Call to Order

Council Standing Committee Meetings
Open to the public to attend. Note: there is generally no public comment period for Committee sessions. Standing Committee Members receive reports and information, ask questions and, when appropriate, vote on a recommended action for consideration by the full Council at the Regular Meeting. The notice of Committee Meetings identified below also serves as notice of Special Meetings of the City Council at the times identified as Council Members who are not members of the committee routinely attend and participate in the Committee Meetings. Committee Chairs give a report of the Committee Meeting at the Regular Meeting in the evening prior to deliberation and formal vote in the order shown below:

Planning and Community Development
April Barker, Chair
Terry Bornemann, Michael Lilliquist

22039  1.  Housing/Equity Assessment - Update  p. 3

Adjournment

Agenda Information:
Council Committee and Regular Meeting agendas and agenda packets, which contain the supporting documentation for agenda items, are available to the public Wednesday afternoon prior to the meeting. They are posted at https://meetings.cob.org/. Meetings are streamed live on the internet as they occur.

Accessibility:
The Council Chambers is fully accessible. Elevator access to the second floor is available at City Hall’s west entrance. Hearing assistance is available and a receiver may be checked out through the clerk prior to the evening session. For additional accommodations, contact the Legislative Assistant at 778-8200 in advance of the meeting. Thank you.

Next City Council Committee Meetings
Monday, August 26, 2019
Deadline to submit material for any public hearing for inclusion in the published agenda packet is 8:00 a.m. on Wednesday prior to the meeting.
Summary Statement: The Council has prioritized the preparation of a Housing Equity Assessment as a means of identifying areas that could support an expanded range of housing types to promote increased affordability and economic diversity in established neighborhoods. Potential locations and corresponding housing types would be selected based on criteria that included the potential for increased economic diversity, opportunities for environmental sustainability and access to recreational facilities, healthy food, transit routes, and schools. A series of questions have been identified that frame this discussion. PCDD staff will continue to present the framing questions with specific emphasis on the City’s strategies for providing more housing that matches local incomes.

Previous Council Action: Adoption of the Comprehensive Plan, 2016. Adoption of 2018 Consolidated Plan. Direction to Staff at August 27, 2018 meeting to prepare Equity Audit.

Fiscal Impact: Staff time to facilitate this assessment was included in the adopted 2019-2020 PCDD work program.

Funding Source: General Fund
Attachments: 1. KEY QUESTIONS
2. HOUSING EQUITY ASSESSMENT POWERPOINT

Meeting Activity | Meeting Date | Recommendation | Presented By | Time
--- | --- | --- | --- | ---
Committee Briefing - Information Only | 8/19/2019 | Information/Discussion | Rick Sepler, Planning and Community Development | 15 minutes

Recommended Motion:

Council Committee: Planning and Community Development Committee

Agenda Bill Contact:
Rick Sepler, Planning and Community Development, 360-778-8300

Reviewed By | Department | Date
--- | --- | ---
Rick M. Sepler | Planning & Community Development | 8/09/2019

Alan A. Marriner | Legal | 8/09/2019
Kelli J. Linville | Executive | 8/13/2019
## Housing/Equity Assessment

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<td>Question / Answer Format</td>
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<td>1B What can a City do about it?</td>
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<td>2 How can Bellingham provide more housing that matches our incomes?</td>
<td>Narrative Story Map</td>
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<td>3 How many people still need permanently affordable housing (subsidized)?</td>
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<td>4A How can we help balance the housing opportunities found in portions of our City?</td>
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<td>4B Where should new housing best be located to reduce environmental impacts, provide access to recreational facilities, food, transit, meet our health goals, schools, etc.</td>
<td>GIS Analysis</td>
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<td>5 What actions should we take to facilitate our desired outcomes?</td>
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13 May 2019
Housing Equity Assessment Update
Part 2

Department of Planning and Community Development
August 19, 2019
So first let’s take a step back and remind ourselves why we are undertaking this assessment. The 2016 Comprehensive plan asserts that Bellingham is a vibrant city, with a variety of places to live, work, shop and recreate, and it is our goal to maintain that balance. We need to offer a places where seniors, families with children, and people with disabilities can afford to live, as well as all other residents.
But as you can see, many more people find it possible to work in Bellingham than they do to live here. This graphic from 2015 shows that about 10,000 more people are employed in the city and commute in than live and work here.
Opportunity for first-time homebuyers

- Nationally, the average age of a first-time homebuyer is 32.
- In Bellingham, the median income of householder age 25-44 is $60,213.
- A householder making the median income could afford a home with a sales price of $306,875.

It is no surprise that we see more and more people living outside of Bellingham and commuting in for work.

We see very little housing stock or turnover at this price point. Just 23% of Bellingham’s housing stock would be affordable for 25-44 year-olds, and of these 27% are registered as rentals.
In 2018, only about 2% of the single-family homes in this price range were available for sale. I checked Zillow (yesterday) and there were 33 homes on the market (20 of which were condos).
Local drivers of housing price inflation

- There was a lag between population growth and home construction.
- There is a gap between average incomes and housing prices.
- This is a nice place to live.

Last month, we presented to you some of the main reasons why housing costs are increasing so rapidly here in Bellingham specifically. We also reviewed what portion of those costs can be influenced by a city government. Those handouts are now online and available for staff and the public to review.

We also discussed what a healthy housing market might look like. So how do we get there?
The majority of housing costs are outside of a city’s influence

We want to do everything we can to reduce the cost of housing. But we need to start this discussion with a reminder that a city government does not have control over the factors that make up the majority of housing costs.
How can Bellingham provide more housing that matches our incomes?

The key question to be addressed by this presentation
To start, we must acknowledge the work that is already underway. We are not saying that this is enough to get us to where we need to be, but we are making good progress with many different strategies.
38% of all housing built in Bellingham since 2006 have been in urban villages. This is a success, though we’d like to see even more.
Spur multi-family development

- Multi-Family Tax Exemption (MFTE) incentive
  - 1,000 housing units built in Urban Villages under program since 2001
Avoid displacement

Home Rehab Program
Home Rehab Program for low-income seniors and residents with disabilities

Manufactured Home Parks
Develop approaches that avoid displacement and conversion of current manufactured home parks
Provide pathways to ownership for working families

- Kulshan Community Land Trust down-payment assistance
  - 92 households assisted by the City since 2003
- Habitat for Humanity Homes
- Other models to be explored:
  - Cooperative housing
What next?

• Implement Comprehensive Plan strategies that are already working
• Look at existing zoning more closely for missed opportunities
• Revise our processes to save time in permitting
Implement strategies that are already working

• Making progress on Consolidated Plan priorities
  ▪ 2019 Levy Action Plan
• 2019 Community Development workplan
  ▪ Making surplus lots available for development of affordable housing

Keep in mind we are only at year 1 of our Consolidated Plan, we have already seen some substantial results.
Ensure that current zoning is fully implemented

- Residential Multi zoning map; analysis will be presented on August 26, 2019.
Revise our processes to save time

- Streamlining design review process for urban villages.
- Moving forward on recommendations from the urban village status report.

Several recommendations are already under way. For example, raising the FAR in the Fountain District, Design Review, and developing a formal urban village plan for Barkley Village.
Measuring success

- Develop housing targets for all income levels based on Bellingham wages and population characteristics.
- Track other indicators for low, moderate, and high income households.
We will work to use the data we have on housing sales and wages earned to come up with targets for the types of housing we need at which price points. The City of Vancouver has done something like this, and we are working on developing a similar model. This table is one way we can look at the lack of affordable housing in our current market. For each income level, the number of cost-burdened households are those paying more than they should for housing – indicating that the market is not providing suitable housing at an affordable price point.

**NOTE: A substantial portion of the <$20,000 population is full-time students.** Full-time students are not eligible for most government subsidized housing programs, and we will have to take this into account when developing targets. But looking at the other income levels, you can see there is still a significant need for those households who are earning less than $75,000 per year.
Low income indicators

• The percent of households who are cost burdened decreases.
• More permanently affordable units are added to the market.
• Decrease in the number of households who are becoming homeless.
Moderate income indicators

• More working-class families can live and work in Bellingham.
• Shift toward Right Supply for our population.
• Support innovative mixed income and shared equity housing models.
Higher income indicators

• Attractive opportunities for seniors to age in community
• More options for walkable living in City Center
• Length of time new homes stay on the market
Thank You

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