



MEMORANDUM

To: Planning Commission

From: Brooke Buckingham, Senior Planner, 425.556.2416
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Date: August 26, 2020

Subject: **Housing Action Plan Update Briefing**

PURPOSE

The purpose of the August 26 briefing is to;

- 1) Share background information on the Housing Action Plan (HAP); and
- 2) Share the Housing Needs Assessment Report findings; and
- 3) Share the scope and schedule of the HAP Update and seek initial questions and interests from Commissioners.

BACKGROUND

A. HOUSING ACTION PLAN OVERVIEW

The Housing Action Plan is the primary long-range housing planning document for Redmond. It includes strategies and implementation actions for promoting; affordability, housing diversity, and access to opportunity for all residents of all income levels. The HAP will inform updates to the Redmond Comprehensive Plan and will guide the development of goals and policies as part of Redmond 2050.

The Housing Action Plan will update existing housing data as well as provide new information to determine housing needs, based on existing and projected housing supply along with income and employment data. In addition, the HAP will assist in engaging Redmond stakeholders including our diverse community of business, philanthropy, special needs populations, youth, seniors and all interested citizens in finding new actionable strategies to address housing needs.

The Housing Action Plan project is made of three core components:

- 1) **Housing Needs Assessment (HNA):**
 - a. A quantitative analysis of demographic, economic, and housing conditions in the past, present, and projected future to determine housing need.
 - b. The Housing Needs Assessment is included as Exhibit A.
- 2) **Public Involvement Report (PIR):**

- a. A report of community and stakeholder perspectives that complements the quantitative data collected from the Housing Needs Assessment.
- b. The Public Involvement report is included as Exhibit B.

3) Final Housing Action Plan:

- a. A final report which interprets findings from the HNA and PIR to create housing strategy and action recommendations for the City of Redmond.
- b. The Final Housing Action Plan has not yet been drafted. The estimated completion date is Q2 2021.

The City’s Housing Action Plan was funded through a grant from Washington State Department of Commerce. This grant opportunity became available due to the adoption of Engrossed Second Substitute House Bill (E2SHB) 1923, which encourages all cities planning under the Growth Management Act (GMA) to adopt actions to increase residential building capacity. The City requested \$100,000 to support the development of a HAP.

B. HOUSING NEEDS ASSESSMENT OVERVIEW

A housing needs assessment, at its core, is a study to identify future housing needs to serve all economic segments of the community. Based on the 20-year growth target, the housing needs assessment identifies how many units of different types or for different market segments are needed in your community. Supported by Washington’s Growth Management Act, the King Countywide Planning Policies (CPPs) requires cities in King County to share the responsibility to accommodate the 20-year population/job projections and equitable distribution of affordable housing. All King County jurisdictions agreed to share the responsibility to accommodate the 20-year population projection and job forecast.

The City’s consultant, ECONorthwest, has completed the Housing Needs Assessment Report, which includes:

- An inventory of existing conditions (e.g. cost burden data, housing production trends, and community demographics;
- Forecast for housing demand; and
- Housing needs and gaps, which combines underproduction data with projected demand data.

Calculating the housing shortage in Redmond involves quantifying both the:

- Current demand for housing;
- Expected housing demand based on anticipated population growth.

C. HOUSING NEEDS ASSESSMENT KEY FINDINGS

Broadly, the most important finding is the issue of affordability. In addition, other high-level findings from the Housing Needs Assessment include the following:

- 1) Future housing planning will need to facilitate robust housing growth;
- 2) Future housing policy will need to accommodate issues of access, affordability, and demographic change;
- 3) Increased demand and housing scarcity have led to rising costs;

- 4) Housing cost-burden disproportionately affects lower income and renter households;
- 5) People who work in Redmond tend to not live in Redmond;
- 6) Recent multifamily production has accounted for most new housing units;
- 7) Redmond has seen an increased need for housing suitable for larger household sizes;
- 8) Relative to other eastside communities, Redmond has made significant gains in producing income-qualified, affordable housing

NEXT STEPS

The HAP Update is part of the *Redmond 2050* body of work. It is a large undertaking in which the Planning Commission has an important role. Staff will begin work with the Planning Commission on the HAP project and its impacts on the Comprehensive Plan, starting with the briefing on August 26.

ENCLOSURES

- A. Housing Needs Assessment Final Report
- B. Presentation for August 26 Briefing

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