Office of Housing, which oversees the voter-approved property tax increase known as the **Housing Levy** and the newly-implemented **Mandatory Housing Affordability** program (MHA).<sup>30</sup> MHA is an enhanced inclusionary zoning program which requires market-rate developers to pay a fee if they do not include affordable units in their projects. MHA fees then bolster Seattle's funding supply for fully affordable developments.

## Building & Preserving Affordable Housing

Because federal policy is virtually non-existent and state policy centers planning and funding, local jurisdictions are responsible for developing all other affordable housing policies. These include decisions about what kind of developments are permitted on what kind of land, as well as market tweaks that encourage the kind of development a jurisdiction wants.

### Incentives and Exemptions

Affordable housing, as it currently stands, will never pencil out the way market-rate housing does. Nonprofits and housing authorities, which are mission-driven rather than profit-driven, thus take nearly full authority over affordable housing development. Jurisdictions can facilitate development by exempting nonprofit developers from cost driving regulations. **Expedited permitting** can shorten an 18-month permitting process to around 10 months, while **fee exemptions** relieve builders of extra costs.<sup>31</sup> To supplement the nonprofit housing supply, jurisdictions can also create incentive programs to entice for-profit developers to include affordable housing. Some, like the **Multifamily Tax Exemption** (MFTE) program, can offer tax exemptions in exchange for affordable units.

### Zoning and Land Use

Housing development is contingent upon zoning, which dictates what kind of housing can be built in certain areas. Neighborhoods that are zoned for single-family homes, for example, often preclude any other type of housing including low-impact density like duplexes and rowhouses. Zoning often prevents housing from being built to the capacity that the geography can absorb. **Incentive zoning** relaxes certain zoning codes in exchange for affordable units. Usually, these take the form of a **density bonus**, which trades extra floor space beyond allowed zoning for affordability. Some jurisdictions allow rezones of individual parcels if affordable units will be provided. **Inclusionary zoning** is a similar tactic that requires a percentage of income-restricted units to be included in developments in particular areas. Seattle's MHA program is a compulsory inclusionary zoning policy.

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<sup>30</sup> Office of Housing. (n.d.). Mandatory Housing Affordability (MHA). Retrieved from [https://www.seattle.gov/hala/about/mandatory-housing-affordability-\(mha\)](https://www.seattle.gov/hala/about/mandatory-housing-affordability-(mha))

<sup>31</sup> Casey, A., Marshak, A., Rubel, R., & Wang, X. (2016). *Under One Roof: Analysis of City-Level Affordable Housing Commitments and Actions to Meet Housing Needs in King County* (p. 17, Rep.).

Seattle is additionally the only city in King County that has adopted a **surplus land disposition** ordinance, which allows publicly-owned land to be transferred to nonprofit developers at a drastically reduced price. Some cities, including Federal Way and Issaquah, have recently used a provision in the GMA as a makeshift land use policy, wherein they impose moratoria on new developments to stall growth.

### **Housing Diversity**

An issue at the heart of the region's housing crisis is the prevalence of single-family homes. In Seattle, for example, 75% of residential land is zoned single-family.<sup>32</sup> Housing comes in all shapes and sizes, though, and several cities have explored policies facilitating the creation and preservation of different housing types. Most prominent is the push for allowing flexibility on single-family lots. Relaxing zoning laws to allow for **duplexes, triplexes or townhomes** is a priority, as is allowing **Accessory Dwelling Units (ADUs)**, more commonly known as backyard cottages or mother-in-law suites.<sup>33</sup> Relaxing restrictions on other housing options like mobile homes and recreational vehicles have been floated as well.

### **Existing Partnerships and Collaborations**

No description of the venues where collaboration or fragmentation happen is complete without discussing the existing collaborative entities in King County. The examples below exemplify how stakeholders may capitalize on existing collaborative infrastructure to coordinate policy.

#### **A Regional Coalition for Housing (ARCH)**

ARCH is a voluntary coalition of 15 cities and King County that helps provide affordable housing on the Eastside. Founded in 1993, it was the first regional effort of its kind and has proven to be a sustainable and important player in housing. ARCH's primary role is that of administrator of the Eastside Housing Trust Fund, which is funded by member cities' contributions and federal CDBG allocations. The fund has created over 3,250 units of affordable housing for senior citizens families, and those with disabilities since its founding.<sup>34</sup> ARCH also serves as a convener of government officials, provides educational resources, and conducts community stakeholder engagement. It has long been held as a paragon of collaboration in the Puget Sound region.

#### **South King Housing and Homelessness Partnership (SKHHP)**

As ARCH has proven to be a successful model, in 2019 SKHHP was created to replicate it in South King County. The fledgling interlocal organization includes nine cities and King County, and intends to create its own housing trust fund. The partnership aims to stem the rapidly rising rents—the

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<sup>32</sup> Rosenberg, M. (2018). "Seattle's housing crunch could be eased by changes to single-family zoning, city report says". The Seattle Times. Retrieved from <https://www.seattletimes.com/business/real-estate/city-report-widespread-single-family-zoning-is-damaging-seattle-and-needs-changing/>

<sup>33</sup> Cohen, J. (2019, May 16). New law pushes WA cities toward denser housing. Retrieved from <https://crosscut.com/2019/05/new-law-pushes-wa-cities-toward-denser-housing>

<sup>34</sup> A Regional Coalition for Housing. (n.d.). Retrieved from <http://www.archhousing.org/about-arch/index.html>

fastest-growing in the County<sup>35</sup>—and address the poverty that is defining the experience of people displaced to suburban cities.

### **King County Consortium**

The Consortium is the administrator of federal funds the County and cities receive. It manages allocations of federal CDBG and HOME funds on behalf of and in partnership with participating cities. 29 cities partner with King County for both CDBG and HOME, meaning they collaboratively agree to apportion both pots of funds at a regional and sub-regional level. These cities do not receive their own federal allocations. Five cities are designated Joint Agreement jurisdictions; they qualify for their own allocation but have chosen to remain in the Consortium. They receive their own portions of CDBG funds while contributing a portion to the regional and sub-regional programs. The remaining four cities are “participating jurisdictions”, which receive and retain their own CDBG funds but partner with the Consortium for HOME funds.

### **Homelessness Consolidation Plan**

Homelessness services are currently provided in King County by three major agencies: King County, City of Seattle, and All Home. All Home is the region’s County Continuum of Care, a federal initiative linked to McKinney grant funds. In efforts to streamline the delivery system, leaders of the three agencies announced that all homelessness programs would be consolidated into a joint entity.<sup>36</sup> Prioritized in the plan is creating a delivery-wide theory of change to ensure the integration of these agencies results in methodological and ideological uniformity. As of early 2019, Seattle Mayor Jenny Durkan and King County Executive Dow Constantine had endorsed the consolidation and given recommendations to the Seattle City Council to review.

### **Puget Sound Regional Council (PSRC)**

As discussed above, PSRC is the metropolitan planning organization charged with overseeing the planning processes of four Puget Sound counties. Several subgroups manage different elements of planning; elected officials from all member jurisdictions compose the General Assembly, while stakeholders from other sectors join to form multisectoral boards overseeing growth management, transportation, and economic development. Together, member jurisdictions guide the vision and growth of the region. As of Spring 2019, PSRC is drafting an updated MPP, the aptly named VISION 2050, to direct regional growth management policy.

### **Sound Cities Association (SCA)**

SCA is a membership organization that represents all King County jurisdictions except Seattle. Its goal is to provide regional leadership on behalf of its member cities. SCA representatives staff some PSRC boards and collaborate on some growth planning, but SCA does not lead its own planning process. Rather, its various boards and committees advise the County on programs like All Home,

<sup>35</sup> South King Housing and Homelessness Partners. (n.d.). Retrieved from <https://www.housingconsortium.org/skhhp/>

<sup>36</sup> A new path forward: moving towards a regional structure and approach to tackle homelessness. (n.d.). Retrieved from <https://www.kingcounty.gov/elected/executive/constantine/news/release/2018/December/19-governance-homeless.aspx>



Vets and Human Services, flood control, regional transit, and more. Members of SCA also sit on the Growth Management Policy Council.

## King County Demographics and Context

King County has nearly 2.2 million residents with two million scattered throughout its 39 cities and towns and the remaining living in unincorporated areas. Among the Puget Sound counties of King, Kitsap, Snohomish, and Pierce, King County currently holds more than half of its four million residents. PSRC reports that the Puget Sound will grow by an additional 1.8 million residents by 2050 bringing the total to six million, with current forecasts projecting King County to grow to over three million residents in 30 years.<sup>37</sup> Seattle, the largest city in the county, is home to 730,000 residents and has played a significant role in attracting newcomers to the region through its robust private sector industries.<sup>38</sup>

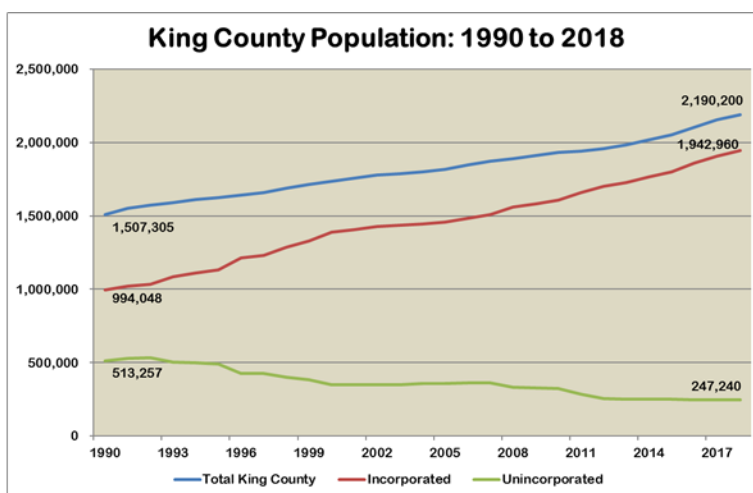


Figure 1: King County Population Growth, 1990 - 2018

Yet, as the economy continues to attract newcomers to the region, the growing pains are evident. The region's housing prices have risen dramatically over the last few years; between 2012 and 2017, the median home price increased 53% while average rents increased 43%.<sup>39</sup> As a result, low-income families struggle to keep pace with the rapid growth in housing prices indicated by the growing number of cost burdened households in the region.<sup>40</sup>

## Sub-regional Differences

King County's population is diverse and includes a variety of ethnicities, household incomes, and housing needs. The Office of Economic and Financial Analysis says that King County is becoming

<sup>37</sup> PSRC. (2019, February 26). Region planning for 1.8 million more people by 2050. Retrieved from <https://www.psrc.org/whats-happening/blog/region-planning-18-million-more-people-2050>

<sup>38</sup> Regional Affordable Housing Task Force. (2018). Final Report and Recommendations (Rep.)

<sup>39</sup> Ibid.

<sup>40</sup> Income level - Low Income Public Housing. (n.d.). Retrieved from <https://www.seattlehousing.org/housing/sha-housing/eligibility/income-level-low-income-public-housing>

increasingly racially and ethnically diverse<sup>41</sup>, but much of this is concentrated in specific areas around the county bringing to light the differences among the sub-regions.

The county is often referenced in terms of its North, South, and East King County sub-regions. These areas have socioeconomic conditions that make their affordable housing priorities unique from one another.

South King County cities are more likely to have higher rates of poverty, lower household incomes, a greater diversity of races, and larger amounts of rent-burdened households relative to the county average. Due to relatively cheaper rents, many South King County cities have contributed more towards the countywide need than other sub-regions especially for low- and moderate-income households.<sup>42</sup> Based solely on LIHTC units built alone, South King County has generated 6,136 of affordable units and East King County 1,332 since 2010.<sup>43</sup>

North and East King county cities tend to have lower rates of poverty, higher household incomes, fewer rental housing stock, and more homogenous communities. In contrast to their neighbors in the south, North and East King County cities also have the lowest rate of cost-burdened household on average than the rest of King County.<sup>44</sup>

These sub-regional socioeconomic differences create challenges for collaborative efforts outside of the existing partnerships of ARCH and SKHHP, which recruit cities by membership within existing sub-region.

### **Putting it All Together**

Based solely on the number of entities and policies being utilized to provide affordable housing, the King County landscape suggests a level of fragmentation, which we will analyze further in this report. With at least six entities focused on affordable housing collaboration, 39 cities, and countless nonprofits, developers, and community groups, misalignment may to some extent be inevitable. As federal resources have dwindled and state resources are insufficient alone, local governments are left to reckon with an utter shortage of affordable housing and inadequate resources and political will to tackle the issue on their own. Having reframed the housing crisis on a regional scale, the RAHTF is moving forward with a regional strategy. The effect of jurisdictional fragmentation in funding, governance, politics, policies, and other areas, however, may prove frustrating if not addressed.

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<sup>41</sup> OEFA. (n.d.). Demographic Trends of King County. Retrieved from [https://www.kingcounty.gov/independent/forecasting/King County Economic Indicators/Demographics.aspx](https://www.kingcounty.gov/independent/forecasting/King%20County%20Economic%20Indicators/Demographics.aspx)

<sup>42</sup> Casey, A., Marshak, A., Rubel, R., & Wang, X. (2016). *Under One Roof: Analysis of City-Level Affordable Housing Commitments and Actions to Meet Housing Needs in King County* (p. 17, Rep.).

<sup>43</sup> WSHFC. (2018). [Tax Credit Properties by City]. Unpublished raw data.

<sup>44</sup> Casey, A., Marshak, A., Rubel, R., & Wang, X. (2016). *Under One Roof: Analysis of City-Level Affordable Housing Commitments and Actions to Meet Housing Needs in King County* (p. 17, Rep.).

## Chapter 3: Fragmentation and Regionalism

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This report uses the terms *fragmentation*, *collaboration*, and *regional/regionalism* often. This section defines each term as it is used in the analysis, drawing on academic work to inform these definitions.

Broadly speaking, we use fragmentation to refer to the uncoordinated, siloed and/or redundant delivery of a service. Regionalism is posited as a response to fragmentation and refers to approaches that use collective action and resources as opposed to individualized ones. While it is possible for collaboration and fragmentation to co-occur, policies promoting collaboration and coordination between cities can buffer against negative effects of fragmentation.

Regionalism is historically tied to interjurisdictional collaboration and arose as a response to cities' lack of coordination in the delivery of services. Regionalism covers a wide spectrum of ideas and activities, but is often used by urban planners as a catch-all phrase that includes regional collaborative frameworks. These frameworks can exist both within the structures of the policies themselves and in the entities that implement policies. Regional frameworks are designed to enhance interjurisdictional cooperation in metropolitan areas through planning, advocacy, incentives, and sometimes enforcement efforts.

### What is Fragmentation?

Hendrick and Shi (2015) describe the phenomenon in two dimensions, horizontal and vertical. Horizontal fragmentation occurs when there are many local governments within a region, while vertical fragmentation occurs when local governments overlap. "Overlapping" government services cause inefficiencies owing to repeated, inessential functions of government bodies. Often, these overlapping functions manifest as governmental organizations and/or infrastructures that serve the same groups or administer similar services.<sup>45</sup>

Along with functional overlaps, fragmentation can be a result of the "proliferation of incorporated communities, the existence and proliferation of special districts and authorities, and the extension of cross-state boundaries in certain metro area" (Dolan, 1990).<sup>46</sup> The proliferation of communities within a region can result in the oversaturation of governments that each seek to benefit their interests, often at the expense of regional needs.

### Why is Fragmentation a Problem?

Urban scholars generally agree that jurisdictional fragmentation hinders regional collaboration and decreases government efficiency. Fragmentation makes regions worse off due to coordination

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<sup>45</sup> Hendrick, R., & Shi, Y. (2015). Macro-Level Determinants of Local Government Interaction: How Metropolitan Regions in the United States Compare. *Urban Affairs Review*, 51(3), 414–438.

<sup>46</sup> Dolan, D. A. (1990). *Local Government Fragmentation: Does it Drive Up the Cost of Government?* (p. 29, Rep.).

failures between governing entities and their surroundings: “No local jurisdiction is required to look at the effects of its actions on other jurisdictions. Few suburbs are willing to alter land use, housing, and school arrangements when such alterations impose new costs on existing residents.”<sup>47</sup> Inflexible suburbs exhibit the problem of “suburban autonomy”, a concept rooted in the desire for self-determination but resulting in a withdrawal from regional issues. Ross and Levine (1996) cite a long list of problems caused by the two-fold dilemma of suburban autonomy and metropolitan fragmentation:

- 1) *Racial imbalance in the metropolis*, 2) *Income and resource imbalance in the metropolis*, 3) *The protection of privilege*, 4) *Increased business power (over workers’ rights)*, 5) *The impacts of suburbs on central cities*, 6) *Problems of housing affordability and homelessness*, 7) *The lack of rational land use planning*, 8) *and Problems in service provision*. ( pg. 29 )

Confirming this problem, Hendrick and Shi (2015) provide evidence that fragmented regions are likely to be more racially segregated. Fragmentation is associated with racial inequality and population sorting, a term which describes a tendency for communities to divide into similar sub-groups like class and race. Further, more affluent communities tend to isolate themselves from other groups and request services that cater to their own needs.<sup>48</sup>

Renn (2015) also argues that fragmentation can indirectly proliferate racial inequity. He cites the City of Ferguson as an example:

*There are 90 separate cities and towns in St Louis County alone, which has created a landscape of small, cash-strapped cities pulling on tiny tax bases to finance their governments. The US Justice Department has specifically accused Ferguson of using its police department as a revenue-raising arm...as such it could be argued that municipal fragmentation played a role in creating the conditions that produced police-community tensions in Ferguson. (Renn, 2015).*

Renn (2015) highlights another issue resulting from regional fragmentation: jurisdictional competition for necessary funding. In St. Louis County, where the proliferation of jurisdictions is well-documented, local governments are forced to devise creative means to raise revenue like through traffic stops and petty property violations (Frericks, 2005).<sup>49</sup> This often results in low-income and people of color shouldering much of the burden to sustain localities as was the case in Ferguson. This trend may continue to exacerbate current conditions as increasingly desperate jurisdictions acquire funding through creative means.

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<sup>47</sup> Ross, B. H., & Levine, M. A. (2006). *Urban politics: Power in metropolitan America*. Belmont, CA: Thomson/Wadsworth.

<sup>48</sup> Florida, R. (2015, April 28). Rise of the Fragmented City. Retrieved from <https://www.citylab.com/equity/2015/04/rise-of-the-fragmented-city/391556/>

<sup>49</sup> Jennifer Frericks, A Regional Government for Fragmented St. Louis: Even the “Favored Quarter” Would Benefit, 83 Wash. U. L. Q. 361 (2005).

Finally, the quality of government is often reflected in its economic health. A case can be made that reducing regional fragmentation boosts economic activity. According to a recent report by the Organization for Economic Cooperation and Development (OECD), doubling the number of governmental bodies decreases overall productivity by 6%, controlling for regions with equal populations.<sup>50</sup> This decreasing efficiency is due to many of the issues mentioned by Hendrick and Shi, particularly service overlaps. In delivering its recommendations, the OECD says that this effect is reduced by nearly half with the establishment of a regional coordinating body. This body's purpose would be to create and implement growth management strategies at the regional level.

## What are Responses to Fragmentation?

Regionalist policies have gained traction in the last few decades as a response to fragmentation. Regionalism describes a wide spectrum of activities including governmental consolidation, jurisdictional collaboration, and regional planning and policy implementation within a given region. Regions are typically defined as an area greater than the size of a locality, often a city and its surrounding area. HDC, for example, defines the region as King County while PSRC broadens the scope to include four counties: King, Kitsap, Pierce and Snohomish. Different geographic scopes notwithstanding, concerns and policy focuses of regional entities remain generally consistent.

Katz and Bernstein (1998) note that regionalism attempts to solve problems that local jurisdictions either fail to recognize or do not have the capacity to solve.<sup>51</sup> Local jurisdictions are typically focused on their internal needs and relationships with their immediate neighbors, whereas a regional approach sees a locality as one piece in the larger puzzle. Traditionally, this has played out in the noted disconnect between urban centers and the surrounding natural environment. This concept is typified by urban sprawl which proliferates traffic congestion and automobile pollution. Determining the right balance between nature and urban centers is a reoccurring theme observed throughout texts on regional decision-making.

Regionalists also argue that the separation of urban and surrounding rural areas gives rise to growing racial inequities. Basolo and Hastings (2003) describe how demographic shifts over the last decades have concentrated poverty in urban centers while affluent and predominantly white households reside in the suburbs. While there is evidence that this pattern is reversing (Westcott, 2014)<sup>52</sup>, the segregation between the two areas persists.

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<sup>50</sup> OECD (2015), *The Metropolitan Century: Understanding Urbanisation and its Consequences*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264228733-en>.

<sup>51</sup> Katz, Bruce, and Scott Bernstein. "The New Metropolitan Agenda: Connecting Cities & Suburbs." *The Brookings Review*, vol. 16, no. 4, 1998, pp. 4–7. JSTOR, [www.jstor.org/stable/20080807](http://www.jstor.org/stable/20080807).

I believe the authors name is Bruce Katz. Is this the correct publication.

<sup>52</sup> Basolo, V. and Hastings, D. (2003), Obstacles to Regional Housing Solutions: A Comparison of Four Metropolitan Areas. *Journal of Urban Affairs*, 25: 449-472. doi:10.1111/1467-9906.00172



Between 1940-1970, regional policy-making became the “favored remedy” in the United States for dealing with urban growth and the increasingly visible social problems evident during this time.<sup>53</sup> Metropolitan Planning Organizations (MPOs) begin to appear due to laws requiring their pre-approval for grants on federal development projects. MPOs are federally mandated agencies created to implement regional transportation planning; PSRC is the MPO for King County.

The number of MPOs continued to grow into the 1970s due to federally subsidized incentives for developers and a series of environmental laws passed that expanded their roles.<sup>54</sup> With the enactment of the Intermodal Surface Transportation Efficiency Act (ISTEA) in 1991, MPOs were at their peak and given greater power. For example, instead of devolving authority to local governments, the ISTEA gave MPOs authority over transportation programs and their implementation.

The 1990s gave rise to what Basolo dubs “new regionalism”. New regionalism prioritizes collaboration between public, private, and nonprofit entities and focuses on strategies for regional governance and coordination.<sup>55</sup> This was not a new direction for regionalism; it simply emphasized that harmonizing urban center with hinterland required jurisdictions to speak to one another. In Basolo’s words, “new regionalism has not displaced the central position of planning in regional discussions. Instead, it emphasizes a process of cooperation that could facilitate regional planning.” This spirit of cooperation, while still adhering to its ideals of reducing inequities through stewardship of the environment, defines much of where modern regionalism is today.

While regionalism plays out mostly in planning, collaborative governance structures to implement housing policies are much less common. We look at several models for regional collaboration in Chapter 7. As for fragmentation, we use two methods to diagnose and assess the issue in King County: policy comparisons across cities and interviews with affordable housing professionals. We believe these research methods provide a holistic analysis of the problem; however, we provide an additional tool that can be used for future research in diagnosing jurisdictional fragmentation in the region.

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<https://www.theatlantic.com/national/archive/2014/03/more-americans-moving-to-cities-reversing-the-suburban-exodus/359714/>

<sup>53</sup> Mitchell-Weaver, C., Miller, D., & Deal, R., Jr. (2000). *Multilevel Governance and Metropolitan Regionalism in the USA* (p. 854, Rep.).

<sup>54</sup> Basolo, V. and Hastings, D. (2003), Obstacles to Regional Housing Solutions: A Comparison of Four Metropolitan Areas. *Journal of Urban Affairs*, 25: 449-472. doi:10.1111/1467-9906.00172

<sup>55</sup> Ibid.

## Chapter 4: Policy Comparisons Across Jurisdictions

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This report attempts to assess the extent of jurisdictional fragmentation in King County as it relates to affordable housing strategy. The methods in this report include two forms of analysis. First, we compared cities to one another to determine whether they are enacting similar policies. Second, we conducted semi-structured interviews to gather expert opinions on interjurisdictional fragmentation and collaboration in King County. Thus, the analysis demonstrates findings from two unique angles—a high-level analysis of King County’s policy inventory and an inside perspective of those working in the field. This chapter outlines the first analysis.

### Research Methods

In this section we address our research questions from a policy perspective. This analysis compares the policies implemented by each King County city to those of other cities to determine how aligned local jurisdictions are regarding affordable housing planning and policy. First, we identified nine prevalent housing policies and, with the help of HDC, ARCH, and King County staff, determined which cities have implemented specific policies in those areas. For the purposes of this report, we consider each city’s combination of enacted policies to be its *affordable housing strategy*.

Recognizing that there are many affordable housing policies employed throughout the U.S., the following nine policies were chosen for a number of reasons: 1) They are all currently constitutional in Washington and are being implemented in some King County jurisdictions. 2) They all relate primarily to the development of affordable housing. 3) Most of these policies were previously inventoried in the *Under One Roof* report and could, therefore, relatively easily be verified and updated. A definition and examples of each policy are included in the Results & Analysis.

- Multi-family tax exemption (MFTE)
- Density bonus
- Developer requirement exemptions or reductions
- Impact fees
- Inclusionary zoning
- Incentive zoning
- Housing diversity in single-family zoning
- Local housing levy or contribution to regional housing trust fund
- Membership in an inter-local agreement (ILA)

The policies were used to compare cities across a spectrum of different metrics, with the intent of identifying discernable patterns in policy adoption. For example, we were interested to know if the adoption of any given policy is more likely in cities with large populations versus smaller populations. The metrics we used include:

- Population size (2019)<sup>56</sup>
- Sub-region
- Form of government<sup>57</sup>
- CDBG entitlement eligibility
- King County Consortium membership
- Estimated percent of single-family households<sup>58\*</sup>
- Property tax revenue (2018)<sup>59</sup>
- Number of Low-Income Housing Tax Credit (LIHTC) units built since 2010<sup>60</sup>

\*Note: This data does not necessarily equate to the percent of land zoned for single-family homes. However, we are using percent of households in single-family homes (taken from ACS data) to roughly approximate single-family zoning.

## Data Sources

In large part, we relied on primary sources from within King County government. Staff at the Department of Community and Human Services and ARCH were instrumental in collecting data that had previously eluded us, particularly the policies enacted in each city. The Washington State Housing Finance Commission provided raw data on the number of 9% and 4% LIHTC units built by each city since 2010. Additionally, we utilized raw data from the 2010 Census, American Community Survey, WA Dept. of Revenue, and HUD. We consulted various reports to corroborate our primary sources, including the Regional Affordable Housing Task Force recommendations, a 2019 National League of Cities report, and The National Low-Income Housing Alliance's Out of Reach report.

## Results & Analysis

The goal of this analysis is to determine how similar or different cities' policies are from one another throughout the county, and to identify some factors that are associated with these similarities and differences. Appendix A shows the full policy implementation matrix by each measure.

## Key Findings

- ❖ There are 20 different unique affordable housing strategies among all 39 King County cities.

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<sup>56</sup> Population of Washington Cities (2019). (n.d.). Retrieved May 20, 2019, from <http://worldpopulationreview.com/states/washington-population/cities/>

<sup>57</sup> City and Town Forms of Government. (2018, November 28). Retrieved May 20, 2019, from <http://mrsc.org/Home/Explore-Topics/Legal/General-Government/City-and-Town-Forms-of-Government.aspx>

<sup>58</sup> American Community Survey (2015) PolicyMap. (May 2019)

<sup>59</sup> Local Property Tax Levy Detail for All Counties for Taxes Due in 2018. WA Dept. of Revenue, accessed from: <https://dor.wa.gov/about/statistics-reports/local-taxing-district-levy-detail>

<sup>60</sup> WSHFC. (2018). [Tax Credit Properties by City]. Unpublished raw data.

- ❖ Some cities do have the exact same makeup of policies. These cities tend to be found in the same sub-region.
- ❖ There is no city in South King County that has the same affordable housing strategy as a city in East King County.
- ❖ The presence of some specific policies varies by region. For example, both incentive zoning and housing diversity in single-family zones are found nowhere in South King County, but are prevalent in East King County.
- ❖ Many cities have not prioritized affordable housing policies.
  - More than one-sixth (7 of 39) of King County cities have zero policies that promote affordable housing.
  - More than half of King County cities have three or fewer affordable housing policies. Many of them rely on membership in a sub-regional entity for affordable housing and enact few, if any, other policies.
- ❖ On average, cities had the most robust packages of affordable housing policies when their populations were over 15,000. Cities with populations between 50k and 100k had the highest number of policies on average.
- ❖ In both South King County and East King County, the cities with the most housing policies are members of SKHHP or ARCH.
- ❖ Cities bringing in less than \$1 million in property tax revenue have almost no affordable housing policies, with the exception of housing diversity in single-family zones. On average, the more funding cities bring in, the more affordable housing policies they have.
- ❖ The cities with the most affordable housing policies are primarily Council-Manager government types. In contrast, rural cities with Mayor-Council governments tend to have very few affordable housing policies.
- ❖ Across cities, as the share of single-family residents goes down (as density increases), the average number of affordable housing policies adopted by cities goes up.





## Which Policies Have Cities Enacted?

When compared against each other, it becomes clear that there is not one single and consistent approach to affordable housing strategy. The preceding graphic shows the implementation of five policies by city, though for the full analysis we used nine.

| NUMBER OF POLICIES BY CITY   |
|--|
| Overall, we used a total of nine policies to compare cities against one another.   |
| None of the cities had all nine, but three cities had eight of them, and three more had seven of them. All of the top six cities with the highest number of policies are members of ARCH.  |
| The median number of policies among all cities is three, and the mean is 3.56. These are both skewed by the fact that there are six cities with zero policies at all. The mode, however, is five, which illustrates the most common number of affordable housing policies. |
| There are six different cities with zero affordable housing policies.  |
| There are 21 different cities (more than half) with three or fewer affordable housing policies.  |

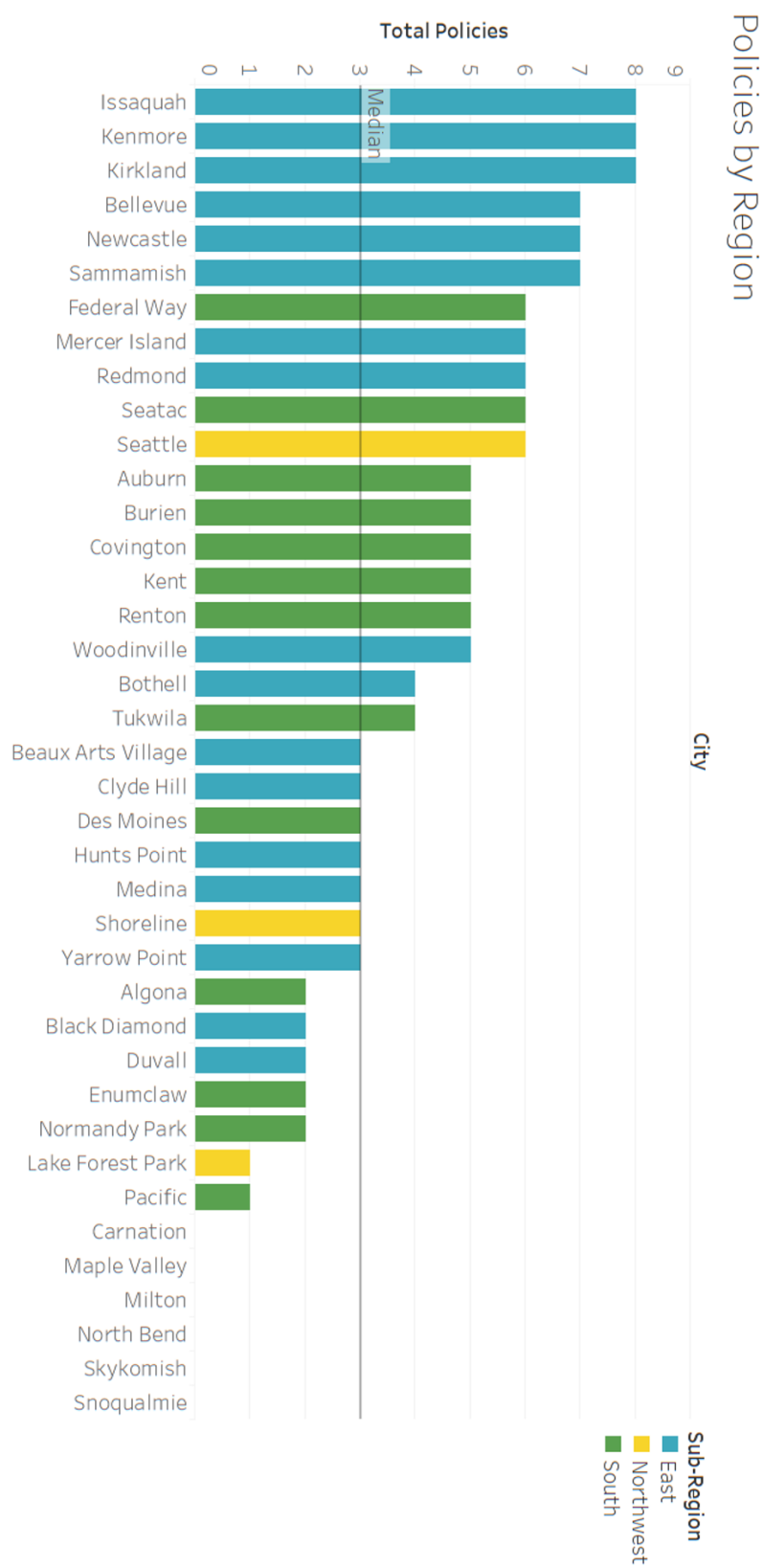


Figure 3: Number of Policies Adopted by Each City, by Sub-Region

### WHICH CITIES HAVE THE SAME POLICIES

There are 20 different combinations of affordable housing policy packages among all 39 cities.

Some cities do have the exact same makeup of policies, and they tend to cluster by sub-region

- Kirkland, Issaquah, Kenmore (3)
- Seatac, Federal Way (2)
- Kent, Renton (2)
- Newcastle, Sammamish (2)
- Auburn, Burien, Covington (3)
- Enumclaw, Black Diamond, Algona (3)
- Medina, Clyde Hill, Yarrow Point, Hunts Point, Beaux Arts Village (5)



Figure 4: Alignment of Policies Across Jurisdictions

Below are findings that show seven factors that we use to analyze policy trends throughout the county. These include geographic sub-region, population, single-family makeup, property tax revenue, CDBG entitlement status, number of affordable housing units built using the LIHTC, and the form of government (Mayor-Council or Council-Manager). These factors are meant to respond to some of the themes that our interviewees identified.

| POLICY TRENDS BY SUB-REGION   |
|---|
| There are no cities in South King County that have the exact policy makeup as cities in East King County.   |
| Cities with no affordable housing policies in place do not tend to fall into one region or another; they are fairly evenly spread out.  |
| In East King County, the most prolific cities tend to enact everything but density bonuses, and in particular they almost always couple incentive zoning and/or inclusionary zoning with developer reductions/exemptions. |
| In South King County, the most prolific cities couple MFTE with density bonuses, as well as impact fees with inclusionary zoning.   |
| In South King County, neither inclusionary zoning nor incentive zoning are adopted alongside developer reductions/exemptions, whereas in East King County, they often tend to be found together.                          |
| In South King County, the least prolific tend to couple developer reductions/exemptions with impact fees, if any policies at all.   |
| In East King County, the least prolific cities tend to only have housing diversity in single-family zoning.   |
| In both South King County and East King County, the cities with the most housing policies are members of SKHHP and ARCH.  |

| City               | Sub-Region | MFE | Density Bonus | Developer Requirement Exemptions / Reductions | Impact Fees | Inclusionary Zoning | Incentive Zoning | Housing Diversity in SF Zones | Surplus Land Disposition | Local Levy or Trust Fund | Participation in LA |
|--------------------|------------|-----|---------------|---|-------------|---------------------|------------------|-------------------------------|--------------------------|--------------------------|---------------------|
| Beaux Arts Village | East       |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Bellevue           |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Bothell            |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Carnation          |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Clyde Hill         |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Duvall             |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Hunts Point        |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Issaquah           |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Kenmore            |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Kirkland           |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Medina             |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Mercer Island      |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Newcastle          |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| North Bend         |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Redmond            |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Sammamish          |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Skykomish          |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Snoqualmie         |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Woodinville        |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Yarrow Point       |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Lake Forest Park   | Northwest  |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Seattle            |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Shoreline          |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Algona             | South      |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Auburn             |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Black Diamond      |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Burien             |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Covington          |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Des Moines         |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Enumclaw           |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Federal Way        |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Kent               |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Maple Valley       |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Milton             |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Normandy Park      |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Pacific            |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Renton             |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Seatac             |            |     |               |   |             |                     |                  |                               |                          |                          |                     |
| Tukwila            |            |     |               |   |             |                     |                  |                               |                          |                          |                     |

Figure 5: Policies by Sub-Region

### POLICY TRENDS BY POPULATION

Cities, on average, had the most robust packages of affordable housing policies when their populations were over 15,000. Between 50k and 100k had the highest median number of policies.

Small cities with populations under 15,000 tend to not have density bonus, inclusionary zoning, or incentive zoning programs. This is true across regions.

Medium to large cities (over 15,000) are far more likely to have MFTE and density bonus programs than smaller cities. Note: cities under 15,000 are precluded by state law from implementing MFTE programs.

Medium-size cities between 15,000 and 100,000 people tend to have impact fees more frequently than small or large cities.

### POLICY TRENDS BY FUNDING

Cities bringing in less than \$1 million in property tax revenue have almost no affordable housing policies with the exception of housing diversity in single-family zones.

The more property tax revenue cities bring in, the more affordable housing policies they have.

- Cities with under \$1 million in property tax revenue: median number of policies is 2
- Cities with \$1-10 million in property tax revenue: median number of policies is 3
- Cities with \$10-20 million in property tax revenue: median number of policies is 5
- Cities with over \$20 million in property tax revenue: median number of policies is 6.5

All but one of the CDBG entitlements cities (Shoreline) has five or more policies in place.

### POLICY TRENDS BY PERCENT OF SINGLE-FAMILY RESIDENTS

12 out of 14 cities with 80% or more single-family residents had three or fewer affordable housing policies in place. This indicates that high numbers of single-family zones may correlate with fewer affordable housing policies.

As the number of single-family households goes down, the average number of policies adopted by cities increases.

Of the cities that have 90% or more single-family households, those with larger populations tend to have more affordable housing policies.

- Several of the small East King County cities outside of Bellevue have very large numbers of single-family residents, yet have few affordable housing policies.

### POLICY TRENDS BY NUMBER OF AFFORDABLE HOUSING UNITS

When cities have no affordable housing units, the median number of policies is two. In cities that have built affordable housing units, the mean hovers between 4.7 and 5.7 and the median is five for all cities.

More than two-thirds of cities that have no affordable housing policies in place have also built zero LIHTC units.

- This indicates that having at least some housing policies may be correlated with building more affordable units via LIHTC.
- There may also be some correlation with increasing the number of housing policies and the number of affordable units produced.

The seven cities with more than 500 LIHTC units all have at least five housing policies in place.

The cities with the highest number of housing policies (8) have all built between one and 500 LIHTC units. However, there are also cities with no housing policies that have built more units than some cities with eight policies, and there are two cities with seven policies that have built zero affordable housing units.

South King County cities have built 6,136 affordable homes using LIHTC, while East King County cities have built just 1,322. Seattle alone has built nearly 8,000.



### Number of LIHTC Units Since 2010 by City

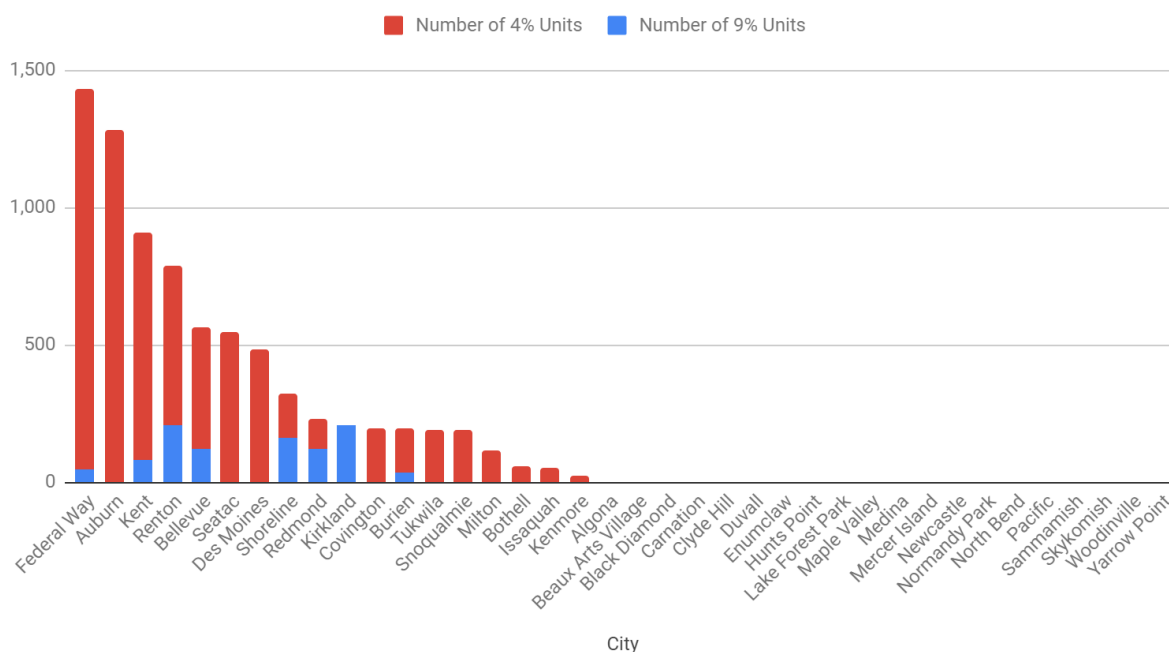


Figure 6: Number of LIHTC Units Since 2010 by City

### POLICY TRENDS BY FORM OF GOVERNMENT

Even though the majority of cities (22 of 39) have a Mayor-Council form of government, the cities with the most affordable housing policies are primarily Council-Manager government types.

- 86% of cities with seven or more policies are Council-Manager.
- 70% of cities with six or more policies are Council-Manager.
- 59% of cities with five or more policies are Council-Manager.
- 70% of cities with three or fewer policies are Mayor-Council.

Mayor-Council governments with very few policies also tend to be rural cities.

Council-Manager governments with very few policies tend to be suburban cities.

## What Are the Trends Related to Each Policy?

The below section looks more closely at each policy, including trends across the seven analysis factors used above and differences in specific program design across jurisdictions.

### MFTE

There are 15 cities in King County that have implemented a local multi-family tax exemption program. While the basic mechanisms are roughly the same, local MFTE programs are not identical across jurisdictions. Washington State permits local governments to establish MFTE programs with or without affordability requirements, and there is some flexibility in the percentage of affordable units that must be set aside<sup>61</sup>. Often, cities will also limit MFTE programs to specific geographic areas within the city, such as urban cores. For example, Auburn has implemented an option for a multi-family property tax exemption of eight years for new multi-family or rehabilitated housing units constructed downtown, as well as a 12-year tax exemption for qualified affordable housing units. Meanwhile, Burien allows multi-family property exemptions for 10 years only for residential development within Burien's Downtown Commercial Zone. Washington State requires that cities have a population of at least 15,000 to be eligible to implement an MFTE program, which explains why cities with smaller populations do not have MFTE programs.

| MFTE POLICY TRENDS |  |
|--------------------|--|
| BY SUB-REGION      | In South King County, seven SKHHP cities have MFTE programs, while three do not.   |
|                    | None of the six South King County cities that are not affiliated with SKHHP have implemented MFTE programs. This is most likely because the cities are not eligible due to their size. |
|                    | In East King County, six ARCH cities have enacted MFTE programs, whereas ten have not.   |
|                    | None of the East King County cities that are not affiliated with ARCH have adopted MFTE programs. This is also likely due to their size.   |
|                    | Both Shoreline and Seattle, which are not members of either of the sub-regional collaborations, also have MFTE programs.   |

<sup>61</sup> RCW 84.14.010

|   |   |
|---|---|
|   | There seems to be a correlation between cities that are members of ARCH or SKHHP and cities that have implemented MFTE programs.  |
| BY POPULATION                                 | No city in King County with a population under 15,000 has implemented an MFTE program, because state law requires cities to have a population over 15,000 to be eligible.   |
|   | Of cities with populations between 15,000 and 50,000, just over half have implemented MFTE programs.  |
|   | 10 out of 11 cities with populations over 50,000 have implemented MFTE programs, and all cities with populations over 100,000 have MFTE programs.   |
| BY ZONING                                     | The vast majority of cities with MFTE programs (14 out of 15) have the median percentage or below of single-family households. If a city has a higher than average amount of people living in single-family homes, it's very unlikely to have an MFTE program.  |
| BY NUMBER OF AFFORDABLE HOUSING UNITS         | There are 20 cities with zero affordable housing units funded by the LIHTC. Of those, just one city, Mercer Island, has a MFTE program in place.  |
|   | Of cities with 1 or more affordable housing units, roughly three-fourths of cities have MFTE units. In addition, all seven cities with more than 500 LIHTC units have MFTE programs. This suggests that MFTE cities are correlated with an increase in affordable housing units funded through the WSHFC. |
| BY FUNDING (Property Taxes, CDBG entitlement) | Nearly all cities with property tax revenues over \$10 million in 2018 have MFTE programs   |
|   | Of the 26 cities with less than \$10 million in property tax revenue, only four have MFTE programs.   |
|   | No city with less than \$1 million has an MFTE program.   |
|   | All 10 CDBG entitlement cities have MFTE programs, and these cities make up two-thirds of all cities with MFTE programs in King County.   |

|                       |   |
|-----------------------|---|
| BY FORM OF GOVERNMENT | 31% of Mayor-Council governments have MFTE programs, compared to 47% of Council-Manager governments |
|-----------------------|---|

### Inclusionary Zoning

11 cities throughout King County have some form of inclusionary zoning policy in place. inclusionary zoning can take many different forms and varies by city. For example, in Federal Way, multi-family projects with more than 25 units must include affordable units and may, in addition, build bonus units. SeaTac, for comparison, enacted a high-density single-family overlay zone with affordability requirements. Seattle's Mandatory Housing Affordability program was passed by the city council in April 2019 and is the most robust example of inclusionary zoning in King County, covering 33 neighborhoods throughout the city. The program requires developers building in these areas to include a minimum percentage of affordable units, or to pay an "in-lieu of" fee to the city. Other cities like Sammamish and Issaquah restrict their inclusionary zoning to portions of the downtown core.

| INCLUSIONARY ZONING POLICY TRENDS |  |
|-----------------------------------|--|
| BY SUB-REGION                     | Seven of the 11 cities with inclusionary zoning are in East King County, and all of these are members of ARCH.   |
|                                   | Only two South King County cities have implemented inclusionary zoning, and both are members of SKHHP.   |
|                                   | In addition, both Seattle and Shoreline have adopted inclusionary zoning.  |
| BY POPULATION                     | Just one city with a population under 15,000, Newcastle, has adopted an inclusionary zoning policy.  |
|                                   | Of the four cities with over 100,000 people, only Seattle has an inclusionary zoning policy.   |
|                                   | The majority of mid-sized cities (50-100k) have adopted inclusionary zoning policies.  |
| BY ZONING                         | The majority of cities with inclusionary zoning (9 of 15) have less than 60% of their residents living in single-family units, whereas the average of all cities is 72%. |

|   |  |
|---|--|
|   | Nearly every city with inclusionary zoning has less than 80% of its residents living in single-family units, while more than one-third of cities overall have more than 80% of residents in single-family units. |
| BY NUMBER OF AFFORDABLE HOUSING UNITS         | Of the 20 cities with no units of LIHTC housing, just two have inclusionary zoning policies.   |
|   | Less than half of the rest overall have inclusionary zoning policies. However, most occur in cities with between 1 and 500 affordable housing units.   |
| BY FUNDING (Property Taxes, CDBG entitlement) | Of the 20 cities with the lowest property tax revenue in 2018, none had adopted inclusionary zoning policies.  |
|   | The majority of cities with over \$10 million in property tax revenue have inclusionary zoning.  |
|   | Half of all CDBG entitlement cities have inclusionary zoning.  |
|   | Only one city with inclusionary zoning is eligible for direct HOME funds, and three cities have joint agreements with King County. All the rest are partner cities.  |
| BY FORM OF GOVERNMENT                         | 41% of Council-Manager governments have inclusionary zoning, compared to just 18% of Mayor-Council governments   |

### Incentive Zoning

Nine cities in King County have incentive zoning programs. Incentive zoning programs allow commercial and residential developers to build additional density in exchange for producing affordable housing.<sup>62</sup> Incentive zoning is an umbrella term that includes density bonuses, inclusionary zoning, and other programs that trade density for affordable development. In Seattle, the incentive zoning program has been replaced by Mandatory Housing Affordability, an inclusionary zoning program that allows developers to achieve greater density for building on-site affordable housing or contribute to a fund which finances off-site affordable housing units.

<sup>62</sup> Office of Housing. (n.d.). Incentive Zoning for Affordable Housing. Retrieved from <https://www.seattle.gov/housing/housing-developers/incentive-zoning>

| INCENTIVE ZONING POLICY TRENDS                |   |
|---|---|
| BY SUB-REGION                                 | Eight cities in East King County have incentive zoning policies, all of which are ARCH members. Seattle is the remaining city with incentive zoning.  |
|   | No South King County city has implemented an incentive zoning policy.   |
| BY POPULATION                                 | <p>No city with fewer than 5,000 residents has implemented incentive zoning.</p> <ul style="list-style-type: none"> <li>• 2 of 9 (22%) cities with 5k-15k have it</li> <li>• 3 of 9 (33%) cities with 15k-50k have it</li> <li>• 2 of 7 (28%) cities with 50k-100k have it</li> <li>• 2 of 4 (50%) cities with over 100k have it</li> </ul> |
| BY ZONING                                     | Four of the nine cities with incentive zoning have 60% or fewer people living in single family homes.   |
|   | Only one of the cities with incentive zoning, Covington, has 80% or more people living in single-family homes.  |
| BY NUMBER OF AFFORDABLE HOUSING UNITS         | Seven of the nine cities that have implemented incentive zoning have built fewer than 500 affordable homes using LIHTC.   |
|   | There are four cities that have incentive zoning that have built zero units of LIHTC housing.   |
| BY FUNDING (Property Taxes, CDBG entitlement) | Incentive zoning is more common in cities with \$20 million or more in property tax revenue (67%) compared to cities with lower tax revenue.  |
|   | Only three CDBG entitlement cities have incentive zoning.   |
| BY FORM OF GOVERNMENT                         | 42% of Council-Manager governments have incentive zoning, compared to just 9% of Mayor-Council governments.   |

### Housing Diversity in Single-Family Zones

There are 17 cities in King County that allow for diverse housing options in single-family zones. Across the county, these zoning policies take various forms, although many center on the inclusion of duplexes and triplexes in single-family zones. In Bothell, duplexes and triplexes are permitted in single-family zones with lot sizes of 5,400 SF or less in some subareas when used to satisfy

affordable housing requirements. In Kirkland, duplexes and triplexes that are designed to look like single-family homes are permitted in some single-family zones. In Milton, duplexes are only allowed on lots greater than 12,000 SF. In other cities, like Redmond and Enumclaw, duplexes are only allowed conditionally.

| HOUSING DIVERSITY IN SINGLE-FAMILY ZONES: POLICY TRENDS |   |
|---|---|
| BY SUB-REGION   | While 15 East King County cities have zoning policies that allow for diversity, there are no South King County cities that permit such flexibility. The remaining two are Lake Forest Park and Shoreline.   |
|   | All 15 East King County cities that permit diversity in single-family zones flexibility are members of ARCH. Neither Lake Forest Park nor Shoreline are members of a sub-regional collaborative organization.   |
| BY POPULATION   | Overall, cities are roughly evenly split between those that have housing diversity in single-family zones and those that do not, with the exception of large cities (over 100k), which mostly restrict diversity single-family zones.   |
| BY ZONING   | The only bracket in which no cities had housing diversity in single-family zones was the lowest bracket (below 50%) of single-family residents. In other words, cities with the highest density have less flexibility within their single-family zones.   |
|   | Among the rest of the cities with higher percentages of single-family residents, housing diversity in single-family zones was fairly common.  |
| BY NUMBER OF AFFORDABLE HOUSING UNITS                   | Cities with diverse single-family zones often have very few LIHTC units, while cities without flexible single-family zones tend to have large numbers of LIHTC units. This seems to suggest that while these cities may allow for a diversity of housing types, they may not encourage development of buildings that can be financed through LIHTC, which are almost exclusively multifamily apartment buildings. |
| BY FUNDING (Property Taxes, CDBG)                       | No obvious trends in property taxes   |
|   | Four CDBG entitlement cities have housing diversity in single family zones.   |

|                       |  |
|-----------------------|--|
|                       | <ul style="list-style-type: none"> <li>• Of these, only Bellevue is eligible for HOME funds directly, and three have joint agreements</li> </ul> |
| BY FORM OF GOVERNMENT | 58% of Council-Manager governments have diverse single-family zones, compared to 32% of Mayor-Council governments.                               |

### Surplus Land Disposition

Seattle is the only city in King County with a citywide policy on public land disposition for affordable housing. In 2018, the Washington State Legislature passed SHB 2382, which granted authority to cities to sell surplus property for below-market value, including at no cost, as long as the land is used for permanently affordable housing. Within the year, Seattle adopted a policy utilizing this new authority.<sup>63</sup>

### Developer Requirement Reductions/Exemptions

There are 13 cities in King County that have one or more policies that fall under developer requirement reductions or exemptions. In most of these cities, impact fees are being reduced or exempted altogether. However, each city's policy manifests differently. In Algona, for example, there are impact fee exemptions for reconstruction, remodeling or replacement of existing single-family or multifamily dwelling units that does not result in the creation of additional dwelling units. Enumclaw provides an impact fee exemption for senior housing. In Kent, affordable housing is exempt from impact fees. One example of the reduction of a developer requirement that is not related to impact fees is in Bellevue. In buildings with affordable housing, the recreation and open space requirements are reduced by 35%, and developers can use a higher percentage of compact parking stalls, as opposed to standard size parking stalls.

| POLICY TRENDS IN DEVELOPER REQUIREMENT REDUCTIONS OR EXEMPTIONS |  |
|---|--|
| BY SUB-REGION   | The majority (8) are in East King County, while five cities in South King County have implemented reductions or exemptions for developer requirements. |
|   | In South King County, two of the five cities are members of SKHHP.   |
|   | In East King County, all eight cities with developer requirement reductions or exemptions are members of ARCH.   |

<sup>63</sup> Building More Affordable Housing Using Surplus Public Land. (n.d.). Retrieved 2019, from <https://www.seattle.gov/council/issues/land-disposition-policy>



|  |   |
|--|---|
|  | None of the Northwest cities have these policies.   |
| BY POPULATION                                    | <p>Population size may correlate positively with having developer exemptions.</p> <ul style="list-style-type: none"> <li>• 2 out of 10 cities (20%) with populations below 5,000 have these policies</li> <li>• 3 out of 9 cities (33%) with populations between 5,000 and 15,000 have these policies</li> <li>• 3 out of 9 cities (33%) with populations between 15,000 and 50,000 have these policies</li> <li>• 2 out of 7 cities (29%) with populations between 50,000 and 100,000 have these policies</li> <li>• 3 out of 4 (75%) with populations over 100,000 have these policies</li> </ul> |
| BY ZONING  | Of cities with impact fees, those with a smaller share of residents living in multi-family homes tend to not have impact fee exemptions, whereas those with more single-family residents tend to have impact fee exemptions. However, some of these impact fee exemptions are not for affordable housing.   |
| BY NUMBER OF AFFORDABLE HOUSING UNITS            | Among the 20 cities with zero affordable housing units, seven have developer requirements reductions or exemptions. The other six cities with these policies all have at least one LIHTC property.  |
|  | None of the three cities with over 1000 units of LIHTC housing have any sort of developer exemptions.   |
| BY FUNDING<br>(Property Taxes, CDBG entitlement) | Of cities that collected less than \$1 million in property taxes, only one has developer requirement reductions.  |
|  | Of cities with between \$1M and \$10M, less than half have these policies.  |
|  | Of cities with \$10-20M in property taxes, just two out of seven have these policies.   |
|  | Of cities with \$20 or more in property taxes, two-thirds have these policies.  |
|  | <p>Four out of ten CDBG entitlement cities have these policies</p> <ul style="list-style-type: none"> <li>• Two are HOME-eligible, and two have joint agreements with King County</li> </ul>  |

|                       |   |
|-----------------------|---|
| BY FORM OF GOVERNMENT | 41% of Council-Manager governments have developer requirement reductions, compared to 27% of Mayor-Council governments. |
|-----------------------|---|

### Density Bonus

Ten cities in King County have density bonus programs. Each city's specific policy may differ from the others. For example, Normandy Park has implemented a Transfer of Development Rights (TDR) program, whereas Renton has implemented density bonuses in multi-family residential zones. Seattle has bonus floor area for voluntary agreements for housing, open space and child care. All three of these programs, though different, constitute density bonuses.

| DENSITY BONUS POLICY TRENDS |  |
|-----------------------------|--|
| BY SUB-REGION               | Of the ten cities that have adopted density bonus policies, eight are in South King County, and just one is in East King County. The remainder is Seattle. |
|                             | All eight in South King County are members of SKHHP, and the sole East King County city, Redmond, is a member of ARCH.                                     |
| BY POPULATION               | None of the 19 cities with populations below 15,000 have density bonuses.  |
|                             | In addition, density bonuses tend to exist in cities where single-family households make up a relatively low percentage of the total.                      |
| BY ZONING                   | Cities with density bonuses tend to have lower percentages of single-family homes than cities without density bonuses.                                     |
|                             | Just one city with more than the median percentage of people living in single-family homes has a density bonus program.                                    |
|                             | Half of all cities with lower than average single family residents have a density bonus program.   |
|                             | All cities with less than 50% of single family residents have a density bonus program.   |
| BY NUMBER OF AFFORDABLE     | There is no King County city that has zero LIHTC units while also having a density bonus program.  |

|   |  |
|---|--|
| HOUSING UNITS                                 | More than half of cities with at least one affordable housing property also have density bonus programs, despite that fact that barely a quarter of King County cities overall have a density program.   |
| BY FUNDING (Property Taxes, CDBG entitlement) | Only two cities out of 26 with less than \$10 million in property tax revenue have density bonuses.  |
|   | Eight out of 13 cities with more than \$10 million in property tax revenue have density bonuses.   |
|   | Seven out of the ten cities with Density Bonuses are CDBG eligible cities <ul style="list-style-type: none"> <li>• Three are HOME-eligible, three have joint agreements, one (Seattle) is N/A</li> </ul> |
| BY FORM OF GOVERNMENT                         | 17% of Council-Manager governments have density bonuses, compared to 32% of Mayor-Council governments.   |

### Impact Fees

There are 17 cities in King County that collect impact fees. According to MSRC, “Impact fees are one-time charges assessed by a local government against a new development project to help pay for new or expanded public facilities that will directly address the increased demand for services created by that development.”<sup>64</sup> In King County, cities enact impact fees for a variety of purposes. These include transportation impact fees, school impact fees, fire impact fees, parks impact fees, and others. While some jurisdictions have just one of these, many collect impact fees for several purposes.

| IMPACT FEE POLICY TRENDS |  |
|--------------------------|--|
| BY SUB-REGION            | 11 of the 17 cities are in South King County, and six are in East King County. None of the Northwest cities collect impact fees. |
|                          | Seven of the 11 cities in South King County are members of SKHHP.  |
|                          | All six cities in East King County are members of ARCH.  |

<sup>64</sup> MSRC. (n.d.). Impact Fees. Retrieved from <http://mrsc.org/Home/Explore-Topics/Planning/Land-Use-Administration/Impact-Fees.aspx>

|                                       |  |
|---------------------------------------|--|
| BY POPULATION                         | The vast majority of cities with Impact Fees have populations below 100,000, with the exception of very small cities with populations under 5,000. |
|                                       | Of cities with populations over 100,000, only Bellevue levies impact fees.   |
|                                       | Of cities under 5,000, only Algona and Black Diamond have impact fees.   |
| BY ZONING                             | Just 30% of cities with more than the median percentage of people living in single-family homes have impact fees.                                  |
|                                       | 61% of cities with less than the median percentage of people living in single-family homes have impact fees.                                       |
| BY NUMBER OF AFFORDABLE HOUSING UNITS | 11 out of the 17 impact fee cities have at least one LIHTC building in them.   |
| BY FUNDING (Property Taxes, CDBG)     | Impact fees happen in cities of all property tax levels, but they occur in more cities with higher property tax revenues.                          |
|                                       | Just five out of the 17 cities with impact fees are CDBG entitlement cities.   |
|                                       | No obvious trends with CDBG funding  |
| BY FORM OF GOVERNMENT                 | 53% of Council-Manager governments have impact fees, compared to 36% of Mayor-Council governments.   |

### Local Levy or Housing Trust Fund

Just one city in King County, Seattle, has its own housing levy used to fund affordable housing. However, 27 other cities in King County contribute money to a sub-regional entity, ARCH or SKHHP. ARCH members contribute to a housing trust fund while SKHHP members collectively fund its staff capacity. Further, while SKHHP has not yet set up a trust fund, this one of its long-term goals.

| TRENDS IN LOCAL HOUSING LEVIES OR TRUST FUNDS |  |
|---|--|
| BY SUB-REGION                                 | Of the 22 East King County cities, 16 contribute to the ARCH Trust Fund, and of the 15 South King County cities, ten |

|   |   |
|---|---|
|   | contribute funding to SKHHP. The “Northwest region,” which we have defined as Seattle, Shoreline, and Lake Forest Park, does not have a sub-regional entity.  |
| BY POPULATION                                 | Of those cities whose populations are over 50,000 (11 cities total), all but Seattle and Shoreline contribute funds to either ARCH or SKHHP.  |
|   | Among cities with populations between 15,000 and 50,000 (nineteen total), only Maple Valley is not a member of ARCH or SKHHP.   |
|   | Among cities with populations below 15,000, less than half (9 of 19) of the cities are members of either ARCH or SKHHP.   |
| BY ZONING                                     | Seattle is the only city with a local housing levy, and it also has the lowest percentage of people living in single-family homes of all cities in King County.   |
|   | There is no obvious correlation between the number of single-family residents and whether a city contributes to a regional housing trust fund.  |
| BY NUMBER OF AFFORDABLE HOUSING UNITS         | A disproportionate number of cities without any affordable housing units financed by LIHTC do not contribute to ARCH or SKHHP. In other words, broadly, cities that don’t build affordable housing are less likely to contribute to a sub-regional entity. This means cities that are not leveraging state and federal affordable housing resources are also not creating their own resources for affordable housing. |
|   | Seattle has by far the largest affordable housing unit count, and it also has its own housing levy, which it has used to leverage state and county funding.   |
|   | All of the cities that have more than 500 LIHTC units contribute to a housing trust fund or have a local housing levy.  |
| BY FUNDING (Property Taxes, CDBG entitlement) | Of the 13 cities with more than \$10 million in property tax revenue, only one, Shoreline, does not have a local housing levy or contribute to a sub-regional trust fund.   |
|   | Of cities with less than \$1 million in property tax revenue, less than half contribute to a housing fund.  |

|                       |   |
|-----------------------|---|
|                       | Nine of the ten CDBG entitlement cities have a local housing levy or contribute to ARCH or SKHHP.   |
| BY FORM OF GOVERNMENT | 82% (14 out of 17) Council-Manager governments have local housing levies or contribute to regional trust funds, compared to 59% of Mayor-Council governments. |

### Sub-Regional Collaboration

27 cities in King County are participating members in sub-regional entities. In East King County, 16 cities are members of ARCH, a regional collaborative entity that formed in 1993. In South King County, nine cities and King County are participating members of SKHHP, which officially formed in 2018. Northwest King County, which we define as Seattle, Shoreline, and Lake Forest Park, is an area which does not have its own sub-regional identity, but mostly centers around Seattle. Thus, none of these cities are members of a sub-regional entity.

\*The trends below will closely mirror those in the table above because sub-regional entities are the primary venue for housing funding.

| SUB-REGIONAL COLLABORATION TRENDS |   |
|-----------------------------------|---|
| BY SUB-REGION                     | In South King County, ten of the 15 cities are members of SKHHP.  |
|                                   | In East King County, 16 of the 21 cities are members of ARCH.   |
| BY POPULATION                     | Of cities in East or South King County with populations over 15,000, all but one (17 out of 18) are members of either ARCH or SKHHP.                                |
|                                   | Of cities with fewer than 15,000 people, less than half (9 of 19) are members of a sub-regional entity.   |
| BY ZONING                         | Most cities overall are members of a sub-regional entity, but cities with more people living in single-family homes are slightly less likely to join ARCH or SKHHP. |
|                                   | There is no obvious correlation between the percent of single-family residents and whether a city is a participant in a sub-regional entity.                        |
| BY NUMBER OF                      | *See trends for Housing Levy/Trust Fund   |

|  |   |
|--|---|
| AFFORDABLE HOUSING<br>UNITS                      |   |
| BY FUNDING (Property<br>Taxes, CDBG entitlement) | More of the mid- to high-revenue cities in the South contribute to SKHHP, but cities of all revenue levels contribute to ARCH.  |
|  | All of the CDBG entitlement cities except for Seattle and Shoreline are members of ARCH or SKHHP. There is not an entity currently that either of these cities would likely join. |
| BY FORM OF<br>GOVERNMENT                         | *See trends for Housing Levy/Trust Fund   |

## Chapter 5: Interview Analysis

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### Research Methods

To enhance our understanding of the extent to which collaboration happens throughout King County beyond ways that are evident in policy implementation, we conducted 22 semi-structured interviews with professionals in the affordable housing field. The main purpose was to explore experiences of collaboration or fragmentation of housing professionals. We measured common perceptions by identifying and discussing themes, phrases, or concepts that arose across multiple interviews.

Qualitative data gathered via interviews contain strengths and shortcomings. Because it represents the exact language intended by the interviewee, it is often more authentic than coded quantitative data. It also lends itself to more thorough analysis, and the open-endedness of interview questions allows the responses to partially dictate the direction of the research. However, shortcomings include that qualitative data is not easily replicable, and it can be more difficult and time-consuming to assess. In the case of this report, coding and analyzing interview recordings became quite time consuming; still, this provided comprehensive evidence displaying the variety of challenges around local government fragmentation and collaboration.

### Interview Protocol

Informed by conversations with HDC, we developed interview protocol to standardize our approach and set expectations with interviewees. Interviews were designed to last roughly one hour and consisted of between eight and 11 questions. We obtained consent from each person to record the conversation so that we could refer back to the audio while coding. While most interviews were conducted in-person, roughly a quarter were conducted via phone. Some interviews included multiple people from the same organization.

We developed separate interview protocol for three different “types” of professionals: affordable housing developer, local government official, and academic faculty. In several cases, we drafted unique protocol for specific interviewees that did not fit one of the categories we originally determined. The majority of the 22 individuals who were interviewed were recommended by HDC, while others were recommended by other interviewees. Of the local government officials, three were elected officials, and the rest were senior staff working on affordable housing policy.

In order to obtain candid responses, it was important to assure the interviewees that none of their identifiable information would be shared, nor would any quotes from their interviews be attributed. Though we use direct quotes in this report, we were careful to ensure that the identity of the respondent could not be inferred. This study takes place in a particularly polarized political context in King County surrounding affordable housing and homelessness, and many respondents would



not have been able to speak openly if their names were made public. Moreover, **these interviews are not meant to be official statements from an organization or government entity**, but rather expert opinions from those who have significant experience working on these issues, some of whom have worked in a variety of capacities over several years.

Some responses prompted us to do further research in some areas, and others led us to interview people previously not identified. One interview in particular caused us to reflect upon the extent to which we are centering social equity in our work as researchers. This led us to pursue interviews with organizations primarily representing communities of color, who are often left out of collaboration efforts. We elaborate further on this element of the research later in Chapter 6.

## Coding Protocol

Our coding protocol was developed after interviews were conducted to preserve objectivity. We did not enter into the interview process with a testable hypothesis that the data would support or disprove. Using Atlas.ti, a qualitative analysis program, we used the coding function to tag key concepts and phrases in each interview. We coded all questions that were asked (including follow-up questions), all high-level themes, all sub-themes, named entities, and relational codes. The codes were later associated with “quotations,” snippets of audio from the recordings that have some coherent point. These quotations ranged from one sentence to over a minute of audio.

A *theme*, as we define it, is an important phrase or concept that could be considered relevant to any of the major research questions or subquestions. It is our main unit of analysis for the interviews. To reduce personal bias in identifying themes during analysis, it was required that all three analysts agreed to a theme’s validity. We analyzed the themes based on their frequency, logical groupings, and association with fragmentation or collaboration. Themes are split into two broad categories: **areas of occurrence** and **contributing factors**. Areas of occurrence are the actual domains where either collaboration or fragmentation takes place, while contributing factors may mitigate or exacerbate collaboration and fragmentation. Each of these helps characterize trends among interviewees and provides a comprehensive view of how local government officials, affordable housing developers, and others believe collaboration happens in King County.

## Questions

First, the key questions, probing questions, and follow-up questions were all coded in each recording to provide reference points to locate key themes, as well as to note in which cases certain questions were not asked. Whenever a key question was not asked, this was typically in response to the context of the interview.

## Themes

Second, the themes were coded. Beginning with the written notes from each interview session, 15 high-level themes that surfaced across multiple interviews were determined. These high-level themes were each assigned a code corresponding to their content. Additional sub-themes were coded as

they arose during analysis. Primarily, these additional themes focused on specific aspects of a high-level theme previously identified in the notes. See Appendix B for the full list of theme and sub-theme codes.

### **Entities**

In addition to the themes, major relevant entities or collaborative efforts were coded as they related to a theme. For example, if the Puget Sound Regional Council (PSRC) was noted as a positive example of a governance structure, the code “PSRC” was included along with the theme and/or sub-theme.

### **Co-Coding**

This analysis allowed for any response to be coded with as many codes as necessary, so long as they described a cohesive point that reflected the respondent’s intent. In fact, often a response would invoke several themes at once, describing a relationship between them or simply listing multiple issues in close proximity. In addition, while not all responses necessitated multiple types of codes (themes, entities, relational terms), many quotations were co-coded to capture the various elements of the statements.

## **Results and Analysis**

Throughout the interviews, five primary “areas of occurrence” of fragmentation and seven “contributing factors” surfaced as key themes. Each theme is explored in detail below.

### **Areas of Occurrence:**

- Funding
- Governance Structure
- Perception & Messaging
- Zoning & Land Use
- Informal Relationships

### **Contributing Factors:**

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>● Staff Capacity</li> <li>● Racial Inequity</li> <li>● Enforcement &amp; Accountability</li> <li>● Different Priorities</li> </ul> | <ul style="list-style-type: none"> <li>● Political Will</li> <li>● “Fair Share”</li> <li>● Economic Development vs Affordable Housing</li> <li>● Planning vs Implementation</li> </ul> |
|---|--|

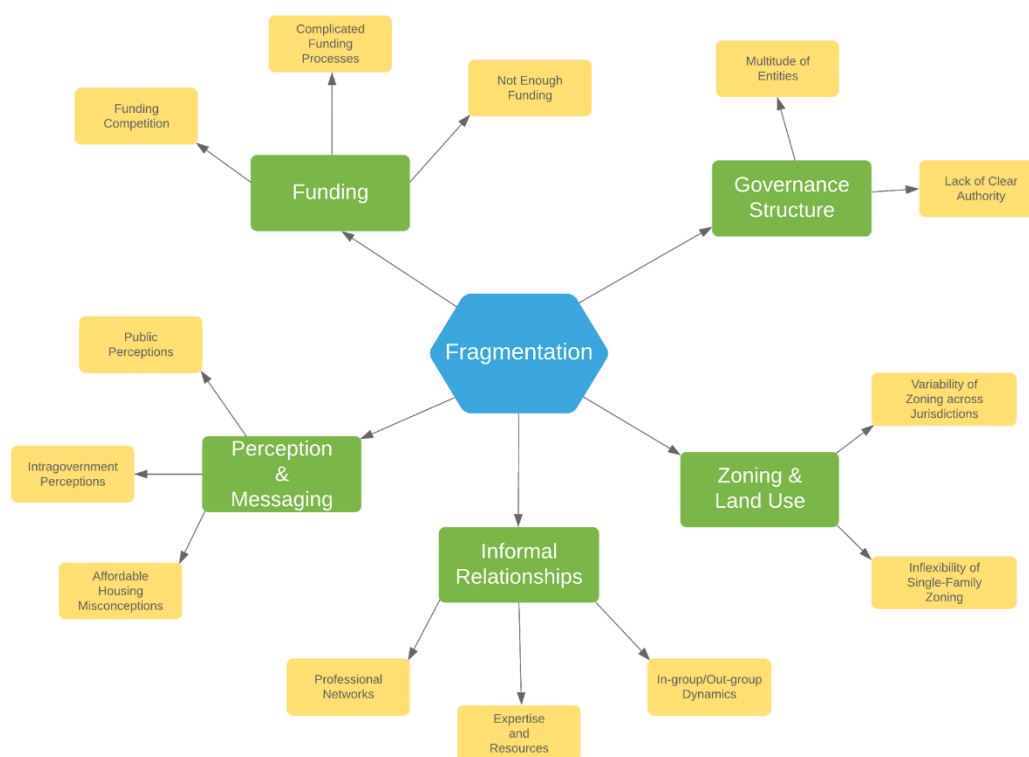


Figure 7: Fragmentation Theme Network

## Interview Analysis: Areas of Occurrence

### Funding

Interviewees heavily stressed funding for affordable housing, discussing the topic in 93 different instances and in 18 out of the 22 interviews. “Funding” was co-coded with “fragmentation” in 23 instances across 11 different interviews, and these comments were fairly evenly split among local government officials, housing developers, and academics. Overall, this suggests some level of concurrence that funding for affordable housing is not seen as collaborative enough. At the same time, “collaboration” and “funding” were co-coded in 12 separate interviews, highlighting several existing ways in which funding is perceived to be collaborative from local government and developer perspectives.

### Not Enough Funding, Period.

Five different interviewees stressed that funding for affordable housing is sorely lacking. The need demands a stronger investment, particularly in housing for people making 30% AMI and below. One respondent predicted that this will create tension if regional efforts and entities like King County or PSRC set targets around a number of housing units that each city must build.

There is limited operations funding for affordable developers, and incremental costs can pose large upfront barriers for construction:

*“Anything that would help reduce cost would have the same effect as bringing in additional resources. Things like impact fee waivers, parking requirement waivers for affordable housing. In King County we have a sewer capacity charge...and we don’t have an operating budget to pay it over the 30 years, so we really have to pay it up front.”*

There are also large discrepancies in funding capacity across the sub-regions and suburban cities:

*“When you start looking at the suburban cities, there’s not a lot of resources—more on the eastside than South King County primarily because ARCH has been working to promote that over the last 25 years. But nonetheless, still limited resources in both human services and affordable housing. And in South King I think traditionally significantly more resources go into human services than into affordable housing.”*

A lack of funding capacity creates one of the largest hurdles to achieving regional housing needs. Financing is so crucial to housing delivery that one interviewee remarked how futile other strategies are without it:

*“So if there’s not a regional appetite for money for affordable housing, then it doesn’t matter how much structure you have, how much collaboration you have, because ultimately there’s insufficient funding. So that’s a big deal.”*

### **Complicated Funding Processes**

Interviewees acknowledged that funding for affordable housing is complicated. They stressed aspects of funding sources at all levels of government, including differing restrictions based on target populations, the challenge of multiple non-aligned application processes, and the lack of operating dollars. In four different interviews, these challenges were raised, specifically the misalignment of funding opportunities at different jurisdictional levels:

- **The State** has two agencies funding the same thing: WSHFC and Department of Commerce.
- **King County** has a several pots of money. Each of these pots comes with a different priority population and restrictions attached, which can be challenging for developers to qualify for. Many of these also have their own advisory boards and other goals that relate to their target populations but not strictly to housing.
- **Local cities** may have funding policies prioritizing certain unit types, yet developers may have a mission to respond to the specific community they are building in. The two do not always align.

Developers especially lamented the complexity of the process. Building permanent supportive housing requires developers to meticulously time and align their financing sources—otherwise their whole project is jeopardized. Affordable projects typically utilize from four to six different funding streams, all of which build upon each other. If there is a kink in one, it can delay the entire project.

One developer discussed how they must first apply for local capital funds, line up for tax credits, and then, roughly six months after construction starts, apply for the operating subsidy.

*“It can be a cascading process that I think could benefit from better synergy.”*

### **Funding Competition**

Securing funding is another frustration. All funding sources—from the federal level on down—require separate applications, themselves complicated and time-consuming. Competition adds to the stress, especially among smaller agencies and jurisdictions. Even if they are awarded funding, they might not have the staff capacity to use it. Often, smaller organizations operated by and for communities of color are not funded because they do not have the capacity or resources to compete with larger developers.

Nonetheless, competition for funding resources is seen by interviewees as both positive and negative—positive because the best and most “shovel-ready” projects get funded, and negative because it naturally means some worthy projects get passed over. Yet developers continue to support each other and understand the best way to get everyone’s projects funded is by increasing available money:

*“We all know that we create the most resources for affordable housing when we don’t go advocate for our own project but for more resources for everybody.”*

While industry professionals generally work together, collaboration is sometimes disrupted by elected officials in local jurisdictions who sometimes focus on delivering for their own districts rather than the region at large. Projects that are not ready to go sometimes get funded as political gestures. This has occurred in recent years with the Housing Trust Fund as well.

### **Other Considerations**

There is a perceived disconnect between the need to fund solutions and the will to, specifically around aligning funding capacity with other necessary allowances. One interviewee discussed the silos of funding across sectors, including funding for healthcare and funding for housing, even though housing, specifically permanent supportive, is being asked to take on more and more healthcare-type services. Finally, it was remarked that improving the governance structure is meaningless if there is not the political will to raise more revenue to fund it.

### **Funding Collaboration**

Although interviewees indicated that affordable housing funding is fragmented, there were some areas in which funding was seen as collaborative. One prevalent way in which funding collaboration happens is the streamlined funding application process between Washington State, King County, the City of Seattle. Both open applications at the same time and coordinate priorities to leverage each other’s sources.

Six interviewees also discussed the benefits of ARCH in providing opportunities for funding collaboration, including the Eastside Housing Trust Fund. SKHHP in South King County is also predicted by interviewees to be a future space for revenue sharing, similar to ARCH. Three interviewees discussed how affordable housing developers collaborate with one another to leverage limited funding sources, as well as coordinate which organizations will apply to specific RFPs. One organization primarily serving communities of color discussed how they collaborate with other similar organizations out of necessity, because individually they haven't been able to access funding sources.

## **Governance Structure**

Governance structure refers to the efficacy of existing governing models and their components. The code was used to designate both specific bodies like ARCH or King County and the working relationship between them. Two salient themes arose: lack of clear leadership and ARCH as an exemplary collaborative model.

### **Who's in Charge Here?**

Fragmented governance was primarily identified in oversight of housing and homelessness. Five respondents specifically noted the multitude of service providers and government agencies operating within a leaderless system.

*"It really gets to the heart of all this...the fragmented nature of local governments, especially in this area...You have King County, local jurisdictions, the State all trying to make policy and because of that, rather than doing a great job of building off each other I think we're all trying to pass the buck to some other jurisdiction."*

Some respondents reported frustration and confusion over the lack of leadership, as well as the relative opacity of who has final say on the direction of policy. The prevalence of duplicative efforts across jurisdictions was cited as a symptom of not having a recognized, authoritative owner of the issue. One respondent specifically called out elected officials for failing to create a space for leadership that aligned goals and intentions. Governance structure was commonly cited along with enforcement and political will to describe a policy process that, although rules are followed and good work done, allows momentum to wither on the vine.

### **ARCH as a Model Structure**

When asked for instances where collaboration occurs in King County, 9 respondents offered ARCH as an example. Most spoke to the achievement of involving so many individual cities in the health of the greater region, with no guarantee that it would impact their own communities directly.

*"ARCH is the obviously biggest thing that's come about in the last two or three decades for convening and collaboration around affordable housing. At the time that it was formed it was revolutionary...to think of cities coming together and tying themselves together to address affordable housing."*

## Other Considerations

Two respondents noted that restructuring governance would be difficult due to the complexity of funding sources and unstandardized assignment of staff roles across organizations. One identified disconnects as a result of the “hands-off approach” of jurisdictions which compromises full understanding of housing issues. Finally, there were a handful of concerns about housing implementation of the RAHTF recommendations in a new committee within the GMPC:

*“Fundamentally that governance structure is going to create a policy board which is advisory to the Growth management Planning Council, who’s advisory to the Growth Management Policy Board at PSRC, who’s advisory to the executive board at PSRC, who doesn’t make any decisions about housing finance and really only certifies Comprehensive Plans, and rarely are those Comp Plans anything other than rubber-stamped. So I’m concerned we’re gonna come up with a host of recommendations that won’t really go anywhere.”*

## Perception and Messaging

The Perception & Messaging code was used to denote instances where public opinion about affordable housing contribute to fragmentation or collaboration. This theme relates to how affordable housing is viewed by both the public and elected officials. It was co-coded in ten and four interviews with fragmentation and collaboration, respectively.

### Public Perceptions

Public perception was much more actively coded with fragmentation than collaboration. It was often characterized as an obstacle to both gaining political traction and involving community members as stakeholders in neighborhood affordability. Three misconceptions—renter populations, density, and government spending—were prominent themes. As homelessness has become increasingly visible, developers and local government officials described an uphill battle in bringing communities in as allies against the crisis. Especially difficult is the intractability of poverty myths and alarmism around building affordable housing.

*“There continues to be outright opposition to and misunderstanding about affordable housing... what that housing looks like, what kind of people live in it, and how it will impact neighborhoods.”*

Misconceptions about affordable housing—that it serves only the very poor, will decrease property values will inevitably be an eyesore in the neighborhood—pervade the frustrations expressed by respondents. One interviewee with extensive expertise on poverty spoke about how these perceptions impact the political will to provide more housing:

*“It matters what the perceptions are of local officials and community members of who is poor...when you start to show people that poverty is affecting a lot more people today and some of these folks have lived here their whole lives...we’ve gotten real pushback when we talk about that...like ‘oh that’s not true, that doesn’t fit my perception, it’s definitely people moving in from [elsewhere], or immigrants resettling here...it’s interesting to see how identity can affect the political will on some of these issues.”*

Echoing this sentiment, four additional interviewees described less-discussed affordable housing benefactors: the working poor, service industry workers, teachers, the elderly, large households, those forced to commute long distances for jobs. Emphasizing the human diversity within affordable housing, they said, will help dismantle harmful stereotypes that impede progress. Communities internalize these perceptions differently and make different decisions as a result. One local government official explained that each community has a distinct idea of what affordable housing means in its own context, with attitudes to match.

*“Even if it is a lot people moving in—some communities embrace them and ask how do we get the housing that we need? But that community can be right next door to one that says, ‘if we don’t build it, they won’t come’ without realizing that they’re already there”*

To combat the spread of damaging stereotypes and misinformation, most respondents emphasized the importance of creating a cohesive narrative that communicates the issue in a way residents can understand. Relying too much on technical language and policy jargon, said one respondent, alienates residents from the conversation.

*“If you show someone a blueprint of their house, they probably wouldn’t recognize it. People don’t think in blueprints.”*

A cohesive narrative must also include well-articulated links between affordability and density, said five subjects. One noted the phenomenon of people gladly donating to homelessness causes yet opposing any zoning changes to allow more density. Given as an explanation was a failure of public imagination; dense housing can be many things other than high-rises. Reframing the notion of density to include diverse housing types would engender stronger support from low-density neighborhoods who previously pictured only boxy mid-rises when the word was mentioned.

Five interviews contained concerns about public perceptions of government spending. The opinion that government is using too many resources on housing and homelessness has been rising, prompting policymakers to feel pressure to constantly justify their spending—

*“Frankly, we need to show the public that government investment is needed, otherwise it’s just too easy...it happens all the time, people say ‘No, you don’t need it. You already have so much money!’”*

—and erodes public support for further investment in housing:

*“You’re spending millions of dollars on housing and homelessness—who are you doing that for? To appease the majority, to say we’re doing something, but it’s not working. And now you’re getting pushback from those same voters who say, okay, well we’ve voted for all this—doubled the Levy and [raised] property taxes and still you got tents on the streets”*

### **Intra-Government Perceptions**

While public perceptions revolve around the character of affordable housing, within governments, issues of perception concern its provision. Three developers noted how differently jurisdictions



interpret housing affordability. The variance in housing needs city by city challenges a cohesive message:

*“There’s an inherent conflict...when you have the big regional table you get a lot of different interpretations of what housing affordability means for their community. That’s great because you’re having this broad conversation, but it can be harder to focus on one narrative on what to do and how to move forward. Rural cities have different concerns than Seattle.”*

One respondent suggested that affordable housing leaders, when engaging smaller cities, have to develop an approach that fits each community’s narrative. Butt, said another, this can be hard when staff and elected turnover within cities requires constantly repeating the story to maintain momentum. This is where entities like PSRC could be helpful, with their capacity to “set the table” and use their credibility to educate local governments on housing. The RAHTF report also plays a role in educating electeds, serving as a tool for external messaging. The Report also provides a credibility boost because many jurisdictions helped develop the recommendations.

## **Zoning and Land Use**

Zoning and land use refers to local policies designating land for certain types of use, for example, industrial, business, and single-family zones. The codes of “Fragmentation” and “Zoning & Land Use” were co-coded in four different interviews, spread across various interview groups. Of these, two interviewees discussed variety of denser housing types as a specific area of focus. Increasing density and transit-oriented developments was also a theme that arose, although not with much frequency.

Ultimately, the variability in cities’ zoning policies was the most evident conclusion drawn from these interviews:

*“There’s no connectivity between land capacity, zoning capacity, development capacity, financial capacity, and the needs numbers....so I think there’s no alignment on what it really means to meet that goal.”*

*“I’d like to see more coordination and collaboration around zoning—across the different jurisdictions. That would be helpful and encouraging more affordable and low-income housing especially around the NIMBY neighborhoods.”*

One interesting point that surfaced was jurisdictions’ attempts to upzone in order to contribute the countywide need—but in the wrong places. One city has completely upzoned its downtown, but beyond its urban core lies suburb after suburb of single family zones. According to one interviewee, the market will not capitalize on upzoning in this particular city because there is not the same demand like there is in Seattle. Thus, while some cities can claim that they have contributed to the region wide need and fair share goals, there is little evidence that only upzoning downtowns yet preventing density in single family areas will accomplish this.

*“Like every city in the region, you get outside that downtown core and there isn’t that mix of zoning to deliver things...By the policies that they have adopted, they’ve upzoned their downtowns substantially, but the market isn’t there like it is in Seattle to build those big buildings.”*

## **Zoning and Land Use and Collaboration**

The codes Zoning and Land Use and Collaboration were co-coded together for 6 different interviews. In particular, transit-oriented development (TOD) was held up as a land use strategy that stretched across jurisdictions. In addition, ARCH has been convening conversations around variety of housing types, in particular ADUs, in East King County. The GMPC is a space where land use decisions are made among a group of the cities and the county, building toward countywide planning policies that are an integral part of the GMA implementation. This was part of the impetus to locate the Affordable Housing Committee within the GMPC as part of the RAHTF recommendations.

Some interviewees discussed the use of public lands, by many different agencies including Sound Transit, King County, or others, to enable the development of affordable housing where it otherwise would not be feasible.

## **Informal Relationships**

Informal relationships refer to instances of collaboration that occur outside of formal structures, that is, outside of the bounds of single entities or official partnerships. Informal collaboration was mostly framed positively, described as spaces for building relationships, sharing resources, and protecting historical knowledge. Where there were exceptions, however, they were notable.

## **Professional Networks**

Informal collaboration within industry sectors was especially present among housing developers, three of which characterized the nonprofit developer community as mutually supportive. These informal connections allow developers to bounce ideas off each other, ask for help on projects, and coordinate funding applications to limit competition. One developer also mentioned the informal conversations between the “big three” funders—Seattle, King County and State Housing Trust Fund—to leverage each other’s investments:

*“They talk to each other, they say ‘hey, we’re looking at this project, what do you think?’ So there’s coordination to match the pipelines for the funders.”*

Yet some developers disagreed. While in some instances multiple organizations may collaborate on projects, said one, often there is significant competition between them for projects. However, spaces for learning such as those that HDC provides were mentioned as adding collaborative value. Local government officials discussed the lines of communication among their peers, agreeing that they were open but utilized less often than they should be. Another interviewee discussed situations in which city officials will strike informal agreements to site shelters or other housing projects in their jurisdictions.

*“At an ARCH meeting the cities of Bellevue, Kirkland and Redmond came together and shook hands and said, we know we need emergency shelter. Redmond already had a young adult shelter, Kirkland agreed to build and operate and women and family shelter, and Bellevue agreed to do a men’s shelter. It was an informal agreement at a formal meeting.”*

### **A Double-Edged Sword**

Informal collaboration also occurs because the affordable housing world is staffed by a constant cast of characters rotating from place to place. Three interviewees said this was a good thing, describing lasting relationships that carry over as people move around the industry. Yet this same form of informal collaboration, three respondents pointed out, is necessarily exclusionary. If the same people are involved year after year, it precludes new voices from entering the conversation, especially those who would highlight historical errors in service delivery:

*I would contend that the informal helps—it does get things done—but there needs to be a much more heightened awareness of who’s not in the informal [spaces], and a deliberate action to include those who are disproportionately affected...recognizing that what our solutions are that we come up with may not work for them.*

## Factors Contributing to Collaboration or Fragmentation



Figure 8: Factors Contributing to the Five Areas of Fragmentation

### Staff Capacity

In 11 different interviews, the topic of staff capacity was discussed as a factor that can promote or hinder regional collaboration. Concerns were raised in regards to both a lack of staff and a need for more expertise among existing staff. Capacity was noted as a challenge at the local government level (elected officials and staff), among nonprofit housing developers, and within existing regional entities.

## Local Staff Capacity

According to several respondents, there is a serious staffing capacity challenge at the local level. One city was listed as an example where political will existed to create an inclusionary zoning program, but limited staff expertise created barriers. Situations like this pose challenges for the RAHTF recommendations, said some respondents, since cities may not have the capacity to implement some of the suggested policies. Further, in more rural areas, the ability to apply for state or federal funding is limited by staff capacity. This theme overlaps with the complicated nature of funding sources, discussed earlier. One interviewee discussed that there often are no dedicated government staff for affordable housing in smaller jurisdictions. Often, there might be a staff person, such as a planner or human services professional, with a particular interest in the field, but turnover can result in a lack of continued city focus on housing. In addition to local government staff, more than one interviewee stressed a need for more nonprofit housing developer staff capacity, especially outside Seattle. Since developing LIHTC properties is complicated, additional expertise is sometimes needed for smaller organizations.

*“So, we realize that cities don’t have as much time and capacity or technical expertise to actually implement the RAHTF recommendations. They’re still fairly high-level recommendations. We didn’t want to stop short at goals or broad statements. We tried to drive into a little more detail, but it’s not something that cities can currently pick up and understand exactly how they implement them.”*

Interestingly, for some growing cities that are able to hire more staff, new challenges to regional collaboration are arising. As cities build their own local capacity, this leads to a desire for more local control and is making it harder to collaborate.

*“Cities are building their own capacity, they are raising the political stakes of addressing affordable housing, and so they are more likely to look to addressing that in a place where they have direct control over it.”*

## Capacity of Elected Officials

Multiple interviewees discussed the turnover of elected officials as a key challenge. Elected officials receive significant training and education by HDC and ARCH, but when others are elected in their place they lose a lot of the historical knowledge.

*“Another challenge is that the elected officials change all the time. So the elected officials in suburban cities 20 years ago, who got training by HDC, ARCH and others, are not elected officials anymore.”*

## Regional Staff Capacity

Several interviewees mentioned the importance of capacity at a regional level if regional collaboration is the goal. Currently, according to one person, PSRC is successful when they set the table and use it to educate elected officials. SKHHP, while young, is also touted as a great example of how to build capacity among local governments where there are no affordable housing professionals. It was also mentioned that one of the strengths of the RAHTF was that they had a strong group of technical experts who could educate elected officials. One interviewee discussed the

importance of adequately staffing the regional entities like PSRC so that they do add capacity for cities rather than simply convening elected officials.

*“While these entities are all staffed and maintained by elected officials, the honest staffing levels are important. It isn’t just the convening of elected officials from each city—it’s making sure these entities are supported with quality staff.”*

## **Different Priorities**

In 15 different interviews, the topic of differing priorities by jurisdiction was discussed. In the context these interviews, priorities primarily signify elected officials’ policy responses to the perceived needs of their communities. Three interviewees discussed urban versus suburban priorities, nine discussed local versus regional tensions, five discussed differences in priorities from jurisdiction to jurisdiction, one person discussed differences between South King County and East King County, and one discussed tensions between local and state priorities.

### **South King County vs. East King County**

Different priorities often amounted to the reality of the available housing stock, current political conditions within jurisdictions, and what capacity cities had to implement regional policies.

*“There is different emphases in different places. It’s very common in South King County to hear leaders say, ‘Look we have got some of the last naturally occurring affordable housing that there is and if you tell us we need to build a whole bunch more affordable housing, people don’t want that. Help us preserve.’ And there’s definitely a reality to that. But there is sort of that real feel in South King County whereas in East King County it’s much more about building new units, and there seems to be less resistance to building, but if you ask for my opinion...I’m hearing a lot of locals say ‘We like mixed-income developments. We don’t want a whole big hundred, two hundred, three hundred unit development that’s 100% affordable housing because we don’t see that as being successful. It’s far more successful if you can have market rate and affordable intermixed.’”*

The South King County and East King County tensions often played out in preservation vs. building policies. Striking the balance between 100% affordable and mixed income units also reflected current conditions in those cities and perceptions of what affordability brings. Mentioned earlier, the two areas also have vastly different communities in terms of race and income which drives their priorities. South King County cities have historically sought strategies heavily favoring preservation over new construction. This can be attributed to the south’s supply of “naturally occurring affordable housing” which officials thought needed to be preserved or renovated.

### **Suburban vs. Urban Cities**

Differing priorities also manifested in the tension between suburban and urban cities where one interviewer reflected upon the conservatism of suburban cities relative to larger urban cities. This factor, they believed, contributed to suburban cities lack of leadership on bolder policies which we interpreted as strategies to meet regional need.

Insulation from many of the affordability problems larger urban cities experience may play a factor; if those suburban cities do not experience the housing crisis in the same way, why would they need to contribute to larger regional efforts? Thus, there is little incentive to comply with regional mandates. As a solution to this problem, the interviewee raised the fact that some of these suburban cities have agreed to SKHHP and ARCH memberships.

*“The reality is that suburban cities are considerably more conservative on the whole than Seattle or King County governments. So you just have more conservative leadership. It will take more time and it will take some of those peers being more bold and setting examples and calling others to the table. Some of that is happening through the SKHHP effort and hopefully it’s something that can be built on.”*

## **Enforcement and Accountability**

16 different interviewees discussed the importance of enforcement and accountability mechanisms for cities to provide affordable housing. There was broad consensus that permitting jurisdictions to fall short on their housing goals has failed to deliver housing at scale, but disagreement as to how to enforce those goals. Many expressed concerns that forcing jurisdictions to do anything would stir resentment among elected officials and erode existing collaborative relationships.

### **Teeth**

*“There’s teeth in the GMA for environmental regulation, so there’s regulations that protect habitat for salmon, but there are no regulations that protect habitat for humans.”*

13 of these individuals suggested that more enforcement is needed to enact affordable housing strategies at a regional scale, specifically, tying housing goals to actual consequences. Many bemoaned the forgiving nature of goal-setting, which requires jurisdictions to set, but not meet, housing targets.

*“Goals don’t have any meaning, there’s no consequence for not achieving goals. Every jurisdiction can sit at the table with King County and people doing the CPP and say, Sure, we need housing for everybody, but then ten years later when you’re updating the plan, gosh, well it hasn’t occurred—well, let’s create a new goal. Now we need even more housing for everybody.”*

Four respondents suggested making transit dollars contingent on meeting housing goals, with one going even further:

*“Everything’s connected. So when we allocate transportation dollars or parks dollars or public safety, they all ought to be contingent on having land use policies that support jurisdictions in reaching those housing goals. Without that, you’re never going to get it.”*

## Optional Mandates

Related to frustrations with the goals themselves having no built-in accountability, six interviewees noted that many affordable housing mandates are not mandates at all. This was especially highlighted as a weakness of the RAHTF:

*“The recommendations are not mandates. They are not intended to override local control...that by itself really weakens the ability to achieve any numerical goals related to housing.”*

Because the recommendations are not binding, respondents said it diminishes their ability to precipitate meaningful change. However, officials from local governments did understand the delicate political balance at play. One explained that local electeds historically defer to each other on the specific needs of their jurisdictions, and that there is reluctance to impose what may be right for one city onto another. Another said that since suburban cities are already reticent about spending and capacity, enforcing the recommendations would have been a non-starter:

*“The only way the recommendations were passed was because they were non-binding. If you had tried to get the jurisdictions to agree to be bound to even half of them I think there would have been substantial resistance.”*

Yet the same interviewee continued on to say that there is a line in the sand past which jurisdictions sometimes abdicate responsibility. All cities are happy to agree on the existence of a regional housing problem, they said, but less happy to be told what they must do to solve it.

## Having the Tough Conversations

Making progress at the rate needed is very difficult. Most interviews were rife with frustrations about how best to push ahead with progress while managing to bring all jurisdictions along willingly. Some advocated for a centralized authority to be formed or identified that directed housing provision on a Countywide level:

*“It’s much easier to have someone else who says this is how it **must** be, and then ask the cities what they can do. But it’s much easier for a jurisdiction who hears something big and scary like ‘allow a bunch of affordable housing in your community’ to just go, ‘nope, not gonna do that’, or just do the easiest of easiest things and avoid the harder things.”*

Dispersed across all interviews were exasperations with the status quo. Three respondents said they have seen many task forces and reports come and go with no significant change. Five said the current conversations were auspicious but were skeptical that they would be acted upon:

*“The timing is ripe for something much much bigger than this. The conversations inside were rich and promising but when it came time to ‘do’ and produce a document that says ‘we shall’, everyone is looking at their belly button.”*

*“I was in a meeting when someone said ‘it just seems like someone’s gotta know what to do on this affordable housing issue! Where do we go to find the information about what to do?’ And this person is not alone, people keep looking around and wondering, ‘who’s gonna drop it in my lap to help me address this issue?’ And to some degree we’re really good at feeding that mentality instead of forcing the tradeoffs.”*



## Political Will

19 different interviewees discussed the theme of political will as a factor in determining fragmentation versus collaboration around housing. 14 of these mentioned local political will as a challenge to regional collaboration, particularly because it is so related to the ability to increase funding via taxes. More than one person stressed that political will is the most critical factor in making regional collaboration work.

*“Political will is going to drive whatever happens here.”*

## Keeping People at the Table

Since regional collaboration is ultimately voluntary, several interviewees discussed the importance of keeping local elected officials “at the table.” Multiple interviewees identified turnover of elected officials as a key challenge in keeping local jurisdictions engaged in regional efforts. Another discussed how locally-focused housing battles can fatigue elected officials and lower their appetite for regional efforts. In addition, the focus of regional conversations can affect political will; for example, one person was worried that too much time spent determining the proper governance structure will lower the energy to implement policies and build housing. Keeping people at the table regionally also means proposing forms of collaboration that do not threaten the authority of local jurisdictions. Several people discussed how this played out with the RAHTF.

*“The goal was to reach consensus. We were never going to get to ‘Let’s all advocate to create a jurisdiction that will overrule some of us.’ That was not going to be a consensus position.”*

*“A committee of the willing can only get as much done as who is willing.”*

*“While I think the county had more interest in more of a stick-like approach, at least from some elected officials — like let’s really have a strong entity like a Sound Transit to really mandate this—we also had folks at the table that were running from the hills saying I want nothing to do with that.”*

*“Given that this is really in the infancy of cities feeling like they can come together and trust the county to be a partner, it’s a politically sensitive and challenging path to carve.”*

## Need for Bold Leadership

Several interviewees stressed that bold political leadership is needed to have successful regional collaboration. Interviewees were of mixed opinion on whether such leadership exists currently. One interviewee discussed the need for more fundamental changes in how housing is provided, but that no elected officials are willing to take a step back and make any changes other than at the edges of current policies. Another interviewee highlighted the role of the convener of the task force as someone who can be a “standard-bearer” for these issues and who will continue to push the envelope. Another person noted again that suburban cities are considerably more conservative than Seattle or King County government. According to this person, progress would take longer in these

areas and would require other elected officials to set an example and call their more conservative peers to the table.

*“The way to accomplish regional collaboration is through bold political leadership. The question is: who in the community has the passion to do that and is willing to take the leadership risk to do that? With transit - because that’s Dow’s thing - he was willing to take the political risk that ST3 would fall flat on its face. He felt having regional transit was important enough that he was willing to stake his career on it. So, who is the champion in the community for affordable housing in the same way?”*

### **Political Will and Fair Share**

Local political will relates to cities being willing to commit to building their “fair share” of housing countywide. Interviewees said that most elected officials know that affordable housing is a regional problem, but the local political will, from elected officials and from neighborhood groups, often prevents the siting of new developments.

*“Who’s going to step up and tell our communities: Hey, to do our part, this is what we need to do, and this is how we’re going to do it.”*

*“Everybody agrees it’s a regional problem. The question is: What is the responsibility of Renton or Tukwila or Kent to respond to that problem? I don’t think there’s a shared answer to that, clearly at an elected level.”*

*“Elected officials know the housing problem exists, but when the rubber hits the road there is always an excuse for why it shouldn’t be in their community.”*

### **Political Will and Public Perception**

Public perception around affordable housing tends to affect local political will, according to interviewees. One person claimed that local opposition to density is the “biggest barrier we have to greater affordability in our region.” NIMBYism (Not In My Backyard-ism) regarding affordable housing and homeless services has significant political sway, especially in smaller cities, which impedes the ability to make progress at a local level.

*“What will decide whether the RAHTF recommendations are implemented is what the public wants to do. Most people in the public don’t know about the task force. What they know is that KOMO just ran ‘Seattle Is Dying.’”*

*“The politics of it are that we need to be transparent about our progress and our failures. There’s a communications aspect to it. But I think having a cohesive structure allows us to speak with a louder voice and a more cohesive message. So that’s another political aspect to the benefits of this work. We have not had a cohesive message, and partly because our data is fractured, our message is fractured, our communications are fractured, so the fracturing is felt in all aspects.”*

## When Local Political Will Exists

One interviewee pointed out that when cities build their own capacity and political will exists to address housing issues locally, this can result in cities turning inward and resisting cross-jurisdictional collaboration.

*“Once cities really start to build up their own momentum and their own political ownership of an issue, it gets a lot harder to collaborate particularly across different sizes of jurisdictions, different types of jurisdictions that have different political wills around affordable housing. And it also speaks to the very local, very neighborhood-based nature of affordable housing. As much as collaboration is important around affordable housing, siting one affordable housing development in that neighborhood is about that neighborhood.”*

## Fair Share

“Fair share” refers to the role of each city to produce an equitable portion of the county’s affordable housing. There is disagreement about what fair means. For example, while the guidelines set forth in Vision 2040 and the CPP are fair from a growth management standpoint, it does not necessarily mean that jurisdictions agree with this determination. In total, 10 different interviewees discussed the topic of cities building their fair share of the region’s affordable housing goals.

Some interviewees spoke of jurisdictions’ resistance to fair share because they perceive their communities as already meeting goals specified in local comprehensive plans.

*“You will have most of the South King County jurisdictions saying ‘we have our fair share of affordable housing’, not recognizing the same thing that’s happening in South King County that happened in Seattle—that the neighborhoods that had been affordable will no longer be affordable.”*

*“It’s unclear what would represent a reasonable fair share plan for all these jurisdictions. Because I think what the problem we have now is a lot of them think they have more than their fair share.”*

South King County cities are often cited as perceiving that their fair share goals are satisfied. This is borne out in other interviews stating that many South King County cities have an adequate supply of affordable housing and “naturally occurring affordable units”, so priorities lie more in preserving existing units. This tension between large and small cities alongside the perception that larger, more well-resources cities should be pulling more weight, is a major factor in the resistance against meeting the regional need.

*“We have this issue where we have a major city in our county, and then if we extend to our region we might identify a couple other cities that are city level but still some of them quite small comparatively even though they’re the major city, and then we these other jurisdictions that don’t honestly have many people comparatively. So where to put that balance of energy—do you push really hard in the places that have the most people or to what extent do you expect your regional partners to step up and take things on even though their potential is not that great?”*

## Fair Share and Funding

Another issue one of our interviewees raised is the connection between wanting to meet fair share goals but not having the funding capacity to meet needs at extremely low-income levels—a critical income threshold where the deepest subsidies do not bridge the gap.

*“The regional council has their growth mandates and it's easy for South King County to say ‘well, we already meet most of these standards except for the population that's below 30% AMI.’ Okay, well that’s a major ‘except’. Those happen to be the poorest people with the greatest need. However, if there’s not funding to meet the need, how can you fault all the jurisdictions for not having more housing when there’s no funding to make it happen?”*

Interviewees were quick to remind us that fair share also means the creation of affordable housing for those with little to no income at levels below 30% AMI. This is mandated by the CPP but is never enforced. At levels where such funding is even more critical, cities that do not have the resources and capacity to raise revenue are disproportionately affected by regional fair share models. This suggests that while fair share may seem rational from an urban planning standpoint, this is far from reality as cities need incentives and funding to accommodate growth for the lowest income populations.

## Economic Development

In seven different interviews, the topic of balancing economic development and affordable housing, or the “jobs-housing balance,” was discussed. One interviewee explained how there is a gap in understanding the economic benefits of affordable housing by elected officials in some jurisdictions. *“They [elected officials] see residential development as something to have to ‘deal with’ from a concurrency perspective. It puts pressure on their schools, on their transportation infrastructure, on their parks. They don’t want to deal with that. They want to deal with the economic benefits that come from offices and workers, and that has a different level of concurrency than residences.”*

Multiple interviewees discussed how, in conditions of strong economic development, rising rents lead to displacement of low-income households from urban areas, which contributes to the suburbanization of poverty. One person discussed how the black community in Seattle’s Central District has been pushed out as rents increased due to gentrification. In addition, as rents go up in Seattle and Bellevue, this in turn pulls rents up in surrounding communities. This was mentioned as happening particularly in cities in South King County.

Others discussed that an underlying cause of a lack of affordable housing in Seattle and in East King County is that as unpredicted economic growth, driven in large part by high tech industry, drives up housing costs, the housing being built to accommodate the growth is primarily directed toward high-income households. The same interviewee pointed out that cities tend to compete with one another for economic development opportunities, but they do not often compete for affordable housing to be sited in their communities.

*“Housing is the platform that provides stability to do just about anything else. Whether you want to improve education outcomes or have a job that you can maintain and excel in and increase your earnings.”*

## **Planning vs. Implementation**

Six different interviewees discussed the theme of planning versus implementation. This theme is different from enforcement and accountability in that it refers to jurisdictions following through on their own goals rather than being subject to external mandates. Multiple people expressed skepticism about regional planning efforts around housing because they often result in no more than a list of recommendations. To make these recommendations come to fruition it takes policy change at the state and local levels, which requires several other factors to come into play, including increased funding and local political will. One interviewee remarked that the greatest challenge with the RAHTF is keeping jurisdictions engaged and committed to enacting the recommendations. The same interviewee focused on the disclaimer written into the RAHTF recommendations that because they are not mandatory, cities must take on the responsibility of implementation.

Another perspective shared by an interviewee focused on the difficulty of predicting major growth increases and how implementing policies based on planning will often miss the mark, since the mark is ever-changing. Politics move so much faster than planning, which makes planning a less effective change-agent.

*“I think you should just take any plan you’ve come up with in the last 20 years, pull it off the shelf, and just fund it. That would be better than coming up with another plan.”*

## Chapter 6: Discussion

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Several findings surfaced from the analyses of the interviews and policy comparisons, which broadly support the notion that local governments in King County are fragmented in their approach to affordable housing. The spaces in which this fragmentation occurs and the factors that contribute to it all describe a landscape that will need further examination as policymakers progress on a regional approach.

**Funding: While funding is seen as collaborative in some ways, there is broad consensus that there is not enough funding and that funding processes are overly complicated.** The shortage of funding for affordable housing at the state and federal level means that local governments must raise revenue themselves to fund affordable housing. Raising revenue can be quite difficult politically, since most tax increases must be approved by voters. Illustrating the infrequency of taxing locally for affordable housing, Seattle is the only city in King County with its own housing levy. Based on our analysis of policies throughout King County, cities with higher property tax revenue tend to have more robust housing policies than cities with very little revenue.

The complicated nature of the funding process adds barriers for smaller cities and housing developers to navigate and piece together the various sources, which often have specific restrictions that prevent them from being combined. Whereas King County and Seattle have coordinated their funding applications, there is no central application process for affordable housing funding in the rest of the county. Interviewees, however, touted ARCH as an example of collaboratively leveraging local dollars to fund affordable housing, and several interviewees predict that SKHHP will serve a similarly vital role in South King County.

**Governance Structure: There is a plethora of entities working on affordable housing in the King County region. In addition, the county has a leadership void wherein there is no clear authority directing affordable housing efforts.** PSRC was cited as a productive forum where elected officials can be educated about affordable housing issues, yet PSRC has no authority to require cities to meet any goals. Similarly, in order to “keep cities at the table,” RAHTF conveners made several compromises to the proposed governance structure, which was ultimately placed within the King County GMPC. Several interviewees expressed skepticism about the ability of this committee to make a large enough impact. Much of the tension relates to cities’ desire for local control, and cities “run for the hills” when presented with mandates. Several interviewees mentioned the unfunded mandate as a major barrier, since smaller jurisdictions generally cannot gather the resources to increase affordable housing production on their own. To mediate the tensions between local and regional strategies, leadership will be critical.

Related to governance structure, ARCH and SKHHP were again pointed to as strong examples that can increase collaboration across jurisdictions and distribute resources. Our policy comparison showed that the cities with the most robust affordable housing policy packages are members of

either ARCH or SKHHP. Policymakers can look to these entities as a model for larger regional efforts.

**Perception and Messaging: Public perceptions of affordable housing and its residents present challenges to coordinating a regional response to the housing crisis.** Negative public perception is an obstacle to both gaining political traction and involving community members as stakeholders in making neighborhoods affordable. Three misconceptions—renter populations, density, and government spending—were prominent themes. As homelessness has become increasingly visible, there is a sense that community goodwill is wearing thin. Because affordable housing happens on such a hyper-local scale, on a particular block in a particular neighborhood, an even more acute challenge is neighborhood group opposition to specific developments. Campaigns in some neighborhoods painting affordable housing as loci for drugs and crime have been especially successful, forcing developers and electeds to position themselves defensively against the members of the public.

**Zoning and Land Use: Zoning Policies vary widely by jurisdiction.** Our policy comparisons show a sub-regional divide in certain housing zoning policies. For example, while 15 East King County cities allow for diverse housing options within single-family zoning such as duplexes or triplexes, there are no South King County cities that permit such flexibility. In addition, all of these are members of ARCH, suggesting that ARCH has some influence over this conversation. Secondly, incentive zoning occurs in eight East King County cities, all of which are members of ARCH; however, there is no South King County city that has enacted incentive zoning policies. Cities in different parts of the county are taking different approaches partly because they have different perceived housing needs. South King County cities have tended to focus on preservation and anti-displacement strategies, whereas East King County cities have put more emphasis into building affordable housing, both through market-based policies and increased funding sources for subsidized housing. However, data show that since 2010 South King County has produced nearly five times as many affordable homes using LIHTC as East King County. Lastly, priorities are often echoed in policy implementation; overall, the number of people living in single-family homes tends to correlate negatively with the number of affordable housing policies a city has implemented.

**Informal Relationships: Informal spaces can play a significant role in jurisdictional collaboration, but these spaces can also be areas of exclusion.** One trend that arose in the interviews is the tight-knit professional network of affordable housing developers and housing policy professionals. The ability for people in the field to ask for advice, bounce ideas off each other and confirm funding facilitates collaboration and forms ongoing rapport, but in doing so can create in-group/out-group dynamics. For the in-group, there is easy access to policy-making spaces, collaborative forums and other conversations that afford members influence over the direction of policy. However, for the out-group, even if unintentional, not being included in collaborative spaces can have just the opposite effect. This is particularly true for organizations serving primarily communities of color, who voiced in the interviews that felt they are often not included in these informal collaborative spaces. A deeper discussion of these implications concludes this chapter.

## Further Considerations on Fragmentation

While fragmentation is located primarily in the above five areas, it is mitigated or exacerbated by several contributing factors. While many of these factors overlap, others contradict each other. With varying needs and capacity levels, many local jurisdictions bristle at the notion of enforcement and accusations that they have not contributed their fair share of housing. Bypassing their buy-in, skirting local control, and imposing binding requirements, however, threatens the potential for collaboration around a regional table like the RAHTF.

The Task Force recommendations are a prime example of the trade-offs inherent in collaborative efforts. The non-binding nature of the recommendations was cited as a major reason they were passed in the first place, as local electeds could retain self-determined control over the direction of their housing supply. Yet without enforced accountability measures, there is little optimism that jurisdictions will adopt the recommendations. Even beyond the RAHTF, lack of enforcement of housing goals renders regional efforts relatively hollow in their ability to scale affordable housing solutions. On the other hand, even if accountability measures were created and enforced, there is no promise of delivery. Suburban cities in particular are wary of regional mandates and often interpret them as being forced to spend resources they do not have for things their jurisdictions do not need. Imposing mandates risks isolating these jurisdictions, and even if their electeds were on board, term lengths are too short for mayors and councilmembers to stake their reputations on contentious issues.

Problems with accountability are themselves a symptom of the aforementioned leadership void. Without a “champion” for affordable housing, entities like King County, PSRC, SCA and local cities must work together to share ownership of the issues. Yet, none of them have the authority to impose consequences on jurisdictions that are falling short or reward those who are succeeding. Therefore, a bulk of the work is dedicated to advocacy and capacity building. But as some cities have built staff capacity, plenty have not. Those that do not employ dedicated staff for housing have a harder time getting housing policies passed, as do advocacy organizations that depend on a small, underpaid staff. Many advocates, it is worth noting, are not paid at all.

Jurisdictions that have committed to building capacity tend to exhibit more claim over the direction of urban growth. Governments that have made investments in staff or projects are protective of those investments and want to retain control of them. The ability of jurisdictions to diagnose and address their own problems—and allowing them to do so well or poorly—is a key question that was raised many times throughout this analysis. How paternal should larger entities be? Where is the line between an imposition and a regional vision? Should capacity be built at the regional level or the local one?

For at least some communities, the answer to the regional or local capacity question has a clear answer. Communities of color exhibit very little faith in the established affordable housing system to provide for their groups; without explicitly confronting existing systemic inequities, expanding authority to a regional level could exacerbate them. Community leaders and service providers instead



want to build capacity within their communities to self-determine outcomes for their families. Indeed, the desire for self-determination makes many diverse communities dubious of regional control.

Differences between jurisdictions are seen starkly in their policy toolkits. With 20 variations across 39 cities, it is clear that not all cities think alike when it comes to affordable housing. Some variances are to be expected based on elements like population size or urban/rural status, while others speak to divergent strategies and priorities. In a few cases, the policy inventories give the wrong impression entirely—Issaquah, for example, employs eight out of the nine policies yet had imposed a moratorium on new developments following concern that growth was running too far ahead of the city's vision. Issaquah was not alone, as four other King County cities—Federal Way, Duvall, Newcastle, and North Bend—imposed similar moratoria in recent years.<sup>65</sup> While it is entirely reasonable for jurisdictions to want to control their own futures, when cities try to dam the river, streams inevitably flow to their neighbors. Federal Way's next door neighbor, Auburn, absorbed not only wayward development from Federal Way but also the political risk involved with pushing a pro-housing agenda: if Federal Way isn't doing it, why should Auburn?

By comparing cities against one another based on the policies they have enacted, we do not mean to suggest that every city in King County should adopt all nine of them; this is neither realistic, nor does it take into account the unique needs and dynamics at play in each jurisdiction. It should not matter which policies each city has adopted if they all commit toward a shared goal. As long as some cities do not participate, however, a disproportionate burden will always fall on the others.

The fear for many interviewees is that the RAHTF will go by way of other past reports and “collect dust on a shelf”. With any collaborative effort like the RAHTF, there must be follow-through to prove to participants that their input is meaningful, and to convince the community at large that collaboration yields results. Likewise, participants and community members must be willing and able to participate in good faith.

## Reflections on Racial Equity

Racial equity is a crucial element to any discussion around affordable housing. Given that modern day housing policy is a product of historical redlining, racial covenants, and other exclusionary efforts, the affordable housing space should be one of the most inclusionary spaces for undoing past harm. However, many of the informal and formal relationships that dictate the direction of housing policy have been established without communities of color, who disproportionately lack access to power to this day, at the table. People of color are overrepresented in homeless populations and are more likely to be displaced by rising rents and gentrification<sup>66</sup>. Yet, oftentimes the voices of

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<sup>65</sup> A Moratorium is not the Answer to our Housing Affordability Crisis. (2017, December 25). Retrieved from <https://thelens.news/2017/09/20/a-moratorium-is-not-the-answer-to-our-housing-affordability-crisis/>

<sup>66</sup> Regional Affordable Housing Task Force. (2018). *Final Report and Recommendations* (Rep.)

communities of color are the least heard, especially given the overwhelming whiteness of those in power.

As such, our inclusion of racial equity here is less a reflection of a common interview point and more a necessary and intentional discussion about how racial inequities are embedded within the affordable housing system. As a theme, equity was not raised frequently in the interviews we conducted. This in itself led us to examine how we were complicit in relegating the issue to the background through our selection of interview subjects. To address this, we sought out leaders of color who were willing to share their experiences with us. While we have little power over policy at top levels, we do have power over whose voices we include in our own research.

Interviewees spoke frequently and directly of the exclusion of communities of color from policy discussions that affect their own members. Informal relationships often dictate who gets a place at the table; though strong relationships have been cited as a facilitating factor for collaboration, they demand outside parties knock on the door while in-group members walk right in.

*“What is either an intentional or unintentional consequence is who’s not at the table—who’s not being included. And if we look at the solutions that have been consistently been proposed by the predominantly white community... then people outside of that community are not often heard. Their needs are not taken care of.”*

The consequence of exclusion is that those who understand the needs of their community and culture cannot articulate those needs or ask they be met. It also implies—correctly, as interviewees told it—that some communities have different needs than others. Because white mainstream voices have dominated policymaking spaces, the services provided have been mostly serving white mainstream needs. This is cited as a key reason that, despite interventions, homelessness and housing insecurity has not meaningfully decreased among people of color, particularly black and native communities.

*“Their model and system of referral and intake is discriminatory and not serving individuals or families of color. The thing about it is—I hear that, they know that, so what are you going to do differently to change that dynamic or that statistical reality? Most systems are hard to change, so if you’re not really intentional in holding it to accountability, it will snap back to what it’s used to doing before you tried to change it. Your numbers are not going to go down unless you do something different.”*

Providing culturally-appropriate services is yet more hindered by the utilitarian side of human services. Given funding and resource constraints, success is often measured by the number of people served. This means that some highly vulnerable communities fail to register as significant, leading to underservice and neglect by policymakers.

*“Here’s the problem within the native community. We have the highest rates [of poverty, disease, etc.] but if you look at just the raw aggregate number it’s, what they call, statistically insignificant. But it’s unfair and unjust. So that’s why a lot of people don’t see the issue of Native American homelessness, right? Because we’re not dipping the scales enough to stand out. So I think the same problem when something like that [regional entity] is created, smaller communities will be eaten up and forgotten about. That’s what I’m scared of—the one size fits all model.”*

In order to affect visible change, funding goes to the same stakeholders while results remain consistent or have deteriorated over time. The lack of funding was a major concern to groups who work in the affordable housing space. More than wanting a larger pool of funding to share, leaders of color expressed desire to be directly funded themselves so they could remain self-sufficient and self-determined. Building “self-determined capital assets” is important to ensure that people who are and will remain within the community can guide their community’s growth and health. When asked if they trusted the status quo to adequately care for their communities, all interviewees said no.

However, much of their concerns were magnified by those formal and informal relationships of established “reputable” policy makers, developers, and other decision-makers. While these relationships remain important in the policy space because allies serve to build coalitions, a racial equity analysis at the regional level should be conducted to analyze what groups are not at the table.

Even when people of color are at the table, their abilities are often discounted. One powerful interview moment came from someone who entered the field early in their career. They discussed repeated occurrence where many decision-makers questioned their aptitude and intellectual ability.

*“The whole thing about ‘Are you smart enough. Can you understand and learn these complex policies and how these complex projects are put together and come up with a workable, viable project, and have it come to fruition?’ I had to say in some spaces, ‘excuse me, if you were able to learn it, I think that I am quite intelligent (enough) to learn it also’. So it’s having to state your confidence and your intellectual ability to learn the complexity of these projects...some of it was very blatant and some of it was very Seattle liberal racist.”*

Moments like this reveal how systemic racism remains at large within the policy space; the interviewee expressed that they still received abuse from those in positions of power. We believe that empowering historically marginalized groups and being intentional about their inclusion could help toward dismantling current racist structures.

## Chapter 7: Case Studies

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The issue of fragmentation is not limited to King County. Other metro areas in the U.S. have grappled with similar fractures in housing and other policy arenas and deployed different strategies to address them. These strategies are useful comparison tools for King County and may serve as models for future collaborative work. The following four case studies showcase regions that have implemented, or are in the process of implementing, regional collaborative governance models. These areas were chosen because of they have been heralded in the prevailing literature for their approaches to regional collaboration.

As part of these case studies, we note key elements of the structures that contribute to their success, as well as predicting the extent to which these elements could be adapted to the context of King County. Should policymakers choose to address issues of jurisdictional collaboration through some form of increased collaborative governance to provide regional affordable housing solutions, these cases can be used as a starting point.

### **Metropolitan Council and Fiscal Disparities: Minneapolis-St. Paul**

Minneapolis has long been upheld as a paragon of regional governance. Two unique entities are to thank for this, the Metropolitan Council and the Fiscal Disparities program, both in operation for around fifty years. Since their implementation, Minneapolis has become one of the most livable cities in the nation, second only to Washington, DC for affordable living and working despite its high median income, and ranking within the top ten major metros for income mobility.<sup>67</sup>

The Metropolitan Council was founded in 1967 as the body responsible for overseeing all regional planning across seven counties containing 188 municipalities. Like many regional planning bodies, it was formed to comply with federal planning requirements and steward subsequent highway dollars. All 17 members are appointed by the governor and are prohibited from serving concurrently as a local elected official, a precaution meant to prevent intra-regional competition within the Council. The regional plan developed by the Council—called Thrive MSP—becomes the policy framework to which jurisdictional comprehensive plans adhere, and the Council has authority to compel compliance with Thrive if local plans fall short. To support local jurisdictions in their planning, Met Council administers PlanIt, a series of webinars, podcasts, workshops and conferences designed to educate local governments and assist them with aligning their comprehensive plans with Thrive.<sup>68</sup>

The Council differs from similar bodies in other parts of the country in that it employs much broader authority over services other than planning. It oversees all regional transit and wastewater services, a regional parks system, and also plays a large role in affordable housing. The Council

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<sup>67</sup> Thompson, D. (2015, February 18). The Miracle of Minneapolis. Retrieved from <https://www.theatlantic.com/magazine/archive/2015/03/the-miracle-of-minneapolis/384975/>

<sup>68</sup> MetCouncil. (n.d.). Training & Development. Retrieved 2019, from <https://metro council.org/Handbook/PlanIt.aspx>

administers the largest Housing Choice Voucher program in the state, serving over 7,000 households, and partners with Federal, State and other county governments to fund special programs like housing for differently-abled populations.<sup>69</sup> The regional approach is credited as the key to providing efficient yet high-quality services; the wastewater service, for example, operates at a cost 41% lower than that of comparable regions.<sup>70</sup>

The Met Council also has the power to levy taxes to fund its operation, which has historically led to controversy. Because Councilmembers are appointed, not elected, there has been tension concerning accountability and consolidation of power.<sup>71</sup> As a funding mechanism, the Fiscal Disparities program in particular has fomented disapproval among the region's wealthier enclaves.

Fiscal Disparities, a tax-base sharing program, was created by Met Council in 1971 to address revenue discrepancies across the region. It works by allocating a portion of commercial-industrial tax base to a regional pool, which is then progressively distributed to communities according to their property values. Areas with lower property values—and thus a smaller tax base—receive a larger allocation of the pooled base.<sup>72</sup> The program was a direct response to the mutually-detrimental practice of municipalities offering escalating tax breaks to entice business activity, and effectively ended this “race to the bottom”. Met Council reports that the program has drastically shrunk jurisdictional tax-base gaps: what would have been a ratio of 12 to 1 without the intervention has become 5 to 1 with it.<sup>73</sup>

### **Application to King County**

King County has historically been plagued with revenue problems, owing mostly to its strong reliance on property taxes to fund the government. The county is not alone in this: Washington recently had the dubious honor of being named the state with the most regressive tax code in the country. Constitutional restrictions on common revenue-generating tools like an income or capital gains tax prevent local jurisdictions from creating reliable revenue sources, instead turning to local levies or contentious special-purpose taxes (see Seattle's Employee Head Tax). Fiscal Disparities is a model of how tax-base sharing might work to bolster revenues in smaller jurisdictions. A similar program could increase the likelihood that cities with a smaller tax base have sufficient revenue to meet their housing goals. See below for a spread of property tax revenues by city in King County. Seattle is not included because its extraordinarily large tax revenue skews the data.

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<sup>69</sup> MetCouncil. (n.d.). Metro HRA Programs. Retrieved 2019, from [https://metro council.org/Housing/Services/Metro-HRA-Programs-\(1\).aspx](https://metro council.org/Housing/Services/Metro-HRA-Programs-(1).aspx)

<sup>70</sup> United States, MetCouncil. (2019). *2019 Unified Budget*. St. Paul, MN.

<sup>71</sup> Can the Met Council be tamed? (2014, October 16). Retrieved from <https://www.minnpost.com/politics-policy/2014/10/can-met-council-be-tamed/>

<sup>72</sup> MetCouncil. (n.d.). Fiscal Disparities. Retrieved from <https://metro council.org/Communities/Planning/Local-Planning-Assistance/Fiscal-Disparities.aspx>

<sup>73</sup> Ibid.

### Property Tax Revenue (2018) by City

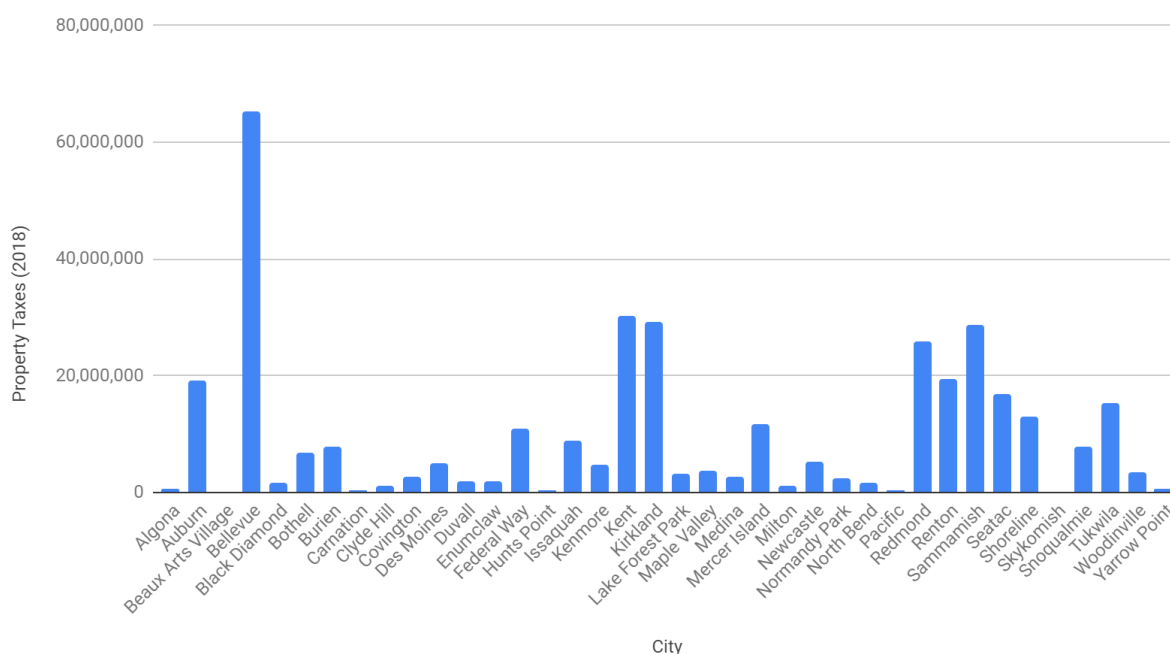


Figure 9: Property Tax Revenue by City (excluding Seattle)

In Minneapolis, the Met Council has the power to ensure that local Comprehensive Plans are in compliance with the regional plan, Thrive. While accountability is a useful mechanism to help goals be met, it works because jurisdictions can afford to meet them. With more equitable distribution of revenues, Met Council can make reasonable demands of the jurisdictions within its bounds.

## Portland Metro

Portland's regional governance structure has long been touted for its innovation and leadership. With a voter approved merger of the Columbia Region Association of Governors (CRAG) and the Metropolitan Service District (MSD) in 1978, Portlandians welcomed the nation's first directly-elected regional government.<sup>74</sup> Retaining its name, the new MSD set minimum density standards requiring jurisdictions in the Portland metro area (Multnomah, Clackamas, and Washington counties) to allow mixed-use construction including 50% apartment and townhomes.<sup>75</sup>

Through a charter in 1992, the MSD officially changed its name to Metro and was given greater power to address all "matters of regional concern."<sup>76</sup> Metro soon adopted the Regional

<sup>74</sup> What is Metro? (2017, December 29). Retrieved from <https://www.oregonmetro.gov/regional-leadership/what-metro>

<sup>75</sup> Rusk, D. (1999a). Inside game outside game. Washington, DC: Brookings Institution Press.

<sup>76</sup> Metro. (2019, March 07). Regional Framework Plan. Retrieved from <https://www.oregonmetro.gov/regional-framework-plan>

Framework Plan (RFP) which identifies policies specific to regional transportation, protection of lands outside of urban growth areas, housing densities, and other land use categories.<sup>77</sup>

Portland's metropolitan planning agency also adopted a 2040 road map that focuses on growth management strategies. Much like PSRC's Vision 2040, Portland's 2040 Growth Concepts identifies distinct urban growth areas (central cities, town centers, regional centers, station communities, etc.) that they predict can absorb growth in the next fifty years.<sup>78</sup> However, also like Seattle, Portland's 2040 growth management strategy lays out an ambitious vision with little incentive to comply; the plan has no enforcement mechanism.

Basolo says that in Portland, "It is difficult to assess the impact of growth management on fair-share goals. Statewide planning, the urban growth boundary, and other responses to growth...making it difficult to predict regional housing outcomes."<sup>79</sup> A fair share model relies on cities' coordination to take in growth relative to its neighbors. This is problematic for jurisdictions if there is little clarity about whether fair-share targets benefit their own jurisdictions.

### **Application to King County**

The county's regional collaborative body, PSRC, adopted its own growth management "vision" in 2008. Vision 2040 prescribes the same fair-share model as Portland's plan, and similarly, carries no enforcement tool. Without this, along with a strategy to instill shared vision among local officials, it is difficult to imagine the housing crisis abating. Seattle's Vision 2040 also sets urban growth boundaries to curtail encroachment into natural environments and suburban sprawl. However, evidence from Portland may suggest the boundaries may actually be encouraging sprawl. When Portland's boundaries were created in 1979, the median price of a home was 63,000 dollars.<sup>80</sup> As Portland's population grew, the housing median doubled and continues to rise pushing Portland's residents farther beyond the growth boundary.<sup>81</sup> This, along with NIMBY attitudes and high concentrations of single family zoning have exacerbated the problem in Portland.<sup>82</sup>

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<sup>77</sup> Ibid

<sup>78</sup> Metro. (2017, December 30). 2040 Growth Concept. Retrieved from <https://www.oregonmetro.gov/2040-growth-concept>

<sup>79</sup> Basolo, V. and Hastings, D. (2003), Obstacles to Regional Housing Solutions: A Comparison of Four Metropolitan Areas. *Journal of Urban Affairs*, 25: 449-472. doi:10.1111/1467-9906.00172  
<https://www.theatlantic.com/national/archive/2014/03/more-americans-moving-to-cities-reversing-the-suburban-exodus/359714/>

<sup>80</sup> Beyer, S. (2017, March 30). Portland's Urban Growth Boundary: A Driver of Suburban Sprawl. Retrieved from <https://www.forbes.com/sites/scottbeyer/2017/03/29/portlands-urban-growth-boundary-a-driver-of-suburban-sprawl/#2c8bc8376964>

<sup>81</sup> Ibid

<sup>82</sup> Basolo, V. and Hastings, D. (2003), Obstacles to Regional Housing Solutions: A Comparison of Four Metropolitan Areas. *Journal of Urban Affairs*, 25: 449-472. doi:10.1111/1467-9906.00172  
<https://www.theatlantic.com/national/archive/2014/03/more-americans-moving-to-cities-reversing-the-suburban-exodus/359714/>

The lesson for King County is whether PSRC's boundaries prevent or actually drive suburban sprawl; Portland has increased their boundaries thirty-five times.<sup>83</sup> Instead of continually expanding its boundaries, the county may consider tools that allow for achieving greater density within urban growth targets. Seattle's Mandatory Housing Affordability (MHA) policy upzoning twenty-seven neighborhoods within the city's core accomplishes this<sup>84</sup>, though single-family zoning must be addressed if solutions are to be scaled up countywide.

## Activating Underutilized Land in New York City

Despite its name, New York City is comprised of five counties: Manhattan, Bronx, Staten Island, Brooklyn, and Queens. Together they form one of the most expensive regions in the country to both live and build. The price of land makes up a significant portion of developer's costs. A study by Novogradac says that land acquisition costs can make up on average nearly 10% of total construction costs.<sup>85</sup> This presents a predicament for housing developers who desire to construct their developments near sites of opportunity. In centrally-located areas, tenants have access to schools, jobs, restaurants, and other amenities. However, building on the outskirts of town, where land is often more inexpensive but has less access, allows developers to maximize their funds.<sup>86</sup> This tradeoff could be mitigated if developers were gifted or sold steeply discounted land in exchange for developing affordable housing.

In light of this problem, a report released by New York City comptroller calls for the creation of a city land bank to inventory and release undeveloped land and "persistently tax delinquent properties that could be readily converted into affordable housing with the right tools and focus".<sup>87</sup> To date, New York City has identified nearly 1,500 vacant land parcels that sit undeveloped along with 247 properties that remain insolvent tax delinquent across all of its countries.<sup>88</sup> The land bank would take the form a government-created corporation that would play an active role in land stewardship.

In the past, New York City sold the land to developers in exchange for committing a certain percentage of units to affordable housing. While this policy created thousands of affordable units, this action forfeited the the city's leverage over development prospects. According to the comptroller's office, "the city loses leverage by transferring title, which weakens its ability to hold

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<sup>83</sup> Metro Urban Growth Boundary. (2019, January 03). Retrieved from <https://www.southeastexaminer.com/2019/01/metro-urban-growth-boundary/>

<sup>84</sup> Beekman, D. (2018, December 07). Ruling mostly clears plan to upzone Seattle neighborhoods for affordable housing. Retrieved from <https://www.seattletimes.com/seattle-news/politics/ruling-mostly-clears-seattles-plan-to-upzone-neighborhoods-for-affordable-housing/>

<sup>85</sup> California Department of Housing and Community Development. (2014). *Affordable Housing Cost Study: Analysis of the Factors that Influence the Cost of Building Multi-Family Affordable Housing in California*(Rep.).

<sup>86</sup> Cohen, J. (2018, October 03). Seattle wants to give away land for affordable housing. Retrieved from <https://crosscut.com/2018/10/seattle-wants-give-away-land-affordable-housing>

<sup>87</sup> Hood, H., & Rao, G. (2018). *The Elephant in the Region: Charting a Path for Bay Area Metro to Lead a Bold Regional Housing Agenda* (Rep.).

<sup>88</sup> Office of the Comptroller. (2016, February). Retrieved from <https://comptroller.nyc.gov/reports/building-an-affordable-future-the-promise-of-a-new-york-city-land-bank/>



developers accountable and negotiate for greater and permanent affordability”.<sup>89</sup> Instead of transferring deed rights, the new policy would keep the title to the land through a community land trust and partner with nonprofit developers to achieve greater affordability.

### **Application to King County**

New York City’s land bank proposal may be a viable strategy in King County. In 2018, Seattle passed a surplus land disposition bill—so far the only one in King County—that could be a starting blueprint for a land bank. According to a surplus land mapping tool created by Enterprise, King County has 11,116 publicly owned land parcels.<sup>90</sup> While every one of these sites may not be suitable for construction, just a fraction of this donated to affordable developers could drastically decrease construction costs across the region. Additionally, establishing government-owned corporations is not new to the county; Seattle has a number of Public Development Authorities (PDA) scattered throughout the city that preserve and develop a wide range of projects (SCID-PDA, Pike Place PDA). Finally, Sound Transit, the region’s public transit agency, has recently undertaken an initiative to offer a minimum of 80% of surplus land surrounding transit stations for affordable housing projects.<sup>91</sup> While the idea of gifting surplus or underutilized land is not new to the region, scaling the solution to the size of the problem may prove difficult. Stations may present an opportunity to create affordable housing and transit-oriented communities, however, employing all of counties publicly owned spaces should be up for consideration to meet the RAHTF’s numbers. If a regional development authority could establish a process by which it inventories land, receives RFPs, and transfers the development rights to an affordable developer, it could be another tool to aid the regional housing shortage.

## **Regional Collaboration in The Bay Area**

### **CASA Compact**

The Committee to House the Bay Area, colloquially known as CASA, launched in 2017 with the goal to draft a 15-year comprehensive policy package to address the affordable housing crisis in the San Francisco Bay Area. The committee, composed of stakeholders responsible for housing in the region, convened a series of meetings with electeds from Bay Area cities, housing developers, nonprofits, for profit businesses, transportation experts, and housing policy specialists.<sup>92</sup> In late 2018, CASA released its recommendations known as the CASA Compact. Alongside their report came a racial equity analysis that provided forecast data on how communities of color would be

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<sup>89</sup> Ibid.

<sup>90</sup> Cohen, J. (2018, October 03). Seattle wants to give away land for affordable housing. Retrieved from <https://crosscut.com/2018/10/seattle-wants-give-away-land-affordable-housing>

<sup>91</sup> Board adopts policy promoting equitable development near transit stations and facilities | Sound Transit. (n.d.). Retrieved from <https://www.soundtransit.org/get-to-know-us/news-events/news-releases/board-adopts-policy-promoting-equitable-development-near>

<sup>92</sup> ABAG, & MTC. (2018). *CASA Compact* (Rep.).

impacted by the recommendations.<sup>93</sup> Many of the recommendation include policies overlap with some of King County’s own RAHTF report including creating a regional body to implement the policies, unlocking public lands for affordable development, and building density around transit stations.

The Compact is unique in that it explicitly establishes a link between unaffordable housing, high-income earners, and transit: “Our housing crisis is also a transportation crisis. Nearly 190,000 workers commute from outside the nine-county Bay Area to the business parks of Silicon Valley and the Tri-Valley... Driven by the search for reasonably-priced housing, these “super-commuters” are clogging the roads and transit systems that we all rely on.”<sup>94</sup> The Compact calls out not only transit, but the tech workers that add to the two-fold problem of traffic congestion as well as soaring rental prices in their region.

Since adoption by the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG), “the CASA effort has become a cornerstone for dozens of housing-related bills being considered by the state Legislature.”<sup>95</sup> Senator Scott Wiener, guided by the Compact’s recommendations, introduced Senate Bill 50 with the aim to circumvent local zoning laws that prohibit the building of density around transit stations and job hubs.<sup>96</sup> The bill met fierce criticism from opponents who regarded it as a threat to local control<sup>97</sup>. The bill died in May 2019.

## Regional Consolidated Housing Entity

But what if local control and implementation was baked into bold housing strategies? Another model out of the Bay Area attempts to mollify fears of forfeiting local control while achieving solutions that scale to the size of the crisis. And while a radical departure from other proposals, the model contains elements of real-world policy—most notably governmental consolidation.

Enterprise, a leader in affordable development policy, released their *Elephant in the Region* report in early 2018 recommending the consolidation of three affordable housing development functions: capacity building “with a focus on local implementation”, managing land coordination, and implementing new financing tools—all under one roof.<sup>98</sup> The researchers recommended

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<sup>93</sup> CASA. (n.d.). The Committee to House the Bay Area. Retrieved from <https://mtc.ca.gov/our-work/plans-projects/casa-committee-house-bay-area>

<sup>94</sup> Ibid.

<sup>95</sup> Ibid.

<sup>96</sup> SB 50 Draws Opposition and Support. (2019, April). SB 50 Draws Opposition and Support. Retrieved from [http://www.independentnews.com/news/sb-draws-opposition-and-support/article\\_e179397a-5bbe-11e9-a470-dba963fb95aa.html](http://www.independentnews.com/news/sb-draws-opposition-and-support/article_e179397a-5bbe-11e9-a470-dba963fb95aa.html)

<sup>97</sup> Gray, J. (2019, April 19). A regional threat to local control. Retrieved from [https://napavalleyregister.com/opinion/letters/a-regional-threat-to-local-control/article\\_f912651e-a466-5419-a959-66db996d6802.html](https://napavalleyregister.com/opinion/letters/a-regional-threat-to-local-control/article_f912651e-a466-5419-a959-66db996d6802.html)

<sup>98</sup> Hood, H., & Rao, G. (2018). *The Elephant in the Region: Charting a Path for Bay Area Metro to Lead a Bold Regional Housing Agenda* (Rep.).

consolidation of these activities because they believe that fragmented implementation has given rise to the current crisis:

*“We are witnessing the consequences of a lack of coordination across jurisdictions; of the uneven housing finance and implementation capacity at every level to plan, develop, finance, and produce affordable housing; and of inconsistent execution of preservation and tenant protection strategies.”<sup>99</sup>*

They stress the need to support local communities because many areas simply do not have the capacity to manage their growth. At the same time, even small jurisdictions can have just as much impact in averting the housing crisis as their larger neighbors. The report says that “...a locality’s decision to build affordable housing is not an isolated decision. Cities willing and able to build affordable housing are also affected by their neighboring jurisdictions’ unwillingness to do so.” Thus, Enterprise emphasizes that local implementation is vital for abating the housing crisis, and it achieves local building capacity by deploying experts to each jurisdiction. These experts provide what the report dubs as “high-touch technical assistance” on land acquisition and financing unique to that jurisdiction’s ability in an effort to accelerate affordable construction.

The other two components of land coordination and developing new finance tools within the regional entity also serve local jurisdictions:

*“...a growing roster of underutilized, abandoned and tax-defaulted land. Alameda and Contra Costa Counties, for instance, continue to struggle with large swaths of vacant properties and their negative spillover effects. Largely concentrated in low-income communities of color, vacant and neglected properties drag down nearby home values, create safety concerns, and cost local jurisdictions hundreds of thousands of dollars in maintenance, emergency service provision, and lost tax revenue.”<sup>100</sup>*

Creating a system for the acquisition of blighted land can uplift largely low-income communities through increasing property values given that new construction serves the community. The report cites Alameda and Contra Costa counties as having the largest inventory of public and underutilized land in the region as well as the largest concentration of poverty. Coupled with the third function of creating new financing tools, specifically creating new gap funding tools at the regional level, the regional entity would be a powerhouse in the region that could swiftly build capacity and expertise, while creating unique financing strategies that cater to local conditions.

### **Application to King County**

The RAHTF report was released around the time as the CASA compact and gave many of the same recommendations given the two regions’ similarities: rapidly growing tech hubs where transit is

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<sup>99</sup> Ibid.

<sup>100</sup> Hood, H., & Rao, G. (2018). *The Elephant in the Region: Charting a Path for Bay Area Metro to Lead a Bold Regional Housing Agenda* (Rep.).

expanding.<sup>101</sup> But with less racial diversity than the Bay Area, it was surprising that the RAHTF report did not have a greater assessment of how communities of color would be impacted by the recommendations. Going forward in the implementation process, policy makers need to engage communities who can be disproportionately affected by the recommendations.

Transit has the dual effect of creating opportunities for these communities but can also lead to displacement as construction and rising property values creates a strain on renters. Evidence shows that communities of color stand to benefit from transit, but construction of new rails can produce unintended consequences.<sup>102</sup> Establishing impact mitigation funds could be good tool in battling displacement as ongoing transit construction moves forward.

Furthermore, as the county pushes for more TOD developments, implementing equitable transit-oriented development (ETOD) needs to be priority. ETOD “combines the TOD approach with an equity lens, to ensure that the development serves those who most stand to benefit and to ensure that cost savings are optimized for the public and non-profit institutions that serve users of public transportation”.<sup>103</sup> This means King County developers should prioritize not only mixed-used construction, but also affordable housing within their developments.

The regional entity presents several theoretical paths for the county. Enterprise proposes that their own regional entity be housed in Bay Area Metro:

*Bay Area Metro is well-positioned to create the regional infrastructure necessary to deliver solutions by consolidating and expanding its housing functions. We have already seen the positive impact on transportation that comes from MTC coordinating planning, funding, and capacity-building at a regional scale across 27 transit operators. To improve housing outcomes across the entire region, we need an entity with the authority and acumen to lead a similarly well-coordinated, impactful, and holistic housing process.*<sup>104</sup>

PSRC, the county’s regional coordinating body, awards transit funding to local jurisdictions following the approval of comprehensive plans. They have the skill and rapport with individual jurisdictions to house and operate the regional entity. Another option policymakers could look at would be Sound Transit, the regional transit agency. They have the same business savvy for building and operating regional infrastructure as the Bay Area’s Metropolitan Transportation Commission. Finally, a third viable option could be the creation of a regional public development authority that would be authorized to do transportation planning and implementation.

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<sup>101</sup> Staff, S. F. (2019, March 14). The 11 biggest Bay Area transportation projects - and when they'll be done. Retrieved from <https://projects.sfchronicle.com/2019/bay-area-transit-projects/>

<sup>102</sup> Demos. (n.d.). To Move Is To Thrive: Public Transit and Economic Opportunity for People of Color. Retrieved from <https://www.demos.org/research/move-thrive-public-transit-and-economic-opportunity-people-color>

<sup>103</sup> Equitable Transit-Oriented Development. (n.d.). Retrieved from <https://www.enterprisecommunity.org/solutions-and-innovation/equitable-transit-oriented-development>

<sup>104</sup> Hood, H., & Rao, G. (2018). *The Elephant in the Region: Charting a Path for Bay Area Metro to Lead a Bold Regional Housing Agenda* (Rep.).

Both PSRC and Sound Transit have the potential ability to manage the functions of a regional housing entity. As long as the entity caters to the needs of jurisdictions and political expectations are managed by the consolidation of functions, this radical idea could be the bold solution the region needs get housing solutions to scale in King County.

## Chapter 8: Fragmentation Diagnostic Tool

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This section offers a fragmentation diagnostic tool for further study and discussion. While not meant to definitively answer whether the region is fragmented in its approach to affordable housing delivery, it can offer a path to think about how such an analysis could be approached. Because this analysis could constitute an entire research project in itself, we offer a path future researchers could take to take to analyze fragmentation using an amended metrics which have been adapted from the the Hendrick and Shi study, *Macro-Level Determinants of Local Government Interaction: How Metropolitan Regions in the United States Compare* (2014) . By identifying stakeholders who implement policy and fund projects, along with recognizing the dynamics between interest groups, researchers can highlight existing processes and analyze their general functions to call out systemic overlaps, redundancies, and areas for improvement. Ultimately, these indices can be a useful tool for any county or metropolitan area that wish to conduct a preliminary assessment of the extent to which their affordable housing strategies are fragmented.

Hendrick and Shi say that compared to rural jurisdictions, governments in metropolitan regions are incapable of operating without affecting or being affected by their neighboring jurisdictions. The primary mechanisms that drive interjurisdictional interaction represent a wide range of policies implemented locally that promote or hinder regional collaboration. In their words:

*“Local governments can interact directly with each other through inter-local agreements and other forms of collaboration. They can interact indirectly by competing with each other for economic resources that generate revenues and by copying or learning from each others’ behavior. Local governments can also directly conflict with each other through lawsuits, threats, and other strategic maneuvers to force outcomes that are contrary to the interests of other governments. Compared with rural regions, these conditions are more likely to exist in metropolitan areas.”*<sup>105</sup>

With the theory that spillover occurs in growing regions and that interaction—through competition and/or collaboration—is inevitable, their study compares 51 of the largest metropolitan areas and ranks them based on their degree of interaction based on five primary indices:

- Number of Entities
- Dispersion of fiscal authority among local governments
- Decentralization of authority with respect to the state
- Population Sorting across local governments
- Mobility of taxable resources

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<sup>105</sup> Hendrick, R., & Shi, Y. (2015). Macro-Level Determinants of Local Government Interaction: How Metropolitan Regions in the United States Compare. *Urban Affairs Review*, 51(3), 414–438.  
<https://doi.org/10.1177/1078087414530546>

We adapt some of these indices to the King County affordable housing context but also retain some of Hendrick and Shi's original metrics because they add value for discussion.

Additionally, we recognize that the word “competition”, used earlier, is used to connote inefficiency. While (Tiebout, 1956) has suggested that competition may benefit regions by producing allocative efficiency among jurisdictions,<sup>106</sup> we believe this reliance on the market has not kept up with demand in the region.<sup>107</sup> Many we talked to attributed this to the influx of new growth in the region brought on by the booming economy, especially in the city of Seattle. This serves to emphasize the interconnectedness of the region and demonstrates how negative spillover can be detrimental to its health. Hendrick and Shi say “...fragmentation increases spillover effects between governments and finds that positive spillovers limit the incentives for collaboration and negative spillovers increase conflict between governments”.<sup>108</sup> Spillover implies an externality that cities and markets do not account for, and our findings suggest that pure market competition leading to housing allocative efficiency is not a part of a viable strategy to alleviate King County's affordable housing shortage.

## How to Read Indices

Each index is divided into three sections: H and S Metric, Representation, and Adapted Metric. The H and S metric refers to Hendrick and Shi's original metric used in their 2015 study on governmental fragmentation. These are shown to contrast how our own metrics differ, and in some cases, remain unchanged. Representation speaks to what the metric wishes to determine about the region—what the metric literally represents. For example, Hendrick and Shi, enumerating the number of local governments in a region tells us the size of the region. Last, the adapted metric is our version of the researchers' metric, amended so that it relates to the region's political and geographical context.

## Physical Fragmentation Index

This index measures the physical layout of the region and its jurisdictions. Indicators here are enumerable existing entities: number of jurisdictions, number of special purpose districts, total governments per square mile, etc. The initial step to determining fragmentation requires a grasp of the physical landscape and whether it is oversaturated with entities doing similar work—the overlapping of functions mentioned previously.

The underlying theory supporting this index is that the proliferation of jurisdictions leads to greater competition as each competes for scarce resources, including funding. The proliferation of these jurisdictions also creates uneven policy implementation across the region as buy-in is required by all to effectively address housing delivery.

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<sup>106</sup> Tiebout, C. M. 1956. “A Pure Theory of Local Expenditure.” *Journal of Political Economy* 64:416–24.

<sup>107</sup> RAHTF. (2018). *Final Report and Recommendations* (Rep.).

<sup>108</sup> Hendrick, R., & Shi, Y. (2015). *Macro-Level Determinants of Local Government Interaction: How Metropolitan Regions in the United States Compare* (Vol. 51, p. 417, Rep.). *Urban Affairs Review*.

Our version of the index is adapted using metrics that count all entities implementing housing strategy addressing functional redundancies and overlaps within the housing delivery network. Below is a comparison of Hendrick and Shi's metrics to our own.

| H and S Metric                                      | Representation             |  | Adapted Metric   | Representation   |
|---|----------------------------|--|--|--|
| Number of local governments                         | Size of region             |  | Total number of entities implementing housing strategy | Saturation of entities including cities/towns, interlocal agreements, MPOs, etc. that put forth housing strategy |
| Local general purpose governments per capita        | Political fragmentation    |  | Total entities per capita                              | Given our region's size by population, can we determine if there are too many actors?                            |
| Local governments per square mile                   | Spatial fragmentation      |  | Total entities per square mile                         | Given our region's size by sq. miles, can we determine if there are too many actors?                             |
| HH <sup>109</sup> Index of type of local government | Range of local governments |  | Types of local governments                             | Are governments general, single or special purpose? What's their frequency?                                      |
| Percent of population not in central city           | Suburban domination        |  | No change  | No change  |

Taking into account the number of housing implementing bodies can bring researchers insight into where disparities and overlaps arise. For example, a public development authority may be identified as providing similar services to another or serves the same group of people. Cataloging these functions can also reveal populations that have been ignored by existing groups.

Analyzing this index does not necessarily reveal a “right” number of entities. Every region has its own needs and collaborative constraints can also be determined by region size. Even so, the exercise can identify the key stakeholders, their function, and a partial look at the political landscape.

<sup>109</sup> HH represents the Hirschman-Herfindahl Index. The researchers say that some variables, especially ones regarding fiscal dispersion, are based on the HHI and represent “the distribution of government characteristics within a metropolitan region.” For purposes of this general diagnosis tool, we do not use the HHI.



## Fiscal Commitment Index

Fragmentation also surfaces in the distribution of fiscal responsibility and authority—spending and revenue generation.<sup>110</sup> Hendrick and Shi’s index “fiscal dispersion index” reveals the extent to which funding responsibility and service delivery is centralized or dispersed among local governments. For our purposes, we amend the metrics to prioritize spending and revenue generation for affordable construction. These priorities reveal information on jurisdictions’ commitments to tackling the regional affordable housing crisis.

| H and S Metric   | Representation                           |  | Adapted Metric   | Representation  |
|--|--|--|--|---|
| Index of percent spending by each local government of total local spending | Distributed across all local governments |  | Percent of spending on affordable housing programs by each local government of total spending      | Are jurisdictions pulling their weight when it comes to funding affordable housing? |
| Percent of total local spending that it not by central city                | Not concentrated in central city         |  | Percent of spending dedicated toward specified goals in local comprehensive plan of total spending | How much of spending is committed towards future spending?                          |
| Percent total local spending that is not by counties                       | Not concentrated in counties             |  | Percent of funding for affordable housing from county and state dollars                            | Are cites leveraging outside dollars?   |
| Percent special purpose spending of total local spending                   | Distributed to special purpose           |  | Percent of funding requests denied to total applied  | Are funding sources reaching applicants?  |

Concerns by jurisdictions of “fair-share” goals can provoke local resistance—later reflected in spending priorities and coordination efforts. These metrics can reveal the extent to which cities plan for growth through current and future intended spending. In addition, it shows whether they are using all available resources, internal and external, to generate dollars for affordable development and whether gaps in the process fall on jurisdictions or the application process.

## Political Fragmentation Index

Identified in our interviews, political will posed the largest barrier to address the scale of housing aside from the funding. Hendrick and Shi say that “regions in which the populations of jurisdictions

<sup>110</sup> Hendrick, R., & Shi, Y. (2015). *Macro-Level Determinants of Local Government Interaction: How Metropolitan Regions in the United States Compare* (Vol. 51, p. 417, Rep.). Urban Affairs Review.

are homogeneous internally but heterogeneous relative to each other will reduce the common ground on which governments can forge and sustain agreements, which increases conflict between governments and the costs of collaboration.”<sup>111</sup> This creates fragmentation in creating shared vision, and the result is that the political will to address regional issues fail to gain traction.

The last index indirectly addresses the region’s political landscape by measuring . Mentioned previously in our literature review, fragmentation can lead to increased levels of population sorting causing communities to divide into similar sub-groups, e.g., class and race. This index may be particularly applicable to the region because policy interests often falls along geographic boundaries with incomes levels and racial makeup being quite segregated (South vs. East KC). Hendrick and Shi’s original metrics are still useful, so we decided not to adapt them. At the same time, there may be other markers of class and population sorting, for example, “Percent Receiving Food Assistance (SNAP)”, that may also be telling of the region. This is by no means a comprehensive list.

| H and S Metric           | Representation              |  | Adapted Metric | Representation |
|--------------------------|-----------------------------|--|----------------|----------------|
| Education                | Sorting by education        |  | No change      | No change      |
| Percent white population | Sorting by race             |  | No change      | No change      |
| Household income         | Sorting by household income |  | No change      | No change      |
| Percent poverty          | Sorting by poverty rate     |  | No change      | No change      |

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<sup>111</sup> Ibid.

## Chapter 9: Conclusion

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Recognizing the existence of fragmentation is the first step towards addressing it. This report aims to highlight the issue and serve as a launchpad for collaborative efforts. Yet, as calls for more coordination are amplified, so too must be those to grapple with the systemic issues that got us here in the first place. From a neoclassical economics perspective, the market is functioning as designed: you can't have what you can't afford. Without radical, invasive interventions, poor people and people of color will continuously be victims of policies rigged—by design—against them. As a community, we must be willing to push past the boundaries of traditional feasibility to answer the question of why, in the wealthiest county in one of the wealthiest states in the country, we cannot afford to house our neighbors.

Until then, the onus remains on advocates, policymakers, and nonprofits. They are tasked with an ambitious goal: 44,000 homes in five years and 244,000 in twenty. When discussing roadmaps to those goals, the term “scaling up” is frequently used. But what, exactly, needs to be scaled up? As shown, affordable housing policy is comprised of many interacting and overlapping pieces, some of which get more attention than others. Scaling up one part inevitably comes with trade-offs somewhere else, making calls for “more”—more funding, more capacity, more density, more anything—a risky proposition. This is the crux of siloed policy implementation policy; when policy efforts are fragmented, what's measured is the size of the different pieces instead of how well they all fit together.

Collaboration is the key to solving fragmentation because it allows each jurisdiction and sector to retain its agency while working towards a shared goal. Conversations about local or regional control, of ownership of the issue, of protecting identity in the midst of growth must be had with with local, diverse representatives at the table. Policy decisions that affect communities should be made with input from those affected. This is an obvious conclusion, but perhaps also the most important one, seeing as conversations about affordable housing, new development, transit and general growth continue to happen without them. The most vital collaborative partnership is the one with communities. Community engagement, especially that around racial equity, must transcend its status as an “action item” on a page. This means doing it authentically and continuously, otherwise the term “collaboration” rings hollow.

# Appendices

## Appendix A: Policy Implementation by Jurisdictional Measures

| City               | Population (2019) | Sub-Region | Eligible for CDBG Entitlement | KC Consortium Participation | Est. % SF Household | Property Taxes (2018) | Number of 9% Units | Number of 4% Units | Total UHTC Units | Form of Government      | MTE   | Density Bonus | Developer Exemptions/Reductions | Impact Fees | Expedited Permitting | Inclusionary Zoning | Incentive Zoning | Housing Diversity Options | Local Key or Trust Fund | ILA   | Total Policies |
|--------------------|-------------------|------------|-------------------------------|-----------------------------|---------------------|-----------------------|--------------------|--------------------|------------------|-------------------------|-------|---------------|---------------------------------|-------------|----------------------|---------------------|------------------|---------------------------|-------------------------|-------|----------------|
| Algona             | 3180              | South      | TRUE                          | Partner                     | 75%                 | 705,358               | 0                  | 0                  | 0                | 0 Mayor-Council         | FALSE | FALSE         | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 2              |
| Auburn             | 70650             | South      | TRUE                          | HOMER                       | 59%                 | 19,136,885            | 0                  | 1,280              | 1,280            | 0 Mayor-Council         | FALSE | FALSE         | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 5              |
| Beaux Arts Village | 300               | East       | TRUE                          | Partner                     | 100%                | 173,364               | 0                  | 0                  | 0                | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | TRUE                      | TRUE                    | TRUE  | 3              |
| Bellevue           | 142400            | East       | TRUE                          | HOMER                       | 54%                 | 65,311,568            | 118                | 448                | 566              | 0 Mayor-Council-Manager | FALSE | FALSE         | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | TRUE                      | TRUE                    | TRUE  | 7              |
| Black Diamond      | 4360              | South      | TRUE                          | Partner                     | 89%                 | 1,508,687             | 0                  | 0                  | 0                | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 2              |
| Bothell            | 27440             | East       | TRUE                          | Partner                     | 58%                 | 6,793,358             | 0                  | 58                 | 58               | 0 Mayor-Council-Manager | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | TRUE                      | TRUE                    | TRUE  | 4              |
| Burien             | 51850             | South      | TRUE                          | Joint Agreement             | 60%                 | 7,817,186             | 33                 | 160                | 193              | 0 Council-Manager       | FALSE | TRUE          | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 5              |
| Carnation          | 2155              | East       | TRUE                          | Partner                     | 86%                 | 310,120               | 0                  | 0                  | 0                | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 0              |
| Clyde Hill         | 3045              | East       | TRUE                          | Partner                     | 100%                | 1,099,550             | 0                  | 0                  | 0                | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 3              |
| Covington          | 20800             | South      | TRUE                          | Partner                     | 91%                 | 2,748,279             | 0                  | 198                | 198              | 0 Mayor-Council-Manager | TRUE  | TRUE          | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 3              |
| Des Moines         | 31140             | South      | TRUE                          | Partner                     | 57%                 | 4,942,965             | 0                  | 484                | 484              | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | TRUE  | 3              |
| Duvall             | 7655              | East       | TRUE                          | Partner                     | 86%                 | 1,798,738             | 0                  | 0                  | 0                | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 0              |
| East Renton        | 11450             | South      | TRUE                          | Partner                     | 78%                 | 2,852,945             | 44                 | 1,386              | 1,430            | 0 Mayor-Council         | FALSE | FALSE         | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 6              |
| Everett            | 97440             | South      | TRUE                          | HOMER                       | 57%                 | 10,856,945            | 44                 | 1,386              | 1,430            | 0 Mayor-Council         | FALSE | FALSE         | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 2              |
| Federal Way        | 116600            | South      | TRUE                          | HOMER                       | 57%                 | 10,856,945            | 44                 | 1,386              | 1,430            | 0 Mayor-Council         | FALSE | FALSE         | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 6              |
| Hunts Point        | 420               | East       | TRUE                          | Partner                     | 100%                | 292,397               | 0                  | 0                  | 0                | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 3              |
| Issaquah           | 37110             | East       | TRUE                          | Partner                     | 55%                 | 8,816,229             | 0                  | 51                 | 51               | 0 Mayor-Council         | FALSE | FALSE         | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | TRUE                      | TRUE                    | TRUE  | 8              |
| Kemore             | 22920             | East       | TRUE                          | Partner                     | 70%                 | 4,832,624             | 0                  | 21                 | 21               | 21 Council-Manager      | TRUE  | TRUE          | TRUE                            | TRUE        | FALSE                | TRUE                | TRUE             | TRUE                      | TRUE                    | TRUE  | 5              |
| Kirkland           | 128900            | South      | TRUE                          | HOMER                       | 57%                 | 30,135,896            | 80                 | 826                | 906              | 0 Mayor-Council-Manager | TRUE  | TRUE          | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 8              |
| Lake Forest Park   | 87240             | Northwest  | TRUE                          | Joint Agreement             | 62%                 | 29,195,898            | 209                | 0                  | 209              | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 1              |
| Maple Valley       | 13090             | Northwest  | TRUE                          | Partner                     | 85%                 | 3,171,506             | 0                  | 0                  | 0                | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 0              |
| Medina             | 25280             | South      | TRUE                          | Partner                     | 91%                 | 3,795,666             | 0                  | 0                  | 0                | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 3              |
| Mercer Island      | 3245              | East       | TRUE                          | Partner                     | 98%                 | 2,775,331             | 0                  | 0                  | 0                | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | TRUE                      | TRUE                    | TRUE  | 6              |
| Milton             | 24270             | East       | TRUE                          | Partner                     | 70%                 | 11,720,368            | 0                  | 116                | 116              | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 0              |
| Newcastle          | 1195              | South      | TRUE                          | N/A                         | 60%                 | 1,165,457             | 0                  | 116                | 116              | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 7              |
| North Bend         | 12410             | East       | TRUE                          | Partner                     | 75%                 | 5,283,32              | 0                  | 0                  | 0                | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | TRUE                      | TRUE                    | TRUE  | 2              |
| Northridge         | 6595              | South      | TRUE                          | Partner                     | 76%                 | 2,394,939             | 0                  | 0                  | 0                | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 0              |
| Pacific            | 6825              | South      | TRUE                          | Partner                     | 67%                 | 1,653,838             | 0                  | 0                  | 0                | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 6              |
| Redmond            | 60500             | East       | TRUE                          | Joint Agreement             | 50%                 | 25,927,028            | 122                | 107                | 229              | 0 Mayor-Council         | TRUE  | TRUE          | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 5              |
| Renton             | 104100            | South      | TRUE                          | Joint Agreement             | 54%                 | 19,417,686            | 206                | 584                | 790              | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 7              |
| Sammamish          | 62470             | South      | TRUE                          | Partner                     | 90%                 | 26,699,683            | 0                  | 549                | 549              | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 6              |
| Sedac              | 23130             | South      | TRUE                          | Partner                     | 49%                 | 16,892,250            | 0                  | 549                | 549              | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 7              |
| Shoreline          | 71530             | Northwest  | TRUE                          | Joint Agreement             | 40%                 | 16,892,250            | 2,422              | 5,451              | 7,873            | 0 Council-Manager       | TRUE  | TRUE          | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 5              |
| Skykomish          | 57230             | Northwest  | TRUE                          | Joint Agreement             | 70%                 | 12,844,732            | 159                | 163                | 322              | 0 Council-Manager       | TRUE  | TRUE          | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 3              |
| Snoqualmie         | 205               | East       | TRUE                          | Partner                     | 91%                 | 43,420                | 0                  | 188                | 188              | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 0              |
| Tukwila            | 13450             | South      | TRUE                          | Partner                     | 92%                 | 7,813,866             | 0                  | 190                | 190              | 0 Mayor-Council         | FALSE | FALSE         | TRUE                            | TRUE        | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 4              |
| Woodinville        | 11830             | East       | TRUE                          | Partner                     | 39%                 | 15,160,885            | 0                  | 190                | 190              | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 5              |
| Yarrow Point       | 1065              | East       | TRUE                          | Partner                     | 58%                 | 3,331,188             | 0                  | 0                  | 0                | 0 Council-Manager       | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | TRUE                    | TRUE  | 3              |
| King County        | 247240            | N/A        | TRUE                          | Partner                     | 100%                | 597,313               | 0                  | 0                  | 0                | 0 Mayor-Council         | FALSE | FALSE         | FALSE                           | FALSE       | FALSE                | FALSE               | FALSE            | FALSE                     | FALSE                   | FALSE | 1              |

## Appendix B: Interview Coding

### AREAS OF COLLABORATION OR FRAGMENTATION

- 00. FRAGMENTATION
- 01. COLLABORATION
- 02. COLLABORATION LACKING
- 03. NEGATIVE
- 04. POSITIVE
- 05. NEUTRAL

### ***THEMES***

1. **Capacity** - *personnel, knowledge, dedicated staff, competence, time*
  - 1.1. Local government
  - 1.2. Nonprofit developers
  - 1.3. Regional capacity
2. **Political Will** - *championship, electeds desire/will to address issue*
  - 2.1. Regional Political Will
  - 2.2. Local Political Will
3. **Enforcement** - *accountability, consequences, teeth, stick*
  - 3.1. Need More Enforcement
4. **Funding** - *money, sources, financing, resources*
  - 4.1. Funding Competition
  - 4.2. Not Enough Funding
  - 4.3. Funding is Complicated - Compliance, rules, lots of sources/pots
  - 4.4. Sources are Aligned
  - 4.5. Federal funds MIA
5. **Econ Dev v AH** - *jobs versus homes, commercial space, gentrification*
6. **Racial Equity** - *who is at table, who has power, AH policies impacting POC*
  - 6.1. Disproportionate impact on POC
  - 6.2. Culturally Appropriate Services/Process
  - 6.3. Self-Determination
  - 6.4. Structural Racism
  - 6.5. Membership/Representation
  - 6.6. Equity as Afterthought
7. **Governance Structure** - *Existing governance, ie RAHTF GMPC PSRC*

- 7.1. Understanding of Purpose
- 7.2. Governance Authority
- 8. **Perception & Messaging** - *perceptions of the need, strategies, communicating with wider community*
  - 8.1. Perception of Govt Spending
  - 8.2. Messaging to Public
  - 8.3. Perceptions among electeds
  - 8.4. Advocacy lacking
- 9. **Fair Share** - *Where does the housing get built, where is it planned, jurisdictions contributions*
- 10. **Zoning & Land Use** - *SFZ, density, TOD, some planning*
  - 10.1. GMA and Density
  - 10.2. Transit-Oriented Development
  - 10.3. Housing Types
  - 10.4. Public Land
- 11. **Different Priorities** - *Tensions between government authorities*
  - 11.1. Local v Regional
  - 11.2. Local v Local - *across local jurisdictions*
  - 11.3. Urban v Suburban
  - 11.4. SKC v EKC
  - 11.5. Local v State
- 12. **Market v Subsidies** - *best way to provide AH?*
  - 12.1. Public-Private Sector Collaboration
  - 12.2. Vouchers
- 13. **Informal Collaboration** - *connections, networks, conferences, relationships, conversations*
- 14. **Regional Entity** - *future-looking, would regional entity work?*
  - 14.1 Pro Regional Entity
  - 14.2 Anti Regional Entity
  - 14.3. Model in Other Region
- 15. **Planning v Implementation**
  - 15.1. Regional planning w/o funding

*ENTITIES:*

- PSRC
- GMPC
- ARCH
- SKCHHP
- SCA
- King County
- RAHTF
- King County Consortium
- Homeless Consolidation



## Appendix D: Individual Policy Adoption by Cities

| City               | MFTE |
|--------------------|------|
| Algona             |      |
| Auburn             |      |
| Beaux Arts Village |      |
| Bellevue           |      |
| Black Diamond      |      |
| Bothell            |      |
| Burien             |      |
| Carnation          |      |
| Clyde Hill         |      |
| Covington          |      |
| Des Moines         |      |
| Duvall             |      |
| Enumclaw           |      |
| Federal Way        |      |
| Hunts Point        |      |
| Issaquah           |      |
| Kenmore            |      |
| Kent               |      |
| Kirkland           |      |
| Lake Forest Park   |      |
| Maple Valley       |      |
| Medina             |      |
| Mercer Island      |      |
| Milton             |      |
| Newcastle          |      |
| Normandy Park      |      |
| North Bend         |      |
| Pacific            |      |
| Redmond            |      |
| Renton             |      |
| Sammamish          |      |
| Seatac             |      |
| Seattle            |      |
| Shoreline          |      |
| Skykomish          |      |
| Snoqualmie         |      |
| Tukwila            |      |
| Woodinville        |      |
| Yarrow Point       |      |

| City               | Density Bonus |
|--------------------|---------------|
| Algona             |               |
| Auburn             |               |
| Beaux Arts Village |               |
| Bellevue           |               |
| Black Diamond      |               |
| Bothell            |               |
| Burien             |               |
| Carnation          |               |
| Clyde Hill         |               |
| Covington          |               |
| Des Moines         |               |
| Duvall             |               |
| Enumclaw           |               |
| Federal Way        |               |
| Hunts Point        |               |
| Issaquah           |               |
| Kenmore            |               |
| Kent               |               |
| Kirkland           |               |
| Lake Forest Park   |               |
| Maple Valley       |               |
| Medina             |               |
| Mercer Island      |               |
| Milton             |               |
| Newcastle          |               |
| Normandy Park      |               |
| North Bend         |               |
| Pacific            |               |
| Redmond            |               |
| Renton             |               |
| Sammamish          |               |
| Seatac             |               |
| Seattle            |               |
| Shoreline          |               |
| Skykomish          |               |
| Snoqualmie         |               |
| Tukwila            |               |
| Woodinville        |               |
| Yarrow Point       |               |



| City               | Developer Requirement Exemptions/ Reductions | City               | Impact Fees |
|--------------------|--|--------------------|-------------|
| Algona             |  | Algona             |             |
| Auburn             |  | Auburn             |             |
| Beaux Arts Village |  | Beaux Arts Village |             |
| Bellevue           |  | Bellevue           |             |
| Black Diamond      |  | Black Diamond      |             |
| Bothell            |  | Bothell            |             |
| Burien             |  | Burien             |             |
| Carnation          |  | Carnation          |             |
| Clyde Hill         |  | Clyde Hill         |             |
| Covington          |  | Covington          |             |
| Des Moines         |  | Des Moines         |             |
| Duvall             |  | Duvall             |             |
| Enumclaw           |  | Enumclaw           |             |
| Federal Way        |  | Federal Way        |             |
| Hunts Point        |  | Hunts Point        |             |
| Issaquah           |  | Issaquah           |             |
| Kenmore            |  | Kenmore            |             |
| Kent               |  | Kent               |             |
| Kirkland           |  | Kirkland           |             |
| Lake Forest Park   |  | Lake Forest Park   |             |
| Maple Valley       |  | Maple Valley       |             |
| Medina             |  | Medina             |             |
| Mercer Island      |  | Mercer Island      |             |
| Milton             |  | Milton             |             |
| Newcastle          |  | Newcastle          |             |
| Normandy Park      |  | Normandy Park      |             |
| North Bend         |  | North Bend         |             |
| Pacific            |  | Pacific            |             |
| Redmond            |  | Redmond            |             |
| Renton             |  | Renton             |             |
| Sammamish          |  | Sammamish          |             |
| Seatac             |  | Seatac             |             |
| Seattle            |  | Seattle            |             |
| Shoreline          |  | Shoreline          |             |
| Skykomish          |  | Skykomish          |             |
| Snoqualmie         |  | Snoqualmie         |             |
| Tukwila            |  | Tukwila            |             |
| Woodinville        |  | Woodinville        |             |
| Yarrow Point       |  | Yarrow Point       |             |

| City               | Inclusionary Zoning |
|--------------------|---------------------|
| Algona             |                     |
| Auburn             |                     |
| Beaux Arts Village |                     |
| Bellevue           |                     |
| Black Diamond      |                     |
| Bothell            |                     |
| Burien             |                     |
| Carnation          |                     |
| Clyde Hill         |                     |
| Covington          |                     |
| Des Moines         |                     |
| Duvall             |                     |
| Enumclaw           |                     |
| Federal Way        |                     |
| Hunts Point        |                     |
| Issaquah           |                     |
| Kenmore            |                     |
| Kent               |                     |
| Kirkland           |                     |
| Lake Forest Park   |                     |
| Maple Valley       |                     |
| Medina             |                     |
| Mercer Island      |                     |
| Milton             |                     |
| Newcastle          |                     |
| Normandy Park      |                     |
| North Bend         |                     |
| Pacific            |                     |
| Redmond            |                     |
| Renton             |                     |
| Sammamish          |                     |
| Seatac             |                     |
| Seattle            |                     |
| Shoreline          |                     |
| Skykomish          |                     |
| Snoqualmie         |                     |
| Tukwila            |                     |
| Woodinville        |                     |
| Yarrow Point       |                     |

| City               | Incentive Zoning |
|--------------------|------------------|
| Algona             |                  |
| Auburn             |                  |
| Beaux Arts Village |                  |
| Bellevue           |                  |
| Black Diamond      |                  |
| Bothell            |                  |
| Burien             |                  |
| Carnation          |                  |
| Clyde Hill         |                  |
| Covington          |                  |
| Des Moines         |                  |
| Duvall             |                  |
| Enumclaw           |                  |
| Federal Way        |                  |
| Hunts Point        |                  |
| Issaquah           |                  |
| Kenmore            |                  |
| Kent               |                  |
| Kirkland           |                  |
| Lake Forest Park   |                  |
| Maple Valley       |                  |
| Medina             |                  |
| Mercer Island      |                  |
| Milton             |                  |
| Newcastle          |                  |
| Normandy Park      |                  |
| North Bend         |                  |
| Pacific            |                  |
| Redmond            |                  |
| Renton             |                  |
| Sammamish          |                  |
| Seatac             |                  |
| Seattle            |                  |
| Shoreline          |                  |
| Skykomish          |                  |
| Snoqualmie         |                  |
| Tukwila            |                  |
| Woodinville        |                  |
| Yarrow Point       |                  |

| City               | Housing Diversity in SF Zones |
|--------------------|-------------------------------|
| Algona             |                               |
| Auburn             |                               |
| Beaux Arts Village |                               |
| Bellevue           |                               |
| Black Diamond      |                               |
| Bothell            |                               |
| Burien             |                               |
| Carnation          |                               |
| Clyde Hill         |                               |
| Covington          |                               |
| Des Moines         |                               |
| Duvall             |                               |
| Enumclaw           |                               |
| Federal Way        |                               |
| Hunts Point        |                               |
| Issaquah           |                               |
| Kenmore            |                               |
| Kent               |                               |
| Kirkland           |                               |
| Lake Forest Park   |                               |
| Maple Valley       |                               |
| Medina             |                               |
| Mercer Island      |                               |
| Milton             |                               |
| Newcastle          |                               |
| Normandy Park      |                               |
| North Bend         |                               |
| Pacific            |                               |
| Redmond            |                               |
| Renton             |                               |
| Sammamish          |                               |
| Seatac             |                               |
| Seattle            |                               |
| Shoreline          |                               |
| Skykomish          |                               |
| Snoqualmie         |                               |
| Tukwila            |                               |
| Woodinville        |                               |
| Yarrow Point       |                               |

| City               | Local Levy or Trust Fund |
|--------------------|--------------------------|
| Algona             |                          |
| Auburn             |                          |
| Beaux Arts Village |                          |
| Bellevue           |                          |
| Black Diamond      |                          |
| Bothell            |                          |
| Burien             |                          |
| Carnation          |                          |
| Clyde Hill         |                          |
| Covington          |                          |
| Des Moines         |                          |
| Duvall             |                          |
| Enumclaw           |                          |
| Federal Way        |                          |
| Hunts Point        |                          |
| Issaquah           |                          |
| Kenmore            |                          |
| Kent               |                          |
| Kirkland           |                          |
| Lake Forest Park   |                          |
| Maple Valley       |                          |
| Medina             |                          |
| Mercer Island      |                          |
| Milton             |                          |
| Newcastle          |                          |
| Normandy Park      |                          |
| North Bend         |                          |
| Pacific            |                          |
| Redmond            |                          |
| Renton             |                          |
| Sammamish          |                          |
| Seatac             |                          |
| Seattle            |                          |
| Shoreline          |                          |
| Skykomish          |                          |
| Snoqualmie         |                          |
| Tukwila            |                          |
| Woodinville        |                          |
| Yarrow Point       |                          |

| City               | Participation in ILA |
|--------------------|----------------------|
| Algona             |                      |
| Auburn             |                      |
| Beaux Arts Village |                      |
| Bellevue           |                      |
| Black Diamond      |                      |
| Bothell            |                      |
| Burien             |                      |
| Carnation          |                      |
| Clyde Hill         |                      |
| Covington          |                      |
| Des Moines         |                      |
| Duvall             |                      |
| Enumclaw           |                      |
| Federal Way        |                      |
| Hunts Point        |                      |
| Issaquah           |                      |
| Kenmore            |                      |
| Kent               |                      |
| Kirkland           |                      |
| Lake Forest Park   |                      |
| Maple Valley       |                      |
| Medina             |                      |
| Mercer Island      |                      |
| Milton             |                      |
| Newcastle          |                      |
| Normandy Park      |                      |
| North Bend         |                      |
| Pacific            |                      |
| Redmond            |                      |
| Renton             |                      |
| Sammamish          |                      |
| Seatac             |                      |
| Seattle            |                      |
| Shoreline          |                      |
| Skykomish          |                      |
| Snoqualmie         |                      |
| Tukwila            |                      |
| Woodinville        |                      |
| Yarrow Point       |                      |

[illegible]

[illegible]

## Appendix G: LIHTC Units and Population by City (excluding Seattle)

Population (2019) and Total LIHTC Units by City since 2010

