



City Hall remains closed during Governor Inslee’s “Healthy Washington - Recovery Roadmap” order, a consequence of the Covid-19 pandemic. The public is invited to attend the meeting virtually by using the ZOOM Meeting access information below -

Please click the link below to join the webinar:

<https://sumnerwa-gov.zoom.us/j/85621359085>

Or One tap mobile :

US: +12532158782,,85621359085# or +16699006833,,85621359085#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 253 215 8782 or +1 669 900 6833 or +1 346 248 7799 or +1 929 205 6099 or +1 301 715 8592
or +1 312 626 6799

Webinar ID: 856 2135 9085

CALL TO ORDER

Pledge of Allegiance

Invocation - Art Sphar

Roll Call: Bitetto, Brown, Hamilton, Hayden, Hochstatter, Neuman and Reed

The following items are distributed to Councilmembers in advance for study and review, and the recommended actions will be accepted in a single motion. Any item may be removed for further discussion if requested by a Councilmember.

CONSENT AGENDA

1. Approval of the minutes from the regular council meeting of April 19, 2021 and April 26, 2021 study session.
2. Approval of the checks and electronic payments in the amount of \$1,125,058.22.
3. Resolution No. 1577 - Interlocal Agreement (WSDOT)
4. Fryar Ave Trail - Consultant Supplement

PUBLIC HEARING

REGULAR BUSINESS

1. **Unfinished Business**
2. **Public Comment (Limit 3 minutes)**
Members of the community who wish to give public comment are strongly encouraged to join the meeting via the ZOOM link or by telephone. If you are unable to join the meeting, please submit your public comment in writing via email to the City Clerk at Michellec@sumnerwa.gov no later than

5:30pm on May 3, 2021. Any written comments received will be read into the record and provided to the City Council. Please contact the City Clerk at 253-299-5590 with any questions.

3. New Business

- a. Design Commission Appointment - Kirsten Martinson
- b. Design Commission Appointment - Scott Fletcher
- c. Resolution 1582 - Authorizing The Use of Body Worn Cameras
- d. American Rescue Plan Council Committee Selection
- e. Resolution No. 1583 - 2021 Housing Action Plan

4. Reports

- a. Council
- b. City Administrator
- c. Mayor

5. Executive Session

6. Adjournment

This meeting is accessible to persons with disabilities. For individuals who may require special accommodations, please contact the City Clerk at (253) 299-5590, 24 hours in advance.

SUBJECT: Approval of the minutes from the regular council meeting of April 19, 2021 and April 26, 2021 study session.

CATEGORY: Consent

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Minutes - April 19, 2021 regular council meeting
2. Minutes - April 26, 2021 study session minutes

STAFF CONTACT:

SUMMARY BACKGROUND:

COUNCIL COMMITTEE/STUDY SESSION:

MEETING/STUDY SESSION DATE:

COMMITTEE RECOMMENDATION: Committee Do-Pass

STAFF RECOMMENDATIONS/MOTION:

**CITY OF SUMNER
Council Meeting
Minutes – April 19, 2021**

CALL TO ORDER

The Sumner City Council met in regular session at 6:00pm, with Mayor William L. Pugh presiding. City Hall remains closed during Governor Inslee’s “Healthy Washington – Roadmap to Recovery” order, a consequence of the Covid-19 pandemic. The Mayor, Council and staff members attended through ZOOM either telephonically or through their computer. The public was allowed to attend via ZOOM, PCTV livestream and by telephone.

Staff present via electronic device: City Administrator Jason Wilson, Public Works Director Mike Dahlem, Assistant City Attorney Christy Palmer, City Attorney Andrea Marquez, Development Services Director Doug Beagle, Administrative Services Director Jeff Steffens, Community Development Manager Derek Barry, Communications Director Carmen Palmer, Community Development Director Ryan Windish, Chief Financial Officer Kassandra Raymond, Community Engagement Specialist Lana Hoover and City Clerk Michelle Converse

Mayor and Councilmembers present via electronic device: Mayor Bill Pugh, Councilmembers Bitetto, Brown, Hamilton, Hayden, Hochstatter, Neuman and Reed.

PROCLAMATION

Police Week and Peace Officer Memorial Day Mayor Pugh read the proclamation into the record the Proclamation declaring May 15, 2021 as Peace Officers Memorial Day and the week of May 9th through May 15th, 2021, as Police Week in the City of Sumner.

CONSENT AGENDA

COUNCILMEMBER NEUMAN REMOVED ITEM #2 – SUMNER-TAPPS RESURFACING AND GUARDRAIL DESIGN SUPPLEMENT: PSE STAKING

MOVED BY HAYDEN, SECONDED BY HOCHSTATTER TO APPROVE THE CONSENT AGENDA ITEMS 1, 3 AND 4.

1. Resolution No. 1578 - ILA City of Pacific - Stewart Road Funding and Access Rights (PW do-pass)
2. Sumner-Tapps Resurfacing and Guardrail Design Supplement: PSE Staking (PW do-pass)
3. Approval of the minutes from regular council meeting of April 5, 2021 and April 12, 2021 study session.
4. Approval of checks and electronic payment in the amount of \$1,133,898.10.

PASSED BY VOICE VOTE.

MOVED BY HAYDEN SECONDED BY REED TO ADOPT ITEM #2 – SUMNER-TAPPS RESURFACING AND GUARDRAIL DESIGN SUPPLEMENT: PSE STAKING.

PASSED WITH COUNCILMEMBERS BITETTO, BROWN, HAMILTON, HAYDEN,

HOCHSTATTER AND REED VOTING YES. COUNCILMEMBER NEUMAN ABSTAINING.

PUBLIC HEARING

One was not scheduled tonight.

UNFINISHED BUSINESS

There was none tonight.

PUBLIC COMMENT

There were no Public Comment tonight.

NEW BUSINESS

Appointment to the Forestry and Parks Commission – Ashli Austin

MOVED BY HAYDEN, SECONDED BY HAMILTON TO AUTHORIZE THE MAYOR TO APPOINT ASHLI AUSTIN TO THE FORESTRY AND PARKS COMMISSION WITH A TERM EXPIRING APRIL 30, 2025.

Community Development Manager Derek Barry addressed the Council on this item and the following seven appointment/reappointments to the Forestry and Parks Commission.

PASSED BY VOICE VOTE.

Appointment to the Forestry and Parks Commission – Jennifer Crawford

MOVED BY HAYDEN, SECONDED BY HOCHSTATTER TO AUTHORIZE THE MAYOR TO APPOINT JENNIFER CRAWFORD TO THE FORESTRY AND PARKS COMMISSION WITH A TERM EXPIRING APRIL 30, 2025.

PASSED BY VOICE VOTE.

Appointment to the Forestry and Parks Commission – Amelia Dexter

MOVED BY HAYDEN, SECONDED BY HOCHSTATTER TO AUTHORIZE THE MAYOR TO APPOINT AMELIA DEXTER TO THE FORESTRY AND PARKS COMMISSION WITH A TERM EXPIRING APRIL 30, 2025.

PASSED BY VOICE VOTE.

Appointment to the Forestry and Parks Commission – Matt Hoard

MOVED BY HAYDEN, SECONDED BY HAMILTON TO AUTHORIZE THE MAYOR TO APPOINT MATT HOARD TO THE FORESTRY AND PARKS COMMISSION WITH A TERM EXPIRING APRIL 30, 2025.

PASSED BY VOICE VOTE

Appointment to the Forestry and Parks Commission – Michael Huffington

MOVED BY HAYDEN, SECONDED BY BITETTO TO AUTHORIZE THE MAYOR TO APPOINT MICHAEL HUFFINGTON TO THE FORESTRY AND PARKS COMMISSION WITH A TERM EXPIRING APRIL 30, 2025.

PASSED BY VOICE VOTE.

Appointment to the Forestry and Parks Commission – LaTeefah Johnson

MOVED BY HAYDEN, SECONDED BY NEUMAN TO AUTHORIZE THE MAYOR TO APPOINT LATEEFAH JOHNSON TO THE FORESTRY AND PARKS COMMISSION WITH A TERM EXPIRING APRIL 30, 2025.

PASSED BY VOICE VOTE.

Reappointment to the Forestry and Parks Commission – Andy Elfers

MOVED BY HAYDEN SECONDED BY NEUMAN TO CONFIRM THE REAPPOINTMENT OF ANDY ELFERS TO THE FORESTRY AND PARKS COMMISSION WITH A TERM EXPIRING APRIL30, 2025.

PASSED BY VOICE VOTE.

Reappointment to the Forestry and Parks Commission – Theresa Haase

MOVED BY HAYDEN SECONDED BY HAMILTON TO CONFIRM THE REAPPOINTMENT OF THERESA HAASE TO THE FORESTRY AND PARKS COMMISSION WITH A TERM EXPIRING APRIL 30, 2025.

PASSED BY VOICE VOTE.

Appointment to the Planning Commission – Carla Bowman

MOVED BY HAYDEN SECONDED BY HOCHSTATTER TO CONFIRM THE APPOINTMENT OF CARLA BOWMAN TO THE SUMNER PLANNING COMMISSION TO A TERM BEGINNING IN APRIL 2021 AND EXPIRING APRIL 2025.

Community Development Director Ryan Windish addressed the Council on this appointment and for Mark Isaacs and Kelley Locke.

PASSED BY VOICE VOTE.

Appointment to the Planning Commission – Mark Isaacs

MOVED BY HAYDEN SECONDED BY BROWN TO CONFIRM THE APPOINTMENT OF MARK ISAACS TO THE PLANNING COMMISSION TO A TERM BEGINNING IN APRIL 2021 AND EXPIRING APRIL 2025.

PASSED BY VOICE VOTE.

Appointment to the Planning Commission – Kelley Locke

MOVED BY HAYDEN SECONDED BY HOCHSTATTER TO CONFIRM THE APPOINTMENT OF KELLEY LOCKE TO THE PLANNING COMMISSION FOR A TERM BEGINNING APRIL 2021 AND EXPIRING APRIL 2025.

PASSED BY VOICE VOTE.

Appointment to the Sumner Cultural Arts Commission – Shelia Mellen

MOVED BY HAYDEN SECONDED BY HAMILTON TO CONFIRM THE APPOINTMENT OF SHELIA MELLEN TO THE SUMNER CULTURAL ARTS COMMISSION FOR A THREE-YEAR APPOINTMENT WITH A TERM ENDING APRIL 2024.

Community Engagement Specialist Lana Hoover addressed the Council.

PASSED BY VOICE VOTE.

Resolution No. 1579 – Interlocal Agreement with Bonney Lake for Fire Permit Review Services.

MOVED HAYDEN SECONDED BY HOCHSTATTER TO ADOPT RESOLUTION NO. 1579 AUTHORIZING THE MAYOR TO ENTER INTO AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SUMNER AND CITY OF BONNEY LAKE RELATED TO FIRE REVIEW SERVICES IN A FORM AS APPROVED BY THE CITY ATTORNEY.

City Administrator Jason Wilson addressed the Council.

In 2019 East Pierce Fire and Rescue (EPFR) contacted the municipalities within its jurisdiction about the desire to adopt a full cost recovery model for fire prevention services. Fire prevention services primarily involve the review of building permits to ensure compliance with fire and life safety requirements. The proposed model would have aligned all of the EPFR's municipalities under a similar permit fee schedule.

The current fire permit fee is 35% of the overall building permit fee. Of the fees collected, the city remits 70% to EPFR and retains 30% for administrative overhead. The proposed model would have increased the permit review fees to 40% and require 100% be remitted to the EPFR. Additionally, EPFR proposed collecting fees for pre-application meetings and special event permit meetings, which are currently a free service offered by the city. Staff analyzed the financial impact of the proposed financial model and determined that it would be more cost and operational beneficial to explore alternatives to fire permit review.

The City of Bonney Lake conducted a similar review and determined that it would also be in their best interest to explore alternatives. Both cities met and developed a plan to share an employee who will be responsible for fire plan review in both cities. Sumner will serve as the lead agency, employing and supervising the shared employee. Costs for the employee will be split using per capita and value of New Construction and Improvements (NC&I), both weighted at 50%. NC&I is used because it reflects the amount of permit activity. For 2021 expenses will be split 52% Sumner and 48% Bonney Lake. Start up costs will be shared equally and are estimated to be approximately \$40,000 including a vehicle. The proposed Interlocal Agreement also establishes several operational conditions.

There is no negative financial impact to the 2021-22 budget. Fire permit revenues and Bonney Lake's contributions fully cover all costs associated with the position.

This Interlocal agreement should be considered in conjunction with the revised Interlocal agreement with East Pierce Fire and Rescue, as it removes fire plan review and investigation services.

Staff's full analysis and recommendation was reviewed by the Community Development and Finance and Personnel Committee earlier this year and received a do-pass recommendation from the Finance and Personnel Committee on April 14th.

PASSED BY VOICE VOTE.

Resolution No 1580 – Interlocal Agreement with East Pierce Fire and Rescue.

MOVED BY REED SECONDED BY HAMILTON TO ADOPT RESOLUTION NO. 1580 – AUTHORIZING THE MAYOR TO ENTER INTO AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SUMNER AND EAST PIERCE FIRE AND RESCUE RELATED TO POST ANNEXATION FIRE SERVICES AND ASSET OWNERSHIP IN A FORM AS APPROVED BY THE

CITY ATTORNEY.

City Administrator Jason Wilson addressed the Council.

In 2009 the City entered into an Interlocal Agreement with East Pierce Fire and Rescue (EPFR) outlining several post annexation issues related to property and services. The ILA has been amended administratively several times and by council in 2020 when the Station Lane Parking Lot was acquired by EPFR. As part of the proposed changes related to fire permit plan review, staff and EPFR felt it was time to amend the ILA to better reflect the current services and property ownership matters.

The significant changes in this agreement include:

- The City is responsible for Emergency Management (administrative amendment in 2013).
- Fully releases city's interest in fire apparatus.
- Removes references to Fire Permit Review work by EPFR.
- Removes references to 24th Street Bridge over the White River.
- Removes references to previously planned and executed training burns.
- Removes the City's ex-officio board of commissioners membership.
- Removes requirement for district participation in annual community events.

There are no changes to the provisions related to the real property (Fire Station and Station Lane Parking Lot), antique Kenworth Fire Engine, or pre-existing pension and medical obligations.

This item was reviewed by the Finance and Personnel Committee and received a do-pass recommendation.

PASSED BY VOICE VOTE.

Agreement with Avidex for Council Chambers Audio / Visual Upgrade

MOVED BY REED SECONDED BY NEUMAN TO AUTHORIZE THE MAYOR TO ENTER INTO AN AGREEMENT WITH AVIDEX FOR AN A/V UPGRADE TO THE CITY COUNCIL CHAMBERS.

Administrative Services Director Jeff Steffens addressed the Council.

The COVID-19 pandemic has changed the way the City does business as well as interacts with the public. A prime example of this shift has been our pivot to hosting Council Meetings and Study Sessions in a "virtual" environment. This change has increased the public's ability to access our meetings and interact with the City. As part of our remodel of the Council Chambers, the City has made it a priority to ensure that future in-person meetings would have a virtual component. Additionally, changes to OPMA are also being considered by the State Legislature that would strongly encourage government agencies to provide virtual attendance and testimony capabilities (ESHB 1329).

Using Washington State Department of Enterprise Service's Master Contract list, the City Desires to enter into an agreement with Avidex for an Audio and Visual upgrade of the City Council Chambers and First Floor Conference Room. The contract includes display monitors, microphones, speakers, software, installation, training and support.

Avidex is an industry leader in providing Audio/Visual solutions to local governments having worked with both Pierce and King counties as well as the Cities of Burien, Redmond. The Avidex team also worked directly with PCTV in designing our system so the the City could leverage their existing camera

technology.

PASSED BY VOICE VOTE.

Resolution No. 1581 – American Rescue Plan Council Committee

MOVED BY HAYDEN SECONDED BY HOCHSTATTER TO ADOPT RESOLUTION NO. 1581 – AMERICAN RESCUE PLAN COUNCIL COMMITTEE.

City Administrator Jason Wilson addressed the Council.

Last month Congress passed the \$1.9 trillion American Rescue Plan Act (ARPA). Under the plan, U.S. cities and towns will receive \$65.1 billion in direct and flexible funds. The funding will begin to arrive in the next couple of months and will be distributed in two installments, the first in 2021 and the second in 2022. Sumner is anticipated to receive \$2,270,241.

Cities can use the ARPA funding for: 1) Responding to the Covid-19 pandemic, 2) covering costs incurred from the public health emergency, 3) replacing lost, delayed, or decreased revenues due to Covid-19, 4) addressing the negative economic impacts on local businesses and nonprofits, and 5) making necessary investments in water, sewer, and broadband infrastructure.

At the March 22, 2021 study session, staff discussed with Council the idea of forming a temporary council committee with the purpose of working with staff to review and make formal recommendations to the full council for consideration. The Resolution before you tonight would create an American Rescue Plan committee and specify that it would operate under the current Council Rules of Procedure.

If the temporary committee is approved members will be chosen at the May 3, 2021 meeting.

PASSED BY VOICE VOTE.

Ordinance No. 2771 – Quarterly Budget Amendment

MOVED BY REED SECONDED BY HAYDEN TO ADOPT ORDINANCE NO. 2771 – QUARTERLY BUDGET AMENDMENT.

City Administrator Jason Wilson addressed the Council.

Staff is presenting a quarterly budget amendment for consideration. This amendment includes:

- Appropriating funding for the 2021 and 2022 Rhubarb Days support;
- Bringing fire plans examiner activities in-house;
- Funding the City Council Chambers technology refit;
- Converting the Volunteer Sidewalk program for the 2021/2022 biennium to a sidewalk repair program;
- Funding the final design of the Fryar Ave Trail Project;
- Appropriating Complete Streets funding to complete the grant work plan;
- Purchase of a water service truck;
- Purchase of a vector truck.

Discussion ensued and clarifying questions were asked.

LaTeefah Johnson addressed the council regarding partnerships for events.

PASSED BY VOICE VOTE.

COUNCIL REPORT

Councilmember Bitetto cautioned people to find safe places to park, while she was out walking on the trail there was another catalytic convertor was stolen while that person was also walking on the trail. She is enjoying the nice weather.

Councilmember Brown thanked all the volunteers for their work on the commissions, it's very much appreciated.

Councilmember Hamilton echoed Councilmember Brown's comments and added that everyone is so busy but our commissioners find the time to give back to our community.

Deputy Mayor Hayden spent Saturday at the Old Cannery Furniture Warehouse. Dick's had their food truck there and the line steady from 12pm-3pm. She complimented the Cannery on the great job they did putting on this event, everything was cleaned constantly and social distancing and mask wearing rules were strictly adhered to.

Councilmember Hochstatter had no reports this evening.

Councilmember Neuman reminded the public that vaccines are available to everyone!

Councilmember Reed also thanked our commissioners. He enjoyed the "Cruise In" on Main Street over the weekend. The weather was beautiful, and he enjoyed seeing the cars and lots of smiling faces.

CITY ADMINISTRATOR

City Administrator Jason Wilson reported to Council the following:

Upcoming Policy Issues:

- Next Week's Study Session
 - Homeless Response Update
- Next Regular Council Meeting on May 3rd
 - Resolution authorizing a Police Body Worn Camera Program
 - Ordinance amending the Emergency Management Code
 - American Rescue Plan Committee Selection
 - Resolution adopting the Housing Action Plan

Personnel Issues:

- The City is still recruiting summer seasonal employees.

Miscellaneous:

- Diversity Equity and Inclusion Update
 - The staff DEI committee reviewed our hiring practices and made some recommendations to remove certain barriers for application and to emphasize experience over education.

- The City is launching a Sumner Connects Page that focuses on listening to community concerns and ideas relating to creating an inclusive and welcoming community. The page also highlights past work done by the City regarding DEI.
- The Pierce County Library has installed a StoryWalk in Rainier View Park. The StoryWalk allows visitors to read a book as they walk through the park. The book is titled *The Big Umbrella* and is about being welcome and inclusive.

MAYOR REPORT

Mayor Pugh also thanked and welcomed the new commissioners. He added additional comments to ones made by Councilmember Reed. The event on Saturday was not a City or Sumner Main Street Association sponsored event. While he understands the need to be social, he expressed concerns for the lack of mask wearing and social distancing. It's important that we continue to wear our masks and social distance, it's the only way Pierce County is going to get to Phase 3.

EXECUTIVE SESSION

There was none scheduled.

ADJOURNMENT

With no further business before the Council, the Mayor adjourned the meeting at 7:43pm. Councilmembers concurred.

ATTEST:

William L. Pugh, Mayor

Michelle Converse, CMC City Clerk

SUMNER CITY COUNCIL
Minutes – Study Session
April 26, 2021

As a result of the Governor’s “Healthy Washington-Roadmap to Recovery” order, the Sumner City Council held its study session virtually via ZOOM meetings with Mayor William L. Pugh presiding.

Mayor Pugh called the meeting to order at 6:01pm.

Councilmembers present: Brown, Hamilton, Hayden, Hochstatter, Neuman (arrived at 6:02pm) and Reed.

Staff present: City Administrator Jason Wilson, Public Works Director Mike Dahlem, Development Services Director Doug Beagle, Administrative Services Director Jeff Steffens, Police Chief Brad Moericke, Communications Director Carmen Palmer, Community Development Director Ryan Windish, City Attorney Andrea Marquez, Deputy Police Chief Jeff Engel, Assistant City Attorney Christy Palmer and Community Development Manager Derek Barry.

REGULAR BUSINESS

1. Homeless Response Update

CITY ADMINISTRATOR REPORT

AGENDA SETTING

EXECUTIVE SESSION

ADJOURNMENT

When there was no further business before the Council, the meeting adjourned at 7:56pm.

ATTEST:

City Clerk Michelle Converse, CMC

Mayor William L. Pugh

SUBJECT: Approval of the checks and electronic payments in the amount of \$1,125,058.22.

CATEGORY: Consent

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Claims Voucher

STAFF CONTACT:

SUMMARY BACKGROUND:

[Checks and electronic payments.](#)

COUNCIL COMMITTEE/STUDY SESSION:

MEETING/STUDY SESSION DATE:

COMMITTEE RECOMMENDATION: Committee Do-Pass

STAFF RECOMMENDATIONS/MOTION:

Approve as stated.



**CLAIMS VOUCHER
APPROVAL**
City of Sumner Finance
Department

The following check/electronic payments are approved for payment:

Accounts Payable Check #:	From: 25578	To: 25677	\$254,509.98 *
AP Electronic (EFTs) Payments:	From: 227	To: 232	\$122,852.92
AP Wire(s):	From: 15098	To: 15099	\$8,253.41
Payroll DD Numbers:	From: 48208	To: 48336, 3902	\$296,657.81
Payroll Check(s):	From: 46617	To: 46617	\$8,236.62
Payroll Wire(s):	From: 3846, 3898, 3900 - 3901	To: 3903 - 3911	\$434,547.48
		TOTAL	\$1,125,058.22

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the service rendered, or the labor performed as described herein, and that the claim is a just, due, and unpaid obligation against the City of Sumner and I am authorized to authenticate and certify to said claim.

DocuSigned by:

Kassandra Raymond

9A5D5E5E8AEC4A5

Chief Financial Officer

4/19/2021 | 11:20 AM PDT

Date

We, the undersigned Finance & Personnel Committee of the Sumner City Council, Sumner, Washington, do hereby certify that the check numbers and electronic payments listed above are approved for payment in the amount of \$1,125,058.22 this 19th day of April 2021.

DocuSigned by:

[Signature]

700BA200DF904E7...

Chair

4/22/2021 | 12:46 PM PDT

Date

DocuSigned by:

Charla Muman

39EDD004560F4F4...

Member

4/19/2021 | 4:09 PM PDT

Date

DocuSigned by:

Barbara Bitetto

74E2EC02EDD045C...

Member

4/19/2021 | 1:01 PM PDT

Date

* Includes \$9.77 in Use Tax and (\$-0-) in Check Voids

SUBJECT: Resolution No. 1577 - Interlocal Agreement (WSDOT)

CATEGORY: Resolution

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Resolution No. 1577 - Police ILA with WSDOT

STAFF CONTACT: Brad Moericke, Police Chief

SUMMARY BACKGROUND:

WSDOT will be performing traffic improvements on northbound SR 167 that will require a full weekend closure and primary detour through the City of Sumner. WSDOT has requested extra-duty police services to provide traffic control associated with the closure and detour and has offered to reimburse the City for those expenses. The attached Interlocal details the terms of the agreement.

COUNCIL COMMITTEE/STUDY SESSION: Personnel and Finance Committee
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MEETING/STUDY SESSION DATE: 4/14/2021

COMMITTEE RECOMMENDATION: Do Pass

STAFF RECOMMENDATIONS/MOTION:

Authorize the Mayor to enter into an Interlocal Agreement with Washington State Department of Transportation.

**RESOLUTION NO. 1577
CITY OF SUMNER, WASHINGTON**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON, AUTHORIZING THE MAYOR TO SIGN AN INTERLOCAL AGREEMENT BETWEEN THE WASHINGTON STATE DEPARTMENT OF TRANSPORTATION AND THE CITY OF SUMNER FOR EXTRA-DUTY POLICE SERVICES.

WHEREAS, the Washington State Department of Transportation (WSDOT) has a project for road work on State Route 167 known as the “SR 167/SR 410 to SR 18 – NB Congestion Management Project” that requires the full closure of SR 167 Northbound; and

WHEREAS, this full closure will necessitate a detour through the CITY, and in connection therewith, requires traffic control assistance; and

WHEREAS, the CITY is able to provide duly commissioned law enforcement officers to provide the needed traffic control assistance to WSDOT, subject to payment for services; and

WHEREAS, WSDOT has agreed to pay the CITY full reimbursement for all police services furnished under the proposed agreement, including vehicles and associated equipment, wage rates, labor, benefits, and overhead costs; and

WHEREAS, such agreements are specifically authorized by the Interlocal Cooperation Act of Chapter 39.34 of the Revised Code of Washington.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. That the Mayor is hereby authorized to execute the Interlocal Agreement for extra-duty police services with the Washington State Department of Transportation, attached hereto as Exhibit A.

Section 2. Corrections by City Clerk or Code Reviser. Upon approval of the city attorney, the city clerk and the code reviser are authorized to make necessary corrections to this resolution, including but not limited to the correction of clerical errors; or references to other local, state, or federal laws, codes, rules, or regulations.

APPROVED AND ADOPTED this 3rd day of May 2021.

Mayor William L. Pugh

ATTEST:

APPROVED AS TO FORM:

Michelle Converse, CMC, City Clerk

City Attorney Andrea Marquez

GCB 3463
WSDOT / SUMNER POLICE DEPARTMENT
EXTRA-DUTY POLICE SERVICES CONTRACT

This Agreement is between the Washington State Department of Transportation, hereinafter "WSDOT," and the City of Sumner, acting through its Police Department, hereinafter the "CITY," individually the "Party" and collectively the "Parties."

RECITALS

1. WSDOT has a project for road work on State Route 167 known as SR 167/SR 410 to SR 18 – NB Congestion Management, hereinafter the "Project," that requires detour within the CITY, and in connection therewith, requires traffic control assistance.
2. The CITY is able to provide duly commissioned law enforcement officers to provide traffic control assistance to WSDOT, subject to payment for services and the Chief of Police's approval.
3. The police officers who may provide such services will be assigned to extra-duty under this Agreement during their off-duty hours which will not conflict with their law enforcement responsibilities for and duties to the CITY.

Now, Therefore, pursuant to Chapter 39.34 RCW, the above recitals that are incorporated herein as if fully set forth below, and in consideration of the terms, conditions, covenants, and performances contained herein, and the attached Exhibit A and incorporated and made a part hereof, the Parties agree as follows:

1. Scope of Performance
 - 1.1 The CITY agrees to furnish, subject to the terms of this Agreement, uniformed police officers, vehicles and associated equipment to assist WSDOT in traffic control when requested by WSDOT.
 - 1.2 WSDOT shall provide to the CITY's Police Chief, or designee, a written request fourteen (14) calendar days prior to the required services, describing the nature of the traffic control required and the number of police officers and equipment needed. WSDOT's request will identify the dates and hours needed for the following locations within the CITY:
 - Intersection of Tacoma Ave and Puyallup Street (Stop Sign Controlled)
 - Intersection of Sumner Tapps Highway East and 64th Street East (Signal Controlled)
 - Intersection of the West Bound SR 410 Off Ramp and Sumner Tapps Highway (Stop Sign Controlled)
 - Intersection of the East Bound SR 410 Off Ramp and 166th Ave East (Signal Controlled)

- 1.3 The CITY's Police Chief, or designee, has the sole authority to approve the police officer and equipment assignments and agrees to notify the WSDOT five (5) calendar days before the needed services as to whether the CITY can provide the police officers and equipment. If CITY police officers are provided, the police officers shall be under the sole direction, management, and control of the CITY's Police Chief or designee, and shall perform the traffic control duties for WSDOT's Project as requested under the terms of this Agreement in a manner consistent with CITY policy, applicable state and local laws, and the constitutions of the State of Washington and the United States.

2. Agreement Term

- 2.1 The term of performance of the Agreement shall be from the date of full execution to December 31, 2021. This Agreement shall terminate upon completion of WSDOT's Project, except for those provisions herein noted.
 - 2.2 Either Party may terminate this Agreement when in its sole discretion, it is in the best interest of the terminating Party, by giving one (1) week's prior written notice to the other Party.
3. Compensation
 - 3.1 WSDOT shall pay the CITY full reimbursement for all police services furnished under this Agreement, including vehicles and associated equipment, wage rates, labor, benefits, and overhead costs.

The estimated total cost for traffic control work to be performed by the CITY is Eighteen Thousand Six Hundred and No/100s Dollars (\$18,600.00). The CITY shall bill WSDOT a rate of Ninety-Three and No/100s Dollar per hour (\$93.00/hr.) for overtime hours worked. These rates include all direct and associated indirect costs.

4. Payment and Record Retention

- 4.1 WSDOT, in consideration of the faithful performance of the traffic control to be done by the CITY, agrees to reimburse the CITY for the traffic control services described herein pursuant to the all-inclusive payment rate and estimated monthly/annual service schedule identified in Section 3.1. The CITY shall invoice WSDOT on or after the first of the month for services and include detailed service information, including actual service hours per officer and vehicles and/or equipment used. Payment shall be made by a state voucher payable to the City of Sumner and sent to the CITY within thirty (30) calendar days after receipt of a detailed invoice. The CITY agrees to submit a final bill to the WSDOT within forty-five (45) calendar days after notification by WSDOT that CITY's services for traffic control assistance are no longer required.
- 4.2 WSDOT shall not be financially liable for scheduled law enforcement services which are not actually performed; however, when WSDOT requires the CITY's traffic control assistance for less than a three (3) hour period, the CITY shall be reimbursed for a full three (3) hour period. If a police officer has begun extra-duty services under this Agreement and then is called by the Chief of Police or designee for an emergency, special assignment or overtime duty, WSDOT agrees to reimburse the CITY for only the time the CITY actually performed the traffic control assistance.
- 4.3 During the progress of the services and for a period of not less than six (6) years from the date of final payment to the CITY, the records and accounts pertaining to the services performed under this Agreement, and accounting thereof, are to be kept

available for inspection and audit by the state and/or the federal government; and copies of all records, accounts, documents, or other data pertaining to this Agreement services will be furnished upon request. Upon the occurrence of any litigation, claim, or audit the records and accounts along with supporting documentation shall be retained until each litigation, claim, or audit finding has been resolved even though such litigation, claim, or audit continues past the six (6)-year retention period.

5. Duty Status

- 5.1 Each police officer assigned traffic control work pursuant to this Agreement is subject to call by the Chief of Police or designee at any time for emergencies, special assignment, or overtime duty. Extra-duty employment under the terms of this Agreement shall not infringe or interfere with this obligation.

6. Adherence to City Policies and Procedures

- 6.1 Police officers engaged in extra-duty employment are obligated to discharge all duties of their office and to adhere to the CITY's Police Department policies and procedures at all times. Such officers shall obey, uphold, and enforce the laws of the CITY and the State of Washington and the Constitutions of the State of Washington and the United States of America at all times. Such officers shall understand that while they are on duty or engaged in extra-duty assignment under this Agreement, they may be subject to discipline by the CITY. Police officers performing services pursuant to this Agreement shall only provide traffic control services as specified herein, and they are at all times while performing said services subject to and under the sole direction and control of the CITY police department.

7. No Special Duty to Contractor or Others

- 7.1 Police officers on extra-duty assignment have a primary obligation to the CITY, not WSDOT. They are expected to discharge all duties of their office while performing pursuant to this Agreement and will not perform any non-law enforcement/peacekeeping functions for WSDOT. Furthermore, this Agreement and performance thereof by the CITY police officers shall not create any special relationship with any person or duties to protect any specific persons from harm or injury including the Party signing this Agreement. The law enforcement/peacekeeping duties to be performed pursuant to this Agreement are the same in extent and scope as those provided by police officers to every member of the public.

8. Nondiscrimination

- 8.1 WSDOT shall not discriminate on the basis of race, color, sex, religion, national origin, creed, age, the presence of any sensory, mental or physical handicap, or any other protected class status.

9. Dispute Resolution

- 9.1 In the event that a dispute arises under this Agreement, it shall be resolved as follows: WSDOT and the CITY shall each appoint a member to a disputes board, these two members shall select a third board member not affiliated with either Party. The three-member board shall conduct a dispute resolution hearing that shall be informal and unrecorded. An attempt at such dispute resolution in compliance with aforesaid process shall be a prerequisite to the filing of any litigation concerning the dispute. The Parties shall equally share in the cost of the third disputes board member; however, each Party shall be responsible for its own costs and fees.

10. Indemnification and Hold Harmless

10.1 To the extent provided by law, each Party to this Agreement shall protect, defend, indemnify, and save harmless the other Party, its officers, officials, employees, and agents, while acting within the scope of their employment as such, from any and all costs, claims, judgments, and/or awards of damages (both to persons and/or property), arising out of, or in any way resulting from, each Party's negligent acts or omissions while performing pursuant to the terms of this Agreement. No Party will be required to indemnify, defend, or save harmless the other Party if the claim, suit, or action for injuries death, or damages (both to persons and/or property) is caused by the sole negligence of the Party, its officers, officials, employees, or agents or involves those actions covered by RCW 4.24.115. Where such claims, suits, or actions result from concurrent negligence of the Parties and their officers, officials, employees, or agents, the indemnity provisions provided herein shall be valid and enforceable only to the extent of the PARTY's, its officers', officials', employees', or agents' own negligence. The Parties agree that their obligations under this section extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of their officers, officials, employees or agents. For this purpose only, **the Parties, by mutual negotiation, hereby waive**, with respect to each other only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. This indemnification shall survive any termination of this Agreement.

10.2 The Parties do not intend to create any "special relationship" or "special duty" by entering into this Agreement and the CITY expressly disclaims any guarantee as to the safety or security of persons or property of WSDOT, its officers, agents, employees, contractors, and subcontractors, or the public traveling through or in the vicinity of the Project site; and makes no representations or warranties as to such safety or security by entering into this Agreement. Specifically, the Parties understand and agree that the City of Sumner has no greater duty with regard to the safety and security of persons or property of WSDOT, its officers, agents, employees, contractors, and subcontractors, or the public traveling through or in the vicinity of the Project site than it does with regard to the general public in providing law enforcement services throughout the CITY.

11. Venue

11.1 In the event that either Party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this Agreement, the Parties hereto agree that any such action or proceedings shall be brought in Thurston County Superior Court. Further, the Parties agree that each will be solely responsible for payment of their own attorneys' fees, witness fees, and costs.

12. Contacts and Notices

12.1 Contact between the Parties, including but not limited to invoicing and Agreement administration, and notices or materials authorized to be provided will be directed to the below identified Contacts as follows or his/her designee:

CITY:
Jeff Engel
Deputy Chief of Police
1104 Maple Street Suite 140
Sumner, WA 98390
Phone: (253) 299-5678
jeffe@sumnerwa.gov

WSDOT:
Michel Cross
Tacoma Project Office
2901 South 40th Street
Tacoma, WA 98409
(253) 538-3363
CrossM@wsdot.wa.gov

- 12.2 A Party may designate an alternative representative by notifying the other Party in writing, which includes communication by email.
13. Amendment
- 13.1 This Agreement may be amended by the mutual agreement of the Parties. Such amendments or modifications shall not be binding unless they are in writing and signed by persons authorized to bind each of the Parties.
14. Severability
- 14.1 Should any section, term or provision of this Agreement be determined to be invalid, the remainder of this Agreement shall not be affected and the same shall continue in full force and effect.

In Witness Whereof, the Parties hereto have executed this Agreement as of the date last written below.

CITY OF SUMNER	WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
By:	By:
Printed:	Printed:
Title:	Title:
Date:	Date:
APPROVE TO FORM CITY OF SUMNER	APPROVE TO FORM WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
By:	By:
Printed:	Printed:
Title:	Title: Assistant Attorney General
Date:	Date:

Police Presence Hours

The current all-incluseive rate is a maximum of \$93.00/hour

Minimum time block per presence - 3 hours

Activity	Hrs per instance	No. of instaces	Number of Officers	Total HRS	Enforcing Auth	Notes
Closing SR 167	40	1	5	200	Sumner Police	This is for the weekend closure of SR 167

This estimate does not account for police presence for worker safety or incident response related to traffic control.

Cost

Hours	hourly cost	total
200	\$93	\$18,600

hourly rate is all inclusive

SUBJECT: Fryar Ave Trail - Consultant Supplement

CATEGORY: Consent

BUDGET IMPACT:

Expenditure Required: \$400,950

Within Budget Allocation: Yes

ATTACHMENTS:

1. Consultant Supplement with Scope and Fee
-

STAFF CONTACT: Andrew Leach, Public Works Manager, Mike Dahlem, Public Works Director

SUMMARY BACKGROUND:

The City of Sumner was awarded Federal Funds in the amount of \$228,624 from the Transportation Alternatives Program of the Puget Sound Region Council, for the design and permitting of the Fryar Ave Trail Project. This project will construct approximately 3,300 linear feet of shared use path that parallels Fryar Avenue from West Main Street to Puyallup Street. WSP was chosen as the design consultant through a qualification-based selection process.

This supplement adds funding to complete the design of the project. The project will be able to move from 30% design to a final bid package. This supplement supports the design changes to the project due to the private development that is occurring on Fryar Avenue and changes to the trail alignment after consultations with local tribes. The original contract amount was \$178,878 and the supplement adds \$400,950 for a total contract cost of \$579,828.

COUNCIL COMMITTEE/STUDY SESSION: Public Works Committee

MEETING/STUDY SESSION DATE: 4/6/2021

COMMITTEE RECOMMENDATION: Do Pass

STAFF RECOMMENDATIONS/MOTION:

A motion approving a supplement to WSP's Consultant Services Contract for the Fryar Avenue Trail (CIP 14-01), increasing the contract amount by \$400,950 to a total authorized amount not-to-exceed \$579,828.00, and authorizing the Mayor and City Administrator to execute any and all documents necessary to effectuate the amendment, substantially in a form as approved by the City Attorney.



**Washington State
Department of Transportation**

Supplemental Agreement Number <u>8</u>		Organization and Address	
Original Agreement Number N/A		WSP USA, Inc. 33301 Ninth Avenue S., Suite 300 Federal Way, WA 98003 Phone: 206-431-2300	
Project Number N/A	Execution Date	Completion Date 12/31/2022	
Project Title City of Sumner - Fryar Avenue Trail	New Maximum Amount Payable \$579,828.00		
Description of Work Supplement No. 8 replaces the original scope of work in its entirety and provides a complete description of the level-of-effort required to complete the plans, specifications, and estimate (PS&E) for the project.			

The Local Agency of City of Sumner

desires to supplement the agreement entered in to with WSP USA, Inc.

and executed on 6/18/2014 and identified as Agreement No. N/A

All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are described as follows:

I

Section 1, SCOPE OF WORK, is hereby changed to read:

See Exhibit A-1.

II

Section IV, TIME FOR BEGINNING AND COMPLETION, is amended to change the number of calendar days for completion of the work to read: No change.

III

Section V, PAYMENT, shall be amended as follows:

Original budget= \$178,878. Budget increase is \$400,950 as shown in exhibit E-1. New total is \$579,828.00.

~~as set forth in the attached Exhibit A,~~ and by this reference made a part of this supplement.

If you concur with this supplement and agree to the changes as stated above, please sign in the Appropriate spaces below and return to this office for final action.

By: WSP USA, Inc.

By: City of Sumner

Consultant Signature

Approving Authority Signature

Date

EXHIBIT A-1 - SCOPE OF WORK – SUPPLEMENT NO. 8

PLANS, SPECIFICATIONS AND ESTIMATES

FRYAR AVENUE TRAIL

CITY OF SUMNER

PROJECT BACKGROUND

As part of this contract, the project was previously designed to a 30 percent level and then put on hold for about 4 years by the City of Sumner (CITY). During this time, the CITY requested minor consultant services to identify the feasibility of making a localized trail alignment/profile adjustment and include an elevated structure in-lieu of steeper trail grades and a parallel Americans with Disabilities Act (ADA) access ramp. In addition, private development has occurred, which constructed a portion of the trail. At the request of the CITY, the following changes are to be included in the design and contract documents.

- Revised Trail Alignment/Profile – Revised alignment and profile connecting with Main Street and passing under the Bridge Street Bridge and a revised alignment near the library where the trail turns away from the river to connect with Fryar Avenue.
- Inclusion of an Elevated Structure – Incorporation of an elevated structure, timber boardwalk, between the Main Street trail connection and passing under the Bridge Street Bridge.
- Shortened Trail Extents – At the north end of the trail where a recent development constructed a portion of the trail (i.e., the Cummins Sales and Service parcel).

This supplement replaces the original scope of work in its entirety and provides a complete description of the level-of-effort required complete the plans, specifications, and estimate (PS&E) for the project.

PROJECT DESCRIPTION

The CITY has been constructing segments of the Fryar Avenue Trail. The goal of this project is to design and construct the approximately 3,200-foot missing link from Main Street near Fryar Avenue to the south property line of the Cummins Sales and Service parcel on the west side of Fryar Avenue. The extension of the trail will link existing trail sections serving to provide walkers and bikers a safe, non-motorized connection along the White River and connection links to Foothills, Puyallup River, Interurban, and the Fryar Avenue trails.

The trail has been divided into two segments. Segment 1 of the trail starts at the existing sidewalk trail along Main Street, heads north/east towards the shoreline of the White River and passes under the Bridge Street Bridge, continues north/east along the shoreline of the White River before turning east towards Fryar Avenue south of 57th Street East. Segment 2 runs along Fryar Avenue to just south of the Cummins parcel.

WSP, hereby referred to as “CONSULTANT,” shall provide engineering design services to complete the work as described in this scope of work, together with their subconsultants, hereby

referred to as “CONSULTANT(S),” who shall provide other design services as described in this scope of work under the direction of the CONSULTANT.

BASIS OF DESIGN

The CONSULTANT shall prepare PS&E, as described below, for the trail using design concepts approved by the CITY.

Design criteria shall be reviewed and updated to meet current AASHTO, Proposed Right-of-Way Accessibility Guidelines (PROWAG) and CITY code requirements. The CONSULTANT shall prepare a summary identifying design criteria changes and any variances to the City of Sumner Design Standards that may be necessary or appropriate.

GENERAL PROJECT ASSUMPTIONS

- The overall design of the trail will match the existing CITY trails. The section from the Cummins parcel to 57th Street East will consist of a 10-foot-wide asphalt path and 3-foot planter strip. The section from 57th Street East to Main Street will consist of a 12-foot-wide asphalt trail with 2-foot gravel shoulders. The trail on the elevated boardwalk will be 16 feet between railings.
- The trail will be designed to meet the ADA-accessible trail requirements.
- The trail alignment will cross two siding yard rail lines between 57th Street East and the Cummins parcel. It is assumed that the CITY will negotiate railroad construction access required for the trail to cross the rail lines.
- To meet Washington State Department of Transportation’s (WSDOT) federal highway funding requirements, completion of an Environmental Classification Summary (ECS) form will be required to comply with the National Environmental Policy Act (NEPA). Coordination with WSDOT to confirm required NEPA documentation to support the NEPA ECS will be necessary. NEPA documentation beyond ECS is not anticipated.
- The project team will use existing geotechnical information prepared for the Bridge Street Bridge project for some of the foundation and pavement design needs, as well as geologic hazard information that may be required for the ECS form. However, the project will also require additional geotechnical explorations.
- The project will not be in compliance with the terms and conditions of the Biological Opinion (BO), and a detailed biological assessment will be required.
- Work will be limited to restoration of areas disturbed by trail construction. Required mitigation will be coordinated with the Bridge Street Bridge project.
- No irrigation will be required.
- The work on Fryar Avenue will be limited to the trail on the west side of the travelled way.
- The Segment 1 trail and on the sidewalk/trail adjacent to the road will use permeable pavement.
- The alignment of Segment 1 will avoid relocation of existing outfalls to the river.
- No detention or water quality will be required.

- No basin modeling will be required; only conveyance calculations.
- Structural earth walls will be used where walls are required.
- The project team will determine right-of-way needs and slope easements.
- A new segment of storm conveyance may be required in Segment 2. It is assumed that adequate conveyance is exiting to the river, and no additional outfalls/culverts will be required.
- Dewatering will be required to install storm drain facilities near the Bridge Street Bridge abutment.
- No wetlands exist on the site.

SCOPE OF WORK

TASK 1.0: PROJECT ADMINISTRATION

Subtask 1.1 Project Management

The CONSULTANT shall provide management and communications between the CONSULTANT team and the CITY. The CONSULTANT shall perform project management tasks as follows.

- Prepare and submit monthly invoices, including a tabulation of hours expended. Prepare monthly progress reports summarizing the status of the project. Prepare and update the project schedule periodically as circumstances require or as requested by the CITY. Prepare subconsultant agreements and perform ongoing subconsultant coordination.
- Maintain all contract-related documentation.
- Maintain a web-based, file-sharing system (Newforma) that will allow CITY and CONSULTANT team members access to up-to-date project files.

Subtask 1.2 Team Meetings and Coordination

The CONSULTANT shall facilitate an average of two internal project team coordination meetings per active work months (assumed four active work months). Meetings shall be approximately 1 to 2 hours in duration and shall be attended by an average of three CONSULTANT team members.

Subtask 1.3 Client Meetings and Coordination

The CONSULTANT shall facilitate an average of one client meeting per active work month (assumed four active work months). Meetings shall be approximately 1 to 2 hours in duration and shall be attended by an average of three CONSULTANT team members.

Subtask 1.4 Quality Assurance

The CONSULTANT shall provide quality assurance/quality control (QA/QC) for all design work in accordance with the CONSULTANT's QA/QC standards.

Subtask 1.5 Project Shutdown Demob and Remob

Effort has been spent keeping the project active since the original 30 percent design development in April 2016. Additional effort will be required to mobilize staff and restart of design, including meetings and coordination, reviewing files and calculations, and updating them to comply with current standards.

Deliverable(s)

- Monthly progress report and invoice (one copy)
- Updated project schedules, if required (one copy)
- Updated contract forms and certifications
- QA/QC documentation for all design work will be made available to the CITY upon request

TASK 2.0: SITE SURVEY

The majority of the project site has already been surveyed under the original contract. Under this supplement, the CONSULTANT team shall provide updated existing conditions topographic survey based on changes in site conditions from the time of the previous survey. This revised base map will include updates to the field work, and utility mapping efforts that will supplement field survey previously completed and survey completed work conducted under the Bridge Street Bridge contract in the vicinity of the trail alignment. CONSULTANT shall use the data collected in this survey effort to develop base files for this project's design. The surveying limits have been split into two areas as follows.

Area 1 consists of a localized area around the Cummins driveway at the westerly side of FGryar Avenue. The survey limits for this area will be from the westerly fog line or edge of pavement on the west side of Fryar Ave to 40 feet west of the back of sidewalk. See Exhibit B.

Area 2 consists of +/- 1.0 acre, as shown in the graphic, at the westerly intersection of Bridge Street, Fryar Avenue, Traffic Avenue, and West Main Street. The intent of the survey is to locate features on the ground and the newly constructed bridge that are important for the design of a pedestrian trail that will approach the survey area from West Main Street, pass under the bridge, and connect to Bridge Street on the northeast side.

Within Area 2, CONSULTANT may locate concrete panels for strengthening the riverbank, if present. This effort is estimated to require 4 hours to locate the extents of the concrete panels but not necessarily the precise dimensions and full quantity. It is anticipated that these concrete panels are in poor condition and are in difficult and possibly dangerous placement along the river's edge. Therefore, CONSULTANT will attempt to locate the extents of the concrete panels as they can be found along the top of the bank and as far down the bank as can be accomplished safely and efficiently.

Exhibit A, B and C below indicates the scope of survey work.



Exhibit A Survey Scope



Exhibit B Area 1



Exhibit C Area 2

Subtask 2.1 Survey Project Management, Administration, and Quality Assurance/Quality Control

This task includes the survey project management, administrative duties, and quality control required for a project of this complexity and magnitude.

Subtask 2.2 Survey Control

This task includes the establishment of survey control, or the recovery of existing survey control, as required for the project. Typically, survey control will be set, found, or referenced utilizing Real Time Kinematic (RTK) GPS (GNSS) and the Washington State Reference Network (WSRN) in conformance with industry standards. The CONSULTANT will typically propagate this survey control as required using standard terrestrial total station measurements.

Subtask 2.3 Field Surveying and Mapping

The survey for Area 1 will include the following.

- Curb, gutter and sidewalk, driveways, and ramps along Fryar Avenue as shown in Exhibit A and B
- Planter features, back of curb, and ground shots within the parking lot
- Conductible underground utilities within the survey area
- Drainage structures within the survey area with pipe size, material, invert elevation, and direction of pipes

The survey for Area 2 will include the following.

- Ground topography: ground drops approximately 30 feet from top of slope to river edge
- Curb and gutters, driveways, and paved surfaces within the survey area
- Buildings and structures, including detail of house and outbuildings at 713 West Main Street
- Significant trees (8-inch diameter Deciduous and 8-in diameter Coniferous)
- Abutment on south side of bridge, including ground shots along its length
- Bridge soffits and girders on south side of bridge
- Drainage features and structures with pipe size, material, invert elevation, and direction of pipes
- Underground utilities within the survey area
- Any features attached to the bridge that would interfere with trail clearance
- Locate the extents of the concrete panels as described above
- Geotechnical – 4 borings, set by others, will be located, and incorporated.

In addition, CONSULTANT will locate up to six borings set by others and incorporate them into the base map.

Subtask 2.4 Office Processing

This task includes the office processing of the collected survey data, data extraction, field book note reductions, CADD drafting, and other duties required for the generation of the deliverable(s).

Assumption(s)

- Underground utility locating will be performed by Applied Professional Services, Inc. and will be charged as an expense in this scope of work.
- The CONSULTANT will use survey control from the supplied base map.
- The CITY will arrange for and provide right-of-entry documents for those privately owned parcels that CONSULTANT field crews will need access to.
- Setting of property corners is not a part of these services.
- A record of survey is not a part of these services.

Deliverable(s)

- The CONSULTANT shall remove drawing entities from the existing topographic survey within the new survey areas and add to the base maps with current features and linework based on the field survey.
- A ground surface digital terrain model (DTM) in LandXML v1.2 format.
- Photos, field notes, scans, videos, and sketches as part of the existing condition documentation.

TASK 3.0: PLANS, SPECIFICATIONS, AND ESTIMATES

This task includes the completion of (PS&E). The CONSULTANT will meet with the CITY to review the design and obtain review comments from the CITY. Response to the comments will be incorporated in the PS&E documents, and a final set of documents will be submitted to the CITY for review. Any final comments will be incorporated in the construction documents.

Subtask 3.1 Drainage Design

Segment 1. The CONSULTANT will use porous pavement for the trail design wherever possible. The existing culverts that drain to the river will remain in place.

Segment 2. The CONSULTANT will use porous asphalt and concrete pavement in the design of the trail. A new conveyance system will be designed, where required, to convey the existing roadway runoff to existing outfalls.

Deliverable(s)

- The previously completed drainage memo will be modified to incorporate the latest design standards into the drainage design.

SUBTASK 3.2 SEGMENT 1 TRAIL DESIGN

This task involves design of the trail that comes down off of Main Street, continues under the new Bridge Street Bridge, parallels the river, and continues under the Puget Sound Energy power lines.

Subtask 3.2.1 Alignment and Cross Sections

The CONSULTANT will develop a trail plan and profile that will tie into the trail at the intersection of Main Street and will be designed to continue under the Bridge Street Bridge, along the river, and up to Fryar Avenue under the power lines. The profile will be coordinated with the Bridge Street Bridge grading, will be designed to meet ADA requirements, and will avoid existing culverts that cross the trail.

Subtask 3.2.2 Retaining Walls

Required wall locations will be determined, and the length and height of the walls will be detailed in the plans. It is assumed the walls will be structural earth walls. The appropriate special provisions will be developed and included in the contract provisions.

Subtask 3.2.3 Elevated Structure

The required elevated trail structure will be a timber structure supported on piling. The foundations will be designed by the CONSULTANT as part of this contract. The structure spans, layout, load limitations, and other features will be determined and specified on the plans. The detailed design of the elevated structure (above the foundations) will be designed by others.

Assumption(s)

- The elevated trail structure will be a prefabricated design designed by others (above the foundations). The contract will include project-specific specifications defining the technical design requirements for the elevated structure.
- The CONSULTANT will detail the foundations in the contract plans along with the alignment and profile of the elevated structure and reference to the project-specific contract provisions.
- The CONSULTANT will design the trail path as metal grating, rather than an impermeable surface on the elevated structure.

Deliverable(s)

- Segment 1 Trail final plans for review
- Segment 1 Trail final bid-ready plans

Subtask 3.3 Segment 2 Trail Design

This task involves engineering and design work for the roadway, drainage, and utilities required to advance the design of the trail adjacent to the roadway. This task includes a preliminary evaluation of the right-of-way needs for the project.

Subtask 3.3.1 Alignment and Cross Sections

A vertical alignment will be prepared at the edge of the outside travel lane on the west side of Fryar Avenue where the trail will be located. The CONSULTANT will develop the trail alignment and cross sections to accommodate the relocation of the curb and gutter adjacent to the traffic lane, the elimination of the bike lane, and the relocation of the planter strip and the sidewalk.

Subtask 3.3.2 Drawings

Drawings will be prepared that show the alignment, channelization as required, improvements required on the west side of the roadway, storm drainage requirements, hydrant relocations as required, power pole relocations by others, driveway design, and edge conditions at the back of the trail as required.

Subtask 3.3.3 Driveway Design

The CONSULTANT shall design and prepare a plan and profile of the existing driveways on Fryar Avenue within the project limits.

Subtask 3.3.4 Rail Road Crossing Design

The CONSULTANT will design the railroad crossing to meet the requirements of the railroad as determined by the CITY.

Deliverable(s)

- Segment 2 Trail final plans for review
- Segment 2 Trail final bid-ready plan

Subtask 3.4 Cost Estimate

The CONSULTANT shall provide a preliminary and final cost estimates for the proposed roadway improvements.

Deliverable(s)

- Final construction cost estimate

Subtask 3.5 Specifications

The CONSULTANT shall prepare special provisions not covered by the CITY's special provisions or WSDOT/American Public Works Association Standard Specifications.

Deliverable(s)

- Final specifications

Subtask 3.6 Evaluation of Right-of-Way Needs

The CONSULTANT will update the assessment of the right-of-way and easement needs, and preliminary costs, based on the updated 30 percent submittal.

Deliverable(s)

- Right-of-way and easement needs schematic showing the areas required

TASK 4.0: ENVIRONMENTAL DOCUMENTATION, BIOLOGICAL ASSESSMENT, AND PERMIT COORDINATION

The CONSULTANT team will continue to assist the CITY in the preparation of environmental documentation and permitting of the project by providing the following services. The CONSULTANT team will prepare the documentation and application materials necessary to obtain the identified regulatory land use and environmental authorizations for construction of the project. The updated 30 percent design will be the basis of the permit and land use and environmental approvals.

Subtask 4.1 Design Assistance and Early Agency Coordination

Early input into the formation of project alternatives will be provided to ensure each alternative includes provisions to minimize impacts to the surrounding environment. This coordination within the various design elements of the project will identify and incorporate minimization measures early in the alternative development phase of the project and will ensure that an appropriate range of alternatives are developed prior to the agency coordination.

The CONSULTANT, with assistance from Cowling & Company LLC, referred to as Widener & Associates in this contract is a separate company from DKG Inc. (formally referred to in this contract as Widener & Associates), will assist the CITY in presenting the alternatives to both the state and federal permitting agencies to identify the regulatory issues associated with each alternative. Potential minimization measures for each alternative will also be identified during the coordination with agency representatives. All permitting issues and the recommended permitting process for the preferred alternative will be documented in the design report.

It is assumed that this effort will be accomplished with the graphics and design drawings required to complete the design report and to conduct the open houses, and that no other special presentation materials are required.

Deliverable(s)

- The permitting specialist will prepare meeting minutes and memoranda documenting the coordination activities with state and federal agencies, as required

Subtask 4.2 Section 106 Report (Cultural and Historic Resources)

This work would include the preparation of the Section 106 report in accordance with the State Historic Preservation Office standards and guidelines. The work will include the following subtasks.

- Pertinent literature on the archaeology, ethnography, and history of the project area will be reviewed to determine the existence of archaeological sites and to refine the probability of archaeological resources and traditional cultural places in the project areas.
- The CONSULTANT will maintain contact with the local tribes for any information on historic Indian use of the project area.
- A systematic field reconnaissance will be conducted to identify previously recorded and/or unrecorded archaeological sites for the proposed project where ground-disturbing activities are expected to take place. Field reconnaissance will consist of the traverse of pedestrian transects at varying intervals, depending on terrain throughout the proposed project area. Shovel probes (digging a hole with a shovel) will be excavated, as deep as feasible, and in areas expected to have a high probability for cultural resources. Shovel probes will be augmented through auger probes to explore the deepest possible deposits. Shovel probes will be screened in highly probable areas and in soil matrixes too dense to identify small chipping debris.
- All new sites will be mapped, photographed, and recorded on Washington State Archeological Inventory forms and submitted to the state Office of Archeological and Historic Preservation (OAHP) for Smithsonian numbers. Every effort will be made to include

tribal cultural resources personnel in assisting the field effort. Rights-of-entry will be provided by the CITY.

Deliverable(s)

- Three copies of a draft Section 106 report will be prepared to describe cultural resources identified in the project area to meet state and federal standards for reporting as outlined in the guidelines provided by the OAHP. The report will include summary background information appropriate to a cultural resources assessment of the project area, including environment, previous cultural resources studies, ethnography/ethno history, and history. A discussion of agency and tribal consultation, methodology, the results of the investigation, and a map of located archaeological sites will be provided. Recommendations will also be extended to any cultural resources that may be significant. Monitoring of construction excavation recommendations may also be included. The historic structures inventory form and/or archaeological site inventory form will be attached to the report as an appendix.
- Three copies of a revised draft Section 106 report incorporating CITY comments
- Three copies of a final Section 106 report incorporating WSDOT comments

Subtask 4.3 Hazardous Materials Memo

A hazardous materials memo will be prepared to evaluate the presence, or likely presence, of potential hazardous substances within the physical limits of the project that would have an effect on the trail project. Sites with potential for environmental issues/impacts include those that indicate current or past uses as service stations, battery shops, dry cleaners, chemical storage, or manufacturing facilities; sites with fuel or chemical storage tanks or drums present; or those with strong pungent or noxious odors. The scope of services for this study will include the following.

- A review of the results of a federal, state, and local environmental database search provided by an outside environmental data service for listings of known or suspected environmental problems at the sites or nearby properties within the search distances specified by WSDOT.
- A review of historical aerial photographs, fire insurance maps, city directories, chain-of-title reports, and tax assessor records, as available and appropriate, to identify past development history on the parcels relative to the possible use, generation, storage, release, or disposal of hazardous substances. An attempt to identify uses of the sites from the present to the time that records show no apparent development of the site, or to 1940, whichever is earlier.
- A visual reconnaissance of the parcels and adjacent properties to identify visible evidence of potential sources of contamination.
- A letter report that will summarize the results of this study. The letter report will briefly discuss the project activities and include a table ranking the parcels (low, moderate, high) by their potential for contamination from either on-site or off-site sources. A draft letter report will be provided for review and comment. Upon receiving comments, the letter will be modified as appropriate and made final.

Deliverable(s)

- Three copies of the draft hazardous material memo will be provided

- Three copies of the hazardous material memo will be provided incorporating CITY comments
- Three copies of the final hazardous material memo will be provided incorporating WSDOT/Federal Highway Administration (FHWA) comments if required. It is assumed that WSDOT/FHWA comments will not alter the basic conclusion of the documentation or require further alternative studies

Subtask 4.4 Habitat Management Plan/Shoreline Restoration Plan

A habitat management plan is required for all projects that fall within 1,000 feet of designated fish and wildlife habitat areas. It shall be prepared in accordance to the City of Sumner Municipal Code, 16.56.080. The purpose of the habitat management plan is to provide for the implementation, monitoring, and maintenance of permanent mitigation and restoration measures for fish and wildlife habitat. The plan shall be prepared by a professional wildlife biologist or fisheries biologist. At a minimum, the habitat management plan shall contain the following.

- A discussion of the project's effects on fish and wildlife habitat
- A discussion of any federal, state, or local special management recommendations that have been developed for species or habitats located on the site
- A discussion of measures to preserve existing habitats and restore habitats that were degraded prior to the proposed land use activities
- A discussion of proposed measures that mitigate the impacts of the project
- An evaluation of the effectiveness of the proposed mitigation and restoration measures
- A discussion of ongoing management practices that will protect fish and wildlife habitat after the project site has been fully developed, including proposed monitoring and maintenance programs
- An assessment of habitat recommendations proposed by resource agencies and their applicability to the proposal
- Any additional information necessary to determine the impacts of a proposal and mitigation of the impacts

Deliverable(s)

- Draft habitat management plan for CITY review and comment
- Finalized habitat management plan
- Shoreline Permit Application

Subtask 4.5 Biological Assessment

The CONSULTANT will prepare a brief effect determination letter on species listed as threatened under the Endangered Species Act (ESA) (assumed biological assessment) and an Essential Fish Habitat (EFH) evaluation. The CONSULTANT will obtain updated species lists from the agencies' web sites and also request site-specific habitat information from the Washington State Department of Fish and Wildlife priority habitats and species database. Evaluation of specific project details, such as construction techniques and equipment used, timing of construction, temporary sediment and erosion control measures, and best management

practices, will be based on information developed for this project. Information on the amount of new impervious surfaces, stormwater detention, and stormwater quality treatment will be based on information provided by the design team. The CONSULTANT will assess the shoreline impact and determine the amount and type of mitigation required. This may include removal of concrete revetment(s) along the river bank.

Deliverable(s)

- Coordination meeting and mitigation memorandum
- Draft and final biological assessment

Subtask 4.6 Environmental Classification Summary

Services will be provided to prepare the ECS form by reviewing technical reports related to the project, applying project-specific data to the form, and coordinating approval for the project by both WSDOT and FHWA.

Deliverable(s)

- Three copies of the draft ECS will be provided
- Three copies of the final ECS documentation will be provided incorporating CITY comments
- Three copies of the final ECS documentation will be provided incorporating WSDOT/FHWA comments if required; is assumed that WSDOT/FHWA comments will not alter the basic conclusion of the documentation or require further alternative studies

Subtask 4.7 State Environmental Protection Act

The CONSULTANT shall complete appropriate State Environmental Policy Act (SEPA) documentation, including all needed studies, modeling, and analysis in accordance with SEPA (RCW 43.21C) and SEPA Rules (WAC 197-11). The CONSULTANT will coordinate with the CITY to address comments on the SEPA Checklist and provide support for the SEPA process.

Deliverable(s)

- SEPA checklist

TASK 6.0: GEOTECHNICAL ENGINEERING

The CONSULTANT team shall provide geotechnical services for the Fryar Avenue Trail project. The anticipated principal geotechnical elements of the trail project are as follows.

- Foundation support for the elevated boardwalk near the south end of the proposed trail
- Design lateral earth pressure for a retaining wall just north of the new Bridge Street bridge to support a cut along the upslope side of the trail
- An outfall to capture groundwater that was encountered during construction of the new Bridge Street Bridge
- Infiltration considerations for permeable pavements

- Subgrade preparation, including over-excavation to remove unsuitable soils, primarily in the unimproved portion of the trail section.

Assumption(s)

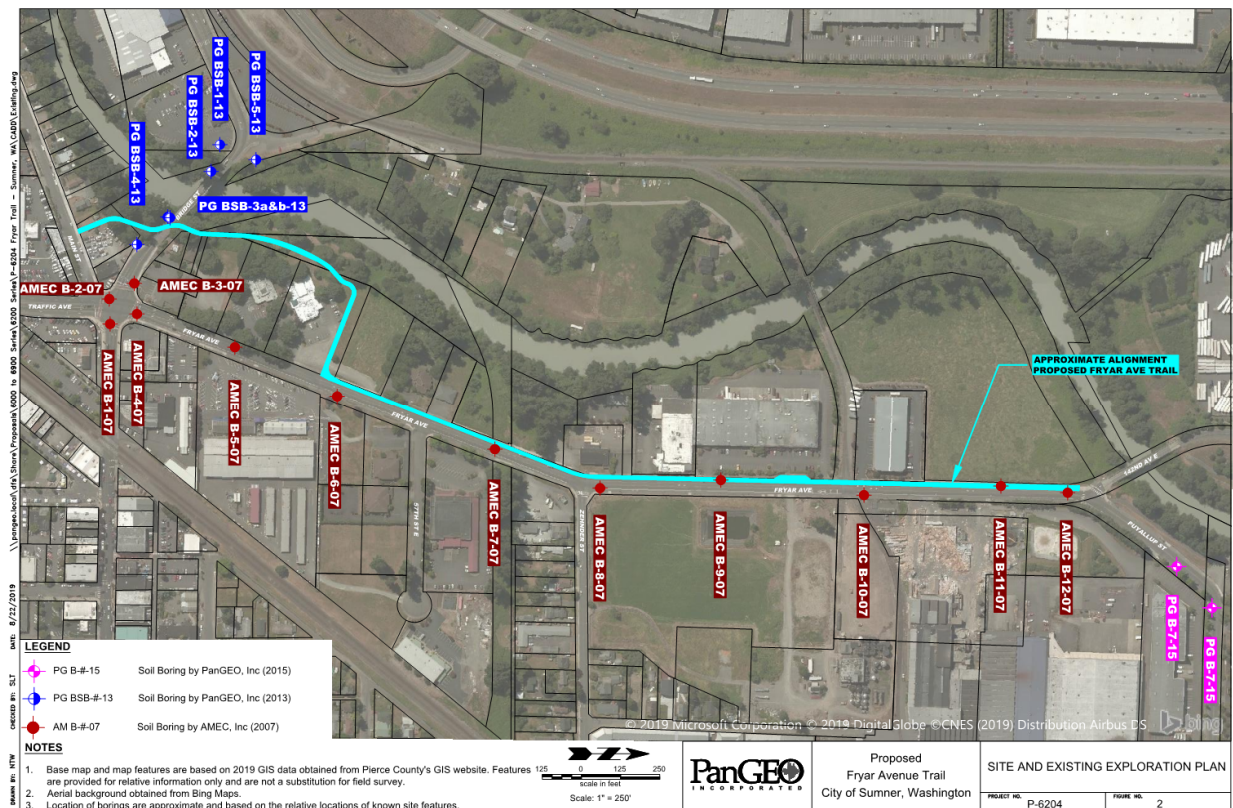
- Seismic stability and liquefaction-induced lateral spreading of the site slopes will not be part of the design criteria.
- With the exception of the proposed retaining wall near the abutment of the bridge, CONSULTANT anticipates minor grading along the trail, which will generally follow the existing grade.
- No evaluation of chemical or hazardous material properties of soil and/or groundwater is included in this work.

Subtask 6.1 Geotechnical Exploration

The purpose of this work element is to plan, prepare, and coordinate a field exploration program. Work items will include the following.

Subtask 6.1.1 Data Collection and Review

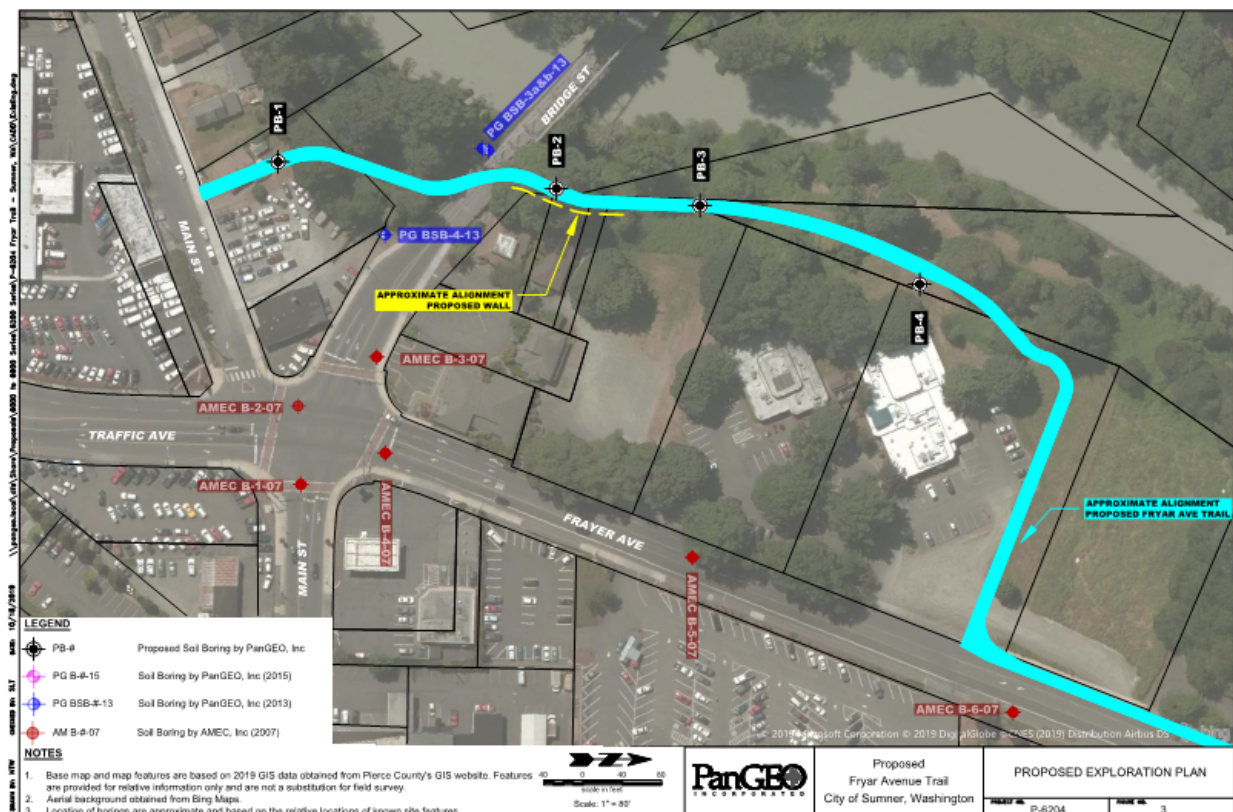
- This task has essentially been completed. The approximate location of existing test borings are shown in the figure below:



Subtask 6.1.2 Field Investigation

The CONSULTANT will visit the site to locate and mark exploration locations. The CONSULTANT will contact One-Call utility locate to provide utility clearances before the proposed drilling effort.

The CONSULTANT will drill four test borings at the approximate locations shown on the figure below. The CONSULTANT will drill Boring PB-1 (at the south end of the elevated boardwalk) and Boring PB-4 (proposed retaining wall) about 40 feet deep. CONSULTANT will drill the remaining test borings (PB-2 and PB-3 for the outfall and PB-5 and PB-6 for trail subgrade and groundwater) no more than 10 to 15 feet deep. An engineering or engineering geologist will monitor and log the borings. CONSULTANT will obtain soil samples from the explorations at 5-foot intervals.



Assumption(s)

- Access to some of these test boring locations will require clearing of vegetation to provide a path for drilling equipment. SUBCONSULTANT assumes that temporary access will be completed by the CITY and SUBCONSULTANT fee does not include installation or removal of this temporary access. The CITY will provide the rights-of-entry where needed.
- It is acceptable to leave the drill cuttings at the site.

Deliverable(s)

- Results of the boring logs will be included in the geotechnical data and engineering report

Subtask 6.1.3 Laboratory Testing

The SUBCONSULTANT will perform laboratory testing to determine certain index properties of the on-site soils, including moisture content and grain size analysis, if applicable.

Deliverable(s)

- Results of the testing will be included in the geotechnical data and engineering report

Subtask 6.1.4 Geotechnical Analysis

Perform engineering analysis and evaluate data derived from the subsurface investigation and laboratory testing program, with respect to the items listed in Subtask 6.1.5 below.

Subtask 6.1.5 Draft and Final Geotechnical Report

The SUBCONSULTANT will prepare a draft and final geotechnical report that contains the results the geotechnical study. The report will include the following.

- Site Descriptions – Description of the surface and subsurface conditions (soil and groundwater) at the site, including a site map showing the location of the test borings, summary borings logs, and anticipated soil behavior
- Retaining Walls – Selection of retaining wall types and geotechnical parameters, including seismic pressure per the current AASHTO
- Elevated Pedestrian Crossing Foundations – Selection of foundation types and geotechnical design parameters, including footings (if feasible) and piles
- Light Poles – Recommendations and geotechnical design parameters for light/signal poles;
- Pavement – Recommendations and geotechnical design parameters for trail and sidewalk pavement, including suitability for permeable pavement, and estimated infiltration rate for permeable pavement design based on grain size analysis;
- Subgrade – Recommendations for trail and sidewalk subgrade preparation, including over-excavation to remove unsuitable soils, primarily in the unimproved portion of the trail section
- Trenching Backfill – Recommendations for trenching and backfill of the new storm line
- Temporary Excavation Slopes – Recommendations of the maximum allowable temporary excavations
- Drainage – Recommendations for general drainage considerations
- Earthwork – General earthwork recommendations, including stripping, fill placement, and compaction guidelines

Deliverable(s)

- Draft and final geotechnical reports (two hard copies and one electronic copy)

Subtask 6.1.6 Post-Report Consultation

The CONSULTANT will provide post-report consultation to assist with the design and preparation of specifications on an as-needed basis.

EXHIBIT E-1: PROJECT FEE DETERMINATION
WSP USA, Inc.

3/12/2021

City of Sumner - Fryar Avenue Trail

DIRECT SALARY COSTS (DSC) for WSP

	Hours	Rate	Cost
Sr. Project Managers & PM's	126	\$ 82.55	\$ 10,401
Sr. Project Engineers	361	\$ 59.66	\$ 21,537
Sr. Project Engineers	716	\$ 41.65	\$ 29,821
Designer/ CAD Operator	636	\$ 50.30	\$ 31,988
Department Coord/ Admin	44	\$ 42.10	\$ 1,852
WSP Hours, TOTAL	1,883	Subtotal Direct Salary Costs (DSC) =	\$ 95,599
		0.0%	\$ -
		Subtotal (DSC + SE) =	\$ 95,599
	Overhead (OH)	138.27% of (DSC + SE) =	\$ 132,184
	Fixed Fee (FF)	30.00% of (DSC + SE) =	\$ 28,680
	TOTAL SALARY COSTS (DSC + SE + OH + FF) =		\$ 256,462

DIRECT NONSALARY COSTS (DNCS)

Mileage	275	miles @ \$ 0.575	\$ 158
Potholing			
3D Laser Scanner			
Drawing Reproduction		packages @ \$ 150	\$ -
Courier and Postage		packages @ \$ 45	\$ -
	TOTAL REIMBURSABLE EXPENSES (DNCS) =		\$ 158

TOTAL WSP FEE (DSC + SE + OH + FF + DNCS) = \$ 256,621

SUBCONSULTANTS

1 Alliance Geomatics	\$ 17,523
Tierra Right-of-Way Services	\$ -
PanGeo, Inc.	\$ 25,536
Cowling & Compnay	\$ 71,270

TOTAL SUBCONSULTANT FEES = \$ 114,329

TOTAL AMOUNT FOR PROJECT = \$ 370,950

CONTINGENCY FUND

MANAGEMENT RESERVE \$ 30,000

TOTAL CONTRACT AMOUNT = \$ 400,950

EXHIBIT D - SUPPLEMENT NO.8
CONSULTANT FEE DETERMINATION
FRYAR AVENUE TRAIL

WSP DSC
3/12/2021

Project Role (JOB CLASSIFICATION per ANTE Table)	Grade	Name	Base Wage Rate	% Participation	Blended Hourly Rate
Sr. Project Managers & PM's					
SUPV ENGINEER	P-12	Greg Banks	\$96.93	10%	
SUPV ENGINEER	P-12	Ross French	\$80.95	90%	
				100%	\$ 82.55
Sr. Project Engineers					
LEAD ENGINEER	P-11	Yeliz Firat	\$62.28	5%	
LEAD ENGINEER	P-11	Jon Corkery	\$59.52	95%	
				100%	\$ 59.66
Sr. Engineers/ Engineers					
ENGINEER II	P-09	Blake Nelson	\$53.48	25%	
ASST ENGINEER	P-09	Austin Dennis	\$38.14	40%	
ASST ENGINEER	P-07	Kyle Gray	\$37.21	35%	
				100%	\$ 41.65
Designer/ CAD Operator					
SR CADD DESIGNER III	T-10	Lee Childress	\$51.10	30%	
SR CADD DESIGNER III	T-10	John Reyes	\$49.95	70%	
				100%	\$ 50.30
Department Coord/ Admin					
EXEC ASST I	A-08	Kelly Robinson	\$43.86	50%	
MARKETING ASSISTANT III	A-08	Nora Bretana	\$40.34	50%	
				100%	\$ 42.10

TASK DESCRIPTION	Task Number	Sr. Project Managers & PM's	Sr. Project Engineers	Sr. Engineers/Engineers	Designer/ CAD Operator	Department Coord/ Admin	Totals
DSC		\$ 82.55	\$ 59.66	\$ 41.65	\$ 50.30	\$ 42.10	
TASK 1 - PROJECT MANAGEMENT	1	76	72	56	16	12	232
Project Management	1.1	24				4	28
Team Meetings and Coordination	1.2	16	16	16			48
Client Meetings and Coordination	1.3	8	8	8			24
Quality Assurance	1.4	24	40	16	12	4	96
Project Shutdown Demob & Remob	1.5	4	8	16	4	4	36
TASK 2 - SITE SURVEY	2		2	6	4	-	12
		See 1 Alliance Estimate					-
TASK 3 - PLANS, SPECIFICATIONS, AND ESTIMATE	3	40	267	622	584	32	1,545
Drainage Design	3.1	2	32	108	16	8	166
Segment 1 Trail Design	3.2	29	110	251	291	-	681
Segment 2 Trail Design	3.3	3	69	139	253	-	464
Cost Estimate	3.4	2	12	80	12		106
Specifications	3.5	2	40	32		24	98
Evaluation of Right-of-Way Needs	3.6	2	4	12	12		30
TASK 4 - ENVIRONMENTAL DOCUMENTATION	4	8	12	24	32	-	76
Design Assistance and Early Agency Coord.	4.1	See Cowling & Company Estimate					-
Section 106 Report	4.2						-
Hazardous Materials Memo	4.3						-
Habitat Management Plan	4.4						-
Biological Assessment	4.5						-
Environmental Classification Summary	4.6						-
State Environmental Protection Act	4.7						-
TASK 5 - GEOTECHNICAL ENGINEERING	6	2	8	8	-	-	18
Geotechnical Investigation and Reports	6.1	2	8	8			18
		See PanGeo Estimate					
Total		126	361	716	636	44	1,883

SHEET NO.	DRAWING NO.	DRAWING TITLE	INCLUDED IN 30% SUBMITTAL	Modify, Add, Delete	Project Manager	Project Engineer	Bridge Engineer	Civil Engineer	CAD	
GENERAL					\$82.55	\$59.66	\$41.65	\$50.30	\$50.30	
1	GN-1	COVER SHEET AND VICINITY MAP	X	M		1		2	4	Segment 1
2	GN-2	DRAWING INDEX	X	M		1		2	4	Segment 1
3	GN-3	GENERAL NOTES	X	M	1	1		2	4	Segment 2
4	GN-4	LEGEND AND ABBREVIATIONS	X	M		1		2	4	Segment 2
ALIGNMENT										
5	AN-1	ALIGNMENT NOTES	X	M	1	1		2	8	Segment 1
6	AL-1	ALIGNMENT AND SURVEY CONTROL PLAN - SHEET 1	X	M		1		2	8	Segment 1
7	AL-2	ALIGNMENT AND SURVEY CONTROL PLAN - SHEET 2	X	M KEY ONLY				1	1	Segment 2
8	AL-3	ALIGNMENT AND SURVEY CONTROL PLAN - SHEET 3	X	M		1		2	8	Segment 2
DEMOLITION				0						
9	DM-1	DEMOLITION PLAN - SHEET 1	X	M	1	2		4	8	Segment 1
10	DM-2	DEMOLITION PLAN - SHEET 2	X	M KEY ONLY				1	1	Segment 1
11	DM-3	DEMOLITION PLAN - SHEET 3	X	M		2		4	8	Segment 1
12	DM-4	DEMOLITION PLAN - SHEET 4	X	M KEY ONLY		2		4	8	Segment 2
13	DM-5	DEMOLITION PLAN - SHEET 5	X	M KEY ONLY		2		4	8	Segment 2
14	DM-6	DEMOLITION PLAN - SHEET 6	X	M KEY ONLY		2		4	8	Segment 2
15	DM-7	DEMOLITION PLAN - SHEET 7	X	M KEY ONLY		2		4	8	Segment 2
16	DM-8	DEMOLITION PLAN - SHEET 8	X	M		2		4	8	Segment 2
17	DM-9	DEMOLITION PLAN - SHEET 9	X	M OR D		2		4	8	Segment 2
EROSION AND SEDIMENT CONTROL										
18	TN-1	TEMPORARY EROSION AND SEDIMENT CONTROL - NOTES	X							Segment 1
19	TE-1	TEMPORARY EROSION AND SEDIMENT CONTROL - SHEET 1	X	M	1	2		4	8	Segment 1
20	TE-2	TEMPORARY EROSION AND SEDIMENT CONTROL - SHEET 2	X	M KEY ONLY				1	1	Segment 1
21	TE-3	TEMPORARY EROSION AND SEDIMENT CONTROL - SHEET 3	X	M		2		4	8	Segment 1
22	TE-4	TEMPORARY EROSION AND SEDIMENT CONTROL - SHEET 4	X	M KEY ONLY		2		4	8	Segment 2
23	TE-5	TEMPORARY EROSION AND SEDIMENT CONTROL - SHEET 5	X	M KEY ONLY		2		4	8	Segment 2
24	TE-6	TEMPORARY EROSION AND SEDIMENT CONTROL - SHEET 6	X	M KEY ONLY		2		4	8	Segment 2
25	TE-7	TEMPORARY EROSION AND SEDIMENT CONTROL - SHEET 7	X	M KEY ONLY		2		4	8	Segment 2
26	TE-8	TEMPORARY EROSION AND SEDIMENT CONTROL - SHEET 8	X	M		2		4	8	Segment 2
27	TE-9	TEMPORARY EROSION AND SEDIMENT CONTROL - SHEET 9	X	M OR D		2		4	8	Segment 2
SECTIONS										
28	RS-1	ROADWAY SECTIONS - SHEET 1	X	M	1	2		4	8	Segment 1
29	RP-2	ROADWAY SECTIONS - SHEET 2	X	M		2		4	8	Segment 1
30	RP-2	ROADWAY SECTIONS - SHEET 3	X	M		2		4	8	Segment 2
31	RS-2	ROADWAY SECTIONS - SHEET 4	X	M		2		4	8	Segment 2
ROADWAY										
32	RP-1	ROADWAY GRADING AND DRAINAGE PLAN - SHEET 1	X	M	1	2		4	8	Segment 1
33	RP-2	ROADWAY GRADING AND DRAINAGE PLAN - SHEET 2	X	M KEY ONLY				1	1	Segment 1
34	RP-3	ROADWAY GRADING AND DRAINAGE PLAN - SHEET 3	X	M		2		4	8	Segment 1
35	RP-4	ROADWAY GRADING AND DRAINAGE PLAN - SHEET 4	X	M KEY ONLY		2		4	8	Segment 2
36	RP-5	ROADWAY GRADING AND DRAINAGE PLAN - SHEET 5	X	M KEY ONLY		2		4	8	Segment 2
37	RP-6	ROADWAY GRADING AND DRAINAGE PLAN - SHEET 6	X	M KEY ONLY		2		4	8	Segment 2
38	RP-7	ROADWAY GRADING AND DRAINAGE PLAN - SHEET 7	X	M KEY ONLY		2		4	8	Segment 2
39	RP-8	ROADWAY GRADING AND DRAINAGE PLAN - SHEET 8	X	M		2		4	8	Segment 2
40	RP-9	ROADWAY GRADING AND DRAINAGE PLAN - SHEET 9	X	M OR D		2		4	8	Segment 2
41	DP-1	TRAIL & DRAINAGE PROFILE	X	M	1	2		4	8	Segment 1
42	DP-2	DRAINAGE PROFILE - FRYAR AVE	X	M	1	2		4	8	Segment 2
43	DP-3	BRIDGE STREET DRAINAGE PLAN & PROFILE		A	2	4		12	12	Segment 1
44	ST-1	STORMWATER DETAILS		A	2	4		12	12	Segment 1

45	ST-2	BRIDGE STREET DRAINAGE DETAILS		A	4	8		16	16	Segment 1
46	DT-1	PEDESTRIAN RAMP PLAN	X	D						
DRIVEWAY										
47	DD-1	DRIVEWAY DETAILS - SHEET 1		A	1	4		8	12	Segment 1
48	DD-2	DRIVEWAY DETAILS - SHEET 2		D						Segment 1
49	DD-3	DRIVEWAY DETAILS - SHEET 3		A		4		8	12	Segment 1
50	DD-4	DRIVEWAY DETAILS - SHEET 4		A		4		8	12	Segment 2
51	DD-5	DRIVEWAY DETAILS - SHEET 5		A		4		8	12	Segment 2
52	DD-6	DRIVEWAY DETAILS - SHEET 6		A		4		8	12	Segment 2
53	DD-7	DRIVEWAY DETAILS - SHEET 7		A		4		8	12	Segment 2
54	DD-8	DRIVEWAY DETAILS - SHEET 8		A		4		8	12	Segment 2
55	DD-9	DRIVEWAY DETAILS - SHEET 9		D						Segment 2
RIGHT OF WAY										
56	RW-1	OVERALL RIGHT OF WAY PLAN - SEGMENT 1		A	1	4		8	8	Segment 1
57	RW-2	OVERALL RIGHT OF WAY PLAN - SEGMENT 2		A	1	4		8	8	Segment 2
STRUCTURES										
58	S-1	STRUCTURAL NOTES		A	1	4	12		8	Segment 1
59	S-2	STRUCTURES GENERAL PLAN AND ELEVATION		A	2	8	16		16	Segment 1
60	S-3	BRIDGE TYPICAL SECTION		A	1	4	12		12	Segment 1
61	S-4	PIN PILE BRIDGE DETAILS - SHEET 1		A	2	8	16		12	Segment 1
62	S-5	PIN PILE BRIDGE DETAILS - SHEET 2		A	2	8	16		12	Segment 1
63	S-6	PIN PILE BRIDGE DETAILS - SHEET 3		A	1	8	16		12	Segment 1
64	S-7	PIN PILE BRIDGE DETAILS - SHEET 4		A	1	8	16		12	Segment 1
65	S-8	STRUCTURAL EARTH WALL - SHEET 1		A	1	4	12		12	Segment 1
66	S-9	STRUCTURAL EARTH WALL - SHEET 2		A	1	4	12		12	Segment 1
67	S-10	SOLDIER PILE LAGGING DETAILS		A	1	4	12		12	Segment 1
Total					32	179	140	250	544	
Segment 1					29	110	140	111	291	
Segment 2					3	69	0	139	253	

RIGHT OF WAY PLANS										
1	RW-1	RIGHT OF WAY PLAN - SHEET 1		A	1	4		8	12	Segment 1
2	RW-2	RIGHT OF WAY PLAN - SHEET 2		A		4		8	12	Segment 1
3	RW-3	RIGHT OF WAY PLAN - SHEET 3		A	1	4		8	12	Segment 1
4	RW-4	RIGHT OF WAY PLAN - SHEET 4		A		4		8	12	Segment 2
5	RW-5	RIGHT OF WAY PLAN - SHEET 5		A	1	4		8	12	Segment 2
6	RW-6	RIGHT OF WAY PLAN - SHEET 6		A		4		8	12	Segment 2
7	RW-7	RIGHT OF WAY PLAN - SHEET 7		A	1	4		8	12	Segment 2
8	RW-8	RIGHT OF WAY PLAN - SHEET 8		A		4		8	12	Segment 2
9	RW-9	RIGHT OF WAY PLAN - SHEET 9		A	1	4		8	12	Segment 2
Total					5	36	0	72	108	



2/17/2021

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**Fryar Avenue Trail Project
City of Sumner, Washington**

Geotechnical Engineering Services

Proj. No.:	P-6204
Date:	3/12/2021
Prepared By:	SLT
Revised:	

Prepared for: Mr. Greg Banks, WSP

ESTIMATED LABOR:

WORK TASK DESCRIPTION	PanGEO Labor Hours & 2021 Direct Hourly Rates						COST
		S. Tan	N. Weikel	B. Weitering			
		\$86.03	\$53.94	\$48.32			
Admin	2						\$172.06
Data Review/Site Reconn	6		6				\$839.82
Coordinate Field Explorations			8	4			\$624.80
Log test borings				16			\$773.12
Summary of subsurface data / logs			4	10			\$698.96
Attend one meeting	4		4				\$559.88
Engineering Analysis / Report	8		36	4			\$2,823.36
Post Report Consultation	2						\$172.06
TOTAL LABOR:	22		58	34			\$6,664.06

LABORATORY TEST SUMMARY:

Test	Est. No. Test	Unit Cost	Total Cost
Moisture Cotent	10	\$25.00	\$250.00
Grain Size Analysis	10	\$150.00	\$1,500.00
Cation Exchange	0	\$90.00	\$0.00

TOTAL LABORATORY EXPENSES: \$1,750

Assumptions:

1. Access to some of these test boring locations will require clearing of vegetations to provide a path for our drilling equipment. We assume that the City will provide this at no cost to PanGEO. We also assume that the rights of entry, where needed, will be provided by the City and WSP USA at no cost to PanGEO.
2. Conduct laboratory testing to determine certain index properties of the on-site soils, including moisture content and grain size analysis, if applicable.
3. 100% of work completed in 2021

ESCALATION, OVERHEAD & PROFIT:

2021 Direcet Salary Costs	\$6,664
Overhead @ 113.425% of DSC	\$7,558
Profit @ 30% of DSC	\$1,999

TOTAL LABOR COSTS: \$16,222

ESTIMATED DIRECT EXPENSES:

Mileage 80mi/ trip (3 trips) @ \$0.5	\$139
Reproduction & Field Consumables	\$100
TOTAL DIRECT EXPENSES:	\$239

ESTIMATED EXPENSES FOR TEST PIT:

Drill Rig Mob/Demob	\$1,200
Crane for placing drill rig	\$1,350
Drill 4 borings - 110 feet	\$3,850
DOE Start Card, \$25 per boring	\$100
TOTAL DIRECT EXPENSES:	\$6,500

COST SUMMARY:

Total Labor Cost	\$16,222
Lab Test + 10%	\$1,925
Direct Expenses	\$239
Test Boroing and Test pit Sub + 10%	\$7,150

CSS TOTAL: \$25,536

EXHIBIT G-1 - SUBCONSULTANT FEE DETERMINATION
CITY OF SUMNER - FRYAR AVENUE TRAIL

Cowling&Co Costs
3/12/2021

DIRECT SALARY COSTS (DSC)

<u>Personnel</u>	<u>Hours</u>		<u>Rate</u>		<u>Cost</u>
Project Manager	153	X	\$71.00	= \$	10,863
Project Biologist	326	X	\$30.00	= \$	9,780
Sr. Project Biologist	149	X	\$50.00	= \$	7,450
		X		= \$	-
Total Hours	628	Subtotal Direct Salary Costs (DSC) = \$			28,093
		Salary Escalation (SE) = 0% of DSC = \$			-
		Subtotal (DSC + SE) = \$			28,093
Overhead (OH)	110.00%	of (DSC + SE) = \$			30,902
Fixed Fee (FF)	30%	of (DSC + SE) = \$			8,427.90
TOTAL SALARY COSTS (DSC + SE + OH + FF) = \$					67,423

DIRECT NONSALARY COSTS (DNSC)

Mileage	620 miles @	\$	0.560	\$	347
Section 106				\$	3,500
TOTAL REIMBURSABLE EXPENSES (DNSC) = \$					3,847

TOTAL Widener FEE (DSC + SE + OH + FF + DNSC) = \$ 71,270
--

SUBCONSULTANTS

TOTAL SUBCONSULTANT FEES = \$ -
--

TOTAL AMOUNT = \$ 71,270

Environmental Scope

			Project Manager	Sr. Project Biologist	Project Biologist			
		TASK	\$64.00	\$50.00	\$29.00			DSC Totals
Design Assistance and Early Agency Coordination	4.1		4	8	4			16
Section 106 Report	4.2		14	14	6		-	34
APE Development			8	8	2			18
Draft			4	4	2			10
Final			2	2	2			6
Biological Assessment	4.5		73	51	204	-	-	328
Data Collection			24	8	24			56
Analysis			6	9	30			45
Repor Preparatoin			8	26	120			154
Revisions			35	8	30			73
SEPA Checklist	4.7		14	24	6	-	-	44
Draft			4	18	2			24
Final			2	2	2			6
WSDOT Review			8	4	2			14
Hazmat Memo	4.3		10	16	4	-	-	30
Draft			4	10	2			16
Final			2	2	2			6
WSDOT Review			4	4				8
Environmental Classification Summary (ECS)	4.6		14	24	12	-	-	50
Draft			4	18	6			28
Final			2	2	4			8
WSDOT Review			8	4	2			14
Habitat Management Plan	4.4		24	12	90	-	-	126
Draft			16	8	60			84
Final			8	4	30			42
								-
Hour Totals			153	149	326	-	-	628

SUBJECT: Design Commission Appointment - Kirsten Martinson

CATEGORY: Motion

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Martinson, K. - Planning Commission_Redacted

STAFF CONTACT: Scott Waller, Assistant Planner

SUMMARY BACKGROUND:

The Sumner Design Commission reviews large development projects in Sumner for compliance with Sumner's Design and Development Guidelines and provides a recommendation to the Director. The Design Commission currently has multiple vacancies. Kirsten Martinson has 30 years of project management experience and is an active resident of Sumner.

COUNCIL COMMITTEE/STUDY SESSION:
--

MEETING/STUDY SESSION DATE:

COMMITTEE RECOMMENDATION:

STAFF RECOMMENDATIONS/MOTION:

Confirm the Mayoral recommendation to approve the appointment of Kirsten Martinson to a 4-year term on the Design Commission, expiring in April of 2025.



COMMISSION APPLICATION

Thank you for your interest in serving on a City of Sumner commission. We value the contributions that volunteers make in keeping Sumner a great place. This application will help us better understand your background. **Please fill out electronically or print clearly.**

I am interested in serving on the following:

☐ ARTS ☐ CIVIL SERVICE ☐ DESIGN ☐ PARKS/FORESTRY ☐ PLANNING ☐ PUBLIC SAFETY

Name: Kristen Martinson

Occupation (if retired, please indicate former occupation or profession):

SVP & Client Manager, Bank of America

Education: BA-Business, BA-Humanities, Seattle University

Professional and / or Community Involvement:

Please see attached cover letter.

Why are you interested in serving on this commission?

Please see attached cover letter

Have you previously served on a City commission?

☐ Yes

☐ No

If yes, which one(s): _____

Please note that all information on this form becomes public information when submitted.

Return completed form to City of Sumner, 1104 Maple Street, Sumner, WA 98390

OR email: michellec@sumnerwa.gov

(if submitted electronically, we will obtain your signature later in the process)

SUBJECT: Design Commission Appointment - Scott Fletcher

CATEGORY: Motion

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Scott Fletcher - Planning Commission Application

STAFF CONTACT: Scott Waller, Assistant Planner

SUMMARY BACKGROUND:

The Sumner Design Commission reviews large development projects in Sumner for compliance with Sumner's Design and Development Guidelines and provides a recommendation to the Director. The Design Commission currently has multiple vacancies. Scott Fletcher has 21 years of construction experience and is also an active resident of Sumner. Mr. Fletcher will provide the Design Commission with valuable insight and expertise.

COUNCIL COMMITTEE/STUDY SESSION:
--

MEETING/STUDY SESSION DATE:

COMMITTEE RECOMMENDATION: N/A

STAFF RECOMMENDATIONS/MOTION:

Staff recommends that the City Council confirm the appointment Scott Fletcher to the Sumner Design Commission.



COMMISSION APPLICATION

Thank you for your interest in serving on a City of Sumner commission. We value the contributions that volunteers make in keeping Sumner a great place. This application will help us better understand your background. **Please fill out electronically or print clearly.**

I am interested in serving on the following:

☐ ARTS ☐ CIVIL SERVICE ☐ DESIGN ☐ PARKS/FORESTRY ☐ PLANNING ☐ PUBLIC SAFETY

Name: Scott Fletcher

Occupation (if retired, please indicate former occupation or profession):

General Construction Project Manager

Education: 21 years of construction, development and business management

Professional and / or Community Involvement:

Working with a broad range of clients from Ivars to Seattle Union Gospel Mission,

Why are you interested in serving on this commission?

To assist with the design and development as the community grows and keep the charm of the city. Now that my kids are older and I don't have a need to volunteer for football or soccer games, I would like to stay engaged using my industry knowledge to help in the growth of my community.

Have you previously served on a City commission?

☐ Yes

☐ No

If yes, which one(s): _____

Please note that all information on this form becomes public information when submitted.

Return completed form to City of Sumner, 1104 Maple Street, Sumner, WA 98390

OR email: michellec@sumnerwa.gov

Applicant' Signature

(if submitted electronically, we will obtain your signature later in the process)

SUBJECT: Resolution 1582 - Authorizing The Use of Body Worn Cameras

CATEGORY: Resolution

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Resolution No 1582 Body Worn Cameras
-

STAFF CONTACT: Brad Moericke, Police Chief

SUMMARY BACKGROUND:

The police department desires to field test and ultimately deploy body worn camera technology. RCW 10.109 strongly encourages local legislative bodies to authorize the use of police body worn cameras by ordinance or resolution. This resolution would authorize members of the Sumner Police Department to use body worn cameras in the performance of their official duties. The resolution also authorizes the police chief to develop policies governing the use of body worn cameras with public input and to start the procurement process.

COUNCIL COMMITTEE/STUDY SESSION: Public Safety Committee

MEETING/STUDY SESSION DATE: 4/21/2021

COMMITTEE RECOMMENDATION: Do pass

STAFF RECOMMENDATIONS/MOTION:

Pass the Resolution as presented.

**RESOLUTION NO. 1582
CITY OF SUMNER, WASHINGTON**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUMNER,
WASHINGTON, AUTHORIZING THE USE OF POLICE BODY WORN CAMERAS
AND THE DEVELOPMENT OF OPERATIONAL POLICIES FOR THEIR USE.**

WHEREAS, Body Worn Cameras are portable recording devices used by law enforcement to record interactions with the public (both audio and visual) and to gather evidence at crime scenes; and

WHEREAS, the use of body worn cameras by police has been shown to increase public trust in police actions and their accountability; and

WHEREAS, studies have found that the use of body worn cameras by police has led to a significant decrease in both citizen complaints and officer use of force rates; and

WHEREAS, RCW 10.109 strongly encourages that law enforcement use of body worn cameras be authorized by the adoption of an ordinance or resolution by the local legislative authority prior to their use and encourages community involvement in the formation of operational policies governing the use of body worn cameras; and

WHEREAS, the Sumner Police Department desires to field test and ultimately deploy body worn camera technology in its delivery of police services and is requesting council authorization for their use.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON,
DOES RESOLVE AS FOLLOWS:**

Section 1. Authorization. The City Council hereby authorizes the use of body worn cameras or similar recording devices by law enforcement members of the Sumner Police Department in the performance of their official duties.

Section 2. Procurement. The Chief of Police can begin the procurement process for equipment and technology needed to implement a police body worn camera program, final acquisition is contingent on a future budget amendment approved by Council.

Section 3. Establishment of Operating Policies. Consistent with the requirements of RCW 10.109.020, the Chief of Police is hereby authorized to develop, with community input, necessary operational policies governing the use of body worn cameras by law enforcement members of the Sumner Police Department. Any operational policy governing the use of body cameras may be administratively amended, as appropriate, without further Council approval or authorization.

Section 4. Ratification. By and through adoption of this resolution, the City Council hereby ratifies and confirms any and all acts prior to and consistent with the authority granted herein.

Section 5. Corrections by City Clerk or Code Reviser. Upon approval of the city attorney, the city clerk and the code reviser are authorized to make necessary corrections to this resolution, including but not limited to the correction of clerical errors, or references to other local, state, or federal laws, codes, rules, or regulations.

APPROVED AND ADOPTED this 3rd day of May, 2021.

Mayor William L. Pugh

ATTEST:

APPROVED AS TO FORM:

Michelle Converse, CMC, City Clerk

City Attorney Andrea Marquez

SUBJECT: American Rescue Plan Council Committee Selection**CATEGORY:** Motion

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:**STAFF CONTACT:** Jason Wilson, City Administrator

SUMMARY BACKGROUND:

Last month Congress passed the \$1.9 trillion American Rescue Plan Act (ARPA). Under the plan, U.S. cities and towns will receive \$65.1 billion in direct and flexible funds. The funding will begin to arrive in the next couple of months and will be distributed in two installments, the first in 2021 and the second in 2022. Sumner is anticipated to receive \$2,270,241.

Cities can use the ARPA funding for: 1) Responding to the Covid-19 pandemic, 2) covering costs incurred from the public health emergency, 3) replacing lost, delayed, or decreased revenues due to Covid-19, 4) addressing the negative economic impacts on local businesses and nonprofits, and 5) making necessary investments in water, sewer, and broadband infrastructure.

At the April 19, 2021 study session, council adopted Resolution No. 1581 creating a temporary council committee with the purpose of working with staff to review and make formal recommendations to the full council for consideration of ARPA fund allocations.

Council must select three members and one alternate for the committee, with an initial term ending December 31, 2021. The current Council Rules of Procedure (20.2.f) states, "Membership will be determined by deliberation of the full Council and upon reaching consensus or by majority vote." Historically council committees have been chosen by seniority pick. Staff is recommending that council use the same methodology for selecting members for this committee

Councilmembers by seniority: Brown, Hochstatter, Hayden, Reed, Bitetto, Neuman, Hamilton

COUNCIL COMMITTEE/STUDY SESSION:

MEETING/STUDY SESSION DATE:

COMMITTEE RECOMMENDATION:

STAFF RECOMMENDATIONS/MOTION:

Select three members and one alternate member to serve on the American Rescue Plan Council Committee through December 31, 2021.

SUBJECT: Resolution No. 1583 - 2021 Housing Action Plan

CATEGORY: Resolution

BUDGET IMPACT:

Expenditure Required: None

Within Budget Allocation: N/A

ATTACHMENTS:

1. Resolution No. 1583 - Housing Action Plan 2021

STAFF CONTACT: Ryan Windish, Community Development Director

SUMMARY BACKGROUND:

The City of Sumner and City of Bonney Lake have jointly developed a Housing Action Plan (HAP). This is in response to State Growth Management Act requirements to address the need for affordable housing. This project was funded by a grant through the Washington State Department of Commerce. The goal of the project is to identify gaps in access to affordable housing, and to develop strategies to remedy those gaps.

The Planning Commission held a public hearing on the HAP on March 4, 2021 and voted unanimously on a recommendation to approve on April 1, 2021. The Council was briefed on the Housing Action Plan as proposed and recommended on April 12, 2021.

COUNCIL COMMITTEE/STUDY SESSION: MEETING/STUDY SESSION DATE: 4/12/2021 COMMITTEE RECOMMENDATION: N/A
--

STAFF RECOMMENDATIONS/MOTION:

Move to adopt Resolution No. 1583 adopting the 2021 Housing Action Plan in Exhibit A.

**RESOLUTION NO. 1583
CITY OF SUMNER, WASHINGTON**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON,
ADOPTING THE 2021 HOUSING ACTION PLAN.**

WHEREAS, there is a housing affordability crisis impacting the State of Washington as housing production between 2000-2015 was underproduced by approximately 225,000 units; and

WHEREAS, the four-county region (Pierce, King, Snohomish, and Kitsap) is projected to grow by 1.8 million people by 2050, and action must be taken consistent with the regional growth plan, VISION 2050, as it relates to affordable housing; and

WHEREAS, the City of Sumner is experiencing, along with the Puget Sound Region, a housing affordability crisis with approximately 37% of households between 2014-2018 being cost-burdened (paying more than 30% of their gross household income toward housing) with low to moderate income households being disproportionately impacted; and

WHEREAS, approximately 85% of renters above the age of 65 were cost-burdened in Sumner as of 2014-18 and there are only 63 low-income, rent restricted housing units in Sumner; and

WHEREAS, the City of Sumner has seen an increase in housing prices where between 2000 and 2019 median sales prices increased by 69% from \$235,820 to \$398,989; and

WHEREAS, the City of Sumner housing stock has limited diversity and is largely composed of single-family detached housing (67% of total) with smaller shares of other types of housing including 15% single-family attached, 9% manufactured homes, and 9% multifamily housing units; and

WHEREAS, the Washington State Legislature passed House Bill (HB)1923 during the 2019 legislative session to provide grant funds to develop Housing Action Plans (HAP); and

WHEREAS, the Cities of Sumner and Bonney Lake received a \$150,000 grant from the Department of Commerce for developing a joint Housing Action Plan which included completing a Housing Needs Assessment (HNA); and

WHEREAS, the Housing Action Plan, in accordance with HB 1923, does the following: 1) quantifies existing and projected housing needs for all income levels, including extremely low-income households; 2) develops strategies to increase the supply of housing, and variety of housing types; 3) analyzes population and employment trends, with documentation of projections; 4) considers strategies to minimize displacement of low-income residents resulting from redevelopment; 5) reviews and evaluates the current housing policies; 6) provides for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups; and 7) includes a schedule of programs and actions to implement the recommendations of the housing action plan; and

WHEREAS, the Housing Action Plan contains strategies and recommended action steps that can be taken to increase the diversity, availability, and production of affordable housing units; and

WHEREAS, the Cities of Sumner and Bonney Lake developed a wide range of public engagement options including creating an Advisory Committee and an online website containing information, videos, recordings, and other pertinent information for the public to comment and engage in the project; and

WHEREAS, the Advisory Committee met on July 22, 2020, September 9, 2020 and December 9, 2020 to discuss and provide valuable input on the HAP and HNA documents and process; and

WHEREAS, a Determination of Non-Significance (DNS) was issued jointly by the Cities of Bonney Lake and Sumner on March 17, 2021 in compliance with the State Environmental Policy Act (SEPA) and the grant requirements; and

WHEREAS, the City of Sumner advertised and had a public comment period open on the Draft HAP from November 30, 2020 to January 15, 2021; and

WHEREAS, the Planning Commission held a duly advertised public hearing on March 4, 2021 on the Housing Action Plan and on April 1, 2021 voted unanimously recommending the City Council adopt the HAP with the condition that implementation actions be prioritized following adoption; and

WHEREAS, the City Council was briefed on the Housing Action Plan on June 22, 2020 and was presented the Planning Commission recommendation on April 12, 2021 and discussed and had opportunity to ask questions of staff and consultants.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUMNER, WASHINGTON, AS FOLLOWS:

Section 1. The City Council hereby adopts the City of Sumner Housing Action Plan, 2021 as shown and attached hereto in Exhibit A.

Section 2. Corrections by City Clerk or Code Reviser. Upon approval of the city attorney, the city clerk and the code reviser are authorized to make necessary corrections to this resolution, including but not limited to the correction of clerical errors; or references to other local, state, or federal laws, codes, rules, or regulations.

ADOPTED AND APPROVED this 3rd day of May, 2021.

Mayor William L. Pugh

ATTEST:

Michelle Converse, CMC

APPROVED AS TO FORM:

City Attorney Andrea Marquez

FINAL DRAFT HOUSING ACTION PLAN

Exhibit A



CITIES OF BONNEY LAKE AND SUMNER, WASHINGTON

February 24, 2021



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B. ACKNOWLEDGEMENTS

CITY STAFF

Jason Sullivan	Bonney Lake Planning Director	Debbie Strous-Boyd	Bonney Lake Planning Commission
Mary Reinbold	Bonney Lake Assistant Planner	Sam Suznevich	Sumner Planning Commission/Sumner Rotary
Ryan Windish	Sumner Community Development Director	Seth Wagner	Adult Family Homes
Ann Siegenthaler	Sumner Associate Planner	Tonya Tunnell-Thornhill	Exodus Housing
Lana Hoover	Sumner Community Engagement Specialist		
Carmen Palmer	Sumner Communications Director		

CONSULTANT TEAM

LDC Inc.

ECONorthwest

PRR

ADVISORY COMMITTEE

Stacey Crnich	Bonney Lake Food Bank
David Dearth	Dobler Development
Andy Elfers	Sumner Planning Commission
Marilee Hill-Anderson	Sumner-Bonney Lake School District
Jeff Kreeel	Whispering Hills
Tina Maier	The Chamber Collective
Todd McKellips	Seattle Tiny Homes
Sam Newell	New Hope Community Church
Mike Cathey	Sumner Food Bank
Jenny Simoneaux	Sumner Senior Center

PLANNING COMMISSIONS

Sumner Planning Commission

Bonney Lake Planning Commission

CITY COUNCILS

Sumner City Council

Bonney Lake City Council

C. EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

Introduction

There is a housing affordability crisis impacting the State of Washington. Between 2000-2015 alone, the State underproduced housing by approximately 225,000 units¹. As the four-county region (Pierce, King, Snohomish, and Kitsap) grows by 1.8 million people by 2050, action must be taken consistent with VISION 2050. The development of strategies to increase the supply of housing for all income levels, while maintaining the character of each community, is a key step to solving this problem.

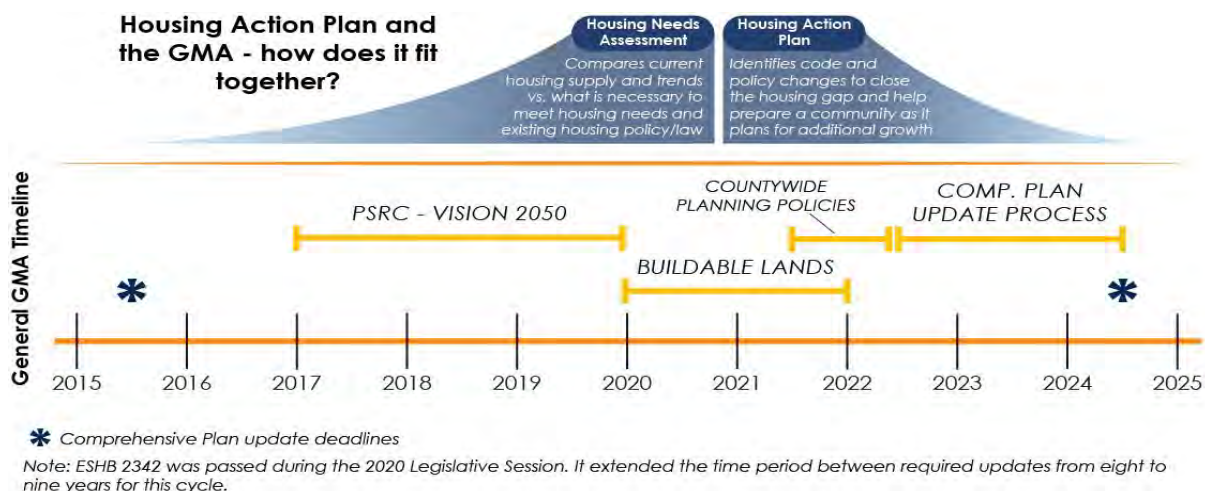
Recognizing the need to focus on housing, the Washington State Legislature passed House Bill (HB)1923 during the 2019 legislative session. The Bill provided grant funds to develop a Housing Action Plan (HAP).

The cities of Bonney Lake and Sumner came together to develop a joint HAP. The HAP allows both cities the opportunity to understand the existing and future housing needs for their communities through the development of a [Housing Needs Assessment](#) (HNA) and to develop strategies to make sure those needs are met through a [HAP](#).

The timing for this project is ideal. Both Bonney Lake and Sumner will be updating their respective Growth Management Act (GMA) Comprehensive Plans by June 2024. The update requires each city to make a variety of housing types available for all economic segments of the community. In addition, as part of the update each Comprehensive Plan will need to outline how population growth will be accommodated out to 2044 consistent with the Regional Growth Strategy adopted as part of VISION 2050.

This early action to focus on the housing needs of Bonney Lake and Sumner and to develop strategies to address these issues is a valuable exercise.

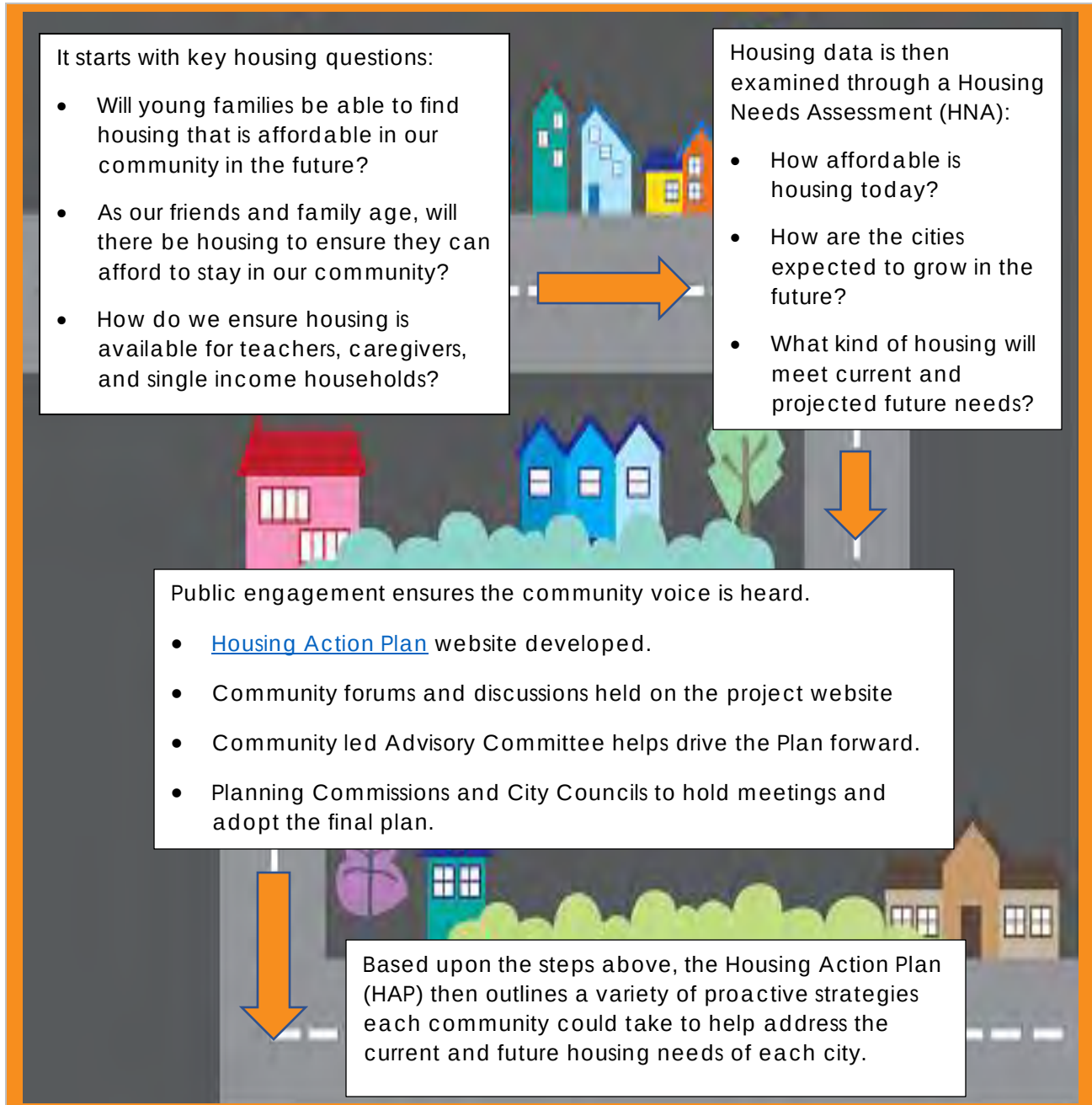
Figure 1. HAP and GMA Timeline



¹ Up for Growth 2020. Housing Underproduction in Washington [www.upforgrowth.org/sites/default/files/2020-01-10.pdf](http://www.upforgrowth.org/sites/default/files/2020-01/HousingUnderproductionInWashingtonState2020-01-10.pdf)

01/HousingUnderproductionInWashingtonState2020-01-10.pdf

THE ROADMAP TO HOUSING AFFORDABILITY – HOW A HOUSING ACTION PLAN (HAP) WORKS



D. INTRODUCTION



INTRODUCTION

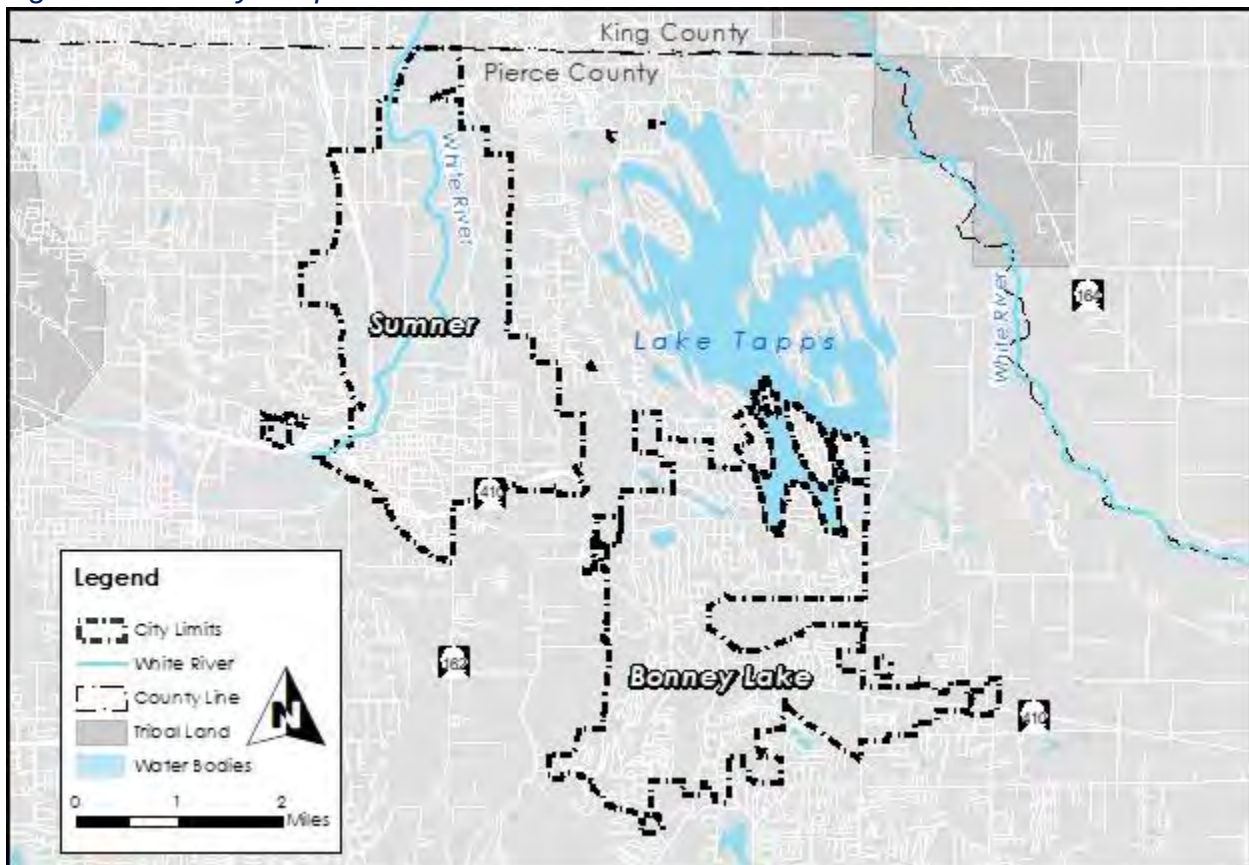
Community Profile – Bonney Lake

Located in Pierce County, south of Lake Tapps, Bonney Lake has a population of approximately 21,000 residents as of 2020. Like many Puget Sound-area communities, Bonney Lake has seen rapid population growth in the past two decades. Its population more than doubled between 2000 and 2018. The City's population, primarily composed of families, is a residential city with fewer jobs than neighboring Sumner. Its housing stock is mostly single family detached housing that has been built over the past 20 years.

Community Profile – Sumner

Located in Pierce County, west of Lake Tapps, Sumner has a population of approximately 10,000 residents. Sumner has grown by around 1,500 people since 2000, a growth rate similar to other cities in the county. The City's population is composed of mostly smaller single-family homes. The housing stock in the City is older and more affordable than surrounding cities. Sumner is more diverse than neighboring cities. Its population of people over 65 is higher, per capita, than Bonney Lake or Pierce County as a whole.

Figure 2. Vicinity Map



Project Overview

The Cities of Bonney Lake and Sumner proudly present this Housing Action Plan (HAP). The development of this HAP has engaged our communities in an important conversation about housing. Key questions have been asked such as:

- Will young professionals beginning their careers be able to afford to buy a home in our community when they are ready?
- Some members of our community, like single parent families, choose to live in housing units other than detached homes. Do we have a diversity of housing types with good prices to meet this need?
- Essential workers, like caregivers, teachers, and retail workers, are vital to our community. How can we ensure we have housing in

our community that essential workers can afford?

- How will we meet the needs of adults in our community who are in their working years now when their income changes after retirement?
- As our friends and family age how can we ensure they can afford to stay in our community?

To begin to answer these important questions, housing data were analyzed in a Housing Needs Assessment (HNA) for each city. The HNA summary, located in [Chapter E](#) and full assessment in [Appendix 1](#) provide important insights on issues such as:

- How affordable is housing today?
- How are cities expected to grow in the future?
- What kind of housing is necessary to meet current and future needs?

“Food insecurity is a symptom of a bigger problem. We know the families that come to us have more barriers to stability and having access to safe, affordable housing would relieve so much pressure on the families we serve and the larger community.

If more stable housing was available the ongoing crisis and tension created by housing insecurity would be alleviated, the emotional impacts of that can’t be overstated. Allowing families to shift their focus from surviving to thriving.”

Stacey Crnich, CEO of Bonney Lake Food Bank and Advisory Committee Member

“Growth in all sectors of housing will be a sign that the Housing Action Plan is successful. The existing stock stays viable, while we add more options from Accessory Dwelling Units to high end single family homes.”

Dave Dearth, Dobler Management Co. and Advisory Committee Member

House Bill 1923 requirements for a Housing Action Plan

- Quantify existing and projected housing needs for all income levels, including extremely low-income households
- Develop strategies to increase the supply of housing, and variety of housing types
- Analyze population and employment trends, with documentation of projections
- Consider strategies to minimize displacement of low-income residents resulting from redevelopment
- Review and evaluate the current housing policies
- Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups
- Include a schedule of programs and actions to implement the recommendations of the housing action plan

Figure 3. HB 1923 Requirements

The intersection between key housing issues identified by the community and data highlighting current and future housing needs leads to the development of (this HAP). [Chapter F](#) outlines strategies and actions to ensure each city offers the right supply of housing to meet future demand for all income levels. Housing strategies are focused on important topics such as:

- Preserving rental housing
- Incentives for new rental housing
- Bringing down the cost of development
- Improvement of the permit process to expedite certain types of permits
- Options to provide a wider variety of housing types
- Preventing and mitigating displacement as redevelopment occurs

The actions identified within the HAP are code and policy changes focused on implementing the strategies listed above. A suite of options have been identified for each city to consider moving forward. Pros and cons for adopting changes and the identification of other jurisdictions who have considered similar changes help to make this a user-friendly document for each city moving forward.

House Bill (HB) 1923

In 2019, the legislature passed [HB 1923](#) to assist cities in developing a HAP that will encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes. The cities of Bonney Lake and Sumner have chosen to utilize this opportunity to develop a joint HAP.

The Washington State Department of Commerce ("Commerce") deadline for the adoption of the Housing Action Plan is June 30, 2021.

Plan Impact on Housing Prices

Housing affordability (or lack thereof) is a significant and complicated. There are lots of reasons why housing has become so expensive and cities can only address certain aspects. While both Bonney Lake and Sumner could reduce fees for certain housing types, open up areas to allow for higher density housing, or provide more options for senior housing, they do not control issues such as labor shortages or the rising cost of lumber, for example.

This Plan is a piece of a larger puzzle that aims to help address important housing issues in our region. If each city in our region takes the steps that Bonney Lake and Sumner are taking as part of this plan, it will have a positive overall impact on housing affordability issues in our region.

GOALS AND OBJECTIVES

Bonney Lake

Goal

The City of Bonney Lake's goal is to have a HAP with actionable items they can implement, including a clear vision of housing needs and solutions tied to salary ranges of people who work and live in the City. It should encourage community engagement around housing.

Objectives overview

- Identify code and policy changes that will work when implemented.
- Assist in closing housing gap.
- Identify pros and cons for each action identified to assist the City

and decision makers as actions are evaluated.

- Provide options on how best to utilize tax incentives to encourage certain housing types.
- Explore allowing or encouraging additional housing types in single-family areas where appropriate. This includes accessory dwelling units, duplexes, and triplexes.
- Encourage continued community engagement on housing issues.
- Review two cities together as a whole where appropriate.

Sumner

Goal

The City of Sumner's goal is to provide a realistic picture of affordable housing in Sumner, including an understanding of demographics and economics. It should engage the community and provide a clear picture to the Council and the community of affordable housing issues and provide solutions.

Objectives overview

- Provide information on the interplay between businesses, workforce, and housing.
- Provide a solid understanding of why the plan matters, connections between the HAP and the GMA, what affordability means, where Bonney Lake and Sumner fit into regional affordability, and how that affects both communities.
- Identify concrete steps that can realistically be implemented and that the market will respond to.

- Focus on workforce and senior housing specifically.

“Staying at your school of origin is the best way to avoid learning loss. If kids were more stably housed we know they would be more successful academically, socially, and emotionally. The benefits of stable, affordable housing can’t be overstated for the lives of our students.”

Marilee Hill-Anderson, Sumner-Bonney Lake School District and Advisory Committee Member

PLAN ELEMENTS

The goals and vision for each city are implemented through the development of this HAP. The two primary pieces of this HAP are the Housing Needs Assessment and the evaluation and schedule of actions and strategies that follow.

Each element was guided by development and implementation of a Project Charter ([Appendix 9](#)) and a Public Participation Plan ([Appendix 10](#)).

Housing Needs Assessment (HNA) – high level findings

Bonney Lake and Sumner are highly desirable places to live, offering a high quality of life and a prime location to job centers and natural amenities. As the cities and region have grown, the competition for a limited supply of housing has also grown. The following are high level findings.

- Housing costs have escalated. This is especially difficult for households earning below the median annual income.

- A focus on providing lower-cost rentals and more moderate to middle-income homes is essential.
- The senior population (65+) has grown significantly. Promoting housing types that allow seniors to stay in the community is vital.
- Providing a variety of housing types will ensure there is housing for all. This includes traditional detached residential homes, accessory dwelling units, duplexes, townhomes, triplexes, and higher density housing.

The need to provide housing that people can afford is real and growing. The HAP provides a range of options to address these issues.

Housing Action Plan (HAP) – high level approach

The HAP pairs the HNA findings with community goals to bring forward an identifiable set of actions each city can consider in the future. The HAP is organized as follows:

- Review of existing housing policies
- Development of strategies to address the cities' housing goals
- Actions to implement each of housing strategy

The HAP's strategies are focused on:

- Preserving rental housing
- Incentives for new rental housing
- Bringing down the cost of development
- Providing a wider variety of housing types

- Preventing and mitigating displacement
- Improving the permit process

Each subsequent action identified is outlined to:

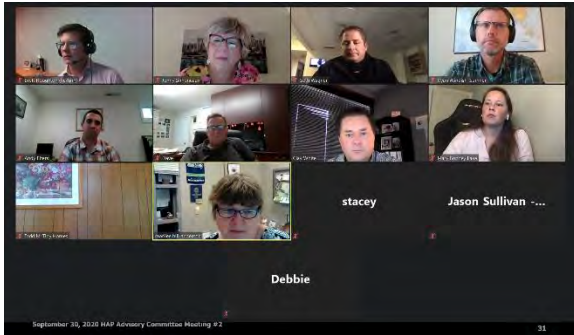
- Highlight the strategy or strategies this action addresses
- The pros/cons of taking action
- Outline areas of code that could be modified
- Highlight jurisdictions that have already taken this action

Overall, the HAP provides a suite of options for each city to consider moving forward.



PUBLIC PARTICIPATION

This Housing Action Plan was developed with a wide range of public engagement. Amidst the Covid-19 pandemic, cities continued to rely on close consultation with an Advisory Committee, who helped to shape the issues, focus, and vision of the Plan and pointed the way to identification of strategies and actions. Meetings were held virtually as discussions continued. The project team held three meetings with the Advisory Committee.



The project also engaged the public through the [City of Sumner's "Sumner Connects" website](#), where draft documents and a discussion forum allowed the public to engage and provide feedback on draft documents and participate in a community forum focused on important housing issues.

"The mysterious part of development is 'why is the City doing what they're doing?', and the Housing Action Plan is a start at mitigating that confusion. One of the biggest outcomes of this process could be demystifying development and making cities more accessible to local citizens and investors."

Andy Elfers, Sumner Planning Commissioner and Advisory Committee Member

SUMNER CONNECTS – SAMPLE FEEDBACK

"I don't think we have enough variety of housing to meet the needs of different income brackets. Young people don't have a lot of options, young families may not be able to afford much around here, the senior community may be aging in place and then **we don't have a churn of housing.**"

"Currently, the City of Sumner is **almost entirely inaccessible to first time home buyers.** As a local Real Estate Broker, I can't even count the number of clients I've had with a dream of living here and are then devastated by the reality of housing prices."

"As a retiree who hopes to stay in my home in downtown Sumner [...] we actually tried to find a condo in town to purchase but had to buy a house because **there were no condos in town.**"

"A few years ago due to health concerns & aging, we decided it was time to move to a one story home and **availability was almost zero.**"

"Will there be a plan to **prevent multi-family overload** in single-family zones?"

PROJECT TIMELINE

The Commerce deadline for adoption of the HAP is June 30, 2021. The following process and schedule were followed to ensure state requirements and project goals were met for both Bonney Lake and Sumner.

Figure 4. Timeline and Process Graphic



E. HOUSING NEEDS ASSESSMENTS



HOUSING NEEDS ASSESSMENTS

This section contains an introduction to the Housing Needs Assessments. A full synopsis of the HNAs' findings can be found in the [Housing Needs Assessments](#) chapter, and the full HNAs can be found in [Appendix 1](#).

Introduction

The needs for housing in the Cities of Bonney Lake and Sumner are substantial, and these needs will broaden as the communities change and grow over the next few decades. A key initial step to address housing challenges is to analyze the best available data that help accurately define the range of unmet housing needs and the depth of affordability needs. This analysis should answer questions about the availability of different housing, who lives and works in the different cities, and what range of housing is needed to meet pent up demand into the future. Housing analysis is an important exercise because housing needs tend to evolve based on changes in the broader economy, local demographics, and regulatory environment.

Bonney Lake and Sumner, like other communities in the region, have grown over the years, leading to affordable housing shortages and limited diversity in the range of housing options available for growing population sectors such as seniors, low-to-middle-income households, and young, newly-formed households. The [Pierce County Countywide Planning Policies](#) encourage municipalities to increase the availability of housing affordable to all economic segments of the

population and necessitates that they assess their achievement in meeting the housing needs to accommodate their 20-year population allocation by analyzing available data.²

Analyzing housing is complex since it represents a bundle of services that people are willing or able to pay for, including shelter and proximity to other attractions (job, shopping, recreation); amenities (type and quality of home fixtures and appliances, landscaping, views); and access to public services (quality of schools, parks, etc.). It is difficult for households to maximize all these services and minimize costs; as a result, households make tradeoffs and sacrifices between needed services and what they can afford. Housing markets tend to function at a regional scale, which makes it a challenge for jurisdictions to adequately address issues individually and a prime opportunity for neighboring cities like Bonney Lake and Sumner to work in partnership to broadly meet their housing needs. The following section helps frame the broader context associated with key housing trends.

Broader Demographic Trends

Several demographic changes have emerged since the mid-20th century that have influenced housing demand. These trends help explain forces shifting the housing landscape that are beyond the local purview.

- Nuclear family households, the predominant type of household of the mid-20th century, shrank from 40% in 1970 to 20% in 2018, while the share of single-person

² Countywide Planning Policies for Pierce County, Washington. Effective November 13, 2018.

households increased from 15% in 1970 to 28% in 2018.³ Households with persons living alone have become the most prevalent household type, which could result in smaller household sizes and increased housing unit demand.

- Around one-third of Americans between 18 and 34 are now living in their parents' homes, possibly delaying their household formation.
- Also, America is aging, and the number of U.S. seniors will continue to grow over the next twenty years. National estimates suggest that around 22% of Americans will be over 65 years by 2050. Seniors are projected to outnumber children for the first time ever by 2035. This is substantial growth considering that currently, the over 65 age group is about 15% of the population in Sumner and about 10% in Bonney Lake (2014-18, ACS). The aging Baby Boomer generation (born 1946 to 1964) could result in greater demand for smaller housing for those wishing to “downsize” and greater demand for assisted living housing situations.
- Nationwide, the Hispanic/Latino population is predicted to be the fastest growing racial/ethnic group over the next few decades. The growing diversity of American households will have a

large impact on domestic housing markets. Over the coming decade, minorities will make up a larger share of young households and constitute an important source of demand for rental housing and small homes.

- Another factor affecting housing is the COVID-19 pandemic. Since its emergence, the pandemic has slowed the production of housing in many regions and due to growing remote work practices, commuting rates have diminished and housing preferences are shifting. In addition, the pandemic has impacted the ability to pay for housing consistently, which will likely exacerbate housing availability and stability. These types of trends should be monitored as conditions and communities adjust.

Another factor crucial for estimating housing needs is the trends associated with population growth. The growth in the Puget Sound region has been intense, with the region expecting to grow by around 1.8 million to a total population of 5.8 million residents by 2050.⁴ The effects of this regional growth have diffused into local areas in the region, including Bonney Lake and Sumner. Both cities have grown, and this growth has put pressure on an already limited housing supply. Bonney Lake's population has doubled since 1990 to include 20,313 people.

³ Sources: AARP (2018) Making Room for a Changing America, U.S. Census Bureau Annual Social and Economic Supplements 1950 and 1970, 2015 U.S. Census ACS, PSRC Draft 2050 Forecast of People and Jobs.

⁴ Puget Sound Regional Council (PSRC). Vision 2050, Adopted October 2020. Land Use Vision Dataset. Retrieved from: <https://www.psrc.org/projections-cities-and-other-places>.

Bonney Lake is growing at a faster rate than Pierce County (6% vs 2%) while in contrast, Sumner welcomed 3,617 people from 1990 to 2018 and grew at the same pace as Pierce County. Despite having a similar population size in 1990, Sumner grew more slowly than

Bonney Lake and currently has an estimated 9,898 persons by 2014-18. As the county continues to grow, housing affordability increasingly has become a concern for people wishing to live and remain in the area.

Figure 5. Population Growth, Bonney Lake and Sumner, 1990 – 2018

Geography				Change, 1990 to 2018		
	1990	2000	2018	Number	Percent	AAGR
Bonney Lake	7,494	9,687	20,313	12,819	171.06%	6%
Sumner	6,281	8,504	9,898	3,617	57.59%	2%
Pierce County	586,203	700,820	859,840	273,637	46.68%	2%

Sources: Office of Financial Management (OFM), 1990 and 2000 Census, originally from the US Census Bureau, Decennial Census, Census of Population and Housing Summary Table; 2014-2018 American Community Survey (ACS) 5-year Estimates. Note: Average Annual Growth Rate (AAGR)

The following HNA summarizes information about the factors that likely will affect residential development in Bonney Lake and Sumner over the next 20 years, including housing market dynamics, demographic and affordable housing trends, workforce profile, population projections, along with an estimated housing gap for each city that should be filled to meet future housing needs up until 2044.

The first section provides a summary of the housing needs for Bonney Lake, the second section synthesizes Sumner's housing needs, and the third section describes joint Bonney Lake-Sumner housing considerations. [Appendix 1](#) provides additional detail on the housing needs findings and background on the results referenced in this chapter.

Bonney Lake Housing Needs Assessment Results Summary

Bonney Lake Housing Gap and Housing Production Target

The results of the Housing Needs Analysis show a gap in housing estimated at around 3,065 housing units needed by 2020 and 2044. By 2044 Bonney Lake's population is forecasted to reach approximately 29,025 persons. This gap combines the existing underproduction of around 1,774 housing units (based on trends from the past decade) and the future need of around 1,290 housing units. This means that at least 153 units per year on average would need to be built in Bonney Lake.⁵ Bonney Lake should work towards providing adequate housing to support the projected housing growth.⁶

In addition to supporting steady housing growth, Bonney Lake should also develop strategies to more equitably meet diverse housing needs such as the need to plan for housing for a range of income levels. Two scenarios were developed to inform discussions on what range of household incomes should be pursued when setting new targets to bridge the gap in housing. Scenario 1 is the status quo reflecting existing housing production trends with no new action. In contrast, Scenario 2 emphasizes the City's responsibility to provide a fair share of housing types distributed to a range of different

income levels of residents, based on county level averages. Each scenario has its benefits, differences, and trade-offs that should be considered. A key difference is that Scenario 1 would have more higher income housing while Scenario 2 calls for greater housing affordable to low-income households.

Bonney Lake's Households are Larger and Mostly Include Families

Several demographic trends including household size, race/ethnicity, incomes, and tenure influence housing demand and should be evaluated to identify emerging trends and variations in what people need for their families and households. Household sizes are larger in Bonney Lake in comparison to Pierce County and Sumner, with almost half of all households including three or more persons. This larger household size trend is reiterated for the average number of people per household, since Bonney Lake's average of 2.92 persons per household, as of 2020, is even higher than the overall US average. Moreover, the dominant household composition for Bonney Lake consists of families with children (37%) or without children (40%).⁷

Finding: This trend indicates a need to support continued production of family-friendly housing including at least 2 bedrooms. Family-sized, family-friendly housing contains more than two bedrooms and includes features essential for families, such as areas where family members can gather for meals and other activities, sufficient

⁵ In comparison, the county-level 2008-2030 target calls for Bonney Lake to add a total of 2,776 new units in total. Between 2008 and 2019, Bonney Lake added 1,392 which is halfway to this target. Considering this progress, Bonney Lake should add a total of 1,384 or at least 138 units per year to meet the 2008-2030 target for the next ten years. All of these targets call for around 138 to 153 housing units to be added per year, on average.

⁶ This 2008-2030 target provided in the Pierce County Countywide Planning Policies is expected to be updated by the Puget Sound Regional Council (PSRC) in 2021.

⁷ A family household is one in which the residents are related to at least one other person in the household by birth, marriage, or adoption while non-family households include young people living alone, unmarried couples, and unrelated house mates.

storage space, and access to outdoor recreation space. Allowing a broader mix of diverse family-friendly housing units at different price points in traditional detached housing areas can attract a larger number of families with a wider range of incomes.

Bonney Lake's Communities Have Become Increasingly Diverse

Consistent with national and county trends, the City of Bonney Lake has become more diverse since 2000. The share of people of color doubled in Bonney Lake from 8% to 19% of the total population between 2000 and 2014-18. In comparison to Pierce County, this increase in non-white populations was more dramatic, but the overall share is lower than Pierce County's share. Hispanic/Latinos and those of two or more races doubled over this time period to become the most prevalent non-white population groups in Bonney Lake. Hispanic and Latino households compared to non-Hispanic households overall tend to have a larger household size and younger Hispanic and Latino households on average have higher homeownership rates and lower than average incomes. Households for Hispanic and Latino immigrants are more likely to include multiple generations, requiring more space than smaller household sizes, and they tend to need lower-cost renting and ownership opportunities.

Findings: Strategies should focus on lower-cost rentals and increased moderate to middle-income priced homes with homeownership

opportunities and multigenerational accommodations.

Bonney Lake's Population Mostly Includes Families and Seniors

Since housing needs change over a person's lifetime, it is important to track shifts among age cohorts to anticipate expected demand. In comparison to Pierce County and Sumner, Bonney Lake has the highest share of individuals under age 20 (29%) and between 35 to 49 years. This backs up the finding that Bonney Lake primarily houses families with children and working adults. In addition, Bonney Lake's senior population (over 65) quadrupled over the last two decades and this trend increased the median age to 35. The senior population growth is expected to continue, almost tripling the number of seniors to 6,114 persons by 2040 (60+).

Findings: The HAP should include strategies to address increased housing needs for seniors. Homeownership rates tend to increase as age increases and older people are more likely to live in single-person households which tend to be smaller in size. The aging Baby Boomer generation (born 1946 to 1964) could also generate greater demand for housing offering living assistance, multigenerational accommodations, and opportunities for residents to age-in-place or age elsewhere in their communities. Overall, these trends indicate high demand for "missing middle" housing (like ADUs, townhomes, triplexes, duplexes, and cottages) which allows more seniors to downsize and remain in their community.⁸

⁸ "Missing middle" housing referred generally herein as middle housing primarily includes single-family attached housing with two or more units (duplexes, triplexes, quad

homes, townhomes, courtyard cottages, accessory dwelling units, etc.) or other housing bridging a gap between single family and more intense multifamily housing.

Increased Demand and Housing Scarcity Have Led to Rising Costs

The housing underproduction in Bonney Lake, coupled with high demand for housing needed for home-buyers, has fueled rising home costs. Median sales prices have increased by 55% from \$255,224 to \$395,301 in Bonney Lake between 2000 and 2019 (Pierce County Assessor).⁹ Additionally, average rent for a 2-bedroom apartment (used as a proxy for all rental units) has largely remained above the area median income (100 % AMI) since 2000. Increases in housing costs and rent have been a trend felt across the Puget Sound region and state.

Alongside housing cost increases, the median household income in Bonney Lake was \$91,368 in 2018 – a rate well above Pierce County at \$67,868 and a 52% increase from the 2000 level. In Bonney Lake, 81% of households own rather than rent while Sumner is more evenly split with 51% of households owning. This is not surprising since most of Bonney Lake's housing stock consists of newer construction and traditional detached housing. Considering the ownership rate, it is no surprise that Bonney Lake has a large number of high-income households as well as the largest share, relative to Sumner and Pierce County. Income is strongly related to the type of housing a household chooses (e.g., townhome, or stand-alone single-family home) as well as household tenure since homeownership rates tend to increase as income increases.

Findings: Where feasible, additional home ownership opportunities should

be provided for households earning between 80 and 120% AMI. Housing serving this income bracket tends to be middle housing. Demand is mounting for middle housing mostly due to aging baby boomers, young households forming, and the growing workforce. As a result, strategies should be developed to support middle housing production in Bonney Lake. Although Bonney Lake has a small share of renters, the renter population tends to include households at the moderate to lower income level and the rising costs of housing has disproportionate impacts for homes priced at these levels. Consequently, additional production of apartments, multiplexes and middle housing, and government subsidized housing should be supported.

Bonney Lake Has Fewer Jobs and Higher Commuting Rates

Understanding Bonney Lake's workforce profile and commuting trends will help plan for housing needs of workers. Factors such as job sector growth and the commuting patterns of residents may have implications for how many people are able to both live and work within the City. If such factors indicate many people are commuting into the City for work, it could be possible that the City does not have enough housing to accommodate its workforce or enough housing that matches their needs and affordability levels.

Bonney Lake has much fewer jobs than Sumner, providing an estimated 5,096 in 2018 or 24% of the jobs in the Bonney Lake-Sumner area. Bonney Lake's high wage sector is more diversified (education, healthcare/social

⁹ Zillow data shows an even steeper price increase of \$441,300 by 2019, estimated as increasing by 73%.

assistance are the most dominant) and faster growing than the low wage sector (dominated by retail trade and accommodation/food service sector jobs), where workers earn below Pierce County's average annual salary of \$51,676 in 2018¹⁰.

Most of Bonney Lake workers commute, and only 3% live and work in town. This rate of commuting in Bonney Lake is higher than many other nearby cities – including Kent, Auburn, Renton, and Federal Way. Among those working elsewhere, Bonney Lake workers tend to work either in King or Pierce Counties. In terms of the main cities where Bonney Lake residents work, 11% work in Seattle, 9% work in Auburn, 8% work in Tacoma, 7% work in nearby Sumner, and another 8% work in Kent¹¹.

According to the 2018 LEHD Origin-Destination Employment Statistics dataset, only about 7.8% of the City of Bonney Lake's 4,435 workers live in Bonney Lake. The rest commute from other nearby Pierce County cities like Tacoma (5.5%) and Prairie Ridge (4%). Pierce County residents account for 54% of Bonney Lake workers, while 24% come from King County. Combined, the three largest industries (by total jobs) in Bonney Lake are Retail Trade (27%), Accommodation and Food Service (21%), and Health Care and Social Assistance Industries (13%)¹².

Findings: Considering the city's high commute rates, it is worth asking how many are commuting due to preference or the lack of affordable housing.

Bonney Lake's Housing Stock is Newer and Mostly Traditional Detached Homes

Analysis of historical development trends in Bonney Lake provides insights into how the local housing market functions in the context of the broader region. Bonney Lake's housing stock has limited diversity. Bonney Lake Housing Stock is chiefly traditional detached homes (84% of total) with smaller shares of housing including 7% manufactured homes, 5% multifamily housing units (5+ units), and 4% single-family attached housing units (Pierce County Assessor data, 2020).

Almost half of Bonney Lake's housing is newer construction, with over 75% of housing built after 1980. Bonney Lake's apartment and attached housing development is newer, primarily built during the last two decades (Pierce County Assessor data, 2020). Bonney Lake's manufactured/mobile homes are the oldest type of housing, mostly built between 1960 and 1990. Based on the newer age of most of the housing including apartments, the displacement risk could be fairly low for most of the housing in Bonney Lake, except for manufactured/mobile homes.

Findings: Low supplies of attached housing like townhomes, triplexes, duplexes, and cottages apartments

¹⁰ 2018 mean annual salary for Pierce County; WA ESD <https://esd.wa.gov/labormarketinfo/county-profiles/pierce#wages>

¹¹ Longitudinal Employer-Household Dynamics, 2018.

¹² PSRC, 2018

should be addressed to provide broader housing options. In addition, demand is expected to increase for attached housing due to aging baby boomers and new households forming.

Cost-burden Disproportionately Affects Lower-Income & Renter Households

Housing affordability is increasingly becoming a concern in Bonney Lake. Housing prices have escalated over the last few decades with median sales price increasing by 55% (from \$255,224 to \$395,301). In 2019, average apartment rents (2-bedroom) were affordable only to households earning around 60% AMI or higher. Affordable housing problems have not affected all households evenly; in fact, low and moderate-income households, renters, and the young and old have been disproportionately impacted. In total, double the share of renters were severely cost-burdened compared to owners and an astounding 84% of renters above 65 and almost half under 24 were cost-burdened in Bonney Lake as of 2014-18.

Bonney Lake supports the production of rent-restricted housing built to support very-low to moderate-income housing units. About 433 low-income housing units have been built or under construction to date in Bonney Lake. The living units available for seniors and other eligible disabled persons is lower, with only 111 living units. These living units largely are adult family homes, situated in regular neighborhood homes where staff assumes responsibility for the safety and well-being of an adult. Bonney Lake tends to produce more moderate-income owner housing units rather than low-income housing rentals in comparison to Sumner.

What is Affordable Housing?

The term affordable housing refers to a household's ability to find housing within its financial means. The typical standard used to determine housing affordability is that a household should pay no more than 30% of the gross household income for housing, including payments and interest on rent, utilities, and insurance. Another indicator for measuring and tracking housing affordability concerns is housing cost burden. The US Housing and Urban Development (HUD) guidelines indicate that a household is cost-burdened when they pay more than 30% of their gross household income for housing and severely cost-burdened when they pay more than 50% of their gross household income for housing (rent or mortgage, plus utilities).

Median Income Level

When examining household income levels, the Area Median Income (AMI) and Median Family Income (MFI) are helpful benchmarks for understanding what different households can afford to pay for housing expenses. Since housing needs vary by family size and costs vary by region, HUD produces a median income limit for different family sizes and regions on an annual basis. These benchmarks help determine eligibility for HUD housing programs and support the tracking of different housing needs for a range of household incomes.

The median income value (100%) primarily used for this analysis is an annual income of \$87,322 for a family of four which is the Pierce County rate for 2020. Below 30% of AMI is extremely low income (under \$26,197), 30-50% of AMI is very low income (\$26,197-\$43,661), 50-80% of AMI is low income (\$43,661-\$69,858), 80-100% of AMI is moderate income (\$69,858-\$87,322), 100 to 120% of AMI is middle income (\$87,322-\$104,786), and above 120% AMI is high income (above \$104,786). Income levels tend to vary throughout a lifetime and homeownership rates tend to increase as income increases.

Source: HUD, 2020. Pierce County and Tacoma, WA HUD Metro FMR area, FY Income limits Documentation.

Findings: Bonney Lake will need to continue boosting production of low-income (50% AMI or lower) housing rentals and ownership opportunities to achieve the 2008-2030 target since they are about halfway towards meeting the 2030 goal. The approaches for increasing low-income housing likely is more complicated due to the need for some sort of direct assistance.

Sumner Housing Needs Assessment Results Summary

Sumner Housing Gap and Housing Production Target

Based on the housing analysis, the City of Sumner's housing gap to fill by 2040 is 1,422 housing units. These housing units should be added by 2040 when Sumner's population is forecasted to reach approximately 12,473. This number should be considered the minimum number of additional housing units needed to support the expected demand. This means that around 72 housing units should be produced per year from 2020 to 2040.¹³ Thus, Sumner should pick up the pace to support housing growth since only around 41 housing units has been built per year (on average) between 2008 to 2020.

In addition to supporting greater housing development, Sumner should also develop strategies to equitably meet diverse housing needs such as the need to support housing production suited for an array of different household incomes. Two scenarios were developed to inform discussions on what range of household incomes

should be pursued when setting new targets to bridge the gap in housing. Scenario 1 reflects the status quo with the existing housing production continuing as it has over the last ten years. In contrast, Scenario 2 emphasizes the City's responsibility to provide a fair share of housing types that is more evenly distributed for different income level needs. Scenario 2 includes housing targets that are based on the averages of household income levels quantified for Pierce County in 2014-18.

A key difference between the two scenarios is Scenario 2 would add slightly more housing affordable to middle to high-income households. This indicates a possible deficit of market rate units for middle-income workforce households that should be augmented to prevent middle- to high-income households from renting or buying down of housing units priced for low-income budgets. The benefits, drawbacks, and trade-offs associated with different scenarios should be considered.

Sumner's Households are Small and Mostly Include Non-Families

Several demographic factors, including household size, race/ethnicity, income, and tenure, influence housing demand and should be evaluated to identify emerging trends and variations in what people need for their households.

Sumner households are smaller in size than Bonney Lake and predominately consist of non-family household members. Sumner's households are primarily one-person (33%) and two-

¹³ In comparison, the 2008-2030 target provided within the Pierce County Countywide Planning Policies calls for a total of 1,273 new housing units or at least 127 units per year from 2020 to 2030. Since 2008, Sumner has added around

497 new housing units which is almost one-third of the way towards achieving this 2030 target. This 2008-2030 target is expected to be updated by PSRC.

person (28%) which aligns with Pierce County trends. Another indicator that Sumner households tilt towards a smaller size is that Sumner averages 2.41 persons per household which is slightly lower than the U.S. rate averaging 2.63 persons per household (ACS, 2014-18). Sumner's share of non-family households is 42%, which is nearly twice Bonney Lake's and higher than the county (ACS, 2014-18).

Finding: This trend indicates a need to support continued production of smaller sized housing options. Space-efficient housing units can be more affordable than other units because they are smaller and more energy efficient and they use less land resources.

Sumner's Population has Become More Diverse Since 2000

Corresponding with national, county, and Bonney Lake trends, the City of Sumner has become more diverse over the last few decades. The share of non-white persons or people of color in Sumner increased from 13% to 20% of the total population between 2000 and 2014-18. Persons identifying with two or more races doubled (from 3% to 7%) and Hispanic or Latino persons increased from 3% to 9% and, collectively, have become the most prevalent non-white groups. Hispanic and Latino households compared to non-Hispanic households overall tend to have a larger household size and younger Hispanic and Latino households on average have higher homeownership rates and lower than average incomes. Households for Hispanic and Latino immigrants are more likely to include multiple generations, requiring more space than smaller household sizes, and they tend

to need lower-cost renting and ownership opportunities.

Findings: Strategies should focus on providing lower-priced rentals and moderate to middle-income home ownership opportunities for larger family-friendly housing, that may include multiple generations.

Sumner's Age Group Mix Remains Unchanged Since 2000

Housing needs change over a person's lifetime. As such, it is important to track fluctuations among different age cohorts to better understand emerging community changes. Among the different age cohorts, the 45-64 age group, a group tending to be a part of the workforce, increased the most in Sumner by around 38% from 1,796 persons to 2,481 persons from 2000 to 2014-18 (ACS). All of Sumner's age cohorts increased or remained the same except for children under 5 years. Sumner's senior population (over 65) increased slightly from 1,137 persons to 1,509 persons, but the share of those over 65 (15%) exceeds Bonney Lake and Pierce County. Moreover, persons over 60 are expected to increase to a total of around 3,293 persons by 2040, which is over double the number of people age 65 plus in 2014-18. This steady incline in the senior population is consistent with broader trends.

Findings: The HAP should include strategies to address the intensifying housing needs of seniors. Home-ownership rates increase as age increases and older people are more likely to live in single-person households. The aging of the Baby Boomer generation (born 1946 to 1964) could generate greater demand for housing offering living assistance,

multigenerational accommodations, and opportunities for residents to age-in-place or age elsewhere in their communities. Overall, these trends indicate high demand for middle housing (e.g., ADUs, townhomes, triplexes, duplexes, quad homes, and cottages) which allows more seniors and couples to downsize and remain in their community.

Increased Housing Scarcity Has Led to Rising Costs in Sumner

Rising costs of housing has become more out of reach for Sumner residents, even if they are wishing to buy or rent a home. Similar to Bonney Lake, the limited supply of housing affordable to home-buyers and increasing demand in the region has led to rising home costs. Between 2000 and 2019, median sales prices increased by 69% from \$235,820 to \$398,989 in Sumner (Pierce County Assessor data, 2020). This means that a household would need to earn 120% AMI or higher to afford the current median sales price of housing. Along with home sales, the average rent for a 2-bedroom apartment over the last twenty years has fluctuated slightly but largely remained above the area median income (100 % AMI). This means that half of the population in the county would be unable to afford the average rent in the City. Comparing housing cost increases with household income can help detect concerns in housing attainability. Sumner's median household income was \$59,846 in 2018 (less than 80% AMI), much lower than the income that would be required to afford the median home sales price (120% AMI). Poverty is high in Sumner impacting 13% of the population (2014-18). This shows that home ownership opportunities are becoming increasingly

out of reach for a significant portion of Sumner's population. Sumner has a large share of renters, which tend to include households at the moderate- to lower-income level. Escalating housing costs already have a large impact on renter households and will continue to do so without intervention.

Findings: Similar to Bonney Lake, additional home ownership opportunities for households earning between 80 and 120% AMI should be supported. Housing serving this income bracket tends to be middle housing and produced by the private market. Middle housing primarily includes single-family attached housing with two or more units or other housing bridging a gap between single family and more intense multifamily. Demand is expected to increase for this type of housing mostly due to aging baby boomers, young households forming, and the growing workforce. Sumner should also prioritize additional production of apartments, multiplexes and middle housing, and government subsidized housing.

Sumner Has the Largest Share of Employment in the Local Vicinity

Workforce trends such as job and wage growth and commute patterns can help inform appropriate responses to the housing needs of workers. Sumner has many more jobs than Bonney Lake, providing an estimated 16,065 jobs in 2018, or 76% of the jobs in the Bonney Lake-Sumner area. Sumner's high wage sector, dominated by manufacturing and transportation and warehouse sector jobs, is experiencing moderate wage growth while the low wage sector is less diversified but also seeing wage growth primarily in the construction, and wholesale trade sectors. Sumner's job-

to-housing ratio has increased to 3 over the last decade due to relatively high employment growth; however, a combined Bonney Lake and Sumner jobs-to-housing rate has mostly remained below 1.7 at a more balanced level.

A substantial portion of Sumner workers commute, and only 11% live and work in town. This is similar to rates in Renton and Federal Way and is likely partially due to the diminished supply of affordable housing in the region. Among residents working elsewhere, Sumner workers tend to work either in King or Pierce Counties. Similar to Bonney Lake, high commuting rates could be a signal for inadequate availability of affordable housing within the City boundary.

Findings: Like Bonney Lake, actions should consider whether people are commuting because of a lack of affordable housing or due to other reasons. In addition, it's worth asking whether employers are finding it difficult to recruit staff due to the lack of needed housing options.

Sumner's Housing Stock Has Limited Diversity and is Aging

Sumner's housing stock has limited diversity and is largely composed of single family detached (67% of total) with smaller shares of other types of housing including 15% single-family attached, 9% manufactured homes, and 9% multifamily housing units (Pierce County Assessor data, 2020). The low supplies of single-family attached housing (such as triplexes and quad homes) and multifamily housing should be addressed to provide broader housing options for the community since demand is expected to increase for

single-family attached housing due to aging baby boomers and young households forming.

Sumner's housing is older than Bonney Lake's housing with one-quarter built before 1960 and the rest built throughout later decades. The single-family detached homes in Sumner tend to include newer construction built after 1990 while in contrast, single-family attached housing (such as duplexes) and manufactured/mobile homes tend to have been constructed between 1960 and 1990. Multifamily housing (5+ units) in Sumner mostly was primarily built before 1980 and as this type of housing ages, the potential for redevelopment and the increased risk of possible displacement increases.

Findings: Similar to Bonney Lake, the low supplies of single-family attached housing (e.g., town homes) and multifamily housing should be addressed to provide broader housing options and to meet the expected demand associated with aging baby boomers.

The older housing stock in Sumner could increase the risk of displacement particularly if this housing is serving lower income households. Displacement occurs when a household is forced to relocate. This tends to occur as a result of changes in the housing market, either because their housing is being redeveloped or undergoing major renovations, or due to their housing costs increasing faster than they can afford. Displacement can be physical (redeveloped areas or housing with substantial remodels), economic (increase in rents), or cultural. Displacement risk is heightened for cost-burdened renters, low-income households, minorities, and households

more likely to experience housing discrimination. Displacement tends to occur in areas with older housing, transit access, less expensive land, and land opportunities conducive to large developments. An analysis identifying gradations of displacement risk should be completed to help address displacement. Changing zoning to allow more intense development can increase the chances that current residents in the affected neighborhood will be physically displaced to make way for redevelopment. Consequently, displacement risk should be assessed before rezones, and safeguards should be developed in response to findings.

Affordable Housing and Cost-burden Concerns in Sumner

Affordable housing problems tend to disproportionately impact low- and moderate-income households, older and younger persons, and renters. The overall share of cost-burdened households in Sumner was 37% in 2014-18, a rate slightly higher than the Pierce County's. Likewise, the rate of renters cost-burdened is 37%, a rate much higher than owners (12%). In addition, an astounding 85% of renters above 65 were cost-burdened in Sumner as of 2014-18. An important source of low-income housing is rent-restricted units. A current accounting of the inventory shows there are 63 low-income, rent-restricted housing units in Sumner, primarily produced through tax credits or HUD Section 8 vouchers. In addition, there are 251 living units for seniors and disable persons provided mostly via assisted living and senior living facilities.

Findings: Sumner should take action to leverage production of low-income housing. The approaches for increasing

low-income housing has lagged behind and likely is more complicated due to the need for direct assistance.

Bonney Lake and Sumner Complement One Another

The cities of Bonney Lake and Sumner are located adjacent to one another in Pierce County and are similar in being smaller sized towns located on the eastern edge of the Puget Sound region. The cities also function as a polycentric urbanized area interconnected by major transportation routes (SR 410), the same school district, interrelated workforce, and various community amenities and services. Consequently, Bonney Lake and Sumner's housing needs were assessed jointly due to these connections along with the tendency for the housing market to operate at a regional scale. The following section provides a summary on the ways that Bonney Lake and Sumner complement one another.

- Bonney Lake houses double the number of people in comparison to Sumner.
- Sumner employs three times more people than Bonney Lake. Sumner's larger employment base complement Bonney Lake's smaller workforce.
- Sumner's households tend to be smaller consisting of non-family household members while Bonney Lake larger households (mostly 3+) mostly include family members.
- Bonney Lake provides mostly owner-occupied, single-family detached housing while Sumner's housing includes more rentals. Bonney Lake's housing is newer and mostly built after 1980 while Sumner's is older, mostly built before 1999.

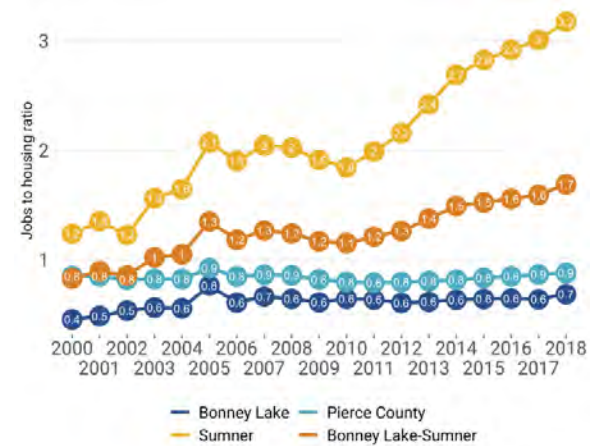
A noteworthy way that Sumner and Bonney Lake balance each other is in their varied number of jobs and housing units. Bonney Lake's job-to-housing ratio (Figure 6) remained below one for the last two decades due to the low number of jobs while Sumner's ratio increased to over three primarily because of a low number of housing units. However, when the ratios are combined, the Bonney Lake and Sumner jobs-to-housing rate has mostly remained below 1.7 at a more balanced level.

Another way Bonney Lake and Sumner differ is in their share of homeowners and renters. Figures 7 and 8 show how Bonney Lake predominantly includes residents owning homes (around 80% are homeowners) while in contrast, Sumner has a fairly even split of homeowners and renters. Figure 7 shows that 7 out of 7 renters earning less than \$50,000 a year are cost burdened along with 8 out of 14 homeowners earning less than \$50,000. Similarly, a high share of renters earning less than \$50,000 a year are cost burdened in Sumner (20 out of 24 renters) along with homeowners earning less than \$50,000 (8 out of 14 homeowners were cost burdened). This demonstrates two key trends common to many cities: 1) renters tend to be more cost-burdened, and 2) those earning a lower-income tend to be cost burdened.

Note: This illustration explains cost burden rates by viewing the City as 100 residents. Homeowners are represented by green squares, and renters are represented by blue squares; and as shown above, there are more homeowners than renters. The graphic also breaks homeowners and renters into two groups based on income. The darker shade are those people in households with middle to higher incomes and lighter shades represent people in households with lower incomes. The white dots indicate the number of people that are considered cost-burdened. Source: ECONorthwest illustration. Data Source: ACS US Census, 2014-18

Sources: PSRC for Employees, ACS 5 Year Estimates (2014-18 for Wage), and ECONorthwest Calculations.

Figure 6. Jobs to Housing Ratio, 2000-2018



Cost burden Illustrations – if all households were 100 residents

Figure 7. Bonney Lake

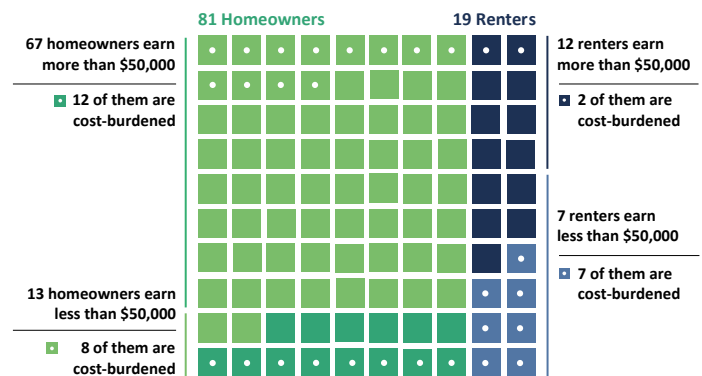
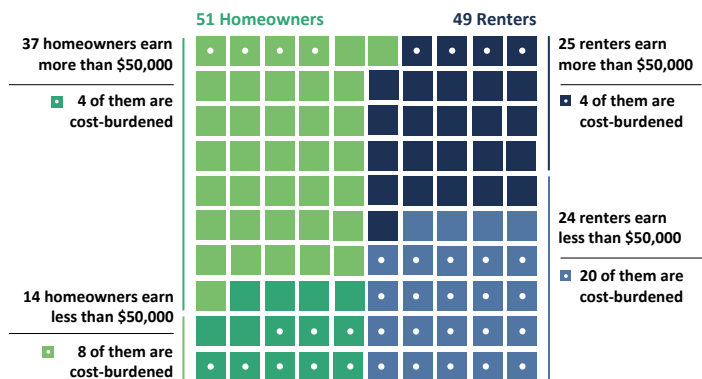


Figure 8. Sumner



F. HOUSING ACTION PLAN



HOUSING ACTION PLAN INTRODUCTION

Overview

Our region has and will continue to face great challenges as we grow. This includes the ability to provide affordable housing. Housing element requirements under the Growth Management Act (GMA) outline requirements to "...ensure the vitality and character of established residential neighborhoods...". This includes provisions for protections of housing "...for existing and projected needs of all economic segments of the community" ([RCW 36.70A.070\(2\)](#)). At the same time, cities are growing, and redevelopment pressures will continue to occur. As redevelopment occurs, the key is focusing on policies and regulations that minimize displacement and preserve affordable housing options. These are difficult planning challenges, and it takes a proactive approach to meet these challenges head on.

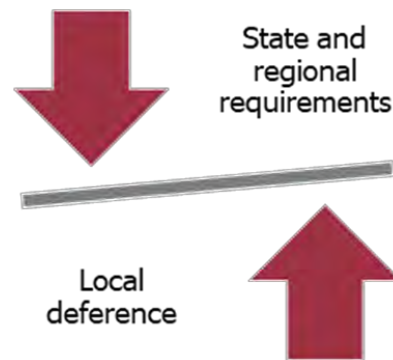
In addition, Bonney Lake and Sumner face similar growth pressures but face some unique challenges and opportunities based on their different housing stock and demographics. This Housing Action Plan presents analysis, strategies, and a range of actions to consider.

Connection to Comprehensive Plan Process

Both Bonney Lake and Sumner will update their Comprehensive Plans no later than June of 2024. As part of that process, they will be planning for growth out to 2044. The amount of growth each City must plan for is linked to the Regional Growth Strategy, which will

inform the types of actions necessary to meet housing goals. The more growth expected, the more creative each city must be in order to accommodate that growth. The elements and objectives of a HAP will help support the implementation of growth and housing strategies as each city moves forward.

Planning is a balance between state and regional requirements and substantial local deference afforded to each city so they can plan in a way that is best for their community.



While broad housing requirements are outlined within the Growth Management Act ([RCW 36.70A.070\(2\)](#)), policies are also developed at the regional and countywide levels. The Puget Sound Regional Council (PSRC) is a regional body that develops policies around transportation, economic development, and growth (including housing). The Pierce County Regional Council then develops Countywide Planning Policies (CPPs), which help ensure Pierce County and the cities within the county coordinate on growth issues. The policies contained in the CPPs are further refined as each city completes its Comprehensive Plan update. The HAP provides an opportunity to proactively look at housing issues and identify possible solutions that can be implemented as this planning takes place.

Long-Term Impacts of COVID-19 on Housing

The ongoing COVID-19 pandemic and the associated health and economic consequences continue to affect everyone in the Puget Sound region and around the world. While the full story of the effects of COVID-19 on housing is still being written, several important trends are emerging or likely to gain importance in the years to come.

First, for many of those whose employment can occur remotely, physical proximity to the workplace is a less important factor when choosing a place to live. Factors including access to parks, great schools, and being closer to family, may increase in importance.

Second, the demand for new housing is continuing to outstrip supply, leading to continued upward pressure on prices. Labor and material shortages continue to make building housing expensive, and the locational decisions discussed above are leading to many more households with continued employment looking to change their housing situation.

Third, continued high unemployment in the hardest-hit economic sectors may lead to a wave of evictions, with serious consequences for those households unable to afford their housing coupled with a spike in vacancies and continued financial stress for landlords and housing providers. Stagnant or falling rents may help some, but certainly not all, households facing loss of income or medical expenses as a result of the pandemic.

Housing Policy Analysis and Current Policy Conditions

Both Bonney Lake and Sumner have comprehensive plans that offer policy support for their municipal code and implement the policies of the [Puget Sound Regional Council](#) (PSRC) and the Pierce County [Countywide Planning Policies](#) (CPPs). Appendices [3](#) and [4](#) contain an analysis of Bonney Lake and Sumner's Comprehensive Plan policies that relate to housing.

Both cities should consider additions and revisions to their policies that support future actions in line with what is provided in this plan and to successfully implement updated policies in [Vision 2050](#) (approved October 29, 2020). Such policy additions should strengthen and support the actions recommended here, including (but not limited to) strengthening policy support for more diverse housing options, developing code and policies that mitigate the risk of displacement, and placing equity front and center when crafting future housing code and policy.

Additional analysis on housing policies for [Bonney Lake](#) and [Sumner](#) are found under the key findings and recommendations section of each HAP.

Housing Types Considered

TRADITIONAL DETACHED HOUSING

HB 1923 specifically calls for the development of policies and strategies to increase the availability of traditional detached homes that are affordable to a wider range of households. This could include both detached and attached dwellings. The HAPs for Bonney Lake and Sumner present strategies and actions that can increase the availability and affordability of homes, including various forms of attached as well as detached units.



This also includes both rental and owner-occupied unit types. Condominiums and fee-simple townhomes provide much-needed ownership opportunities for first-time homebuyers and seniors looking to downsize as well as families who prefer a more compact, walkable environment. Owner-occupied missing middle housing, including condos and unit lot subdivided townhomes, feature additional levels of complexity regarding open area maintenance and governance but are a key part of providing more housing options.

MISSING MIDDLE HOUSING

“Missing middle” housing refers to a range of housing types including duplexes, triplexes, fourplexes, townhomes, and apartments built with wood frame construction. These housing types offer more affordable options for buyers and renters and more efficiently utilize land often dedicated to traditional detached homes. “Missing” refers to the fact that these more affordable housing types are not being built fast enough to keep up with demand. “Middle” refers to their position on a spectrum between traditional detached homes and mid- to high-rise apartment buildings. The HAP for Bonney Lake and Sumner include actions that address various facets of this form of housing. This includes potential changes to zoning codes to allow such development in more places, as well as updates to parking requirements and road standards to reduce development costs.



ACCESSORY DWELLING UNITS



Accessory Dwelling Units, or ADUs, are small housing units attached to or separate from and accessory to a traditional

detached home. These smaller dwellings, sometimes envisioned as homes for older parents or other relatives, hold promise as a way of providing basic, affordable accommodations for households that do not need much space while potentially providing a source of rental income for homeowners. Jurisdictions region-wide have recently pursued changes to their land use regulations to allow or further encourage ADUs as a way of addressing the housing affordability issue. Various actions are detailed in the following plan that could help incentivize construction of ADUs.

SENIOR HOUSING



Assisted living facilities, retirement communities, adult family homes, and other forms of senior housing will be increasingly needed as the populations within our region and both cities age. ADUs and missing middle housing can also play an important role in providing housing options for seniors that are affordable. Providing these housing

options within each city allow current residents the ability to age in place.

Strategies

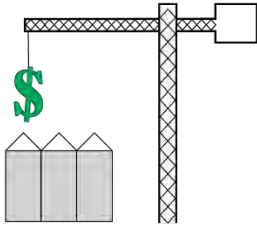
All actions proposed in this HAP can be categorized by their implementation of one or more strategies as outlined below. Each strategy is assigned its own icon, which are incorporated into the following action writeups according to which strategy or strategies each action addresses.

PRESERVE RENTAL HOUSING



This addresses both rent-restricted and non-rent-restricted rental housing. Both communities, but especially Sumner, focus on reducing the risks of displacement. This can be done through rehabilitation of existing units or a waiver of certain fees that would allow a new development to offer new units whose rents approximately match housing that was displaced. Actions include public-private partnerships with neighborhood associations and landlords to bring down the cost of upkeep.

INCENTIVES FOR NEW RENTAL HOUSING



Both Bonney Lake and Sumner have expressed interest in policy options to increase incentives available for preserving existing rental housing and creating new rent-restricted and market rate rental housing. The HNA demonstrated that additional rental housing, particularly for low- to moderate-income households, is needed to reduce the cost burden of their housing expenses.

Incentives for rental housing can include the Multi-Family Tax Exemption (MFTE), waiving mitigation fees, and demonstration programs to reduce displacement and rehabilitate existing housing stock.

BRING DOWN THE COST OF DEVELOPMENT



The cost of developing new housing, regardless of type, includes labor and materials, the costs of permitting (including impact and mitigation fees), and the time and cost of permit processes. Several actions included in this Housing Action Plan address the elements of this calculation most within the City's control, namely permit

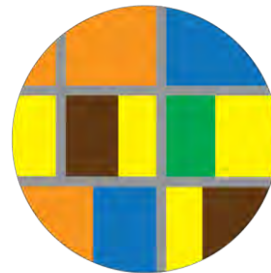
efficiency, fees, and time and process required to approve development.

PROVIDE WIDER VARIETY OF HOUSING TYPES



Bonney Lake and Sumner can make progress on this strategy through several actions, including changes to the zoning code to make various types of housing more widely allowed and demonstration programs for fee reductions. This includes senior housing, ADUs, and so-called Missing Middle housing.

PREVENT AND MITIGATE DISPLACEMENT



Both Bonney Lake and Sumner have housing stock of limited diversity. This means that as prices rise, what multi-family and attached single-family housing that does exist is vulnerable to redevelopment. Sumner's housing stock is also older, putting it at even greater risk of redevelopment that could displace existing residents. Both communities are interested in preventing and mitigating displacement using property maintenance programs, demonstration programs, and changes to residential development performance standards. It is important

that this be done in in a way that does not stymie redevelopment in cases where the goals of the HAP and the comprehensive plan are furthered by it.

IMPROVE THE PERMIT PROCESS



Several actions explored in the HAPs involve exploring potential changes to city code to reduce the time and cost that it takes to bring new housing to market while still ensuring public health, safety, and welfare is taken into account. These potential changes include increasing SEPA exemptions, fast-track programs, and waiving of mitigation fees through use of HB 1406 sales tax dollars or other revenue sources.



HIGH-LEVEL FINDINGS FROM BONNEY LAKE HOUSING NEEDS ASSESSMENT

Household Composition - Data shows a need to support continued production of family-friendly housing including at least 2 bedrooms. Family-sized, family-friendly housing contains more than two bedrooms and includes features essential for families, such as areas where family members can gather for meals and other activities, sufficient storage space, and easy access to outdoor play and recreations space. Allowing a broader mix of diverse family-friendly housing units at different price points in single-family neighborhoods can attract a larger number of families with a wider range of incomes.

Growing Diversity - Strategies should focus on providing lower-cost rentals and increased moderate to middle-income priced homes with home ownership opportunities and multigenerational accommodations.

Families and Seniors - The HAP should include strategies to address the increased housing needs for seniors. Homeownership rates tend to increase as age increases and older people are more likely to live in single-person households which tend to be smaller in size. The aging of the Baby Boomer generation (born 1946 to 1964) could also generate greater demand for housing offering living assistance, multigenerational accommodations, and opportunities for residents to age-in-place or age elsewhere in their communities. Overall, these trends indicate high demand for “missing middle” housing (e.g., ADUs, townhomes, triplexes, duplexes, quad homes, and cottages) which allows more seniors and couples to downsize and remain in their community.

Rising Demand and Supply Scarcity - Where feasible, additional home ownership opportunities should be afforded for households earning between 80 and 120% AMI. Housing serving this income bracket tends to be middle housing. Demand is mounting for middle housing mostly due to aging baby boomers, young households forming, and the growing workforce. As a result, strategies should be developed to support middle housing production in Bonney Lake. Although Bonney Lake has a small share of renters, the renter population tends to include households at the moderate to lower income level and the rising costs of housing has disproportionate impacts for homes priced at these levels. Consequently, additional production of apartments, multiplexes and middle housing, and government subsidized housing should be supported.

Fewer Jobs, Higher Commute Rates - Considering Bonney Lake's high commuting rates, it's worth asking how many are commuting due to preference or the lack of affordable housing.

Newer, Single-Family Housing Stock - The low supplies of attached housing such as town homes, triplexes, duplexes, and cottage courtyard apartments and other multifamily housing should be addressed to provided broader housing options for the community. In addition, demand is expected to increase for attached housing mostly due to aging baby boomers and young households forming.

Cost Burden on Lower Income and Renter Households - Bonney Lake will need to continue boosting production of low-income (50% AMI or lower) housing rentals and ownership opportunities to achieve the 2008-2030 target since they are about halfway towards meeting the 2030 goal. The approaches for increasing low-income housing likely is more complicated due to the need for some sort of direct assistance.

KEY FINDINGS AND RECOMMENDATIONS

Housing Policy Analysis

The project team completed an analysis of Bonney Lake's current housing policies. The City's comprehensive plan, Bonney Lake 2035, includes its housing policies under the Community Development Element ([Chapter 2, Bonney Lake 2035](#)). [Appendix 3](#) contains an analysis table of Bonney Lake's housing policies. The Community Development Element sets a great policy basis for supporting and providing a variety of housing types at all income levels within the City. Most of the actions identified in this plan are already supported by existing policy. As an example:

- 2.2 encourages "...the development of mixed-use, senior housing, high density residential, and public services uses such as education, health care, libraries, child care, governmental facilities..."
- 10.2 focuses on support for the "...development of special-needs housing, especially for seniors, such as independent living facilities, various degrees of assisted living facilities, and skilled nursing care facilities.
- 10.5 makes it clear that the City of Bonney Lake will provide "...a sufficient supply of housing affordable to all income levels by maintaining a supply of housing that is currently affordable to median-income, low income and very low-income households, and work to increase the supply of housing affordable to households within Bonney Lake that make eighty percent (80%) of the Pierce County Median..."

The Community Development element also provides great support for the development of the HAP. Policy 10.3 states that the City will "Actively promote community awareness and education campaigns regarding affordable housing in order to engender acceptance throughout the community." This project is direct implementation of Policy 10.3.

Moving forward, the City could consider additional direct policy support related to actions taken in the future. As an example, there are no direct policies supporting ADUs, tiny homes, mixed housing types in single family zones, permit process efficiencies related to housing types the City is promoting, or the use of MFTE. The City is also considering implementing a form-based code. Policies to solidify the goals for a form-based code could also be useful.

Lastly, the City will be updating its comprehensive plan by June 2024. Part of this process will include a review to ensure city policies are consistent with State Law, and regional (PSRC Vision 2050) and countywide planning policies. Recent changes to regional policies have focused on issues such as equity and displacement. These new and updated policies align well with many of the actions identified within this plan. A future update of policies to provide an equity lens on development and displacement minimization as redevelopment occurs will ensure future actions meet all the City of Bonney Lake's goals.

Housing Strategies

The following six strategies represent collections of actions that address a particular housing issue in a targeted way. The specific actions that fall under each strategy are listed below the strategies. Note that many actions appear under multiple strategies; this reflects the fact that many of the actions the cities can take can address more than one issue simultaneously.

Strategy 1, Preserve rental housing

- [Affordable housing preservation strategies](#)

Strategy 2, Incentives for new rental housing

- [Develop inclusionary zoning incentives](#)
- [Use of MFTE/publicly owned land as incentives for rent-restricted affordable housing](#)

Strategy 3, Bring down the cost of development

- [Use of MFTE/publicly owned land as incentives for rent-restricted affordable housing](#)
- [Provide improved permitting assistance](#)
- [Provide financial incentives to encourage construction of missing middle and income restricted housing](#)
- [Improve SEPA implementation](#)
- [Reduce infrastructure cost to support housing affordability](#)
- [Streamline design review process](#)
- [Update road standards to support missing middle housing](#)
- [Update open space and private recreation requirements](#)
- [Switch to bedroom-based calculation of off-street parking for multiple dwelling unit development](#)
- [Facilitate ADU construction](#)

Strategy 4, Provide wider variety of housing types

- [Facilitate ADU construction](#)
- [Use of MFTE/publicly owned land as incentives for rent-restricted affordable housing](#)
- [Provide financial incentives to encourage construction of missing middle and income restricted housing](#)
- [Expand the areas of the city that allow townhomes](#)
- [Allow missing middle housing in additional areas of the city](#)
- [Permit and clarify Tiny Home regulations](#)
- [Amend bulk standards for R-zones to support zero lot line, cottage, and townhouse development](#)

Strategy 5, Prevent and mitigate displacement

- [Provide rental housing assistance using SHB 1406 sales tax credit](#)
- [Affordable housing preservation strategies](#)
- [Use of MFTE/publicly owned land as incentives for rent-restricted affordable housing](#)
- [Develop inclusionary zoning incentives](#)

Strategy 6, Improve the permit process

- [Provide improved permitting assistance](#)
- [Improve SEPA implementation](#)

Figure 9. Action Schedule and Summary Table, Bonney Lake

Action	Type	Target Group	Area of Applicability	Scale of Potential Impact	Timeline
Provide rental housing assistance using SHB 1406 sales tax credit	Prevent and mitigate displacement				
Use of MFTE/publicly owned land as incentives for rent-restricted affordable housing	Bring down the cost of development; Provide wider variety of housing types; Prevent and mitigate displacement	The rest of this table will be filled in as part of completing the final HAP			
Develop inclusionary zoning incentives	Incentives for new rental development; Prevent and mitigate displacement				
Provide improved permitting assistance	Bring down the cost of development; Improve permit process				
Provide financial incentives to encourage construction of missing middle and income restricted housing	Bring down the cost of development; Provide wider variety of housing types				
Affordable housing preservation strategies	Prevent and mitigate displacement				
Switch to bedroom-based	Bring down the cost of development				

Action	Type	Target Group	Area of Applicability	Scale of Potential Impact	Timeline
calculation of off-street parking for multiple dwelling unit development					
Facilitate ADU construction	Bring down the cost of development; Provide wider variety of housing types				
Reduce infrastructure cost to support housing affordability	Bring down the cost of development				
Improve SEPA Implementation	Bring down the cost of development; Improve the permit process				
Streamline design review process	Bring down the cost of development; Improve the permit process				
Update road standards to support missing middle housing	Bring down the cost of development; Provide wider variety of housing types				
Update open space and private recreation requirements	Bring down the cost of development				
Expand the areas of the city	Provide wider variety of housing types				

Action	Type	Target Group	Area of Applicability	Scale of Potential Impact	Timeline
that allow townhomes					
Allow missing middle housing in additional areas	Provide wider variety of housing types				
Permit and clarify Tiny Home regulations	Provide wider variety of housing types				
Amend bulk standards for R-zones to support zero lot line, cottage, and townhouse development	Provide wider variety of housing types				

HOUSING ACTIONS



The City of Bonney Lake should establish more incentives to promote increased availability of affordable housing that would be rent-restricted for low to moderate-income households. A list of affordable housing funding sources available to Bonney Lake is detailed below in Local Affordable Housing Funding Sources section. Use of these programs with partners should be explored to help develop new affordable housing in the City. For example, use of the Washington State Housing and Finance Commission's 80/20 private activity and non-profit housing bonds should be explored.

Bonney Lake should adopt a Multifamily Tax Exemption (MFTE) program to incentivize affordable housing options and promote mixed income developments. The MFTE allows a local jurisdiction to incentivize housing options in urban centers lacking in housing choices or workforce housing units. Washington State Chapter 84.14 RCW outlines the existing requirements. This program exempts eligible new construction or rehabilitated housing from paying property taxes for either an 8-year or 12-year period of time. Only multiple-unit projects with four or more units are eligible for either the 8- or 12-year exemption, and only property owners who commit to renting or selling at least 20% of these units to low- and moderate-income households are eligible for the 12-year exemption. Given the emphasis on “missing middle” housing, the City should strongly consider making sure four-plex developments are eligible.

Other MFTE program variations such as including the rehabilitation of housing units should be researched and weighed against costs (foregone property tax revenue for the duration of the program) and benefits (such as affordable housing production). The City should examine the use of the MFTE program in the Downtown, and Midtown Centers. Additional detail on MFTE recommendations are provided in [Appendix 2 under the Program Analysis Memo](#).

Cities with MFTE programs include: Sumner • Burien • Redmond • Tacoma • Kirkland • Marysville • Everett • Issaquah • Yakima

<i>Advantages</i>	<i>Disadvantages</i>
• Tax abatements positively impact the feasibility of projects where market-rate projects are feasible and can help cross-subsidize affordable units • Helps balance out the financial impacts associated with building affordable housing • Increases the production of affordable housing and broadens the availability of housing choices	• Increases the production of affordable housing and broadens the availability of housing choices • City must weigh the temporary loss of tax revenue against potential benefits • May provide insufficient incentive to lead to production or affordability unless paired with other tools

Preventing and
Mitigating Displacement

PROVIDE RENTAL HOUSING ASSISTANCE USING SHB 1406 SALES TAX CREDIT

SHB 1406 (codified as RCW 82.14.540) provides a new affordable housing revenue stream for cities/counties that choose to participate. This sales tax option is a credit against the state sales tax rate of 6.5%, so it will not increase the tax rate for consumers. If a city elects to participate, as Bonney Lake has, but does not have a “qualifying local tax”, the City will receive the 0.0073% half share and the county will also receive a 0.0073% half share within the City boundaries of the total potential 0.0146% sales tax credit. Bonney Lake recently (2019) adopted this sales tax levy set at the 0.0073% sales tax credit level. The City estimates that this credit will generate around \$50,000 per year.

The City could use the funds authorized under SHB 1406 and imposed under Chapter 3.32 of the Bonney Lake Municipal Code to fund a rental assistance program for City residents. The rental assistance program could assist households with rent, security deposits, or utility payment assistance to tenants. The City would need to work out the logistics and identify a community partner to help them administer the rental assistance program.

Use of the funds must serve those at or below 60% of the area median income of the City. The Area Median Income for Pierce County for Fiscal Year 2020 is \$87,322, meaning rental assistance must target households making \$52,393 and below. This threshold would be adjusted yearly as new AMIs are calculated.

The tax credit program expires 20 years after the date on which the tax is first levied (2039, in Bonney Lake's case).

<i>Advantages</i>	<i>Disadvantages</i>
For rental assistance, the funds make a material difference for household struggling with making ends meet and stay housed (better bang for buck to prevent displacement than supply-side incentives)	- The funds authorized under SHB 1406 are only authorized for 20 years so additional funding sources would need to be identified for the long term. - The city will likely need at least one community non-profit partner to help identify clients and administer the program.

Improving the
Permitting ProcessReducing
Development Costs

PROVIDE IMPROVED PERMITTING ASSISTANCE

The City could designate a staff person (or housing ombudsman) to serve as a liaison for affordable housing projects. This person would provide guidance and coordination through the permitting process and could help applicants navigate the complexities associated with the process of development and building construction permitting. In addition, this person could help educate and advise landlords and tenants.

A reform of the time it takes a project to make it through the permit process could be coupled with raising the SEPA exemption threshold, creating a SEPA exemption for infill housing within the downtown core, and adding a unit lot subdivision code section could reduce pressure on staff and make it easier to prioritize the desired project types for a fast track program.

The following cities enacted permitting efficiencies: Redmond • Kirkland • Tacoma • Redmond • Auburn • Lake Stevens. The City of Bellevue has a planner dedicated to housing projects.

<i>Advantages</i>	<i>Disadvantages</i>
• This could expedite the delivery of housing meeting diverse needs and reduce the time to approval • Could translate into cost reductions for housing • Increase in housing permitted may also increase variety of units available especially if combined with other actions related to missing middle housing	• require staff time and resources or a redirection of existing resources • Less effective without also reforming other areas of code (requires coordination on a number of different elements on different timelines)
• The process of establishing a new staff member and undergoing review of fees and permitting process steps will	



*PROVIDE FINANCIAL INCENTIVES TO
ENCOURAGE CONSTRUCTION OF MISSING
MIDDLE AND INCOME RESTRICTED HOUSING*

The City should pursue methods and options for reducing direct development cost related to the construction of missing middle and income restricted housing within the City. The following measures should be considered by the City in support of this strategy:

- The City could conduct and publish regular analyses of utility system charges and rates.
- The City could consider repeating the 2012 traffic impact fee reduction to encourage multifamily development.
- The City could provide parks impact fee credits to multifamily developments that are required to provide both open and active spaces within the development.
- The City could use funds generated from traffic fees to prioritize projects that further the City's affordable housing goals (for example, to pay for all or part of required mitigation or improvements for an affordable housing development).
- Bonney Lake should explore payment flexibility opportunities to reduce upfront fees and allow for gradual payment during the permitting process to help reduce upfront requirements acting as a barrier of entry. As a part of this process, the City could identify possible fee barriers for new residential development that is affordable and helpful for meeting current housing needs.
- The City could consider waiving pre-application meeting fees for targeted housing development projects (such as ADU, affordable housing, multifamily housing projects). Currently, the city charges \$300 for the first meeting and \$500 for each additional meeting for the same parcel. The waived fee could be limited to the first meeting and a reduced fee could be considered for subsequent meetings.
- As providing affordable housing has a broad public purpose, the City should consider a program that would lower or waive the impact fees associated with the development of missing middle housing units to reduce the cost of construction and incentivize these types of units. The City would be required to develop alternative revenue sources to cover the cost of these reductions as required by RCW 82.06.060(2). One option would be to levy a Business and Occupation tax under RCW 35A.80.020 at a rate of .0020 to fund this incentive program.
- The City should consider developing an incentive program for additional income restricted units as authorized by RCW 82.02.060(3), which allows jurisdictions to waive up to eighty percent of the impact fee amount, without the requirement to payback or make the exempted portion of the fee from other public funds for residential developments that

income restricted in perpetuity for households making less than 80% of Pierce County's AMI.

The following cities have enacted similar permitting reforms: Redmond • Kirkland • Tacoma

The City of Portland, OR Water Bureau has a development fee [financing option](#).

<i>Advantages</i>	<i>Disadvantages</i>
• The creation of a transparent and more navigable permitting process could expedite the delivery of housing meeting diverse needs and reduce the time involved with the permitting process • The process of establishing a new staff member and undergoing review of fees and permitting process steps will require staff time and resources • Permitting improvements reducing the time, labor, and costs could translate into cost reductions for housing • Broadened housing choices and increased housing development	• Delayed payment of fees, especially at the 80-100 percent level as discussed above, could result in delays for receiving needed revenue for the City • Possible opposition from business and hotel community if a B&O tax is pursued since that industry in particular is already so hard-hit from the pandemic (possibly better to move this later in the timeline) • Would need to be combined with increased staff assistance on process to avoid confusion and delays



AFFORDABLE HOUSING PRESERVATION STRATEGIES

Affordable housing should be preserved in Bonney Lake to retain housing options meeting the needs of residents with different household income levels. Strategies should be developed to preserve both rent-restricted low-to moderate-income affordable housing and naturally occurring affordable housing. Naturally occurring affordable housing are housing units that are unregulated/ unsubsidized and subject to market forces but are affordable to low-income households. Considering that regulated affordable housing is difficult and costly to build (see Appendix 8, describing the Affordable Housing Development process), strategies supporting the preservation of naturally affordable rentals are crucial for Bonney Lake. The City would have fairly low probability of gaining enough public subsidies to build rent-restricted affordable housing. Actions should be prioritized to encourage owners to retain housing for long-term renting.

- Bonney Lake should collect key data on its rental housing properties to build a rental housing preservation inventory useful for describing the rental landscape. Information on the age of the housing, number of bedrooms, rental rates, rate of vacancy, rent-restricted units, and condition (such as the CoStar housing condition star ranking) could be collected. Another benefit, is this could prevent the loss of “at-risk” properties by setting Bonney Lake up to purchase targeted properties when the owner is ready to sell or for the City to offer low cost rehab loans and financing of repairs in exchange for an affordability covenant. This strategy would help maintain housing affordability and could prevent the loss of property to new redevelopment which could displace existing residents.¹⁴ Lastly, this rental housing inventory could inform the establishment of a rental housing licensing program, should this become a priority for the City.¹⁵
- Bonney Lake should increase investments needed to purchase and preserve affordable properties particularly those at risk of displacement. Bonney Lake should identify partnership opportunities with non-profit organizations and housing agencies to purchase existing, unregulated affordable housing to preserve it for the long term. This could also be used to preserve rent-restricted housing units that might be nearing the end of their affordable term.
- The City should reach out to local housing providers to support the rehabilitation of regulated affordable properties with large capital needs or failed inspections. In addition, the City could partner with a nonprofit and/or the City of Sumner to create a rehabilitation, repair, and weatherization program that would offer repair/weatherization support for existing, unsubsidized affordable housing in exchange for affordability restrictions. This program can help improve the livability of existing owner-occupied homes and manufactured homes and

¹⁴ Local housing solutions, 2020. Housing in areas with access to public transit and schools could be targeted.

¹⁵ A rental housing licensing program could be considered which requires owners of rentals to obtain a landlord license and gain periodic inspections, when legitimate complaints are received. With these types of programs, owners are typically required to respond to code violations identified during inspections within a certain timeframe. Sumner should avoid imposing strict requirements and high fees for license since this could discourage participation.

also can help homes become more energy-efficient which can reduce the costs of utilities and promote sustainable development.

- Bonney Lake should consider establishing good landlord incentives, such as landlord training workshops or clinics, crime reduction programs, and financial incentives (e.g. exemptions from fees) associated with improving housing conditions. This type of program will support landlords by providing them best practices in preventative maintenance and tenant and property management. Similar to earlier recommendations, Bonney Lake could partner with a nonprofit or the City of Sumner to jointly implement this program.¹⁶

Examples of cities that have taken this approach: Tukwila • Seattle • Tacoma • Burien

<i>Advantages</i>	<i>Disadvantages</i>
• Preserves affordable housing possibly for the long-term • Improves the quality of life and can improve the health and stability for people living in rehabilitated homes and if completed for many homes in the same community, can result in positive effects on neighborhood quality and stability • Reduces displacement and provides information useful for identifying housing at risk of displacement • Can help improve the stability of neighborhoods • Renovating existing housing stock tends to be more cost-effective than building new affordable housing • A low-income weatherization and rehabilitation program can help improve the livability of existing owner-occupied homes and manufactured homes and also can help homes become more energy-efficient which can reduce the costs of utilities and promote sustainable development	• All of the recommendations will require staff time and resources • Several of the ideas would require funding and grants, and possible partner support • These measures are not guaranteed to increase the housing supply and the number of new affordable housing units

¹⁶ Local Housing Solutions, 2020.



SWITCH TO BEDROOM-BASED CALCULATION OF OFF-STREET PARKING FOR MULTIPLE DWELLING UNIT DEVELOPMENT

[BLMC 18.22](#), Residential Development Standards, governs residential parking requirements. Provisions for off-street parking is one of the largest users of land in most forms of residential development. Communities face a delicate balancing act of providing enough parking on site that is convenient for residents and does not have major negative side effects on surrounding streets. Traditionally, communities and developers have erred on the side of requiring or providing plentiful off-street parking in garages and driveways. While Bonney Lake's code accounts for differences in how much parking is called for in some residential uses and zones, there are areas where change could be considered.

For example, [BLMC 18.22.100\(B\)](#) requires two off-street parking spaces per dwelling unit for all multi-family units. As it currently stands, a 3-bedroom multi-family dwelling and a studio apartment would both be required to provide two off-street parking spaces. The City could consider tying off-street parking spaces to the number of bedrooms rather than the number of units. As an alternative, allow a parking study to be provided to justification for reduced parking.

The following are examples of jurisdictions that have adopted parking requirements that vary by number of bedrooms: Lynnwood • Marysville • Bellingham

<i>Advantages</i>	<i>Disadvantages</i>
• More accurately ties required parking to actual demand • Lots of evidence on the benefits of right-sizing parking makes it easy to head off potential criticism • Can be combined with other parking-related code updates (see ADUs) to reduce cost of development and prioritize housing over parking	• Might not lead to that many new units depending on strength of local market for smaller units with fewer bedrooms • Does not address provision of on-street parking, which is an important but potentially more politically divisive issue

Providing Wider Variety
of Housing Types

FACILITATE ADU CONSTRUCTION

The City of Bonney Lake currently regulates the minimum off-street parking requirements in [BLMC 18.22.090](#) and [18.22.100](#). All units require provision of two off-street parking spaces. An ADU must provide one additional off-street parking space for a one-bedroom unit and two additional off-street spaces for a unit with two or more bedrooms. BLMC 18.22.090 also requires that the ADUs meet several design guidelines that could raise barriers to creation of more ADUs. This includes the requirement that the maximum building height for a separate structure containing an ADU be 18 feet or less (one story) and that the ADU not have an entrance oriented toward the street.

The first step should be to reconcile parking requirements. Currently, 18.22.090 (accessory dwelling units) states one off-street space is required for one-bedroom ADU units and two spaces for two-or-more-bedroom units, whereas the next section (18.22.100(l)) states that one space for each ADU is required. The City can also consider reducing or waiving this requirement. The household types likely to live in a small ADU likely have lower car ownership rates than other households, particularly if they are seniors. Furthermore, the design guidelines as written may create barriers to building an ADU in a detached structure, such as above a garage, since a garage with a full dwelling unit above it is unlikely to be greater than 18 feet tall and might have a pedestrian entry door on the front that would not be allowed as an ADU entry under current code. The parking provision also provides a barrier given the City's 60 percent impervious requirement in its R-1 zones. The City could revise its code to waive the requirement for extra parking if the ADU is below a certain square footage or if the lot is home to a garage for the primary residence. Another alternative would be to allow one space in the driveway or garage to count toward the parking requirement for the ADU. The City could also consider removing or changing the height and entrance orientation requirements to provide more flexibility for detached ADUs. Lastly, the City should consider removing the requirement for owner residency if the ADU is in a detached structure, as the ownership requirement is a commonly cited barrier to use of ADUs.

The City should also consider removing the owner-occupy requirement for properties with detached ADU's. The owner-occupy requirement came initially from the International Residential Code that requires home construction. However, the IRC requirement only applies to attached ADU's, it does not apply to detached ADUs.

While the City does not require a separate water meter for ADUs, it does require a separate base charge in addition to the base charge for the primary home and the consumption charge. The City should consider removing the base charge requirement for ADUs without a separate meter. The actual water usage will be billed through the single meter and consumption rates.

The City should consider removing the separate ADU permit required in addition to the building permit. The City could verify that the ADU is consistent with applicable requirements as part of the building permit process. Planning staff are already reviewing both applications. This change would reduce cost and timing for the construction of ADUs.

Finally, the City should consider a fast track program for the review of ADUs to reduce the permitting timelines.

The following jurisdictions have reduced parking requirements for ADUs: Seattle • Kirkland • Olympia

<i>Advantages</i>	<i>Disadvantages</i>
• Provide greater flexibility for location and design of ADUs • Make more lots legally able to support an ADU • Reduce the permitting timelines and cost for ADUs.	• Neighborhood sensitivity to perceived burden on on-street parking or building heights • Potential trigger of broader changes to residential design requirements could make the changes take longer and would be more politically sensitive

Providing Wider Variety
of Housing Types

EXPAND THE AREAS OF THE CITY THAT ALLOW TOWNHOMES

While townhomes are a permitted use in the R-2 and R-3 zones, it is not clear from the bulk regulations in these zones whether townhouses would be feasible at the necessary densities to make this housing type pencil out for applicants to build them.

For example, in the R-2 district, the general intent of the district is “to establish and preserve medium-density residential neighborhoods at a density of five to nine units per acre”. Particularly in infill situations, net densities that top out at nine units per acre may be suitable for small-lot detached homes but are likely inadequate in many situations for townhome development. The City could consider increasing the maximum density allowed in the R-2 zone or creating a density bonus for attached housing. Twelve to twenty dwelling units per acre is a good target range for townhome development that pencils. One way of accomplishing this would be to adapt the cluster subdivision regulations in the R-1 zone ([BLMC 18.14.060\(H\)](#)) for R-2, although the City could consider adopting this not as a permitted use with performance standards/conditions instead of a conditional use, as is the case in the R-1 provision.

The City should also consider allowing townhomes within the R-1 along roads identified as either primary or secondary multimodal roads. If the City were to allow townhomes in these limited situations, the City allowed need to allow higher density for townhomes in these limited cases. The development of townhomes along these roadways would provide for a wider variety of the housing and act as transition between higher volume roadways and traditional detached dwelling units.

Furthermore, if unit-lot subdivisions were allowed (as outlined in this plan), BLMC [18.16.050](#) would need to be updated to allow minimum lot widths to be as narrow as a unit if a unit-lot subdivision is undertaken. Exceptions to the side setback and impervious maximum requirements in both zones would be needed as well.

The City currently has a zero-side yard setback provision in R-3 ([BLMC 18.18.050](#)). That should be repeated in R-2 (and possibly R-1 as well) if townhouses are to be allowed in both zones.

Additional design flexibility for townhomes and multifamily development can be achieved with the use of development agreements where appropriate.

<i>Advantages</i>	<i>Disadvantages</i>
- Accommodates an already permitted use, so likely to be more palatable politically than expanding the geographic scope of duplexes or other types of housing - City already has language in other code sections to act as template - Could be combined with definition of unit-lot subdivisions to make the biggest difference	Without provisions in place to prevent displacement, could incentivize elimination of affordable (older) single-family homes and diminish stock of naturally occurring affordable housing

Providing Wider Variety
of Housing Types

ALLOW MISSING MIDDLE HOUSING IN ADDITIONAL AREAS OF THE CITY

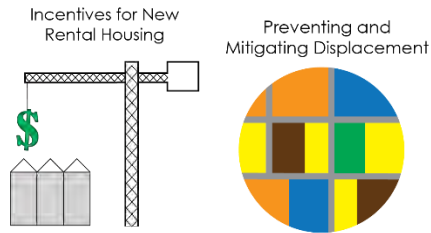
[BLMC 18.08](#) outlines which uses are permitted, conditional, and accessory in the zoning districts. This code section is important because it lays out where different uses are allowed within the City.

Currently, duplexes are permitted by right in only two districts (R-2 and R-3) and prohibited in all others. Additionally, all apartments and condominiums are grouped together in one use category; they are permitted outright in the R-3 zone and permitted with conditions in some commercial and mixed-use districts. Other attached housing options like quad-plexes and triplexes are listed as authorized and therefore are only allowed in zones that allow apartments.

Given the City's interest in providing more diverse housing options, several changes to the land use matrix could increase the range of "missing middle" housing across the City. Duplexes could be allowed by right in the R-1 and R-2 and the code could be modified to ensure the duplex unit only counts as one unit when calculating density. New use categories could be broken out of the "Apartments/Condominiums" use to reflect missing middle options like triplexes and quadplexes, with those uses permitted, conditional, or permitted with conditions in more zones than large apartments.

Where additional housing types are allowed, considering increasing the allowed density as well to encourage that housing type to be built. Consider using a form-based code to facilitate the construction of these additional housing types and ensuring that the construction is compatible within existing neighborhoods.

<i>Advantages</i>	<i>Disadvantages</i>
• Could open up large areas where more diverse housing options are allowed • Footnotes and Conditional Use Permit requirements could allow staff/council to tailor appropriate performance standards and conditions to each use	• Adding or modifying uses in the use matrix could trigger broader examination of the land use matrix and bog down the process • Just permitting uses in a zone does not alter any other market fundamentals or code limitations within that zone's standards and thus may not result in many units being built unless those other limitations are addressed as well



DEVELOP INCLUSIONARY ZONING INCENTIVES

Inclusionary zoning is a program in which code establishes minimum percentages of housing units at a particular level of affordability that are to be provided within new development. It can be regulated as either a mandatory or a voluntary program. Bonney Lake has indicated interest in a voluntary program to incentivize creation of more affordable housing units.

RCW 36.70A.540 provides the City with several tools for incentivizing affordable housing as a percentage of new development. The City should consider the development an incentive program that reduces permit fees, other height and bulk bonuses (e.g. lot coverage, setbacks, etc.) and provides expedited permitting for projects that include housing units that will be income restricted for fifty years for those households that make fifty percent or less of the Pierce County AMI for rental units and eight percent or less of the AMI for owner occupied units. Jurisdictions can increase the threshold to eight percent of the AMI for rental units and 100% of the AMI for owner-occupied units under certain conditions.

Additionally, the City will need to develop affordable housing density bonus for properties zoned R-1, RC-5, and R-2 for properties owned or controlled by a religious organization as required by RCW 36.70A.545. Affordable under this state law is defined as less than 80% of the Pierce County AMI.

<i>Advantages</i>	<i>Disadvantages</i>
• Voluntary program likely to be less controversial than mandatory one • Voluntary program unlikely to receive same level of interest or have the same effects as mandatory program • For current use assessment, lack of current examples makes program design more challenging	• Incentive programs would equate to a loss in overall permit revenue for the City



REDUCE INFRASTRUCTURE COST TO SUPPORT HOUSING AFFORDABILITY

The City should explore ways to reduce the cost of developing housing in a way that would help boost production and reduce the cost of housing. Infrastructure development costs can make it expensive to build more housing choices and create financial barriers to new home construction, which can result in fewer projects moving forward. In order to reduce infrastructure cost the City should consider the following:

- Allow developers to receive a full or partial credit against required connection charge for the construction of improvements identified in the applicable General Water Plan or Sewer Plan. The actual amount of the credit will need to be based on the amount of the connection charge that is attributed to future projects.
- Broadening the use of transportation latecomer agreements. The City currently allows for transportation late agreements for projects that are required constructed a mapped street as a condition of development per BLMC 12.30.040. The City should consider expanding this option to other required improvements that provide a benefit to future development.
- The City has adopted provisions governing development agreements in Chapter 14.70 of the Bonney Lake Municipal Code, which have granted the City additional flexibility to modify development regulations and allow additional incentives which allows the City to provided credits for water, sewer, and stormwater system development charges based on the value of developer-funded infrastructure for the same utility. The City should continue to use development agreements to encourage and facilitate the construction of affordable housing.
- The City should regularly review and update the calculation of system development charges and impact fees to ensure that the cost reflects the cost of the required improvements.

<i>Advantages</i>	<i>Disadvantages</i>
• More accurately scaling connection charges to share of future benefits could make fee system more fair and provide greatest incentive for builders of small missing middle projects	• Development agreements can have a relatively large impact over a relatively large scale • Negotiating development agreements can be time consuming and staff intensive



UPDATE ROAD STANDARDS TO SUPPORT MISSING MIDDLE HOUSING

Substantial portions of new development are taken up by the provision of roads and streets. If fire life safety issues are addressed by the road design and on-street parking is available proportionate to the surrounding uses, narrower public streets or private roads can reduce impervious surface, allow more units to be built, and improve the built environment for residents, especially pedestrians.

For example, Bonney Lake does not currently have a cross-section for private streets. While private streets are allowed for short subdivisions of four or fewer lots according to [BLMC 17.50.060\(B\)](#), some of the housing options discussed in the Housing Action Plan could also benefit from the ability to provide access via a private that complies with fire code. For example, townhouse developments on small footprints can provide units and off-street parking, but especially in infill situations, providing public street access to those units may impact the viability of the project. The City could consider allowing private streets, potentially with a pedestrian facility, to serve up to a certain number of townhouses, cottage housing, or other “missing middle” housing options (depending on zone, nature of surrounding streets, and existing sight lines and traffic control measures). The City could also consider increasing the number of lots that can be served by a private road. [BLMC 17.50.060](#) requires public roads for more than 4 lots, but if the city raises its short plat threshold to nine lots this requirement could change as well. Developing an alley road standard would also help provide design flexibility in missing middle housing and infill situations.

Currently the City allows for the payment of fee in-lieu for frontage improvements for two and three lot short plats. The City should consider increasing the threshold to four lots and allowing duplexes, tri-plexes, quad-plexes and developments with four or fewer townhomes to qualify.

Additional site design flexibility could be provided through the use of development agreements (see action on “Infrastructure Cost to Support Housing Development”).

The following are a few of the jurisdictions who have adopted similar private access drive and/or reduced width roadway designs: Snohomish County (private access drives) • Marysville (reduced width roadway)

<i>Advantages</i>	<i>Disadvantages</i>
- Revising engineering standards could be less politically complex than code - Provides design flexibility without adding layers of complexity to code - Environmental benefits from less impervious surfaces with smaller road cross-sections	- Does not guarantee increased affordability of housing - Need to have buy-in from fire department - Requires road standards changes and coordination with public works

Providing Wider Variety
of Housing Types

PERMIT AND CLARIFY TINY HOME REGULATIONS

Tiny houses, which can be either built on foundations or on wheels, are one way to provide a housing option for individuals and households who desire privacy but do not want or cannot afford a large single-family home. They can also be used as a way of providing housing for people experiencing homelessness. Until recently, state law, building codes, and local regulations have presented numerous legal and logistical barriers to siting and building these very small, detached dwellings.

In 2019, the state legislature passed [ESSB 5383](#), which updated state law to enable the development of tiny house villages or communities throughout the state. This law defined tiny houses, directs the adoption of the updated residential building code. The City of Bonney Lake can do the following to study and improve its code and policies on tiny houses.

- Create permit pathway for Binding Site Plans that allow siting of tiny homes (similar to manufactured home park)
- Consider modifying the use matrices to specify where tiny houses or tiny house villages would be permitted or conditionally allowed
- Add definitions for tiny houses to [BLMC 18.04](#) to differentiate from trailers, manufactured homes, and recreational vehicles. This includes clarifying that only tiny houses on foundations (not on wheels) are allowed
- Allow tiny homes, set on a foundation, to be utilized as an ADU
- Include support for tiny houses in housing element of Comprehensive Plan
- Adopt updated International Residential Code with Appendix Q modified to include tiny houses
- Update site plan approval criteria to account for unique site needs of tiny houses

The following are a few of the jurisdictions who have adopted specific provisions for tiny homes: Seattle • Olympia • Tacoma

<i>Advantages</i>	<i>Disadvantages</i>
• Addresses housing for lower income households without using apartments • Could be cost effective way of mitigating displacement • Provides safer living environment for people experiencing homelessness or housing instability during COVID-19 • Could provide another ADU option	• Perception of tiny homes as social welfare program may make it politically difficult • Addressing tiny homes may require addressing multiple sections of city code and thus may add to difficulty



UPDATE OPEN SPACE AND PRIVATE RECREATIONAL REQUIREMENTS

BLMC Title 18 outlines outdoor recreation requirements by zone in Bonney Lake.

In the R-3 zone (multifamily residential above 10 dwelling units per acre), [BLMC 18.18.080](#) requires a minimum of 20 percent of the total land area of the site to be maintained as “pervious open space, landscaping or recreation areas, with a minimum of 10 percent developed for recreational use.” The section goes on to require that areas with wetlands, seasonal flooding, or slopes greater than 25 percent cannot be recreational areas. The City could consider revising this section to specify that critical area buffers can serve as recreational area if pervious surface walking trails area included. It can also consider allowing multiple smaller open space areas if one of them meets a minimum required size (currently the code simply requires that “an outdoor recreation area shall be provided on all projects”). It can also consider waiving part or all of this requirement if a development is within a distance of a public park and has suitable pedestrian access.

The City's subdivision code (Title 17) also contains a provision in [17.50.090](#) that requires all new subdivisions provide 193 square feet of playground space per residential unit. The City could consider moving this requirement to Title 18 and making the per-unit square footage requirement standard for townhomes and multifamily units as well. As stated above, reducing the open space requirements, when the project is located near an existing park should be considered.

The City should also consider an in-lieu options that would allow the developer to pay a fee to comply with this requirement. The City would dedicate the in-lieu fees to the City's Park CIP. While this is a cost, it would free up additional space for development.

The City could also consider defining open space and recreation area more fully, either in 18.18.080 or in Title 18's definitions section.

The following are a few of the jurisdictions who have adopted similar open space provisions: Snohomish County • Bothell • Lynnwood • Snoqualmie

<i>Advantages</i>	<i>Disadvantages</i>
- Provides design flexibility in meeting open space requirements on sites with unusual layout - Allows critical area buffers to serve at least a portion of open space requirements, which highlights value of critical areas to neighboring areas - Recognizes existing parks when connected to new development	- Could lead to more numerous but smaller and less useful open spaces if specific parameters are not thoughtfully designed - If definition of open space is too specific, it may curtail more creative designs

Providing Wider Variety
of Housing Types



AMEND BULK STANDARDS FOR R-ZONES TO SUPPORT ZERO LOT LINE, COTTAGE, AND TOWNHOUSE DEVELOPMENT

Zero lot line subdivisions, also known as fee-simple townhomes or unit-lot subdivisions, are a way to allow attached single-family units to lower the bar financially for entry into homeownership. Bulk regulations do not always make this form of development straightforward. Bonney Lake should consider several changes to the bulk regulations for the R-1, R-2, and R-3 zones to make sure this type of housing can be built.

In the R-1 and R-2 bulk regulations, the city could consider allowing zero lot line development as long as the overall site density meets the requirements for each zone. This could help make some sites with critical areas or other spatial limitations developable using attached single-family. In that case, the city would have to allow minimum lot widths as narrow as 20 feet and side setbacks can be zero feet when a zero lot line development is proposed. Lot coverage would have to be revised as well; currently the maximum impervious surface coverage is 60 percent, but a zero lot line lot with only a small front and/or back yard would easily exceed this. The city could also consider allowing smaller front setbacks as is done in many townhome situations.

In the R-3 zone, townhouses are currently allowed in terms of side setbacks and impervious coverage. The city could consider allowing a smaller front setback than 15 feet if zero lot line townhomes are proposed. The city may also consider removing the minimum setback to a single family zone in addition to the required landscape buffer when zero lot line single-family is proposed, as this development type would have different (smaller) impacts on neighboring properties than larger multifamily projects.

This action, if adopted, should ideally be accompanied by provisions to allow private access tracts or private roads to serve more lots. Since many unit-lot townhome opportunities are infill on small sites with tight tolerances, allowing private access tracts to provide access to 10-15 townhomes would help make this a more viable form of development.

The following are a few of the jurisdictions that have allowed unit-lot subdivisions in their code: Snohomish County • Everett • Redmond • Renton

<i>Advantages</i>	<i>Disadvantages</i>
• Simpler to administer and regulate than condominiums while providing similar affordable entry to home ownership • Encourages appropriate development of sites with complex constraints or layout • Provides downsize option for seniors as well as an affordable entry into ownership for first-time buyers	• Simply allowing a type of development does not guarantee any element of affordability • City must coordinate with utility districts to ensure required utility easements do not exceed the size of desired front setbacks for unit lot townhomes

Improving the
Permitting ProcessReducing
Development Costs

STREAMLINE DESIGN REVIEW PROCESS

The City currently requires design review for all housing projects except for traditional detached housing units. The City should consider updating BLMC 14.95.020 to exempt duplexes, tri-plexes, quad-plexes and certain levels of townhouse and apartment developments from design review. Review of required design standards required for these projects could be completed during a review of the building permit. Under the current process, staff reviews the design elements during the design review process and then reviews the building permit for the same elements. A separate review process is not required to ensure that these smaller scale projects comply with the City's adopted design standards.

<i>Advantages</i>	<i>Disadvantages</i>
• Reduce permit timelines and costs • Eliminate duplicative processes • Encourage urban development planned for within the Comprehensive Plan	• Perception that notification/options to appeal projects could be reduced

Improving the
Permitting Process

IMPROVE SEPA IMPLEMENTATION

During the 2019-2020 legislative session, HB 2673 was passed. The Bill allows cities a local option to allow higher SEPA exemptions for projects that implement the density and intensity of uses planned for in your Comprehensive Plan. The legislation allows for SEPA exemptions for residential, mixed use, and commercial development up to 65,000 square feet. Adopting increased SEPA exemptions particularly within the downtown center, could reduce duplicative permit processes while maintaining environmental protections outlines within current City, state, and federal regulations. It is also a way to encourage urban infill that the City has already planned for.

In most cases, environmental issues that SEPA was intended to address in 1971 are now mitigated by local codes and both state and federal regulations. The City could take steps to reduce duplicative review processes and reduce permit process timeframes while still providing protection of the environment and strong public participation during the permitting process. Some steps that the City should consider take are listed below:

- The Department of Ecology updated State Environmental Policy Act (SEPA) rules in 2012/13. The updated rules, contained within [WAC 197-11-800\(1\)](#), grant local governments the ability to increase SEPA categorical exemptions for certain minor new construction activities. This includes SEPA exemptions for single and multi-family development, commercial buildings, and filling and grading activities. These are often referred to as “flexible thresholds” because each jurisdiction can adopt standards within a range that meets their needs. Currently, Bonney Lake Municipal Code [16.04.080](#) has adopted exemption levels higher than the minimum allowed but lower than thresholds provided for in 2012/13 update. The City should consider updating the thresholds to the maximums now allowed.
- During the 2019-2020 legislative session, HB 2673 was passed. The Bill allows cities a local option to allow higher SEPA exemptions for projects than authorized by WAC 197-11-800(1) in order to implement the density and intensity of uses planned for in your Comprehensive Plan. Adopting increased SEPA exemptions particularly within the Downtown center, could reduce duplicative permit processes while maintaining environmental protections outlines within current City, state, and federal regulations. As the City already completed the required Environmental Impact Statement for the Downtown plan, the City should explore adopting the infill exemption for Downtown as a way to encourage urban infill within the area.
- The City currently does not allow categorical exemptions be used for developments that include property encumbered by potential landslide hazard areas, FEMA 100-year floodplains, and/or Wetlands and streams, and their buffers authorized by WAC 197-11-908. This prohibition is an optional provision that local jurisdictions may enact. Given the

City's recent robust update of its critical area regulations and shoreline master program, the City should consider repealing this optional prohibition.

The following are a few of the jurisdictions who have adopted SEPA exemption thresholds above the minimum required by WAC 197-11-800: Des Moines • Everett • Kent • Lynnwood • Marysville • Mountlake Terrace • Mukilteo

<i>Advantages</i>	<i>Disadvantages</i>
• Reduce permit timelines and costs • Eliminate duplicative processes • Encourage urban development	• Perception that environmental protections may be reduced • Perception that notification of specific projects would be reduced if underlying permit does not require public notice

HIGH-LEVEL FINDINGS FROM SUMNER HOUSING NEEDS ASSESSMENT

Small, Non-Family Households – There is a need to support continued production of smaller sized housing options such as accessory dwelling units, duplexes, tri-plexes, and townhomes. Space efficient housing units, smaller in size, can be more affordable than other units because they are smaller and more energy efficient and they use less land resources.

Growing Diversity - Strategies should focus on providing lower-priced rentals and moderate to middle-income home ownership opportunities for larger family-friendly housing, that may include multiple generations.

Steady Growth in Senior Population Expected - The HAP should include strategies to address the intensifying housing needs of seniors. Home-ownership rates increase as age increases and older people are more likely to live in single-person households. The aging of the Baby Boomer generation (born 1946 to 1964) could generate greater demand for housing offering living assistance, multigenerational accommodations, and opportunities for residents to age-in-place or age elsewhere in their communities. Overall, these trends indicate high demand for middle housing (e.g., ADUs, townhomes, triplexes, duplexes, quad homes, and cottages) which allows more seniors and couples to downsize and remain in their community.

Rising Supply Scarcity Leads to High Costs - Similar to Bonney Lake, additional home ownership opportunities for households earning between 80 and 120% AMI should be supported. Housing serving this income bracket tends to be middle housing and produced by the private market. Middle housing primarily includes single-family attached housing with two or more units or other housing bridging a gap between single family and more intense multifamily. Demand is expected to increase for this type of housing mostly due to aging baby boomers, young households forming, and the growing workforce. Sumner should also prioritize additional production of apartments, multiplexes and middle housing, and government subsidized housing.

Largest Share of Regional Employment - Like Bonney Lake, actions should be considered to ask whether people are commuting because of a lack of affordable housing or due to other reasons. In addition, it's worth asking whether employers are finding it difficult to recruit staff due to the lack of needed housing options. Sumner's large share of regional employment reflects in part that housing in Sumner is in fact more affordable than much of King County.

Housing Stock is Aging and Lacks Diversity of Options - Similar to Bonney Lake, the low supplies of single-family attached housing (e.g., townhomes) and multifamily housing should be addressed to provide broader housing options and to meet the expected demand associated with aging baby boomers. The older housing stock in Sumner could increase the risk of displacement particularly if this housing is serving lower income households. Displacement occurs when a household is forced to relocate. This tends to occur as a result of changes in the housing market, either because their housing is being redeveloped or undergoing major renovations, or due to their housing costs

increasing faster than they can afford. Displacement can be physical (redeveloped areas or housing with substantial remodels), economic (increase in rents), or cultural. Displacement risk is heightened for cost-burdened renters, low-income households, minorities, and households who are more likely to experience housing discrimination. Displacement tends to occur in areas with older housing, with access to transit, less expensive land, and land opportunities conducive to large developments. An analysis identifying gradations of displacement risk should be completed to help address displacement concerns. Changing the zoning to allow more intense housing development can increase the chances that current residents in the affected neighborhood will be physically displaced to make way for redevelopment. Consequently, displacement risk should be assessed before any rezones and safeguards should be developed in response to the findings. Ideas to provide those safeguards are discussed within the Housing Action Plan.

Cost Burden on Lower Income and Renter Households - Sumner should take action to leverage production of low-income housing. The approaches for increasing low-income housing has lagged behind and likely is more complicated due to the need for some sort of direct assistance.

KEY FINDINGS AND RECOMMENDATIONS

Housing Policy Analysis

The project team completed an analysis of Sumner's housing policies. The City's comprehensive plan includes its housing policies under the [Housing Element](#). In addition, the City also provides housing policy support in the Land Use, Community Character, and Economic Development Elements of the Comprehensive Plan. [Appendix 4](#) contains an analysis table of Sumner's housing policies. Overall, the current Comprehensive Plan provides a great policy basis for providing a variety of housing types at all income levels. Most of the actions identified in this plan are already supported by existing policy. Here are a few examples:

- 1.4 encourages "...protection of viable neighborhoods and the need to provide for a range of housing to all life stages and economic segments, allow for accessory units in single-family neighborhoods".
- 1.4.3 focuses on efficient permitting process by stating "Review development regulations for obstacles to permitting accessory dwelling units."
- Provides direct ADU policy support by stating "Allow for accessory units in low density residential districts."
- 2.3.4 and 2.8 support senior housing by stating "Promote the development of senior housing units in proximity to needed services" and "Provide incentives for developing senior housing in the downtown such as permit fee waivers and reductions and parking requirement reductions."

The Housing Element also provides great support for the development of the Housing Action Plan. Policy 2.1.1 promotes development of a housing strategy to meet the fair share housing allocations. The HAP can provide high-quality information and ideas to help implement fair share requirements.

Moving forward, the City could consider additional direct policy support related to actions the City may take in the future. This could range from support for a property maintenance program, direction for MFTE implementation, or direction specific on the types of programs the City could implement to remove obstacles for ADU development.

Lastly, the City will be updating its comprehensive plan by June 2024. Part of this process will include a review to ensure city policies are consistent with State Law, and regional (PSRC Vision 2050) and countywide planning policies. Recent changes to regional policies have focused on issues such as equity and displacement. These new and updated policies align well with many of the goals within this plan. A future update of policies to provide an equity lens on development and displacement minimization as redevelopment occurs will ensure future actions meet all the City of Sumner's goals.

Housing Strategies

The following six strategies represent collections of actions that address a particular housing issue in a targeted way. The specific actions that fall under each strategy are listed below the strategies. Note that many actions appear under multiple strategies; this reflects the fact that many of the actions the cities can take can address more than one issue simultaneously.

Strategy 1, Preserve rental housing

- [Affordable housing preservation strategies](#)
- [Create property maintenance incentive program](#)

Strategy 2, Incentives for new rental housing

- [Inclusionary zoning/density bonuses/current use assessments](#)
- [Use of MFTE/publicly owned land as incentives for rent-restricted affordable housing](#)

Strategy 3, Bring down the cost of development

- [Use HB 1406 sales tax dollars to reduce development costs](#)
- [Use of MFTE/publicly owned land as incentives for rent-restricted affordable housing](#)
- [Create permit process fast track program](#)
- [Raise threshold for what separates a plat and a short plat from 4 to 9 units](#)
- [Raise SEPA exemption levels for minor new construction](#)
- [Update road standards to increase site flexibility](#)

Strategy 4, Provide wider variety of housing types

- [Expand where ADUs can be built](#)
- [Modify allowed uses to increase range of missing middle housing](#)
- [Expand where senior housing can be built](#)
- [Permit and clarify Tiny Home regulations](#)
- [Improve administration of unit lot subdivisions](#)

Strategy 5, Prevent and mitigate displacement

- [Use HB 1406 sales tax dollars to reduce development costs](#)
- [Affordable housing preservation strategies](#)
- [Use of MFTE/publicly owned land as incentives for rent-restricted affordable housing](#)
- [Inclusionary zoning/density bonuses/current use assessments](#)
- [Create property maintenance program](#)

Strategy 6, Improve the permit process

- [Create permit process fast track program](#)
- [Raise threshold for what separates a plat and a short plat from 4 to 9 units](#)
- [Raise SEPA exemption levels for minor new construction](#)
- [Improve administration of unit lot subdivisions](#)

Figure 10. Action Schedule and Summary Table, Sumner

Action	Type	Target Group	Area of Applicability	Scale of Potential Impact	Timeline
Create property maintenance incentive program	Preserve rental housing; Prevent and mitigate displacement	Landlords and multi-family property owners.	City-wide	Large scale potential to impact up to 1/3 of dwelling units in the City	1-2 years
Affordable housing preservation strategies	Preserve rental housing; Prevent and mitigate displacement	Multi-family property owners	City-wide	Large scale potential to impact up to 1/3 of dwelling units in the City	1-2 years
Inclusionary zoning/density bonuses/current use assessments	Incentives for new rental housing	Low-income populations	Town Center Plan Area	Medium scale	2-3 years
Use HB 1406 sales tax dollars to reduce development costs	Bring down the cost of development; Prevent and mitigate displacement	Low-income populations	City-wide	Small scale given limited new funds per year	1-2 years
Use of MFTE as incentive for rent-restricted affordable housing	Incentives for new rental housing; Bring down the cost of development; Prevent and mitigate displacement	Developers and investors	City-wide	Large-scale	1-2 years
Create permit process fast track program	Bring down the cost of development; Improve the permit process	Developers and investors	City-wide	Small scale-Sumner currently has efficient permitting timelines	1 year
Raise threshold for what separates a plat and a	Bring down the cost of development; Improve the	Investors and small developers	City-wide	Small scale given limited land available for	1-2 years

Action	Type	Target Group	Area of Applicability	Scale of Potential Impact	Timeline
short plat from 4 to 9 units	permit process			further subdivisions	
Raise SEPA exemption levels for minor new construction	Bring down the cost of development; Improve the permit process	Investors and small developers	City-wide	Medium scale as infill development occurs will lower costs	1-2 years
Improve administration of unit lot subdivisions	Provide wider variety of housing types; Improve the permit process	First time home buyers	Residential zones	Small Scale as relative number of overall units will be small	1-2 years
Update road standards to increase site flexibility	Bring down the cost of development	Developers	Residential zones	Small scale with minimum area for new streets	2-3 years
Expand where ADUs can be built	Provide wider variety of housing types	Seniors and single person households	Low Density Residential	Small scale as limited interest in ADUs	2-3 years
Expand where senior housing can be built	Provide wider variety of housing types	Seniors	City-wide	Large scale	2-3 years
Modify allowed uses to increase range of missing middle housing	Provide wider variety of housing types	Moderate- to low-income households	Residential zones	Large scale	2-3 years
Permit and clarify Tiny Home regulations	Provide wider variety of housing types	Moderate- to low-income households	Residential zones	Small scale given number of potential units	2-3 years

HOUSING ACTIONS

Preventing and
Mitigating DisplacementPreserving Rental
Housing

AFFORDABLE HOUSING PRESERVATION STRATEGIES

Affordable housing should be preserved in Sumner since providing housing inclusively for all income spectrums is a priority for the City. Rent-restricted low-to moderate-income affordable housing (or supported housing) and naturally occurring affordable housing should be preserved. Naturally occurring affordable housing are housing units that are unregulated/ unsubsidized and subject to market forces but are affordable to low-income households. Considering that regulated affordable housing is difficult and costly to build (see the section below describing the Affordable Housing Development process), strategies supporting the preservation of naturally affordable rentals are crucial for Sumner, given the low probability of gaining enough public subsidies to build rent-restricted affordable housing. Actions should be prioritized to encourage owners to retain housing for long-term renting.

- As mentioned in the property maintenance strategy, Sumner should collect key data on its rental housing properties to build a rental housing preservation inventory. This could help attract experienced nonprofit housing developers and managers and assist the City in setting up a public-private land banking partnership to prevent the loss of at-risk properties. The City could offer low-cost rehab loans and financing of repairs in exchange for an affordability covenant. This effort could help maintain housing affordability and could prevent the loss of property to new redevelopment which could displace existing residents.
- Sumner should increase investments needed to purchase and preserve affordable properties particularly those at risk of displacement. Sumner should identify partnership opportunities with non-profit organizations and housing agencies to purchase existing, unregulated affordable housing to preserve it for the long term. This could also be used to preserve rent-restricted housing units that might be nearing the end of their affordable term.
- The City should reach out to local housing providers to support the rehabilitation of regulated affordable properties with large capital needs or failed inspections. In addition, the City of Sumner could partner with the City of Bonney and/or a nonprofit to create a rehabilitation, repair, and weatherization program providing repair/weatherization support for existing, unsubsidized affordable housing in exchange for affordability restrictions. A low-income weatherization and rehabilitation program can help improve the livability of existing owner-occupied homes and manufactured homes and can help homes become more energy-efficient which can reduce the costs of utilities and promote sustainable development. As a part of this program, education should be developed and distributed such as education on Pierce County's Down payment Assistance Loan available for homeowners.

Examples of cities using these approaches include: Tukwila • Seattle • Tacoma • Burien

<i>Advantages</i>	<i>Disadvantages</i>
• Preserves affordable housing possibly for the long-term • Improves the quality of life and can improve the health and stability for people living in rehabilitated homes and if completed for many homes in the same community, can result in positive effects on neighborhood quality and stability • Reduces displacement and provides information useful for identifying housing at risk of displacement • Can help improve the stability of neighborhoods • Renovating existing housing stock tends to be more cost-effective than building new affordable housing • A low-income weatherization and rehabilitation program can help improve the livability of existing owner-occupied homes and manufactured homes and can help homes become more energy-efficient which can reduce the costs of utilities and promote sustainable development	• All the recommendations will require staff time and resources • Several of the ideas would require funding and grants, and possible partner support • These measures are not guaranteed to increase the housing supply and the number of new affordable housing units

Providing Wider Variety
of Housing Types

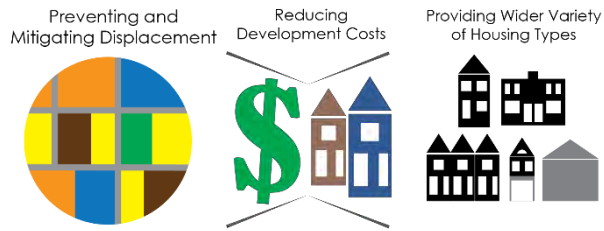
EXPAND WHERE AN ADU CAN BE BUILT

SMC 18.12 outlines regulations for low-density residential districts. Accessory dwelling units are currently regulated by [SMC 18.12.030\(A\)](#), which contains the decision criteria for locating an ADU on a property in the LDR zones. Several revisions to this section could expand where ADUs can be built. For example, the City could consider the following:

- Eliminate the requirement that the total number of occupants across both the primary and accessory dwelling not exceed the maximum number established by the definition of family ([SMC 18.04.0375](#) defines family as a group of not more than five persons who are not related, but who are living and sharing kitchen facilities together as a single housekeeping unit). Under this reading, a primary dwelling home to a five-person family and a detached ADU home to two people unrelated to the primary dwelling residents might not be allowed. Further, this is a very difficult standard to administer.
- Alter the requirement in 18.12.030(A)(4) so that total area is capped at either 800 square feet or a percentage of the total dwelling unit area, whichever is larger. (Minimum size can be a percentage to keep this from being a barrier for smaller primary dwellings.)
- Alter setback requirements. SMC currently requires some large rear setbacks in its residential zones. Currently, rear yard setbacks in the LDR-12 through LDR-6 zones are 30 feet, and 25 feet for LDR-4. ADU minimum rear setbacks are 15 feet, but rear setbacks could be reduced to 20 feet for primary structures (especially in the 4- and 6,000 square foot lot zones) and could be reduced to 5-10 feet for ADUs associated with garages.
- Increase minimum lot coverage. Currently, the LDR-4 zone has a 40 percent maximum lot coverage. This could be a barrier to ADU construction on these smaller lots.
- Change the parking requirement so that only one dedicated off-street parking space is required for an ADU (also, see other policies related to parking reform). You could also eliminate the need for an off-street parking space in some circumstances. Requiring a new off-street parking space to be provided (beyond the existing driveway), could be a barrier to development.
- Remove restriction that ADUs cannot be detached from primary residence in any zone except LDR 12,000.
- Change the height requirement to allow a full second story with pitched roof above a detached garage to serve as an ADU (current code allows a maximum of 16 feet). Also consider allowing taller structures to offset impervious surface maximums

For more detailed information about ADUs, please see the [Real Estate Prototypes in Appendix 2](#).

<i>Advantages</i>	<i>Disadvantages</i>
• Provide greater flexibility for location and design of ADUs • Make more lots able to support ADU	• Neighborhood sensitivity to perceived burden on on-street parking • Potential to trigger broader changes to residential design requirements could make the changes take longer



USE OF MFTE AS INCENTIVE FOR RENT-RESTRICTED AFFORDABLE HOUSING

The City of Sumner should establish more incentives to promote increased availability of affordable housing that would be rent restricted for low to moderate-income households. A list of affordable housing funding sources available to Sumner is detailed below in the Local Affordable Housing Funding Sources section. Use of these programs should be explored to help develop new affordable housing in the City. For example, possible opportunities to apply for use of Pierce County's CDBG funds should be explored.

Sumner should consider updates to its Multifamily Tax Exemption (MFTE) program to incentivize affordable housing options and promote mixed income developments. Sumner's MFTE program is limited to buildings with over 10 dwelling units located in the Town Center Plan Area and is available for new construction, rehabilitated apartments, or a converted building. For the property to qualify for the 12-year exemption, the applicant must commit to renting or selling at least 20 percent of the multifamily housing units as affordable housing units to low- and moderate-income households. A "Low-income household" must be 80% of the AMI or lower while a "Moderate-income household" is between 80 to 115% of the AMI.

Other MFTE program variations should be researched and weighed against costs (foregone property tax revenue for the duration of the program) and benefits (such as affordable housing production) including allowing MFTE city-wide. Sumner could evaluate whether other forms of qualified housing with over four units such as quadplexes would be permissible under state law and whether they want to limit program usage to only projects producing a certain number of total units. Sumner's program currently limits use to buildings with more than 10 dwelling units. Program variations could be analyzed to inform recommendations through detailed cost-of-construction analysis, or by garnering input from housing developers and current planners, or cost-benefit analysis, or through best practice research comparisons of other jurisdictions. The City could also consider whether to apply the MFTE city-wide or only for the 12-year exemption to more narrowly focus on affordability. Additional detail on MFTE recommendations are provided in [Appendix 2 under the Program Analysis Memo](#).

Examples of cities with MFTE programs: Burien • Redmond • Tacoma • Kirkland • Marysville • Everett • Issaquah • Yakima

<i>Advantages</i>	<i>Disadvantages</i>
• Tax abatements positively impact the feasibility of projects where market-rate projects are feasible and can help cross-subsidize affordable units • Helps balance out financial impacts of building affordable housing	• City must weigh the temporary loss of tax revenue against benefits • May provide insufficient incentive to lead to production or affordability unless paired with other tools

Preventing and
Mitigating DisplacementReducing
Development Costs

USE HB 1406 SALES TAX DOLLARS TO REDUCE DEVELOPMENT COSTS

SHB 1406 (codified as RCW 82.14.540) provides a new affordable housing revenue stream for counties, cities, and towns that choose to participate. This sales tax option is a credit against the state sales tax rate of 6.5%, so it will not increase the tax rate for consumers. If a city elects to participate, as Sumner has, but does not have a “qualifying local tax”, the City will receive the 0.0073% half share and the county will also receive a 0.0073% half share within the City boundaries of the total potential 0.0146% sales tax credit. The City of Sumner (2019) recently adopted this sales tax levy set at the 0.0073% sales tax credit level. They estimate that they will generate around \$45,000 per year from this credit.

The City will be contributing this funding toward a regional/countywide organization (yet-to-be-formed) organization that will seek to acquire (or build) and manage affordable housing assets and programs similar to the A Regional Coalitions for Housing (ARCH) in King County (a partnership of many eastside suburban cities). The City is currently participating in the South Sound Affordability Partnership which will make recommendations on the formation of such an entity.

Examples of cities using SHB 1406 dollars in this way include: Ellensburg • Issaquah • Olympia • Port Angeles • Redmond

<i>Advantages</i>	<i>Disadvantages</i>
The level of funding received via the tax credit is limited and can be leveraged with other sources of funds	The City loses some local control of the dollars in terms of where they are spent

Improving the
Permitting ProcessReducing
Development Costs

CREATE PERMIT PROCESS FAST TRACK PROGRAM

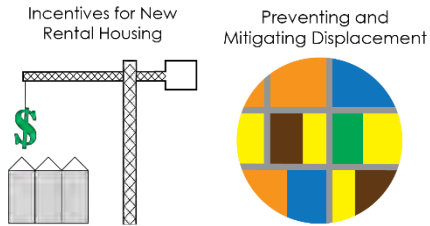
The length of time it takes to obtain permits for construction can add to the cost of housing. While city review of development permits is crucial to ensuring development is safe, high-quality, and integrated with infrastructure appropriately, improvements to the ways the City processes permits of different types can reduce the time it takes to get badly needed housing to market. While the City already prides itself on providing an efficient permit process, a program to fast track certain permit types that city is focused on could be advantageous.

For example, providing a formalized pathway for applicants to submit preliminary land use applications and civil construction plans simultaneously could potentially reduce total review time by several months and puts the responsibility on the applicant in case the land use review changes the project in ways that impact the civil construction design.

The City could consider creating a demonstration program for housing types it is trying to encourage. Certain housing types – ADUs, senior housing, attached single family, for example – could move to the front of the queue for review. A limited term demonstration program would allow the City time to track program metrics such as time saved for applicants and permits issued under the program.

Focusing on certain permit types could result in a review bottleneck. However, undertaking additional permit process at the same time could help. For example, a reform of the time it takes a project to make it through the permit process could be coupled with raising the SEPA exemption threshold for minor new construction, creating a SEPA exemption for infill housing (as the City has already done with a Planned Action Ordinance within the Town Center and East Sumner areas), and adding a unit lot subdivision code section could reduce pressure on staff and make it easier to prioritize the desired project types for a fast track program.

<i>Advantages</i>	<i>Disadvantages</i>
• Could be used in a targeted fashion to fast-track the most in-demand forms of more affordable and diverse housing stock • Would not involve changing large sections of city code or standards (simpler to implement)	• Could be opposed by groups affiliated with housing types not represented in fast-track program emphasis • Requires additional reforms and actions targeted at improving processes to not create bottlenecks in the review process and put other permit process timelines at risk



INCLUSIONARY ZONING/DENSITY BONUSES/CURRENT USE ASSESSMENTS

Inclusionary zoning is a program in which the zoning code establishes minimum percentages of housing units at a particular level of affordability that are to be provided within new development projects, often limited to particular zones or subareas. It can be regulated as either a mandatory or a voluntary program. Sumner has indicated interest in a voluntary inclusionary zoning program to incentivize creation of more affordable housing units.

Several tools for incentivizing affordable housing as a percentage of new development sit at the City's disposal. For example, the City could establish a density bonus system whereby developments that agree to provide a certain percentage of affordable units for a certain number of years are eligible for higher densities than would ordinarily be allowed in zones. (The City does not have density maximums in the Town Center area, so this intervention would have to be applied elsewhere.) The City could limit this to certain zones or could create an overlay zone that contains the density bonus and could be applied to a range of zones. Density bonus programs can allow developers to contribute to a housing fund in place of building the units themselves.

Jurisdictions that currently use a density bonus program include: Marysville • Seattle

Another potential program the City could use to incentivize affordable housing is a Current Use Assessment. This approach provides a tax reduction in which a participating property is assessed at a specified use value, which is lower than the "highest and best use" assessment value that would be applied in the absence of the program.

This program is in place at the state level through RCW 84.34 and WAC 458-30 as it applies to natural resource, open space, and historic properties. A Current Use Assessment program for voluntary affordable housing could provide an extension of property taxes paid as vacant property for a certain number of years if a development provides a certain level of public benefit (in this case, affordable housing). It is unknown if any communities in Western Washington use a Current Use Assessment for affordable housing.

Advantages

- Voluntary program likely to be much less controversial than mandatory one
- For density bonus, contribution to a fund in lieu of participation could bridge the gap between mandatory and voluntary program

Disadvantages

- Voluntary program unlikely to receive the same level of interest (or have the same effects) as a mandatory affordable housing program)
- For current use assessment, lack of current examples makes program design more challenging

Improving the
Permitting ProcessReducing
Development Costs

**RAISE THRESHOLD FOR WHAT SEPARATES A PLAT
AND A SHORT PLAT FROM 4 TO 9 UNITS**

Short subdivisions, or short plats, differ from full subdivisions in the number of units within the proposed development and the procedural path to approval and recording required for each. In 2002, [SB 5832](#) allowed jurisdictions to process applications for land divisions of nine or fewer lots as short subdivisions (previously the limit was four lots).

Currently, Sumner's subdivision code (Title 17) currently defines short plats as four or fewer lots. The City could consider revising [SMC 17.12.030](#) to define short plats as nine or fewer lots. This would allow proposed developments of up to 9 lots to be reviewed under the City's Type III.a review procedure, which does not require public notice.

This is especially important given the City's interest in infill and attached single-family development (in conjunction as well with the unit-lot subdivision action). Given the site constraints of most infill sites, sites that could fit up to nine unit-lot subdivided townhomes could face a shorter and more streamlined review process, which could help bring more such developments to market faster. If this change is considered, review other codes sections (such as the developer installation of roads) tied to short plats to determine if those code sections should change as well.

Examples of communities that have taken this step include: Auburn • Des Moines • Federal Way • Renton • Tukwila

<i>Advantages</i>	<i>Disadvantages</i>
• Brings Sumner's code in line with Bonney Lake's • Per SMC 18.56.030(L), may not require Type VII procedure (not part of the zoning code) • Could cut down on development costs and timelines. • Could particularly help improve the feasibility of townhomes, duplexes, triplexes, and other missing middle housing that is of particular importance to the City in this plan (if couples with the allowance of unit lot subdivisions)	• Could provoke public backlash from neighborhood or environmental groups (short subdivisions are one of the SEPA categorical exemptions under WAC 197-11-800)

Providing Wider Variety
of Housing Types

MODIFY ALLOWED USES TO INCREASE RANGE OF MISSING MIDDLE HOUSING

Currently, duplexes are permitted in only the medium- and high-density residential districts (MDR and HDR) and prohibited in the lower-density residential districts. Additionally, townhomes are permitted in the MDR and HDR zones only as condominiums ([SMC 18.14.020\(A\)](#)). No other forms of moderate-density multi-family residential uses are allowed in any of the low-density residential districts.

Given the City's interest in providing more diverse housing options, several changes to the zoning code could increase the range of "missing middle" housing across the City. Duplexes could be allowed in some of the LDR zones (conditions can specify larger minimum lot sizes or corner lot requirements for duplexes to be built in lower density zones). Townhouses could be added to the permitted uses in the most dense of the LDR zones (LDR-4 and LDR-6). This could permit a wide range of townhome construction in the LDR-4 zone especially. If additional housing types are allowed, densities should also be increased to encourage development of those housing types. Development standards could be developed to ensure mixed housing types meet the character of development sought by the City.

<i>Advantages</i>	<i>Disadvantages</i>
• Could open up large areas to additional housing types • Footnotes could allow staff/council to tailor appropriate performance standards and conditions to each use	• Adding or modifying uses in the use matrix could trigger broader examination of the land use matrix and bog down the process • Just permitting uses in a zone does not alter any other market fundamentals or code limitations within that zone's standards and thus may not result in many units being built unless those other limitations are addressed as well

Providing Wider Variety
of Housing Types



EXPAND WHERE SENIOR HOUSING CAN BE BUILT

Currently, adult family home facilities serving more than six adults, retirement homes, assisted living care facilities, continuing care communities, board and care homes, hospices, and nursing homes are only allowed in Sumner with a Conditional Use Permit in the low-density residential zones.

Adult family homes and senior centers could be added as permitted uses with conditions (as opposed to requiring a conditional use permit) in at least some low-density residential zones.

In the medium- and high-density residential zones, adult family homes and retirement homes/apartments without a common dining room and only limited medical services are permitted uses. All other types of senior housing are still listed as conditional uses. Greater differentiation between the effects of various types and scales of senior housing to move more types into the permitted uses category could help allow more senior housing to be built. In addition, the City should consider allowing senior housing as a permitted use in the General Commercial zones without the requirement for commercial space. Finally, if the City is focused on providing additional incentives to build senior housing in the City, financing tools could be considered.

<i>Advantages</i>	<i>Disadvantages</i>
• Greatly expands the area in which senior housing can be built • Does not require adding extra layers of regulation • Creating more permitted vs. conditional uses saves permitting time and costs	• Additional permitted uses in residential zones could upset some people living in existing single-family homes – traffic/parking

Providing Wider Variety
of Housing Types

PERMIT AND CLARIFY TINY HOME REGULATIONS

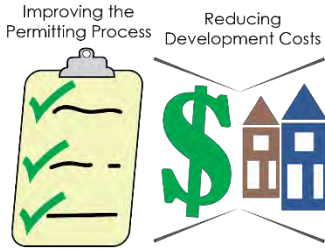
Tiny houses, which can be either built on foundations or on wheels, are one way to provide a housing option for individuals and households who desire privacy but do not want or cannot afford a large single-family home. They can also be used as a way of providing housing for people experiencing homelessness. Until recently, state law, building codes, and local regulations have presented numerous legal and logistical barriers to siting and building these very small detached dwellings. (Cottage housing can incorporate tiny home structures, but uses for tiny homes go beyond cottage housing as defined in code and permitted in the medium and high-density residential zones.)

In 2019, the state legislature passed [ESSB 5383](#), which updated state law to enable the development of tiny house villages or communities throughout the state. This law defined tiny houses, directs the adoption of the updated residential building code. The City of Sumner can do the following to improve its code and policies on tiny houses.

- Create permit pathway for Binding Site Plans that allow siting of tiny homes (similar to manufactured home park)
- Consider modifying the use matrices to specify where tiny houses or tiny house villages would be permitted or conditionally allowed
- Add definitions for tiny houses and tiny houses on wheels to [SMC 18.04](#) to differentiate from trailers, manufactured homes, and recreational vehicles.
- Allow tiny homes, set on a foundation, to be utilized as an ADU
- Include support for tiny houses in housing element of Comprehensive Plan
- Adopt updated International Residential Code with Appendix Q modified to include tiny houses
- Update site plan approval criteria to account for unique site needs of tiny houses

The following are a few of the jurisdictions who have adopted specific provisions for tiny homes: Seattle • Olympia • Tacoma

<i>Advantages</i>	<i>Disadvantages</i>
• Addresses housing for lower income households without using apartments • Could be cost effective way of mitigating displacement • Provides safer living environment for people experiencing homelessness or housing instability during COVID-19	• Perception of tiny homes as social welfare program may make it politically difficult • Addressing tiny homes may require addressing multiple sections of city code and thus may add to difficulty



RAISE SEPA EXEMPTION LEVELS FOR MINOR NEW CONSTRUCTION

The Department of Ecology updated State Environmental Policy Act (SEPA) rules in 2012/13. The updated rules, contained within [WAC 197-11-800\(1\)](#), grant local governments the ability to increase SEPA categorical exemptions for certain minor new construction activities. This includes SEPA exemptions for single and multi-family development, commercial buildings, and filling and grading activities. These are often referred to as “flexible thresholds” because each jurisdiction can adopt standards within a range that meets their needs. Currently, Sumner Municipal Code [16.04.210](#) only allows the minimum number of SEPA exemptions for minor new construction activities.

In most cases, environmental issues that SEPA was intended to address in 1971 are now mitigated by local codes and both state and federal regulations. Setting appropriate SEPA exemption levels within the City could reduce duplicative processes and reduce permit process timeframes while still providing protection of the environment and strong public participation during the permitting process.

The following are a few of the jurisdictions who have adopted SEPA exemption thresholds above the minimum required by WAC 197-11-800: Des Moines • Everett • Kent • Lynnwood • Marysville • Mountlake Terrace • Mukilteo

<i>Advantages</i>	<i>Disadvantages</i>
• Reduce permit timelines and costs • Eliminate duplicative processes • Encourage urban development	• Perception that environmental protections may be reduced • Perception that notification of specific projects would be reduced

Improving the
Permitting ProcessProviding Wider Variety
of Housing Types

IMPROVE ADMINISTRATION OF UNIT LOT SUBDIVISIONS

Unit lot subdivisions, also called fee simple townhomes, are a form of land division that allows single-family-attached housing units to be sold fee-simple (meaning the structure and land underneath are both under ownership like a detached single-family home), sometimes including a front and back yard within the lot.

The City already allows fee simple townhome construction, referred to in SMC as zero lot line development, which is a great start. Unit-lot subdivisions allow for more diverse single-family housing options and lower the bar financially for entry into home ownership. They are processed identically to standard lot subdivisions, the differences being primarily in how access to units is provided and dimensional regulations (particularly side setbacks) needing exceptions. The City should take care in implementing unit lot subdivisions to provide for lower impact and utility connection fees where appropriate. The City could consider adding a section to Title 17, which governs division of land. This action would function best if paired with changes to road standards, which can allow smaller-format private access tracts to allow townhomes to be built on small, challenging infill sites.

The following are a few of the jurisdictions that have allowed unit-lot subdivisions in their code: Snohomish County • Everett • Redmond • Renton

<i>Advantages</i>	<i>Disadvantages</i>
• Simpler to administer and regulate than condominiums while providing similar affordable entry to home ownership • Encourages appropriate development of sites with complex constraints or layout • Provides downsize option for seniors as well as an affordable entry into ownership for first-time buyers	• Simply allowing a type of development does not guarantee any particular element of affordability • City must coordinate with utility districts to ensure required utility easements do not exceed the size of desired front setbacks for unit lot townhomes



UPDATE ROAD STANDARDS TO INCREASE SITE FLEXIBILITY

Substantial portions of new development are taken up by the provision of roads and streets. If fire life safety issues are addressed by the road design and on-street parking is available proportionate to the surrounding uses, narrower public streets or private streets can reduce impervious surface, allow more units to be built, and improve the built environment for residents, especially pedestrians.

For example, Sumner does not currently have a road standard for private access drives. While private streets are allowed for up to 2 lots according to the City's Development Specifications, some of the housing options discussed in the Housing Action Plan could also benefit from the ability to provide access via a private access drive less than 150 feet in length that complies with fire code. For example, townhouse developments on small footprints can provide units and off-street parking, but especially in infill situations, providing public street access to those units may impact the viability of the project. The City could consider allowing private access drives 20 feet in width, potentially with a pedestrian facility, less than 150 feet in length to serve townhouses, cottage housing, or other "missing middle" housing options. Additionally, the City could change its road standards to allow shared private drives for up to 4, 6, or more lots.

The City already offers a narrower street if there is an alley in the subdivision. This narrower street could be used in conjunction with other code-based housing incentives (i.e., a development with at least 20 percent of its units priced affordable to 80 percent of the median income can use a narrower street design). The City could also consider eliminating the alley requirement if homes feature garages and driveways to avoid over-providing parking in new subdivisions.

The City allows hammerhead designs for turnarounds in some situations. Currently the design specifications allow only cul de sac street ends with a minimum right of way diameter of 110 feet. Clarifying this in the development standards and/or code could save significant space, in some cases enough for additional units.

The following are a few of the jurisdictions who have adopted similar private access drive and/or reduced width roadway designs: Snohomish County (private access drives) • Marysville (reduced width roadway) • Woodinville (hammerhead turnarounds)

<i>Advantages</i>	<i>Disadvantages</i>
- Revising engineering standards could be less politically complex - Provides design flexibility without adding layers of complexity to code - Narrower streets/roads that create less impervious surfaces and are better for the environment	- Does not guarantee increased affordability of housing - Need to have buy-in from fire department on fire life safety issues - Need to sell public works on benefits of narrower street



CREATE PROPERTY MAINTENANCE INCENTIVE PROGRAM

Incentives promoting rental housing maintenance helps to keep housing in good repair, can have a stabilizing effect on the broader community, and can prevent displacement. There is a wide range of potential actions, on a spectrum from regulatory measures to community outreach and incentive funding, that the City can consider:

Sumner could collect key data to create a housing preservation inventory. This could help prevent the loss of "at-risk" properties and set up the City to purchase targeted properties when the owners are ready to sell or to offer low-cost rehabilitation loans and financing of repairs in exchange for affordability covenants.

Sumner could increase investments to purchase and preserve affordable properties particularly at risk of displacement. This could also involve partnership opportunities with nonprofit organizations and housing agencies. Of particular interest to the City could be rent-restricted units that are nearing the end of their affordable term.

Sumner could reach out to local housing providers to support the rehabilitation of regulated affordable properties with large capital needs or failed inspections. This could also involve partnering with Bonney Lake and/or a nonprofit to create a rehabilitation, repair, and weatherization program.

The City could also consider setting up a volunteer committee of business owners, landlords, and residents to do community outreach and promote contests; waiving or reducing applicable city permit fees for building improvements that address identified capital needs or inspection failures for affordable housing; and establishing a dedicated pot of money (perhaps sourced from a percentage of code violation fines) to help landlords abate potential maintenance-related code violations before they are reported.

Examples of cities that have pursued this approach include: [Tukwila](#) • Tacoma • Burien • [Kent](#)

<i>Advantages</i>	<i>Disadvantages</i>
• Improves quality of life for people living in rehabilitated units • Providing volunteer opportunities and financial incentives would build goodwill • Reduces displacement • Can improve the stability of neighborhoods • Renovating existing stock would be more cost-effective than building new affordable housing	• Some of these require lots of staff time and resources • Some items would require funding, grants, and partner support, increasing complexity • Not guaranteed to increase the housing supply or add to total affordable units • Abatement program dollars would require yearly general fund funding

I. APPENDICES



APPENDIX 1: FULL HOUSING NEEDS ASSESSMENTS



Bonney Lake and Sumner Housing Needs Assessment Results

Updated November 2020

ECONorthwest
ECONOMICS • FINANCE • PLANNING

LDC | Surveying
Engineering
Planning

Acknowledgements and Contact

ECONorthwest, with contributions from LDC, prepared the Housing Needs Assessment results for the cities of Bonney Lake and Sumner. We thank those who helped develop the Bonney Lake, Sumner Housing Needs Assessment.

City of Bonney Lake Contacts

- Jason Sullivan, Planning and Building Supervisor, SullivanJ@ci.bonney-lake.wa.us
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City of Sumner Contact

- Ryan Windish, Community Development Director, Ryanw@sumnerwa.gov
- Ann Siegenthaler, Associate Planner, AnnSi@sumnerwa.gov



Consultant Team Contacts for the Housing Needs Assessment

- ECONorthwest (Housing Needs Assessment Lead): Morgan Shook, Project Director, shook@econw.com; Jennifer Cannon, Project Manager/Planner, cannon@econw.com
- LDC (Prime Project Consultant): Clay White, Director of Planning, cwhite@ldccorp.com; Ian Faulds, Planner, ifaulds@ldccorp.com

Outline

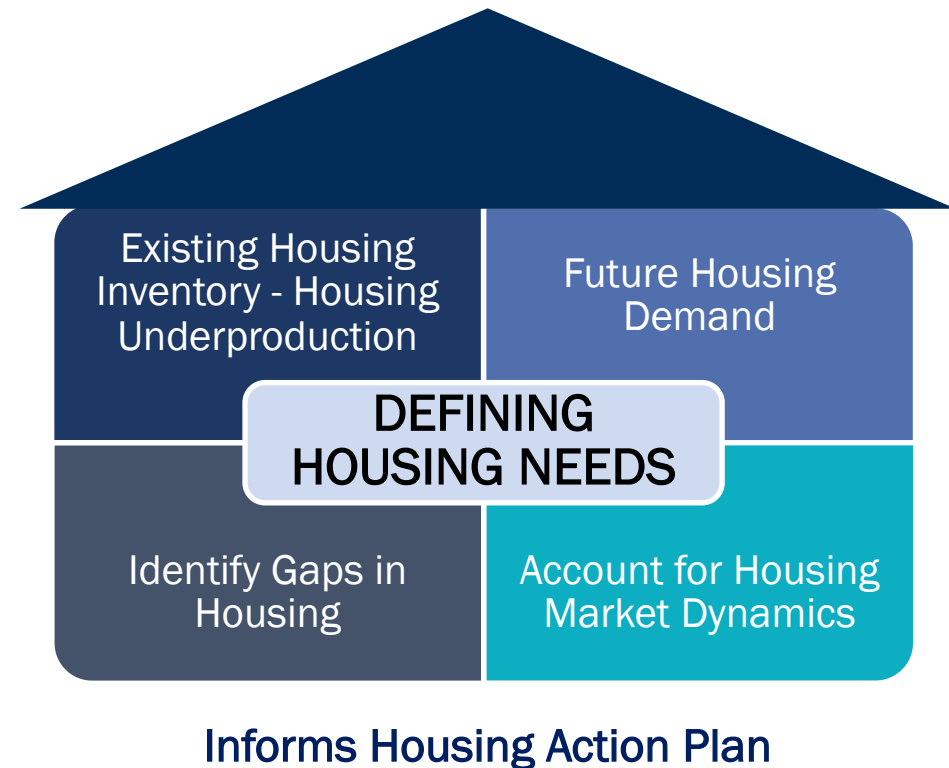
- Background
- Housing Needs Assessment Results
 - Community Profile
 - Workforce
 - Housing Market
 - Housing Affordability
 - Housing Demand and Gaps
- Findings Summary and Next Steps



What is a Housing Needs Assessment?

A Housing Needs Assessment (HNA) Studies:

1. **INVENTORY OF EXISTING CONDITIONS:**
Assess community, workforce, housing affordability, and housing production trends to determine unmet needs.
2. **HOUSING DEMAND:**
Forecast housing demand into the future, typically for the next 20 years.
3. **IDENTIFY HOUSING NEEDS AND GAPS:**
Combine underproduction + demand -
> Housing Needs and gaps.



1. Community Profile

2. Workforce

3. Housing Market

4. Housing Affordability

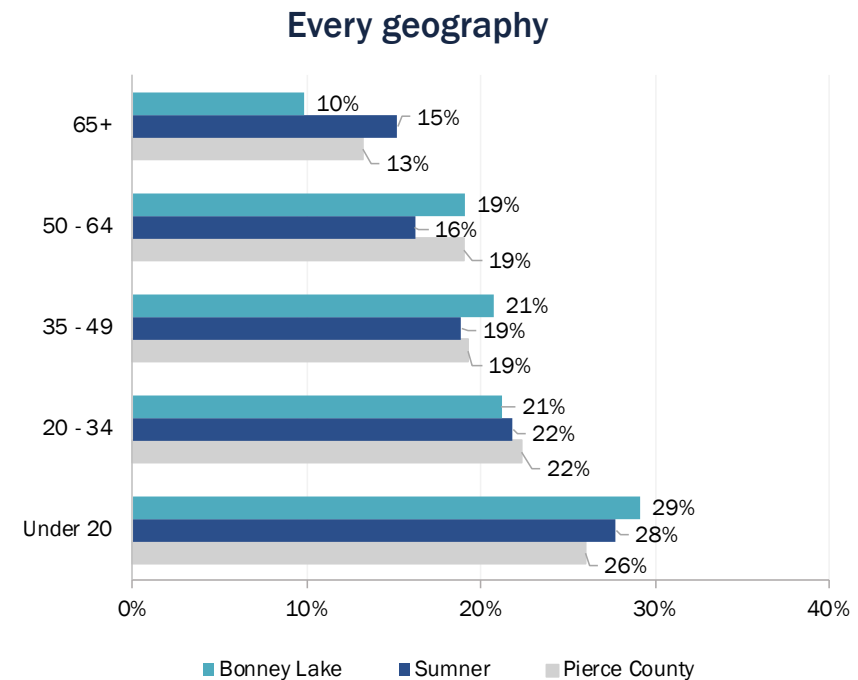
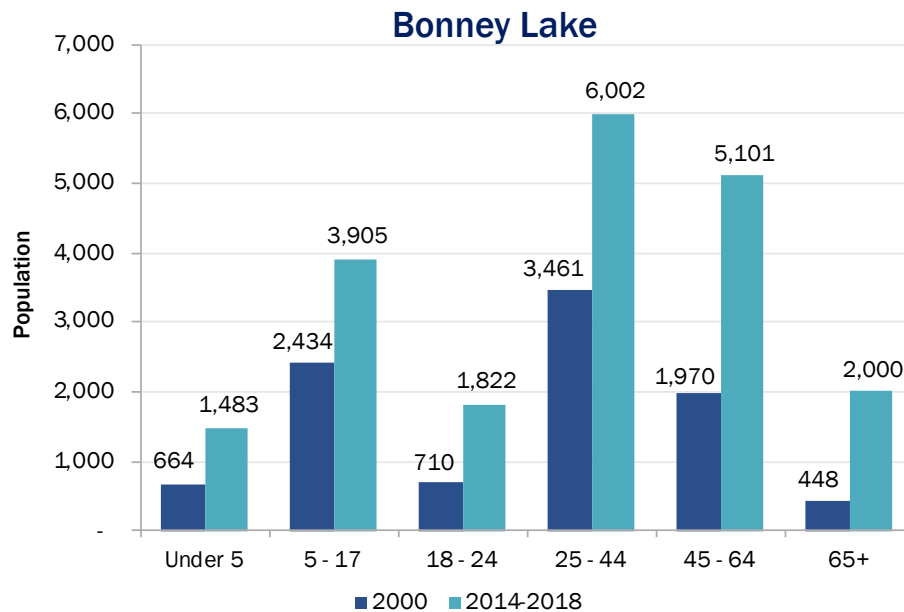
5. Housing Demand & Gaps



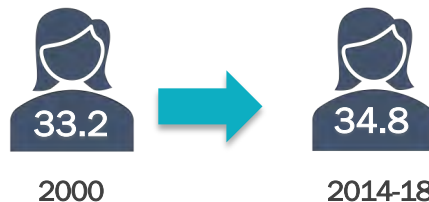
Bonney Lake population doubled since 2000



Bonney Lake's total population more than doubled since 2000 - increased from 9,687 in 2000 to an estimated 20,313 persons in 2014-18. Most age groups doubled in size. The 65+ age group quadrupled and the 45-64 age group more than doubled. Bonney Lake currently has double the population in comparison to Sumner.



MEDIAN AGE

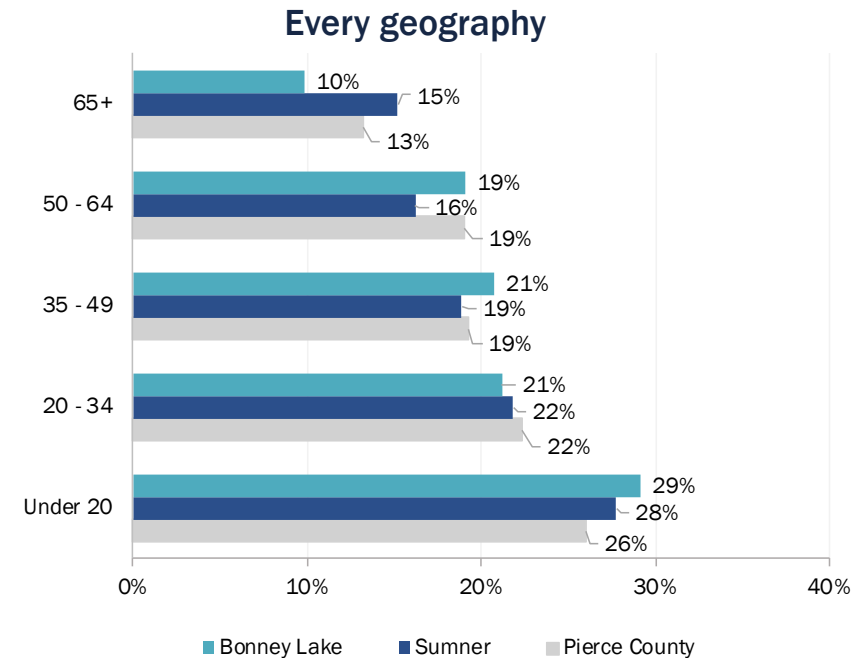
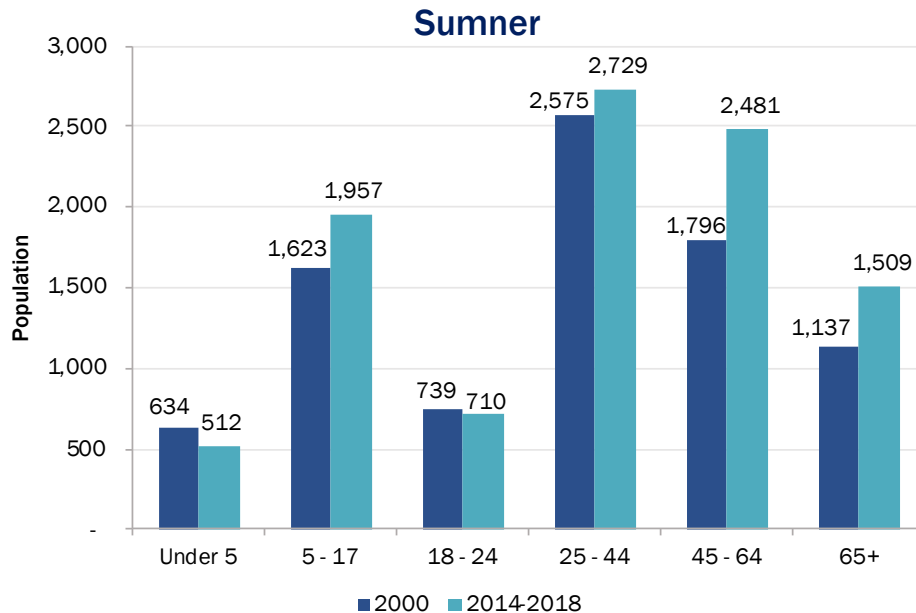


Bonney Lake's median age grew by 1.6 years between 2000 and 2014-18.

Sumner population grew modestly since 2000



Sumner's total population increased modestly since 2000. Increased from 8,504 in 2000 to an estimated 9,898 persons in 2014-18 (16% rate of change). The 45-64 age group increased the most by around 38%.



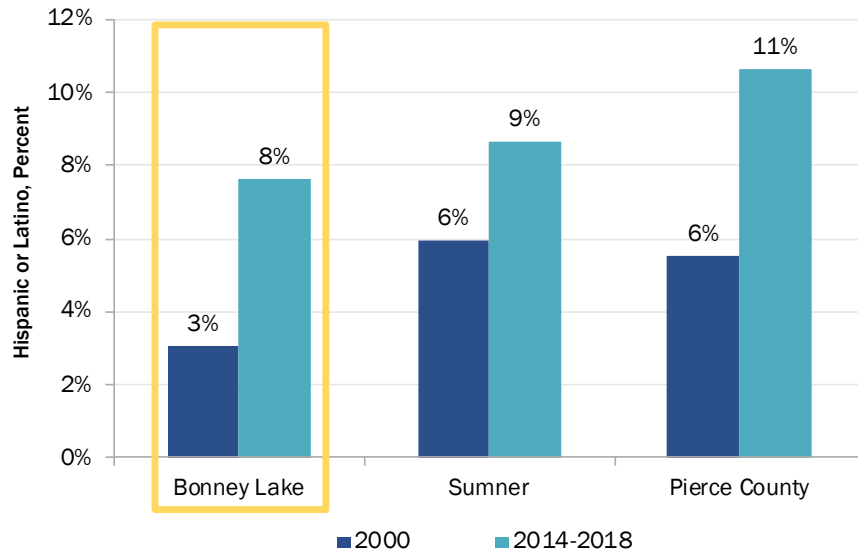
Sumner's median age has remained at 35.4 years from 2000 to 2014-18.

Bonney Lake population diversity trends

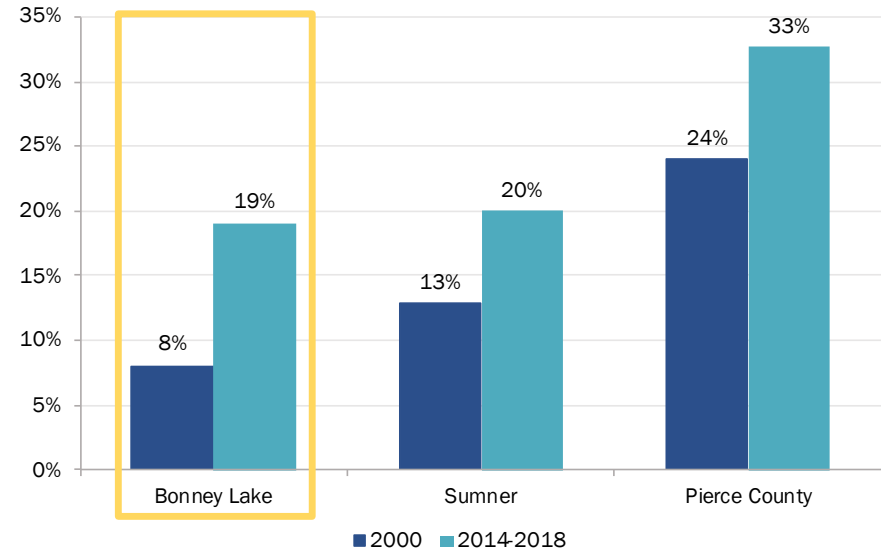


Bonney Lake has become more diverse since 2000.

Share of Hispanic/Latino Population



Share of Non-White Population



Bonney Lake's Growing Diversity

Race/Ethnicity	Bonney Lake
2000	
White	92%
Asian	1%
Black or African American	1%
Some Other Race Alone	1%
Two or More Races	2%
Hispanic or Latino, Any Race	3%
Total	100%



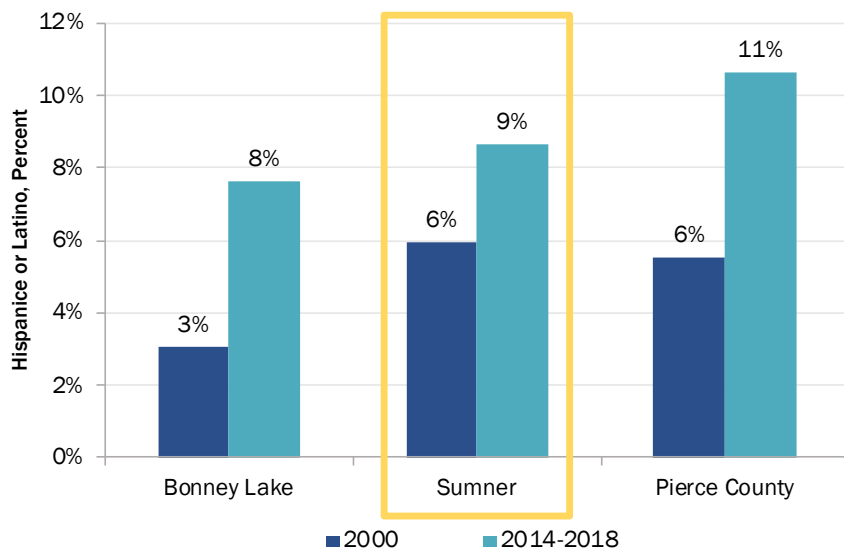
Race/Ethnicity	Bonney Lake
2014-2018	
White	81%
Asian	2%
Black or African American	1%
Some Other Race Alone	2%
Two or More Races	6%
Hispanic or Latino, Any Race	8%
Total	100%

Sumner population diversity trends

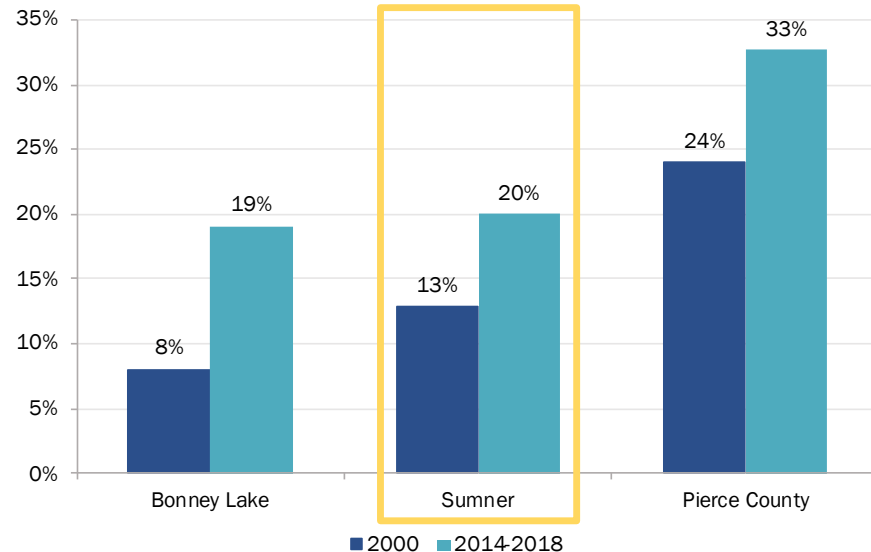


Sumner has become more diverse since 2000.

Share of Hispanic/Latino Population



Share of Non-White Population



Sumner's Growing Diversity

Race/Ethnicity	Sumner
2000	
White	87%
Asian	2%
Black or African American	1%
Some Other Race Alone	2%
Two or More Races	3%
Hispanic or Latino, Any Race	6%
Total	100%

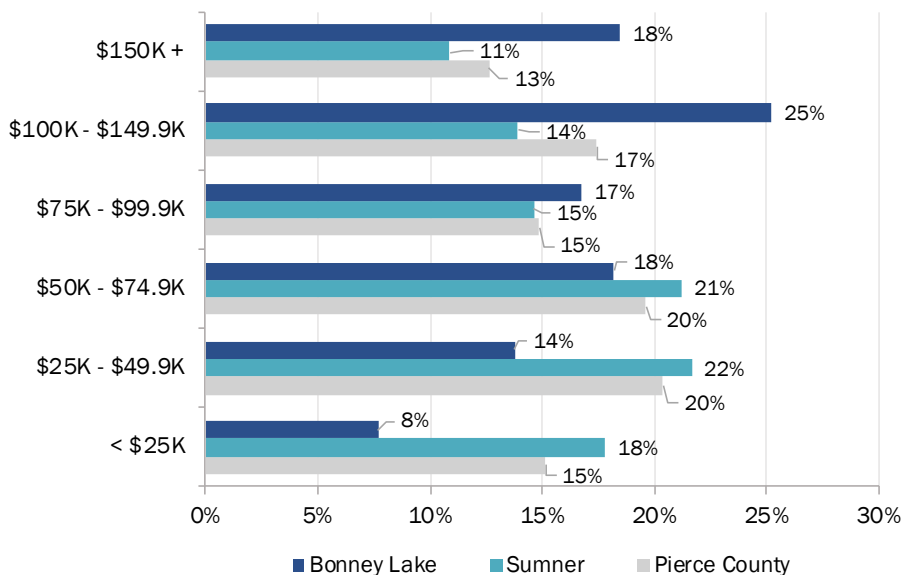


Race/Ethnicity	Sumner
2014-2018	
White	80%
Asian	1%
Black or African American	1%
Some Other Race Alone	2%
Two or More Races	7%
Hispanic or Latino, Any Race	9%
Total	100%

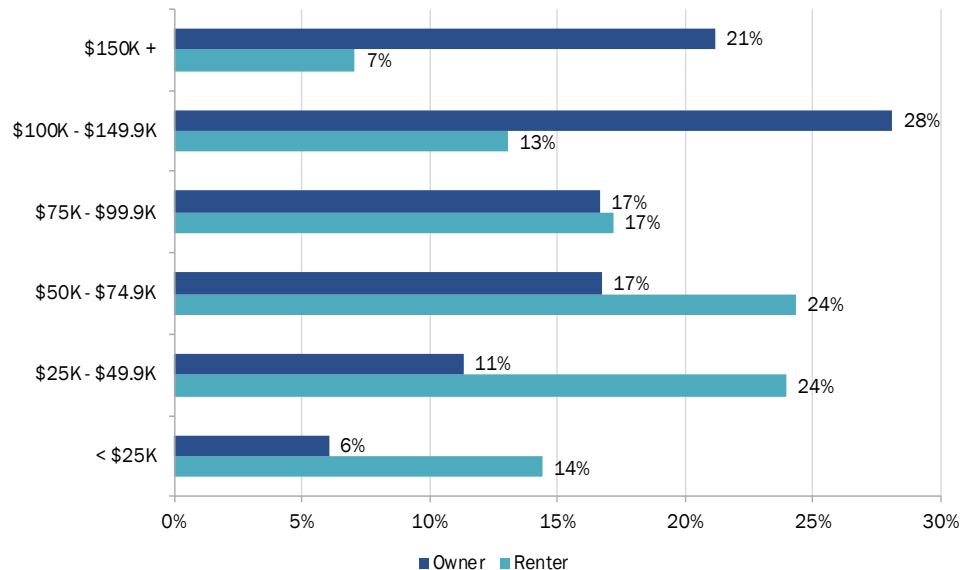
Bonney Lake: Larger share of high-income households

Bonney Lake has the highest share of \$100K-\$149.9K households relative to Sumner and Pierce County. Incomes above \$100k tend to own versus rent.

Percentage of Homeowners by Income Category, Every Geography, 2014-18



Income Compared to Tenure, Bonney Lake, 2014-18



Median Household Income (2018):
\$91,368

Persons in Poverty:

6.9%

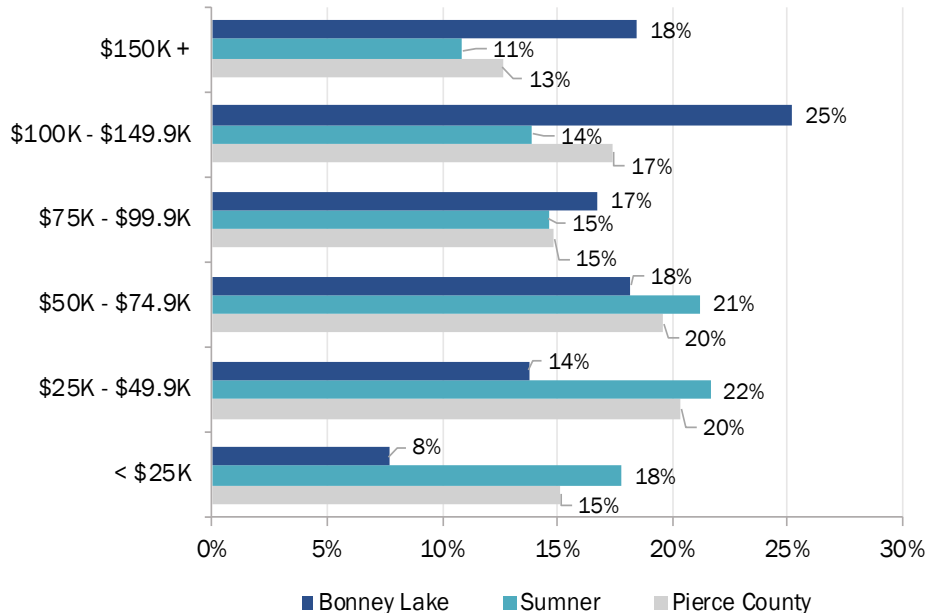
***Lower than Pierce County: 8.5%**

2000 Median income was \$60,282 which is a 52% change from 2000 to 2014-18

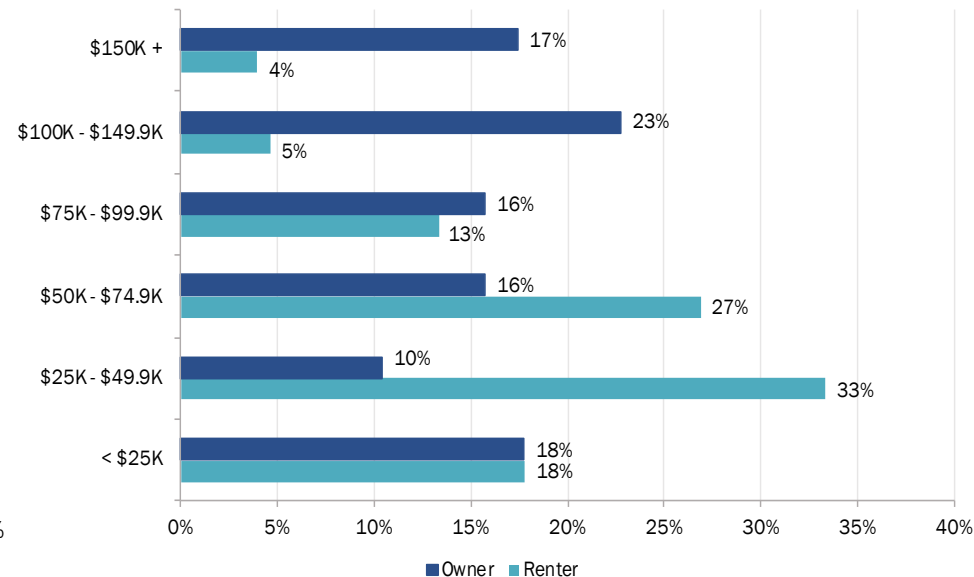
Sumner: Larger Share of Moderate to Lower Incomes

Sumner has the highest share of incomes below \$75k relative to Bonney Lake and Pierce County. Incomes above \$75k tend to own versus rent.

Percentage of Homeowners by Income Category, 2014-18



Income Compared to Tenure, Sumner, 2014-18



Median Household Income (2018):

\$59,846

Persons in Poverty:

13.0%

*Higher than Pierce County: 8.5%

2000 Median income was \$38,598 which is a 55% change from 2000 to 2014-18

Bonney Lake larger 3+ household size

Bonney Lake has the highest share of 3+ persons households relative to Sumner and Pierce County.

					
Geography	1-Person Households	2-Person Households	3-Person Households	4-Person Households	5-or-More Person Households
Bonney Lake	16%	35%	21%	16%	12%
Sumner	33%	28%	17%	16%	5%
Pierce County	26%	34%	17%	13%	10%

AVERAGE NUMBER OF PEOPLE PER HOUSEHOLD 2014-18



BONNEY LAKE



UNITED STATES



49% OF BONNEY LAKE HOUSEHOLDS HAVE 3+ PERSONS

Note: A household includes all the people who occupy a housing unit – or housing with separate living space with direct access from the outside or through a common hall. A household includes the related family members and all the unrelated people who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit are counted as a household (US Census, 2020).

Sumner smaller 1-2 person household size

Sumner has the highest share of 1 and 2-person households relative to Bonney Lake and Pierce County.

					
	1-Person Households	2-Person Households	3-Person Households	4-Person Households	5-or-More Person Households
Geography					
Bonney Lake	16%	35%	21%	16%	12%
Sumner	33%	28%	17%	16%	5%
Pierce County	26%	34%	17%	13%	10%

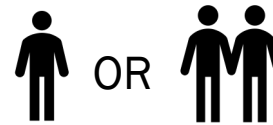
AVERAGE NUMBER OF PEOPLE PER HOUSEHOLD 2014-18



SUMNER



UNITED STATES



62% OF SUMNER HOUSEHOLDS HAVE 1 OR 2 PERSONS

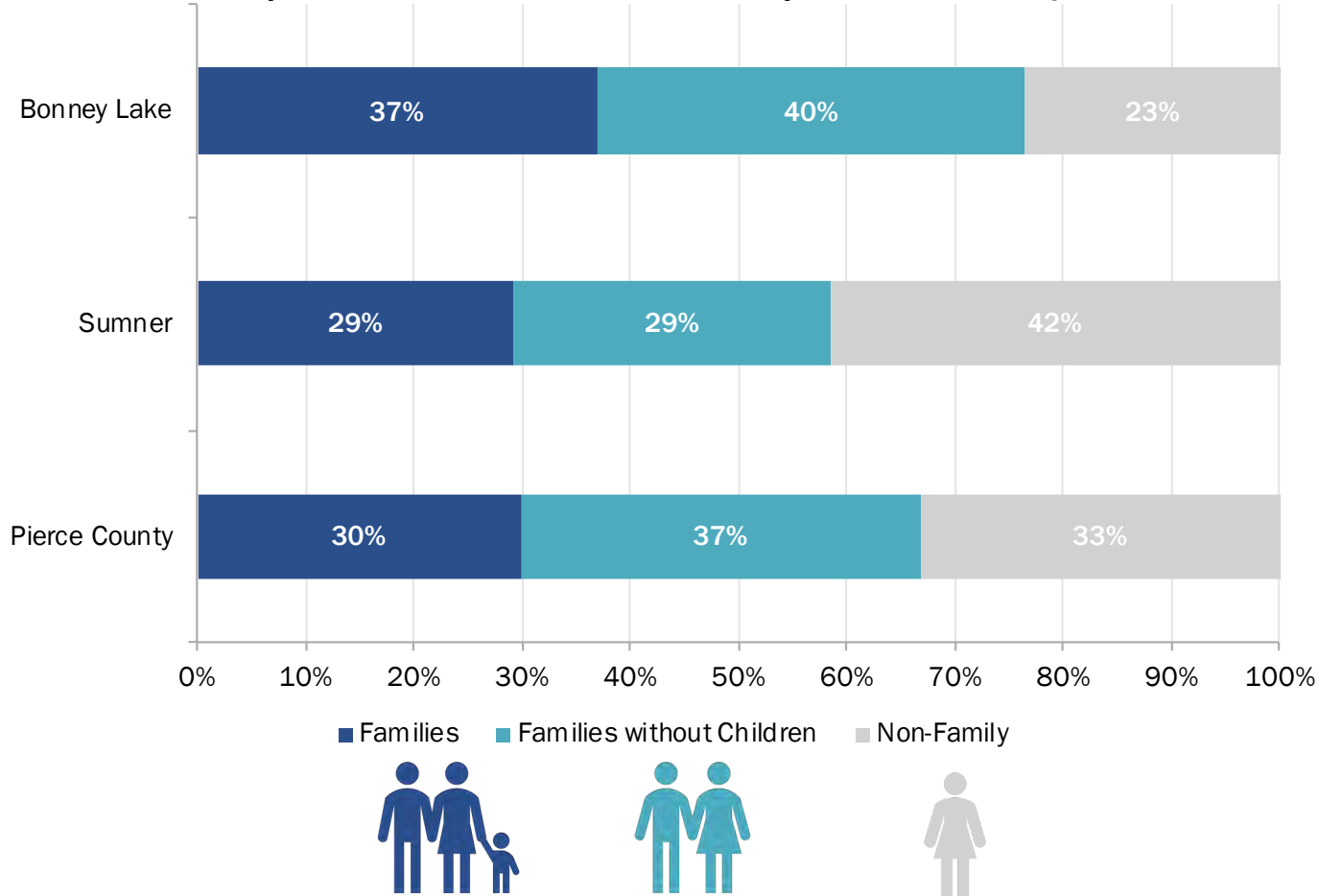
Note: A household includes all the people who occupy a housing unit – or housing with separate living space with direct access from the outside or through a common hall. A household includes the related family members and all the unrelated people who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit are counted as a household (US Census, 2020).

Household composition



Bonney Lake has a larger share of families with or without children in comparison to Sumner and Pierce County. Sumner has greater percent of non-family households.

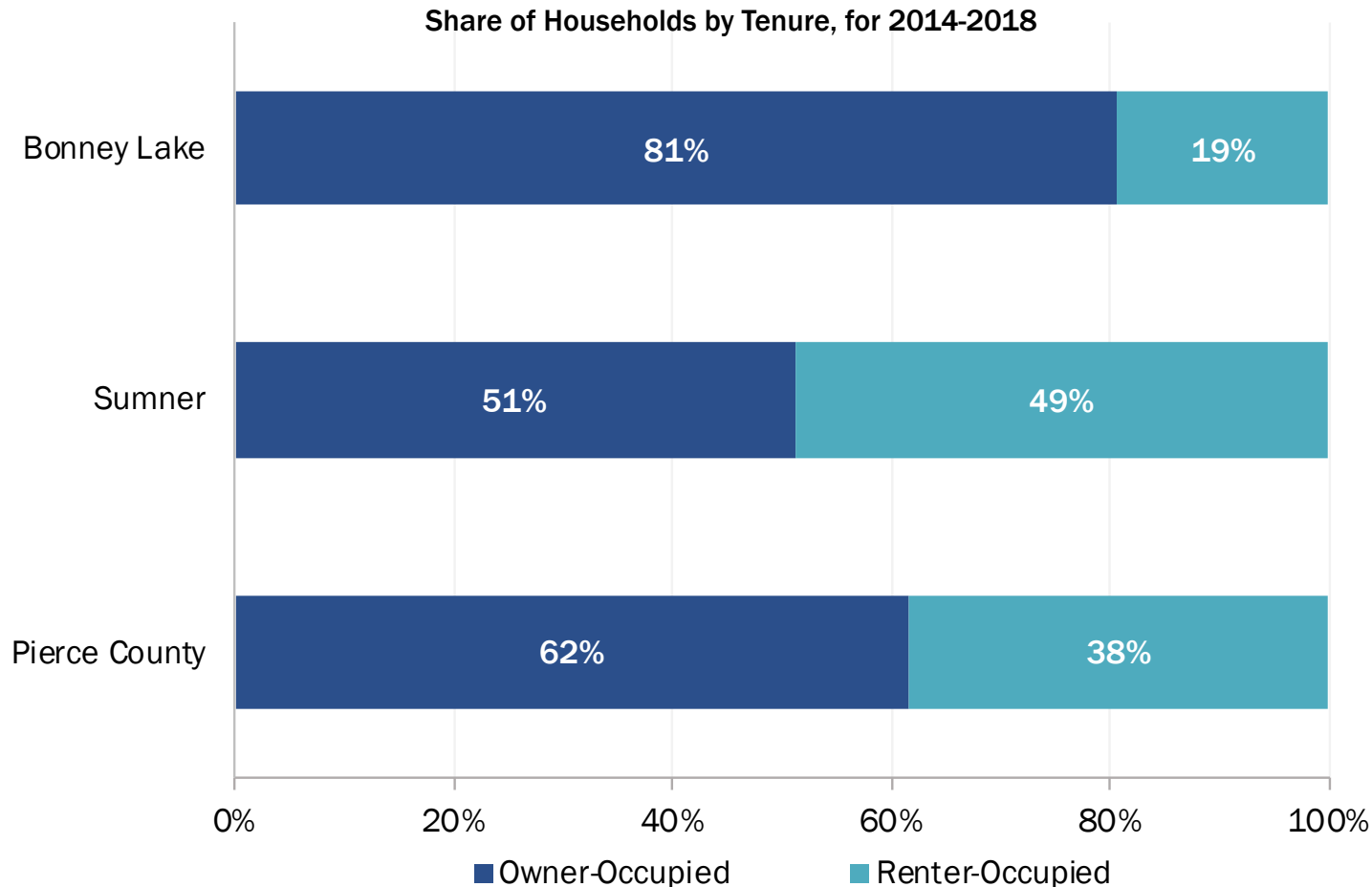
Bonney Lake, Sumner, and Pierce County Household Composition, 2014-18



Note: A family household is one in which the residents are related to at least one other person in the household by birth, marriage, or adoption. Non-family households include young people living alone, unmarried couples, and unrelated house mates.



Bonney Lake and Pierce County have highest share of owner-occupied households.



1. Community Profile

2. Workforce

3. Housing Market

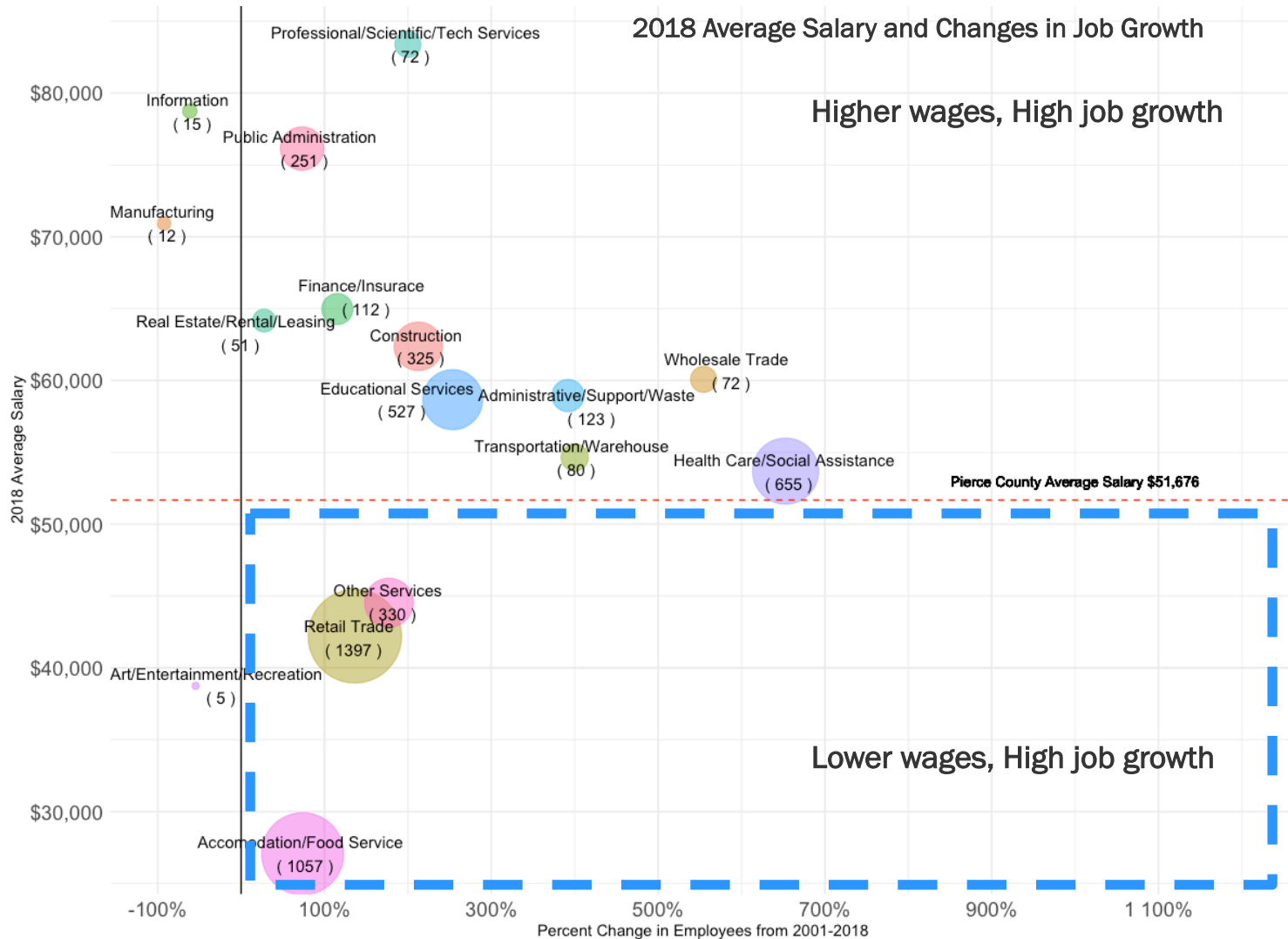
4. Housing Affordability

5. Housing Demand & Gaps



Bonney Lake job sector growth compared to salary

High wage sector more diversified and growing than low wage sector



Bonney Lake has 24% of the jobs or 5,096 jobs (2018) in the Bonney Lake-Sumner area

Bonney Lake job sector detail



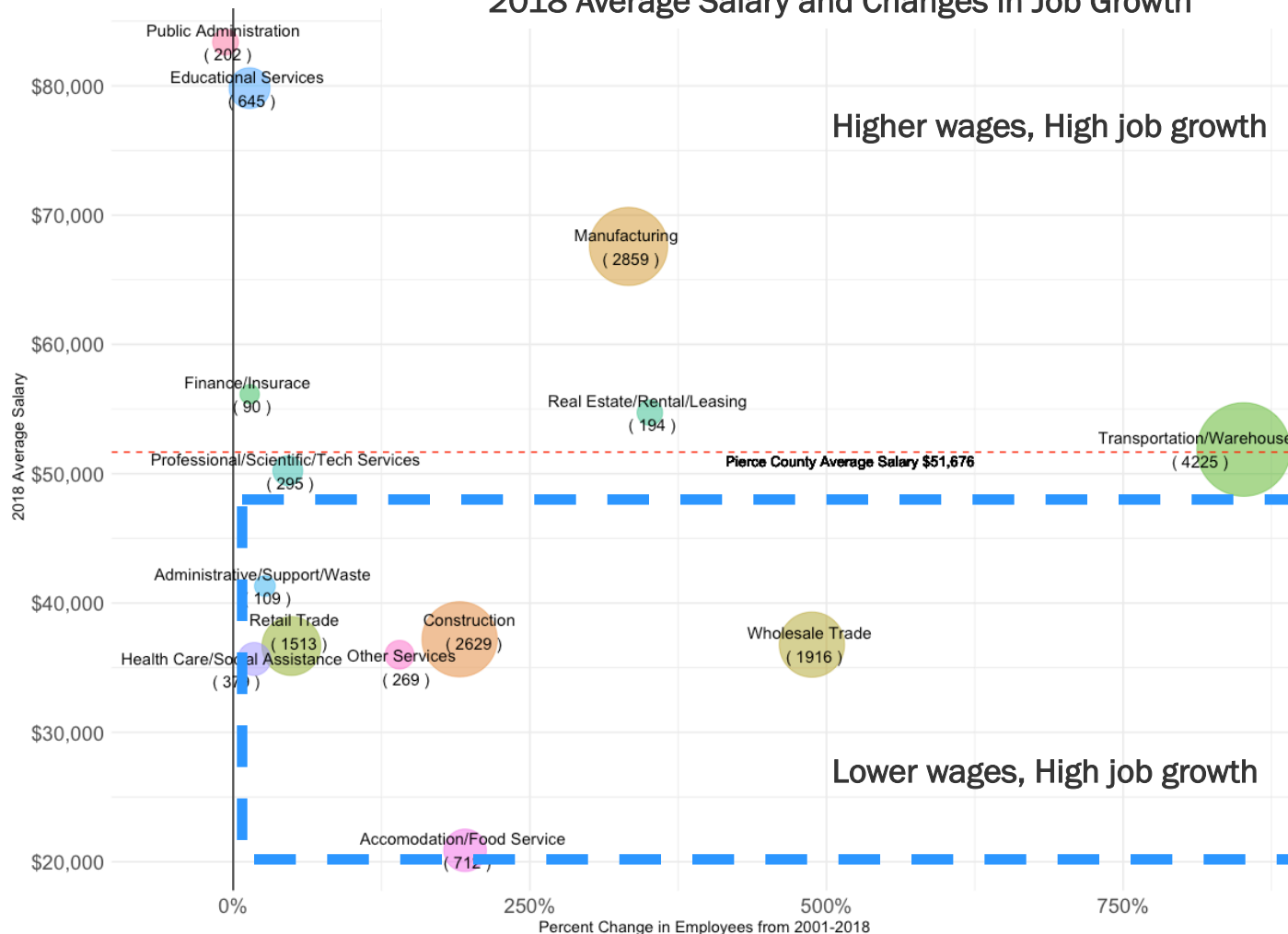
BONNEY LAKE INDUSTRY	TOTAL EMPLOYEES (2018)	EMPLOYEES % OF TOTAL	CHANGE 2001- 2018	JOBS % CHANGE 2001- 2018	AVERAGE EARNINGS (SALARY) 2018	SALARY % CHANGE 2010- 2018	JOBS IN 45- MIN DRIVESHED	JOBS IN 45- MIN TRANSIT SHED
Agriculture, Forestry, Fishing and Hunting (11)	0	0.0%	0	0%	\$32,692	-	1,069	-
Mining, Quarrying, and Oil and Gas Extraction (21)	0	0.0%	0	0%	-	-	332	-
Utilities (22)	0	0.0%	0	0%	\$105,110	4.2%	1,299	-
Construction (23)	325	6.4%	221	213%	\$62,378	10.1%	40,542	78
Manufacturing (31-33)	12	0.2%	-143	-92%	\$70,917	-0.9%	62,599	261
Wholesale Trade (42)	72	1.4%	61	555%	\$60,078	36.6%	37,401	51
Retail Trade (44-45)	1,397	27.4%	806	136%	\$42,202	0.8%	73,123	286
Transportation and Warehousing (48-49)	80	1.6%	64	400%	\$54,643	4.4%	42,529	7
Information (51)	15	0.3%	-24	-62%	\$78,750	-10.9%	6,046	51
Finance and Insurance (52)	112	2.2%	60	115%	\$64,969	25.8%	13,286	67
Real Estate and Rental and Leasing (53)	51	1.0%	11	28%	\$64,167	-3.0%	10,106	10
Professional, Scientific, and Technical Services (54)	72	1.4%	48	200%	\$83,393	89.6%	17,462	32
Management of Companies and Enterprises (55)	12	0.2%	12	1200%	-	-	5,773	-
Administrative and Support and Waste (56)	123	2.4%	98	392%	\$58,949	36.7%	33,152	239
Educational Services (61)	527	10.3%	378	254%	\$58,664	21.3%	45,074	495
Health Care and Social Assistance (62)	655	12.9%	568	653%	\$53,692	36.6%	73,411	342
Arts, Entertainment, and Recreation (71)	5	0.1%	-6	-55%	\$38,750	-23.7%	11,115	22
Accommodation and Food Services (72)	1,057	20.7%	449	74%	\$27,059	-0.9%	45,022	206
Other Services [except Public Administration] (81)	330	6.5%	211	177%	\$44,535	6.0%	17,246	66
Public Administration (92)	251	4.9%	106	73%	\$76,141	14.4%	19,540	416
Total	5,096	100%					556,127	2,629

Sources: PSRC for Employees, 2018, ACS 5 Year Estimates (2014-18 for Wage), and ECONorthwest Calculations.

Sumner job sector growth compared to salary

Manufacturing & Trans/Warehouse industry concentrated, trans has high wage growth; however most salaries are below \$70k. Low wage sectors \$50k or less more diversified and growing

2018 Average Salary and Changes in Job Growth



Sumner is the employment hub in the Bonney Lake-Sumner area with 76% of the jobs or 16,065 jobs (2018)

Sumner job sector detail



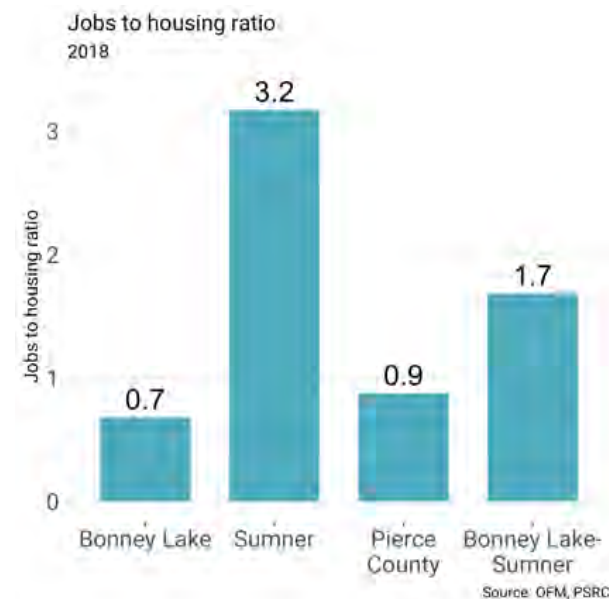
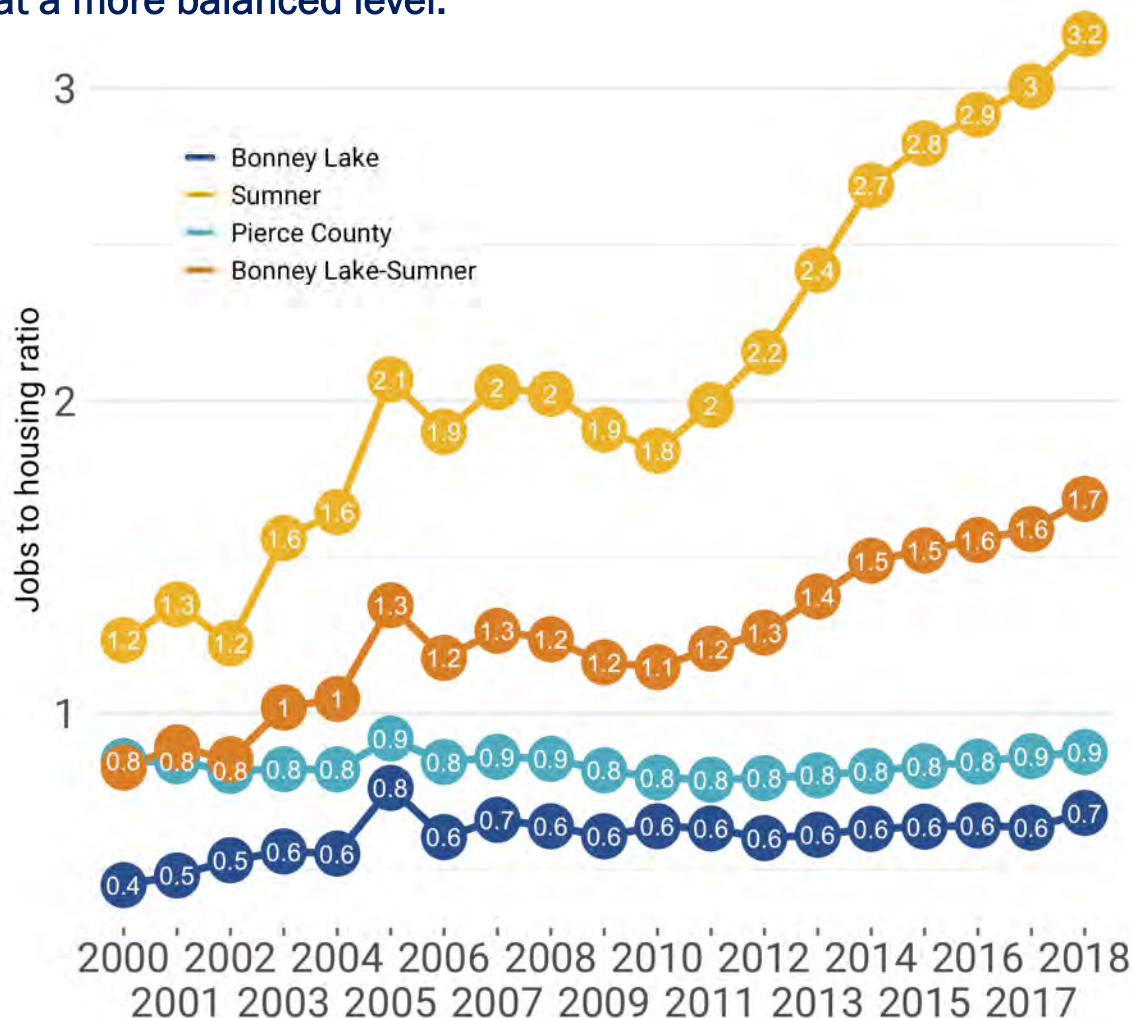
SUMNER INDUSTRY	TOTAL EMPLOYEES (2018)	EMPLOYEES % OF TOTAL	CHANGE IN JOBS FROM 2001-2018	JOBS % CHANGE 2001-2018	AVERAGE EARNINGS (SALARY) 2018	SALARY % CHANGE 2010-2018	JOBS IN 45- MIN DRIVE SHED	JOBS IN 45- MIN TRANSIT SHED
Agriculture, Forestry, Fishing and Hunting (11)	6	0.04%	-8	-57.1%	NA	NA	1,282	32
Mining, Quarrying, and Oil and Gas Extraction (21)	0	0.00%	-5	-100.0%	NA	NA	448	0
Utilities (22)	0	0.00%	-39	-100.0%	\$107,153	NA	2,213	42
Construction (23)	2,629	16.36%	1725	190.8%	\$37,199	-5.8%	52,792	1,290
Manufacturing (31-33)	2,859	17.80%	2199	333.2%	\$67,578	33.8%	81,300	2,964
Wholesale Trade (42)	1,916	11.93%		487.7%	\$36,786	-22.5%	47,665	1,798
Retail Trade (44-45)	1,513	9.42%	498	49.1%	\$36,671	-20.6%	89,427	3,289
Transportation and Warehousing (48-49)	4,225	26.30%	3781	851.6%	\$51,875	75.4%	51,767	816
Information (51)	0	0.00%	-163	-100.0%	\$73,188	42.0%	17,190	245
Finance and Insurance (52)	90	0.56%	11	13.9%	\$56,146	130.9%	19,888	662
Real Estate and Rental and Leasing (53)	194	1.21%	151	351.2%	\$54,722	-1.7%	13,498	293
Professional, Scientific, and Technical Services (54)	295	1.84%	93	46.0%	\$50,238	-18.7%	33,306	678
Management of Companies and Enterprises (55)	14	0.09%	-18	-56.3%	NA	NA	11,159	676
Administrative and Support and Waste (56)	109	0.68%	23	26.7%	\$41,316	34.4%	46,403	1,798
Educational Services (61)	645	4.01%	78	13.8%	\$79,821	86.4%	52,327	4,251
Health Care and Social Assistance (62)	379	2.36%	57	17.7%	\$35,673	-20.1%	88,951	2,462
Arts, Entertainment, and Recreation (71)	8	0.05%	8	800.0%	NA	NA	13,235	392
Accommodation and Food Services (72)	712	4.43%	471	195.4%	\$20,875	-12.1%	54,409	2,390
Other Services [except Public Administration] (81)	269	1.67%	157	140.2%	\$36,000	-13.6%	22,231	621
Public Administration (92)	202	1.26%	-14	-6.5%	\$83,382	46.7%	23,463	1,509
Total	16,065	100.00%					722,954	26,209

Sources: PSRC for Employees, 2018, ACS 5 Year Estimates (2014-18 for Wage), and ECONorthwest Calculations.

Jobs-to-housing ratio



Sumner's ratio climbed to 3 jobs for every housing unit while Bonney Lake's ratio has remained below 2 since 2000. Sumner's larger employment base compliments Bonney Lake's smaller employment base. The combined Bonney Lake-Sumner ratio has mostly remained lower than 1.7 at a more balanced level.

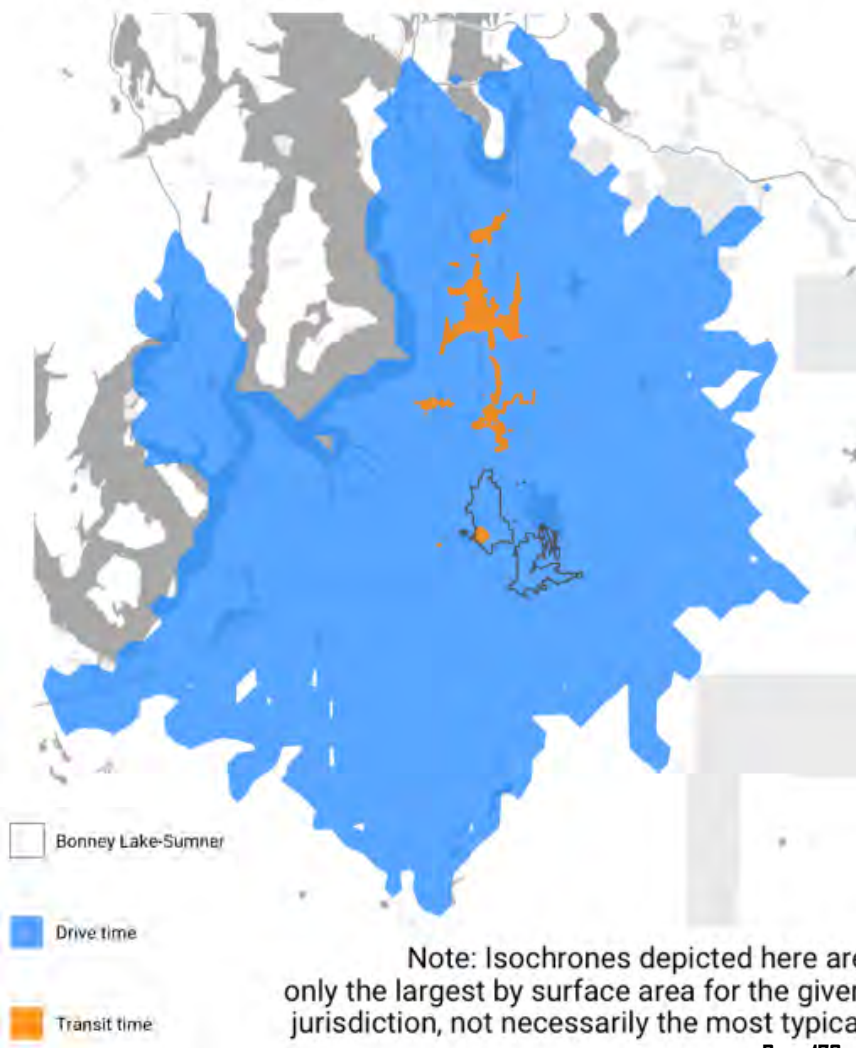


Access to employment



The map shows isochrones or travel sheds for those traveling via public transit (**orange**) and automobiles (**blue**). ESRI Services created drive-time isochrones by simulating traffic conditions typical during a weekday morning (specifically Wednesday at 8:00 AM). The transit travel sheds originated from every transit stop within the City of Bonney Lake and Sumner while the driving travel sheds originated from the center of all block groups in the cities (similar in size to neighborhoods).

Transit and drive time of 45 mins, departing at 8:00AM, midweek



Bonney Lake / Sumner Access to employment detail



- The largest share of jobs within 45 min. driving distance are healthcare/social assistance (13%), retail trade (13%), and manufacturing (11%). **Total of 615,570 jobs in driveshed, a number much higher than available via transit.**
- Most jobs within 45 minutes via transit: educational services (31.5%) & retail trade (13%). **Total of 22,342 jobs in transit shed.**

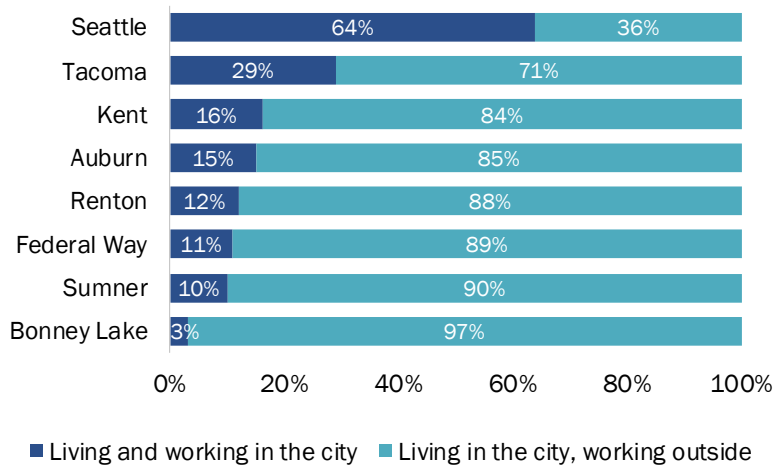
INDUSTRY	TOTAL EMPLOYEES (2018)	EMPLOYEES % OF TOTAL	CHANGE 2001-2018	JOBS % CHANGE 2001- 2018	AVERAGE EARNINGS (SALARY) 2018	SALARY % CHANGE 2010-2018	JOBS IN 45-MIN DRIVESHED	% OF TOTAL JOBS IN 45- MIN DRIVESHED	JOBS IN 45-MIN TRANSIT SHED	% OF TOTAL JOBS IN 45- MIN TRANSIT SHED
Agriculture, Forestry, Fishing and Hunting (11)	6	0.0%	-8	-57%	\$32,692	(0)	1,145	0%	27	0%
Mining, Quarrying, and Oil and Gas Extraction (21)	0	0.0%	-5	-100%	NA	NA	373	0%	-	0%
Utilities (22)	0	0.0%	-39	-100%	\$106,132	5.2%	1,624	0%	35	0%
Construction (23)	2,954	14.0%	1946	193%	\$49,789	3.6%	44,907	7%	1,091	5%
Manufacturing (31-33)	2,871	13.6%	2056	252%	\$69,248	13.5%	69,262	11%	2,520	11%
Wholesale Trade (42)	1,988	9.4%	1651	490%	\$48,432	5.9%	41,059	7%	1,512	7%
Retail Trade (44-45)	2,910	13.8%	1304	81%	\$39,437	-10.4%	78,933	13%	2,796	13%
Transportation and Warehousing (48-49)	4,305	20.3%	3845	836%	\$53,259	30.0%	45,821	7%	684	3%
Information (51)	15	0.1%	-187	-93%	\$75,969	8.6%	10,017	2%	213	1%
Finance and Insurance (52)	202	1.0%	71	54%	\$60,558	59.4%	15,638	3%	565	3%
Real Estate and Rental and Leasing (53)	245	1.2%	162	195%	\$59,445	-2.4%	11,314	2%	247	1%
Professional, Scientific, and Technical Services (54)	367	1.7%	141	62%	\$66,816	26.3%	23,107	4%	572	3%
Management of Companies and Enterprises (55)	26	0.1%	-6	-19%	NA	NA	7,692	1%	565	3%
Administrative and Support and Waste (56)	232	1.1%	121	109%	\$50,133	35.8%	37,873	6%	1,542	7%
Educational Services (61)	1,172	5.5%	456	64%	\$69,243	51.9%	47,658	8%	3,635	16%
Health Care and Social Assistance (62)	1,034	4.9%	625	153%	\$44,683	6.5%	78,948	13%	2,114	9%
Arts, Entertainment, and Recreation (71)	13	0.1%	2	18%	\$38,750	-23.7%	11,870	2%	332	1%
Accommodation and Food Services (72)	1,769	8.4%	920	108%	\$23,967	-6.1%	48,367	8%	2,032	9%
Other Services [except Public Administration] (81)	599	2.8%	368	159%	\$40,268	-3.8%	19,022	3%	530	2%
Public Administration (92)	453	2.1%	92	25%	\$79,762	29.3%	20,938	3%	1,330	6%
Total	21,161	100%					615,570	100%	22,342	100%

Sources: PSRC for Employees, 2018, ACS 5 Year Estimates (2014-18 for Wage), and ECONorthwest Calculations.

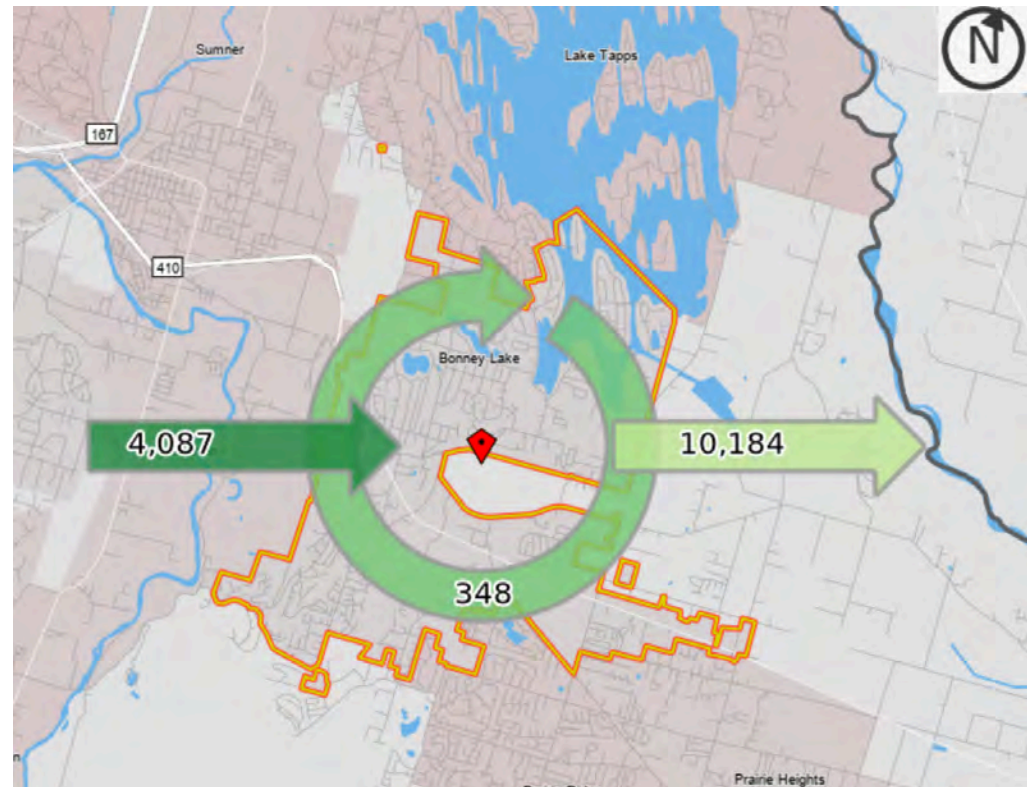
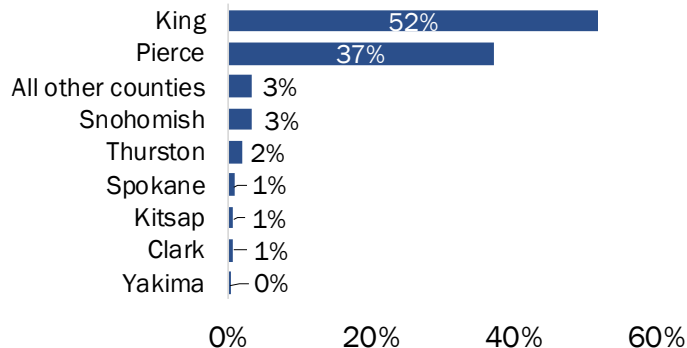
Very few people live and work in Bonney Lake

- Only 3% of Bonney Lake residents live and work in Bonney Lake
- Majority (52%) of Bonney Lake residents commute to King County cities
- About 7% of Bonney Lake residents work in Sumner

Commute Flows of Residents, Bonney Lake and Comparison Cities



Counties Where Bonney Lake Residents Work

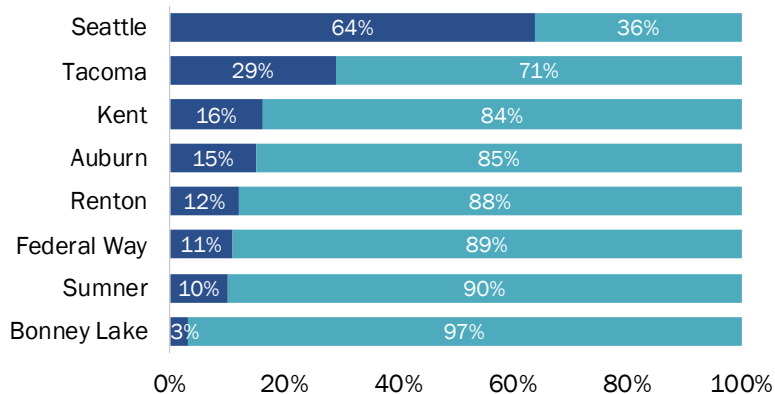


Source: Longitudinal Employer-Household Dynamics, US Census, 2018

Sumner has slightly fewer people commuting

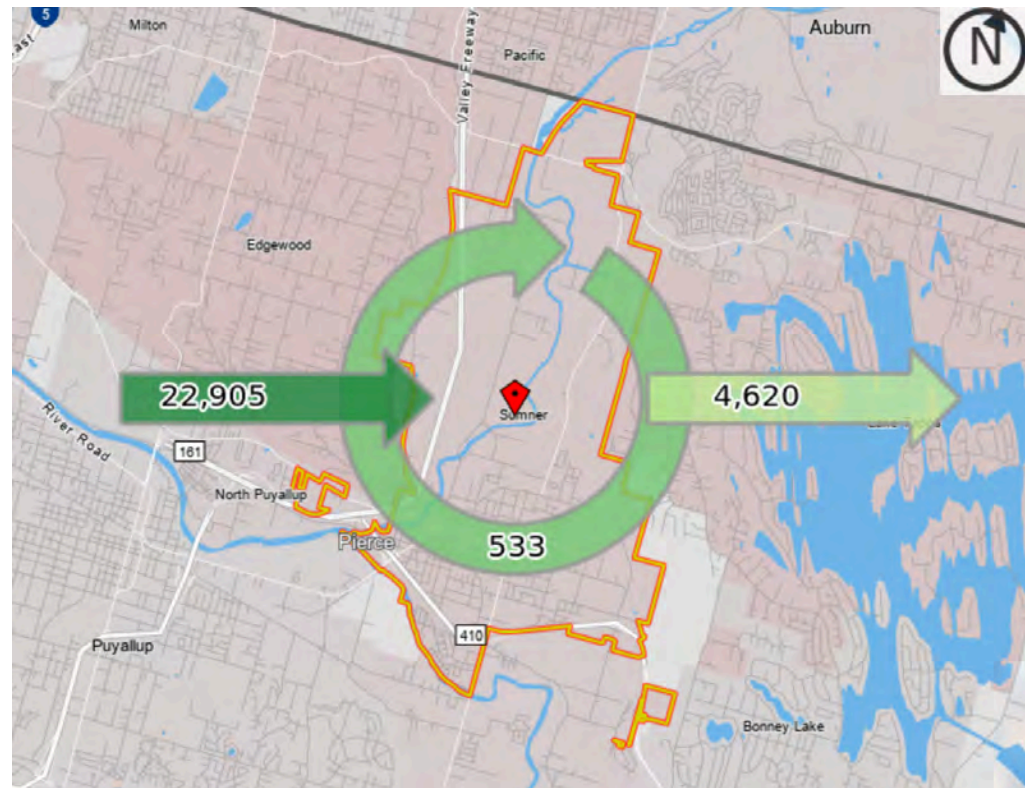
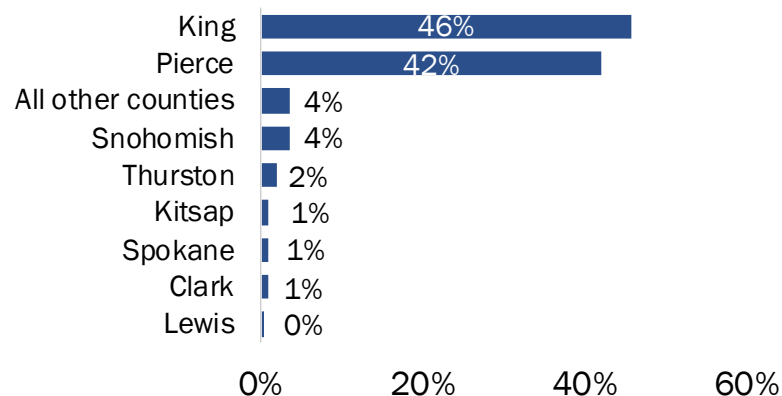
- Only 10% of Sumner residents live and work in Sumner
- Majority (46%) of Sumner residents commute to King County cities

Commute Flows of Residents, Sumner and Comparison Cities



■ Living and working in the city ■ Living in the city, working outside

Where Sumner Residents Work



Possible Reasons: Transient community, many jobs within a 45- minute drive

1. Community Profile

2. Workforce

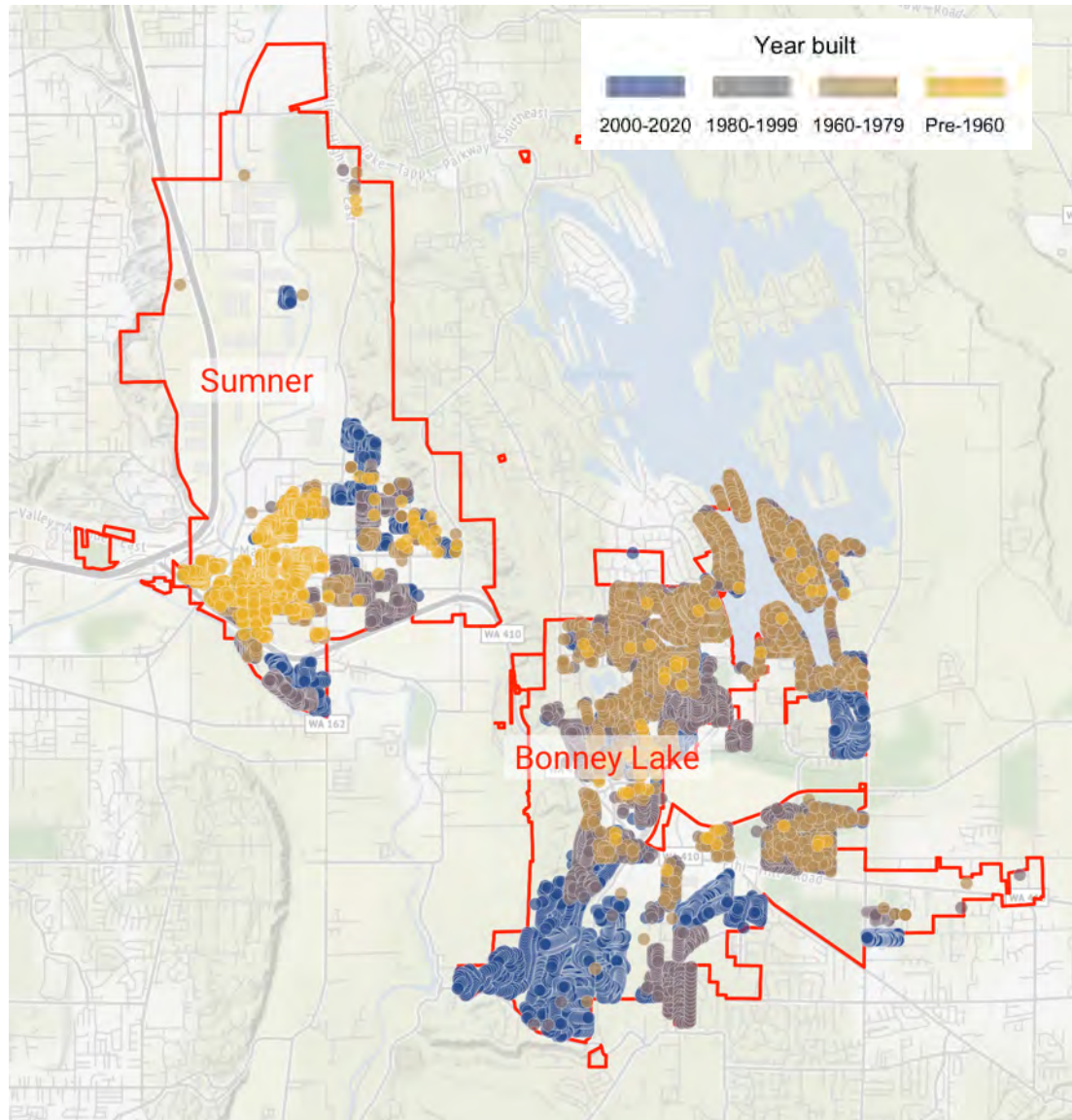
3. Housing Market

4. Housing Affordability

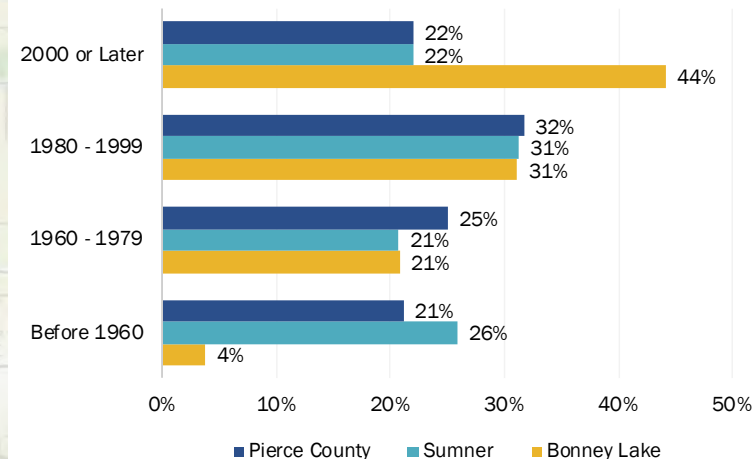
5. Housing Demand & Gaps



Age of housing

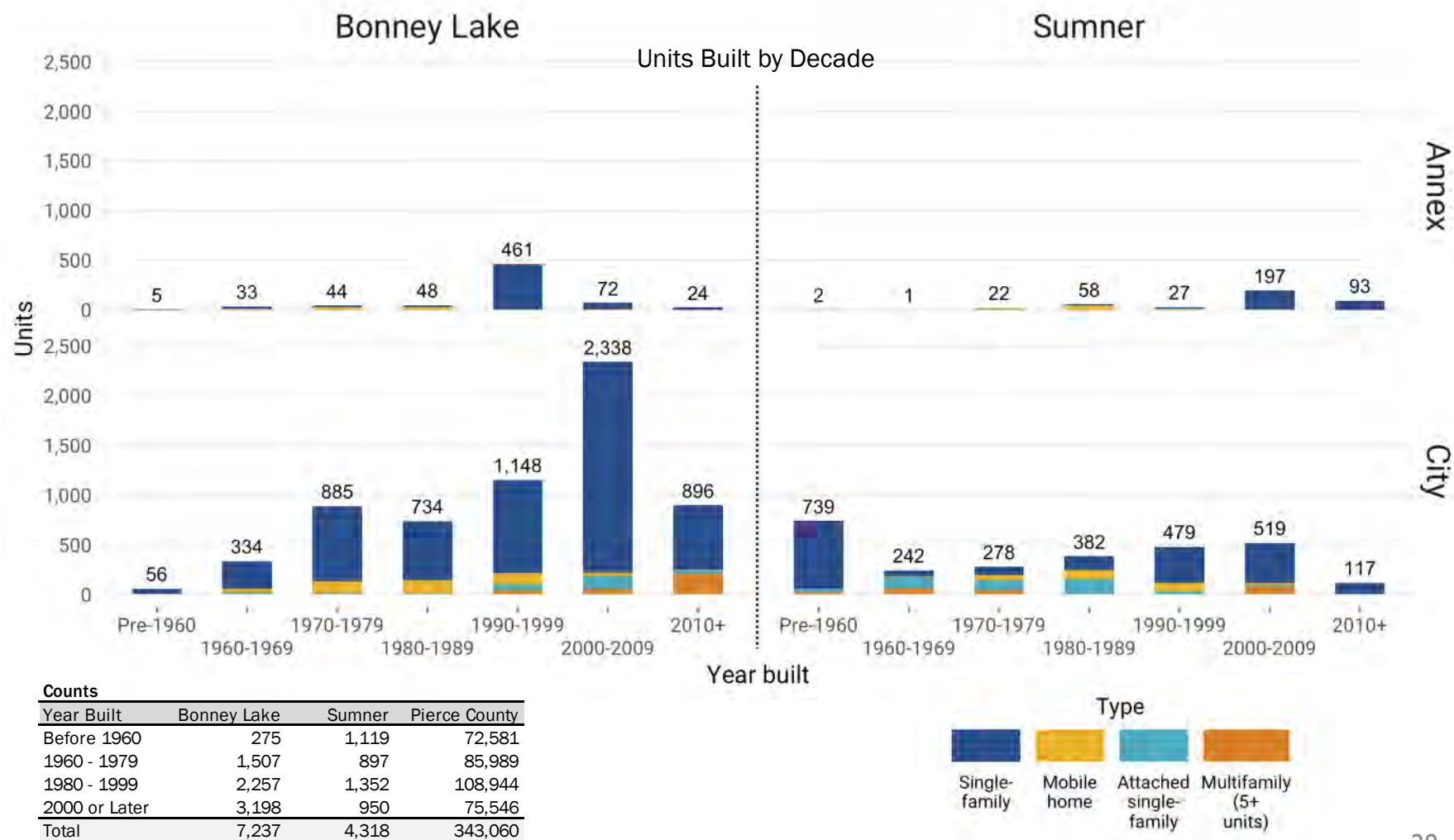


- Almost half of Bonney Lake's housing is newer construction, built after 2000. One-third was built between 1980-99.
- Sumner has older housing compared to Bonney Lake, with over one-quarter built before 1960 and 21-31% of the construction spread out in later periods.



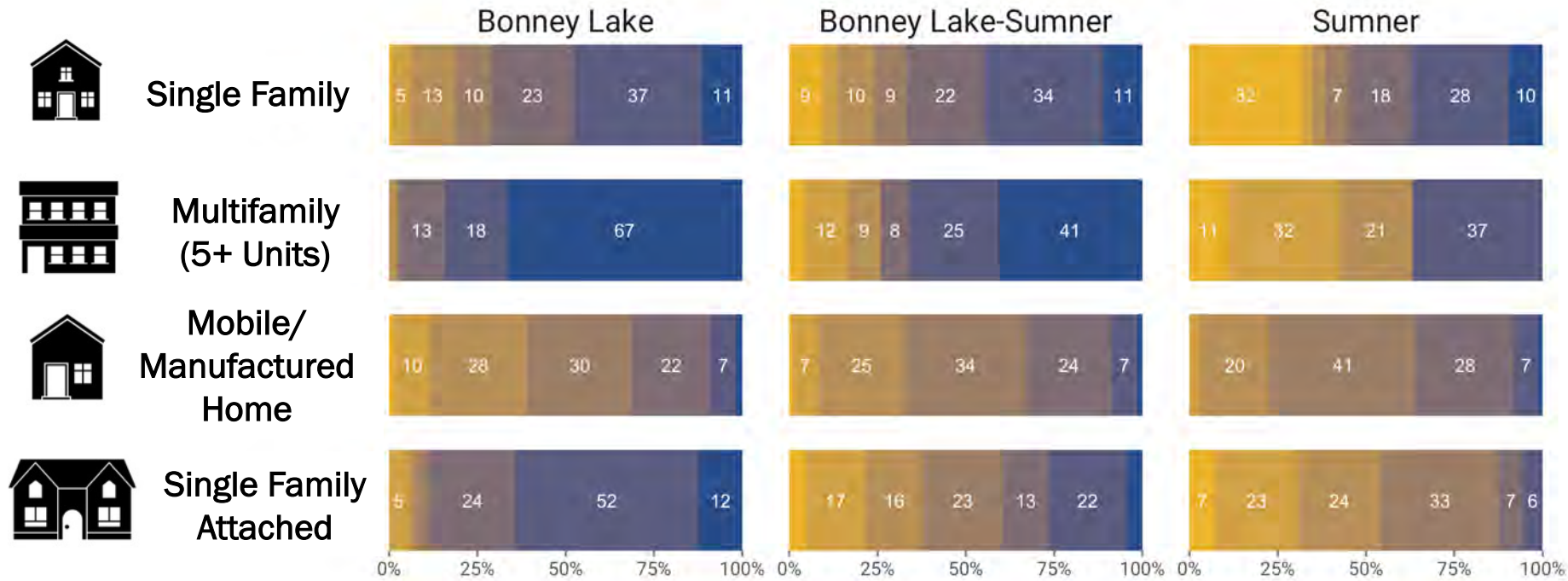
Housing types built by decade

- Bonney Lake Housing Stock: Mostly single family, greater overall amount
- Sumner: Greater mix of housing types but less overall housing units



Housing type and age

- Overall 75% of Bonney Lake's housing built after 1980 and 78% of Sumner's built before 1999.
- Bonney Lake's multifamily and single family attached development is newer, primarily built during the last two decades while Sumner's single family attached is older, primarily built before 1990.



Source: Pierce County Assessor's Department, 2019.

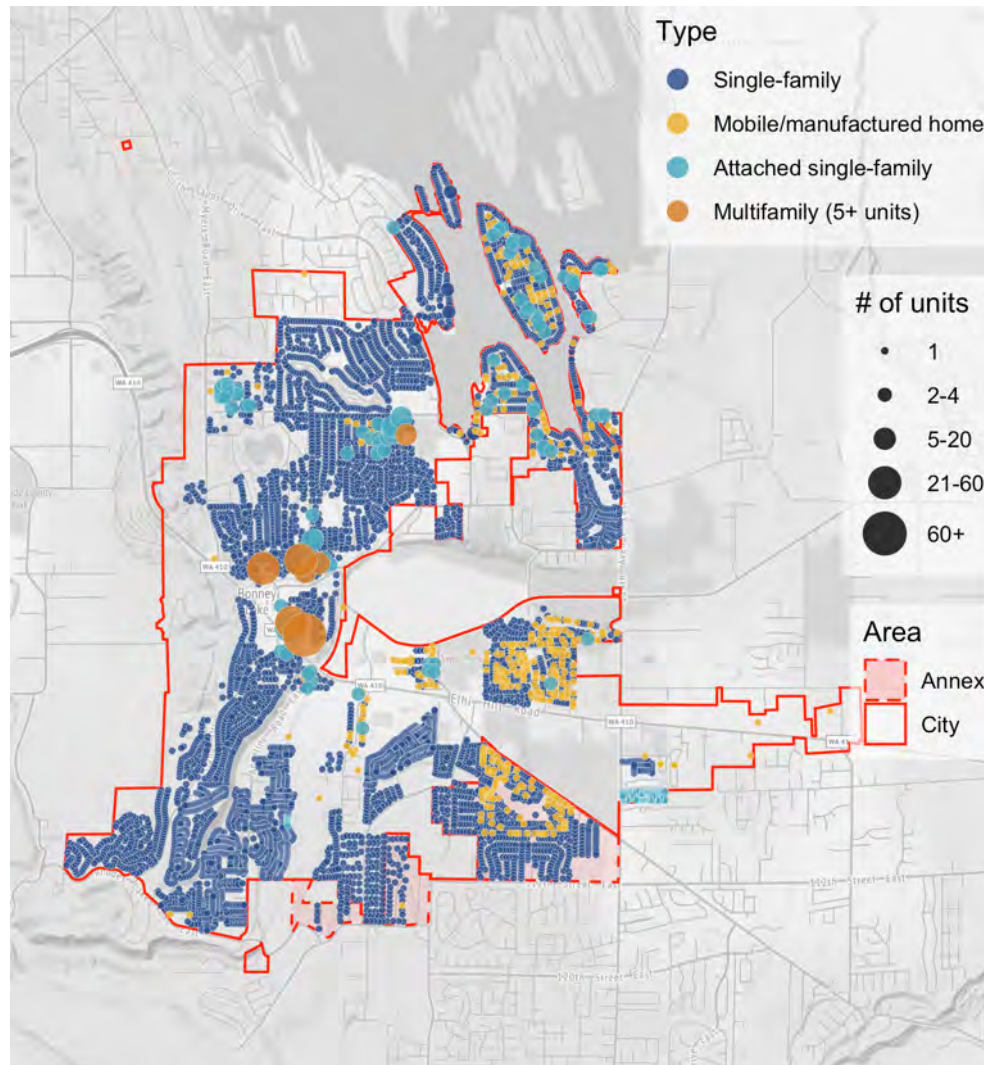
Percentages

Year Built	Bonney Lake	Sumner	Pierce County
Before 1960	4%	26%	21%
1960 - 1979	21%	21%	25%
1980 - 1999	31%	31%	32%
2000 or Later	44%	22%	22%
Total	100%	100%	100%

Decade



Bonney Lake mix of housing: Mostly single family detached



Source: Pierce County Assessor's Department, 2019.

Prevalent Housing Types

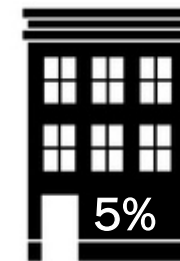
Single Family Detached



Manufactured/ Mobile Home



Multifamily

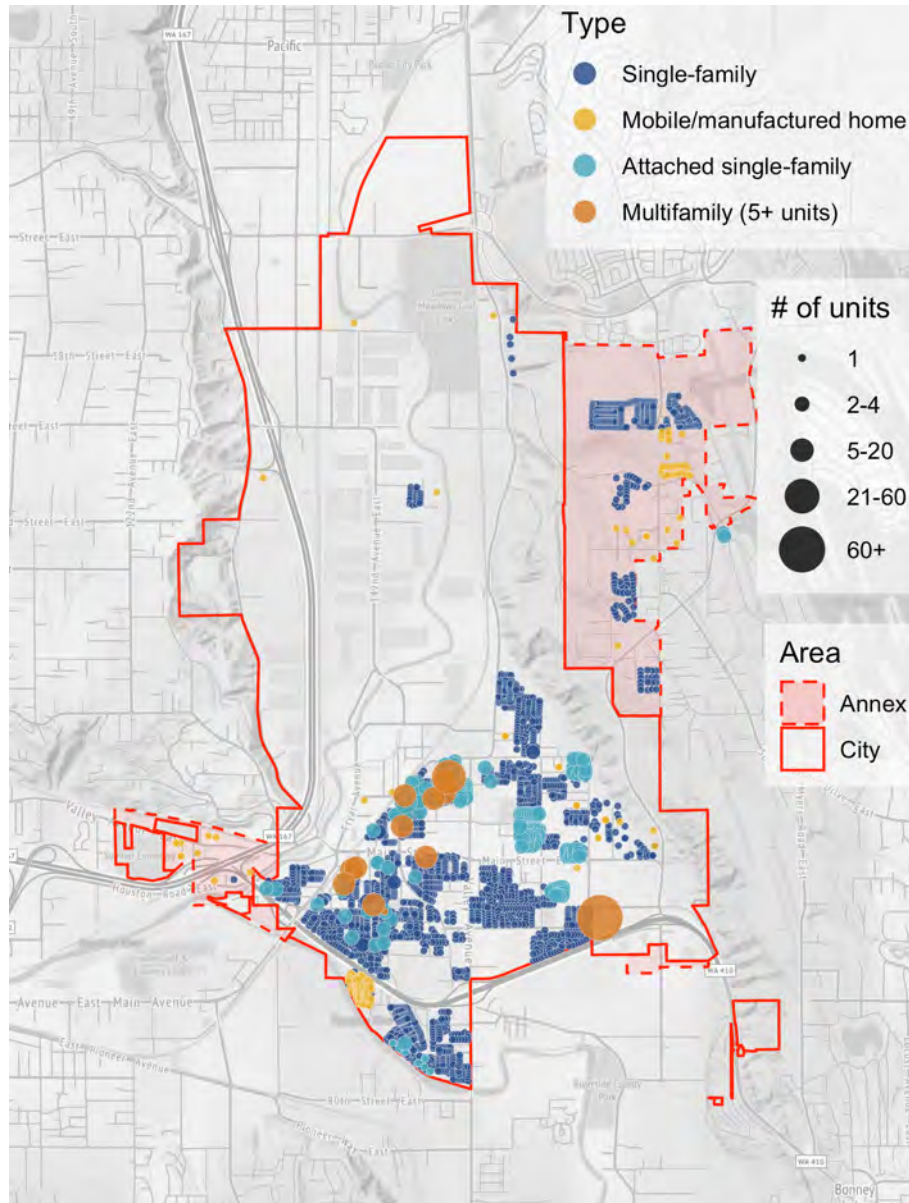


Single Family Attached



- Larger multifamily near SR 410
- Single family attached located on Inlet Island and near Church Lake Rd E and Bonney Lake Boulevard

Sumner: More diverse mix of housing



Prevalent Housing Types

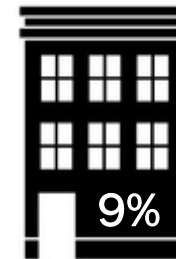
Single Family



Single Family Attached



Multifamily



Mobile Home/Manufactured



Multifamily and single family attached primarily extends linearly east from SR 167 and near Main Street and SR 410

Mix of housing detail

City of Bonney Lake	Percent of Total	Count
Attached Single Family	4%	258
Mobile Home	7%	437
Single-Family	84%	5,385
Multifamily (5+ Units)	5%	311
Total	100%	6,391

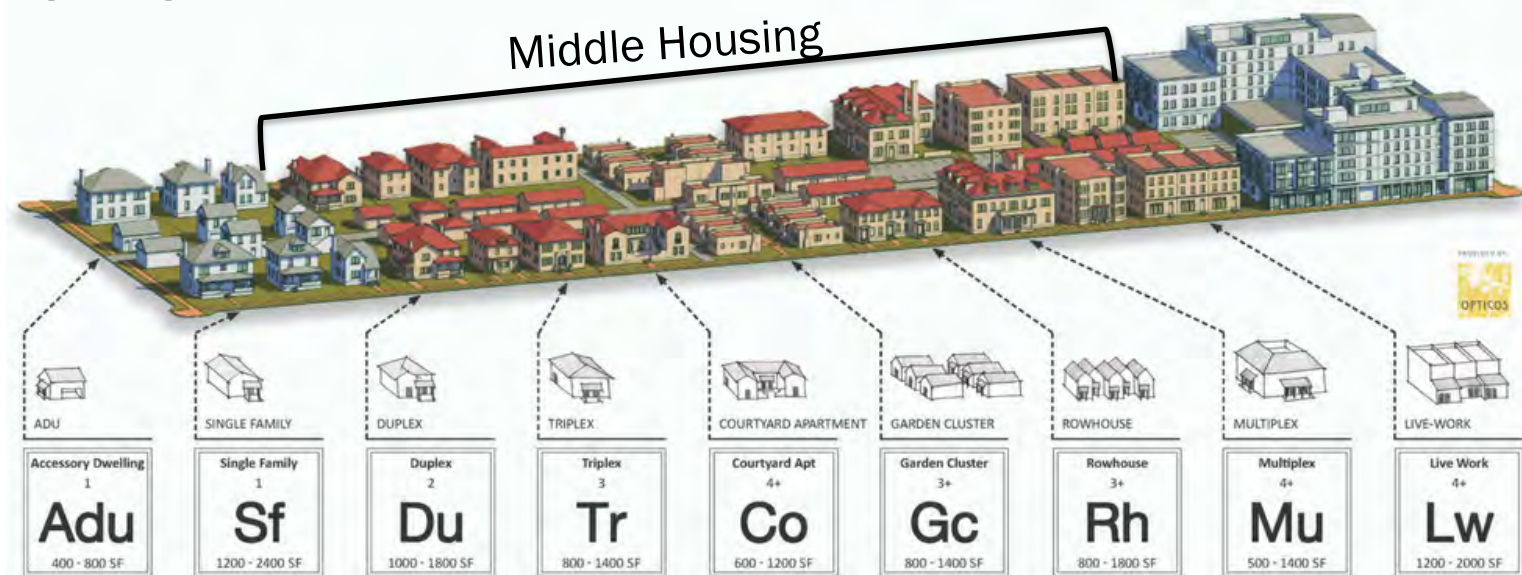
City of Sumner	Percent of Total	Count
Attached Single Family	15%	401
Mobile Home	9%	257
Single-Family	67%	1,845
Multifamily (5+ Units)	9%	254
Total	100%	2,757

Bonney Lake Annexation Areas	Percent of Total	Count
Mobile Home	14%	96
Single-Family	86%	591
Total		687

Sumner Annexation Areas	Percent of Total	Count
Attached Single Family	2%	7
Mobile Home	20%	80
Single-Family	78%	313
Total	100%	400

Missing middle housing

Middle Housing: Primarily single-family attached housing with two or more units or other housing bridging a gap between single family and more intense multifamily. Demand is expected to increase for this type of housing mostly due to aging baby boomers, young households forming, and the growing workforce.



Townhomes



Duplexes



Quad-plex

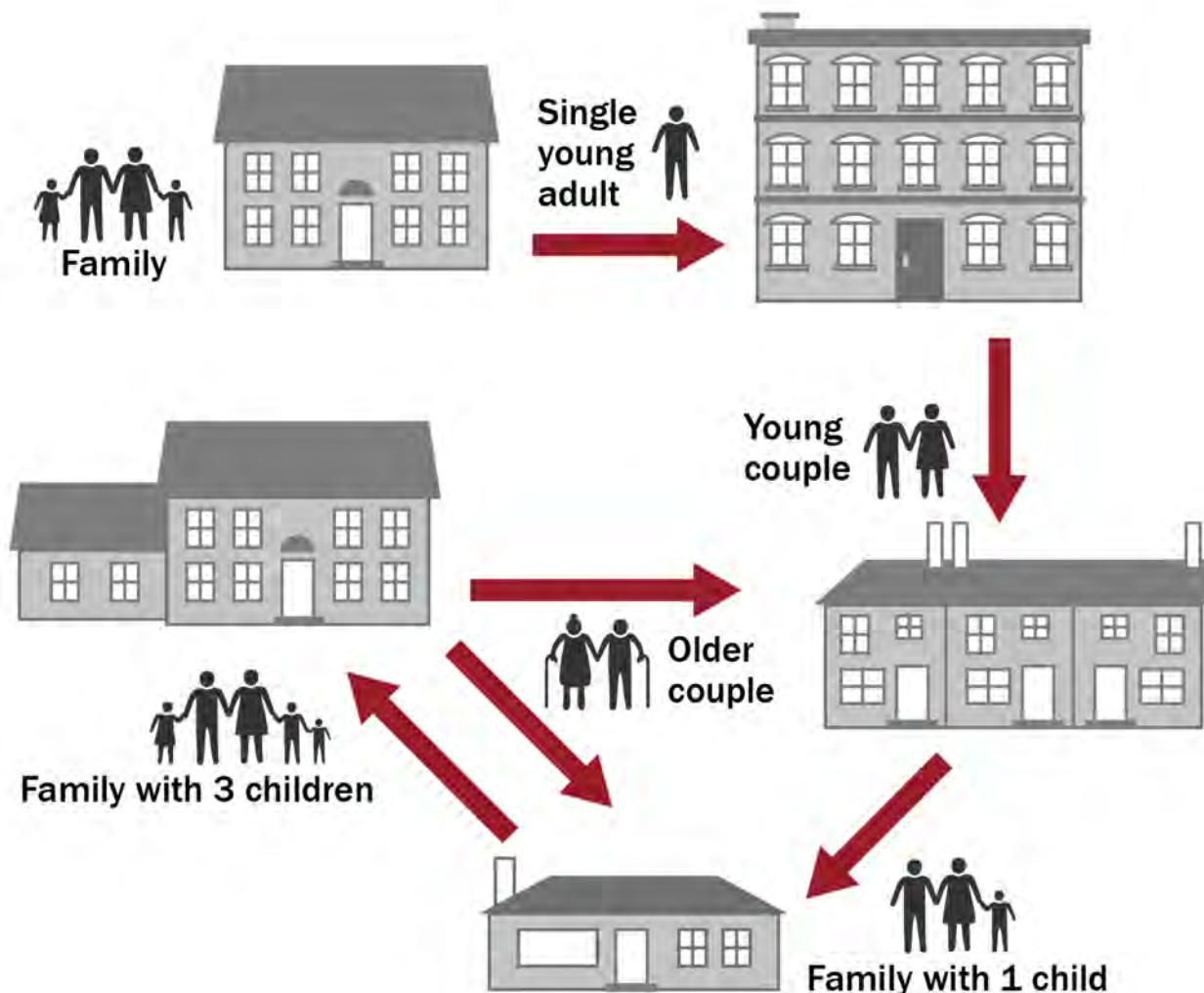


Rowhouses

Housing needs change by life stage



Effect of Demographic Changes on Housing Need



As people go through different life stages their needs for household size tends to change.

- Homeownership rates increase as income and age increases.
- Renters are much more likely to choose multifamily housing than single-family housing.
- Income is a strong determinant of homeownership and housing-type choice for all age categories.

Housing production over last decade: Bonney Lake producing more

- Bonney Lake estimated average is 126 new housing units per year. Since 2010, 20% multifamily, rest (80%) single family.
- Sumner is slower growing adding around 41 new housing units per year. Since 2010, half of the new housing is multifamily and single family.

Estimated New Housing Units Added from 2008 - 2019

Area	Average Units Built Per Year	Total Built Since 2008
Bonney Lake	126	1,392
Sumner	41	497





Bonney Lake:

- 2008-2030 Target: 8,604 total housing units, add 2,776 new units

As of 2019: Added 1,392 new housing units, 50% of the way

Need 1,384 more units so need to keep building around 138 housing units per year for the next ten years

Sumner:

- 2008-2030 Target: 5,743 total housing units, add 1,770 new units

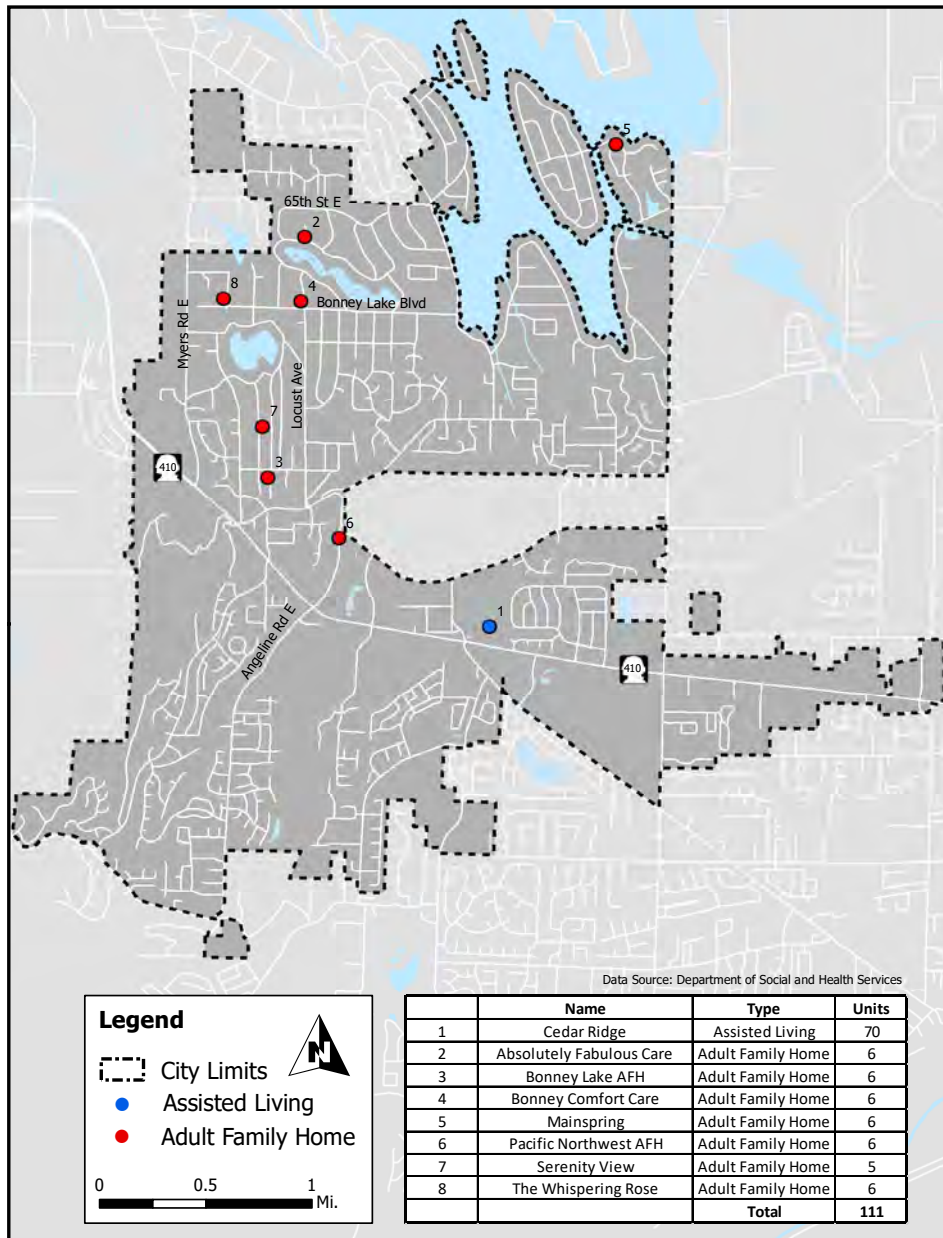
As of 2019: Added 497 new housing units, 28% to target

Need 1,273 more units so need to increase to 127 new units per year for the next ten years

Bonney Lake Comprehensive Plan Housing Target for 2035: Accommodate 3,470 housing units by 2035

**Targets expected to be updated in 2021.*

Bonney Lake senior/assisted living housing: Mostly adult family homes



Despite Bonney Lake's larger population, there are fewer Senior housing units (111) compared to Sumner.

Bonney Lake's facilities are mostly adult family homes – they provide fewer units in comparison to Sumner's facilities.

Types of Disabilities, Bonney Lake

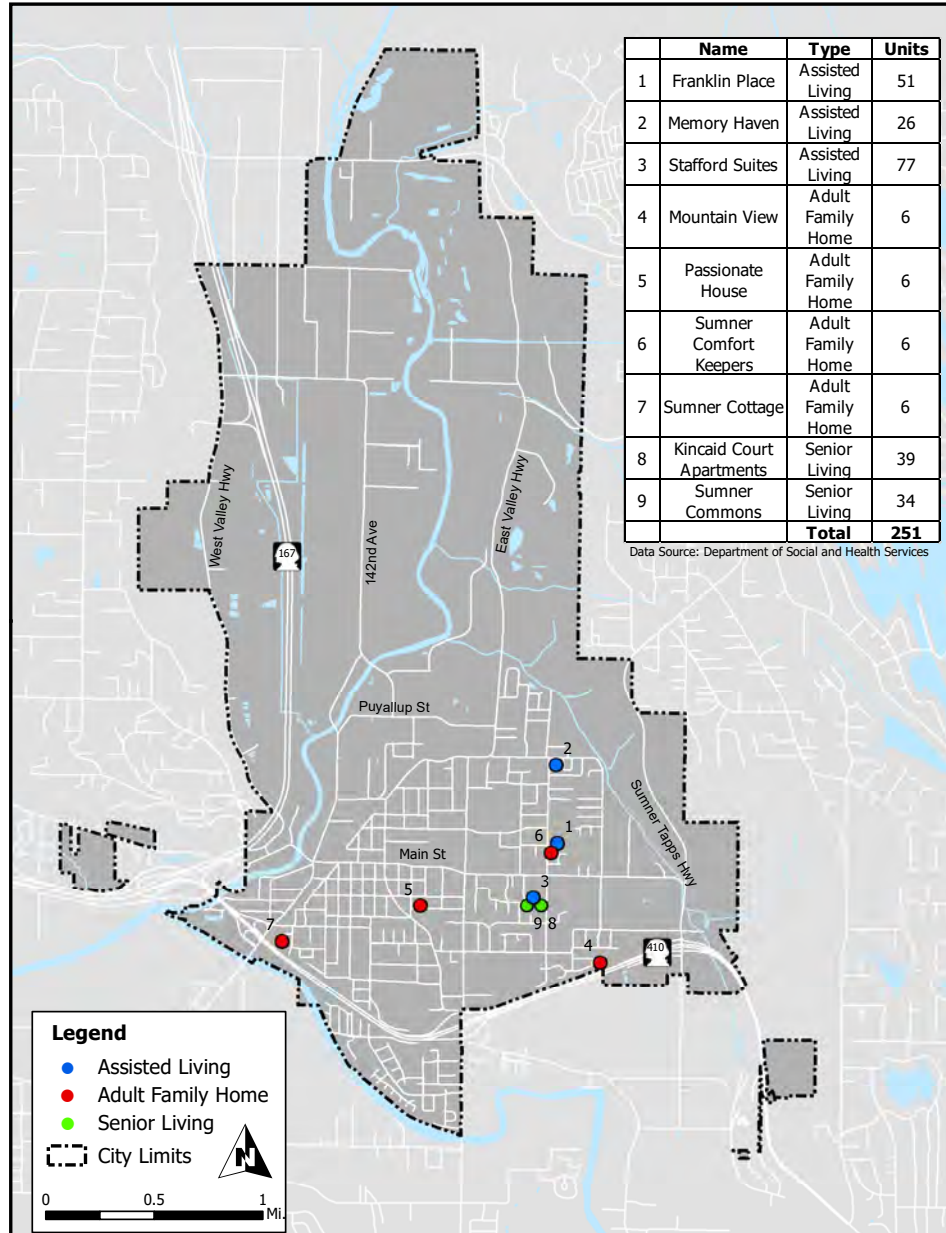
- Independent living difficulty, 5.7%
- Ambulatory difficulty, 5.2%
- Cognitive difficulty, 4.3%
- Hearing difficulty, 3.5%
- Vision difficulty, 2.1%
- Self-care difficulty, 2.0%

Total, 9.9% persons

Source: U.S. Census Bureau, 2014-2018 ACS

*The map includes all facilities, some of which might only accept seniors and others which accept a broader range of differently aged persons.

Sumner has more senior/assisted living housing



Sumner has more than double the number of Senior or assisted living units (251) compared to Bonney Lake.

Sumner has larger facilities. There are more assisted living and senior living facilities in comparison to Bonney Lake.



*The map includes all facilities, some of which might only accept seniors and others which accept a broader range of differently aged persons.

Definitions

- **Nursing homes** provide 24-hour supervised nursing care, personal care, therapy, nutrition management, organized activities, social services, room, board and laundry.
- The **assisted living facility** (ALF) provides room and board and help with activities of daily living. Some ALFs provide limited nursing services; others may specialize in serving people with mental health problems, developmental disabilities, or dementia (Alzheimer's disease). RCW 18-20-020(2). Some Assisted Living Facilities provide Assisted Living through a contract with the Department of Social and Health Services. Specific services are provided in a contracted assisted living facility.
- **Adult family homes** are regular neighborhood homes where staff assumes responsibility for the safety and well-being of an adult. A room, meals, laundry, supervision and varying levels of assistance with care are provided. Some provide occasional nursing care and/or specialized care for people with mental health issues, developmental disabilities or dementia. The home can have two to six residents and is licensed by the state.

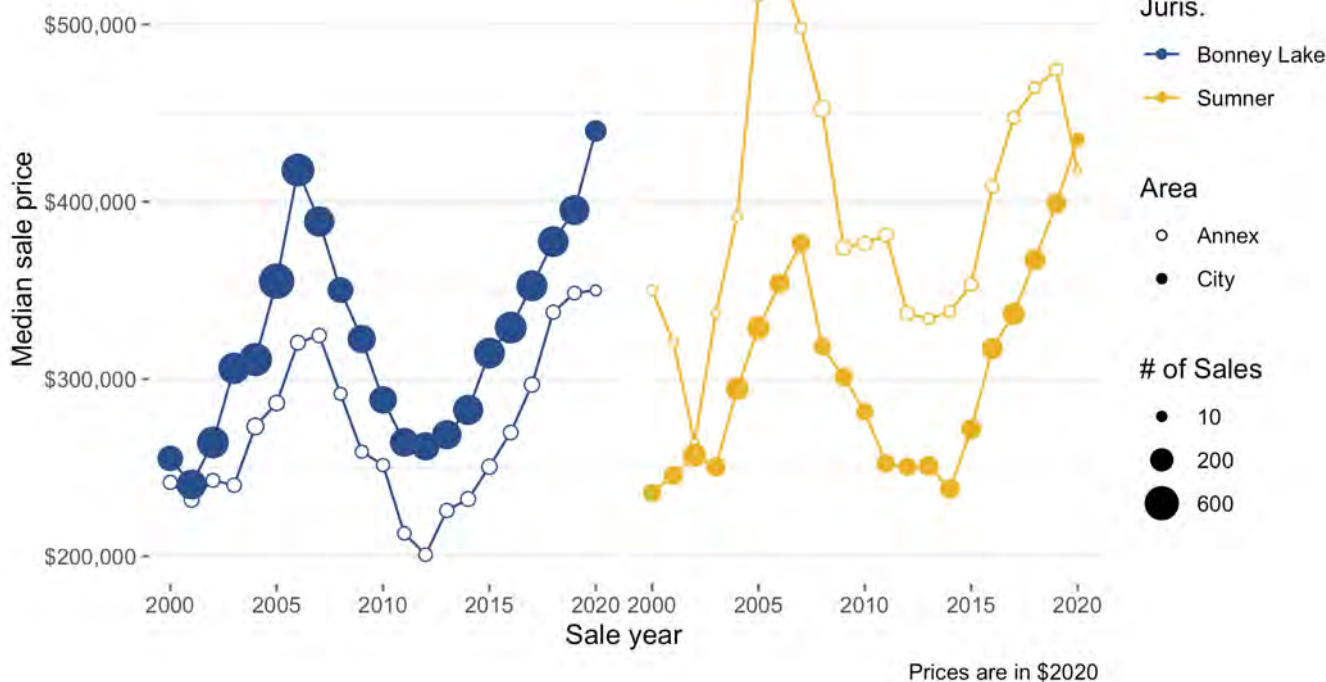
Source: Department of Health and Human Services

Median housing sales prices increased



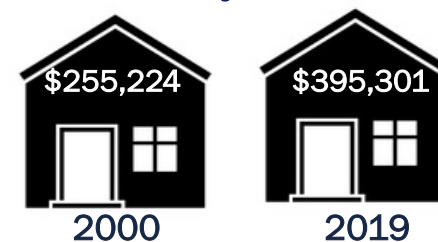
Bonney Lake

Sumner



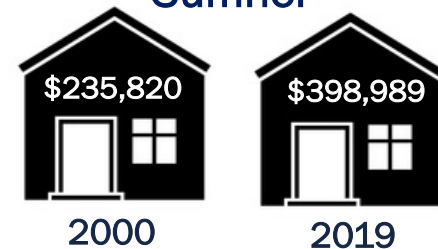
Median Sales Price

Bonney Lake



55% Change

Sumner



69% Change

Annexation/Urban Growth Areas

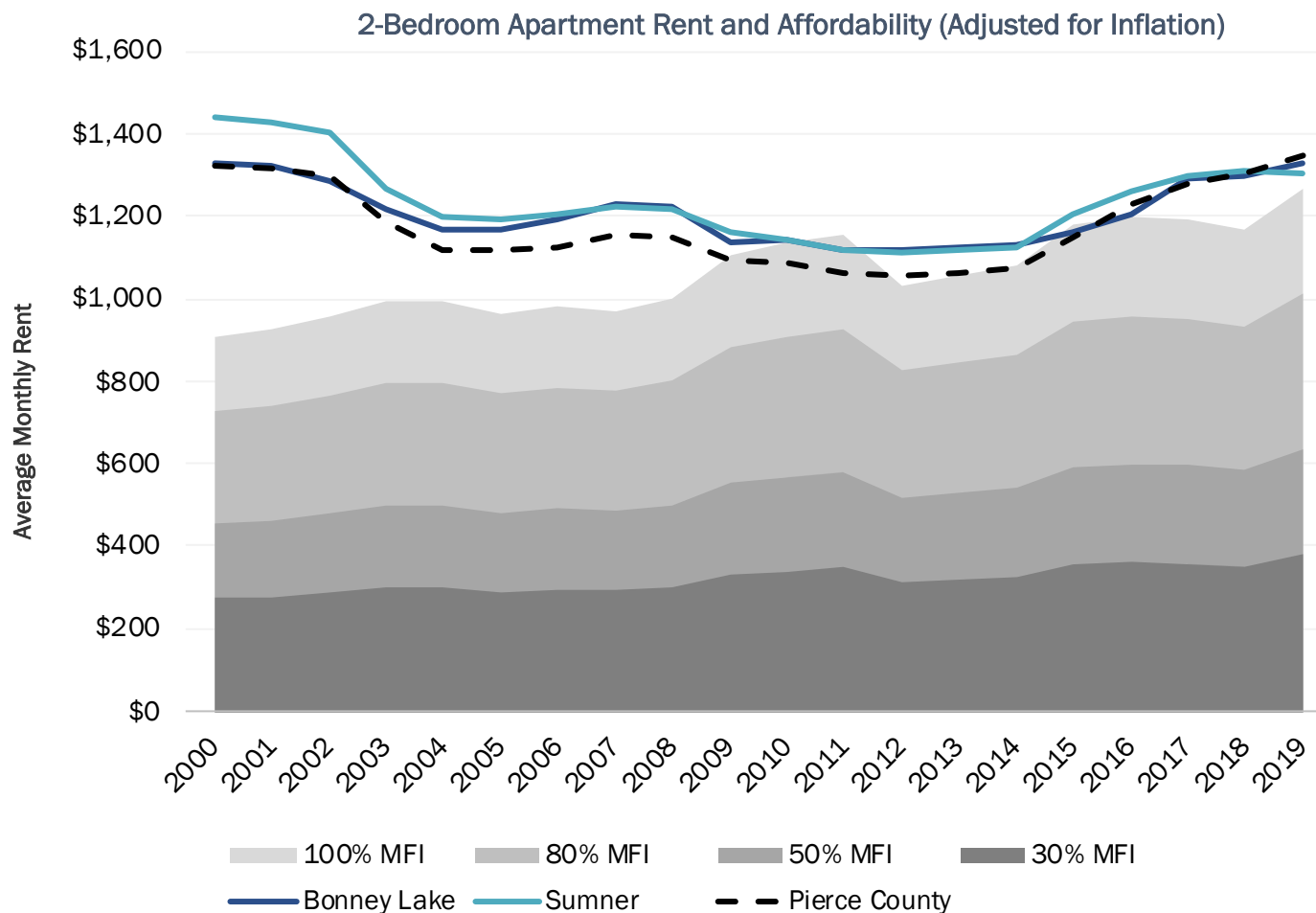
Annexation Areas	Median Sale Price 2000	Median Sale Price 2019	Percent Change
Bonney Lake	\$241,716	\$348,485	44%
Sumner	\$350,195	\$474,495	35%

Sources: Pierce County Assessments Department, 2020. Note: All values are in 2019 inflation-adjusted dollars.

**The source for the above figures is the Pierce County assessor. Zillow shows an increase to \$441,300 for Bonney Lake (73% change) and \$419,900 for Sumner (78% change) in 2020*

Rental cost trends

Bonney Lake, Sumner, and Pierce County's average apartment prices have mostly remained above 100% of the Median Family Income (MFI or AMI).



Bonney Lake
Average Rent in
2019:

\$1,327

Sumner Average
Rent in 2019:

\$1,305

*Pierce County Average
Rent in 2019: \$1,350

Standard Vacancy rate for 2-bedroom apartment

2-bedroom apartment rental vacancy rate for both Bonney Lake and Sumner has gradually decreased since 2000 and has remained below 6% since 2015.



2019 Vacancy Rate

Bonney Lake

5.6%

Sumner

5.7%

- Housing market assessments often use 5% as a standard vacancy rate since it implies a balance between housing supply and demand.* Average rental housing vacancy rates are 7-8% in the US
- Low vacancy rates may indicate a limited housing supply with inadequate housing production to satisfy demand while in contrast, higher rates imply an over-supply of housing, reduced desirability of an area, or low demand.

1. Community Profile

2. Workforce

3. Housing Market

4. Housing Affordability

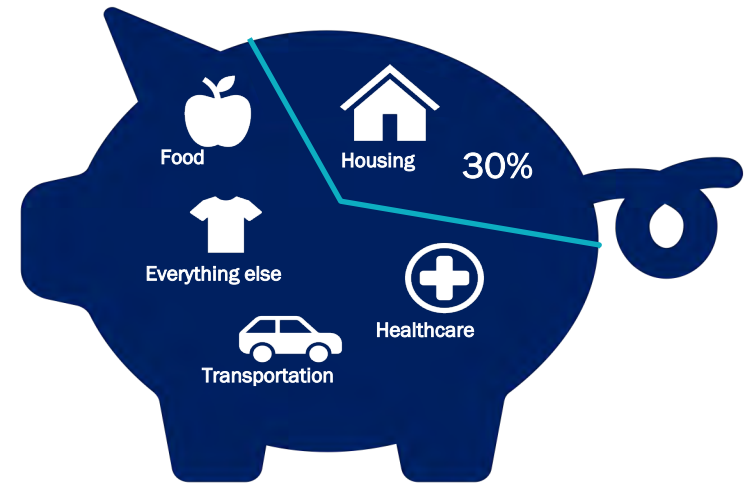
5. Housing Demand & Gap



Defining affordable housing

- The term affordable housing refers to a household's ability to find housing within its financial means. The typical standard used to determine housing affordability is that a household should pay no more than 30% of the gross household income for housing, including payments and interest or rent, utilities, and insurance.
- When examining household income levels, the Area Median Income (AMI) is a measure helpful for understanding what different households can afford to pay for housing expenses.
- This analysis uses the Pierce County (or Tacoma, WA HUD Metro Fair Market Rent area) for the 100% AMI which is \$87,322 for a family of four (2020).

What is Affordable Housing?

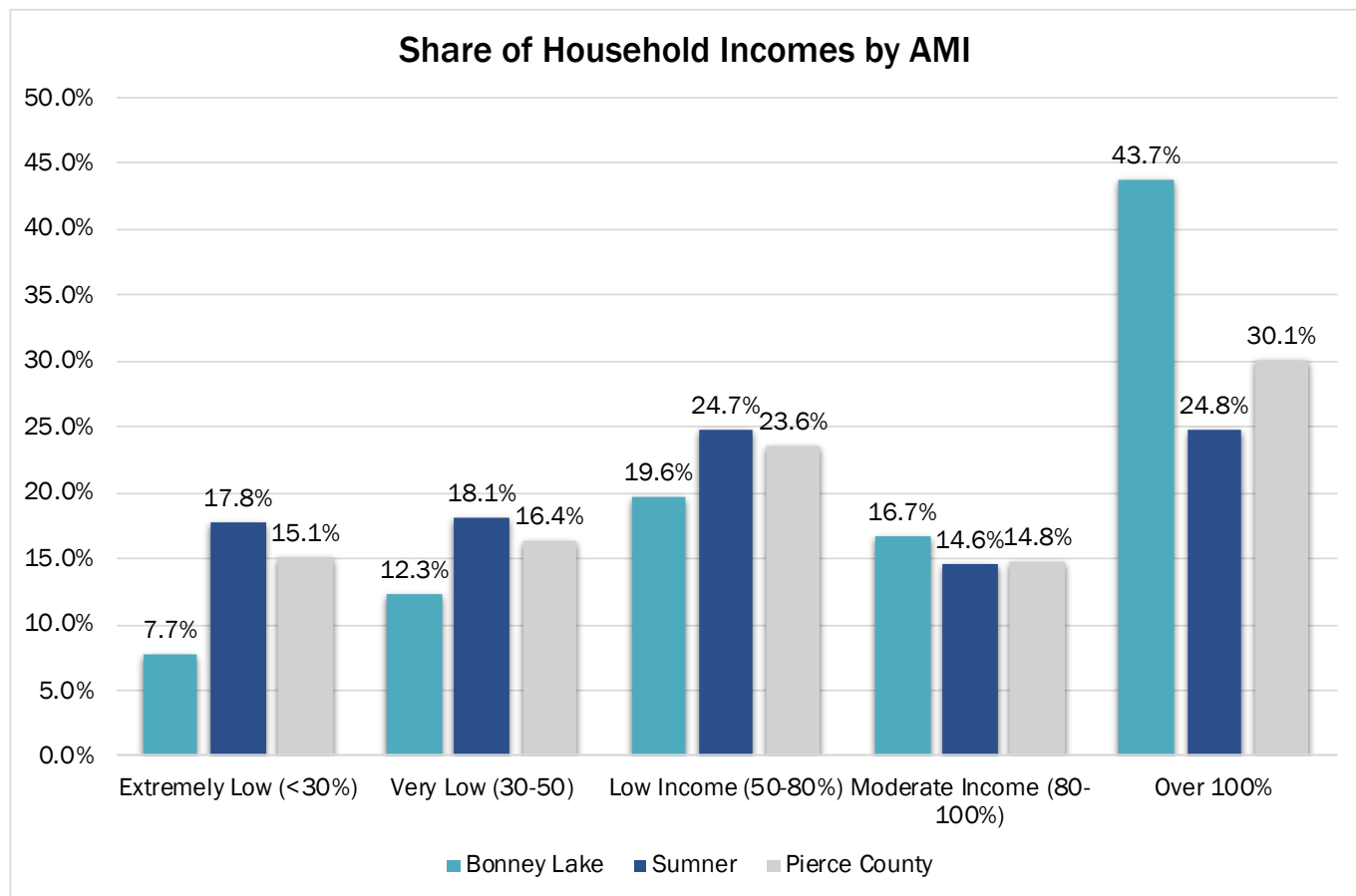


A home is **affordable** when the total housing costs (rent or home payment/dues + utilities) do not exceed **30% of the gross household income**.

Cost Burden: HUD guidelines indicate that a household is cost burdened when they pay more than 30% of their gross household income for housing and **severely cost burdened** when they pay more than 50% of their gross household income for housing (rent or mortgage, plus utilities).

Household incomes compared to AMI

Bonney Lake has a greater share of incomes over 80% AMI while Sumner has a greater share of incomes less than 80% of the Area Median Income.



Income Categories Key:

- Extremely Low (<30%, less than \$26,197)
- Very Low (30-50%, between \$26,197 & \$43,661)
- Low Income (50-80%, between \$43,661 & \$69,858)
- Moderate Income (80-100%, between \$69,858 & \$87,322)
- Over 100% is over \$87,322

*AMI breakdown are estimates based on income bins from 2014-2018: ACS 5-Year. The household income categories are based on the Bonney Lake categories. The AMI or Median Family Income (MFI) rates are for Pierce County, 2020 (Tacoma Metro) for a family of four, HUD.

How financially attainable is the housing in BL & Sumner?

If your household earns:

\$26,197
(30% AMI)

\$43,661
(50% AMI)

\$69,858
(80% AMI)

\$87,322
(100% AMI)

\$104,786
(120% AMI)

Then you can afford:

\$650
Monthly rent

\$1,090
Monthly rent

\$1,750
Monthly rent

\$2,180
Monthly rent

\$2,620
Monthly rent

or

\$79,000
\$92,000

Home sales price

or

\$131,000-
\$153,000

Home sales price

or

\$245,000-
\$279,000

Home sales price

or

\$306,000-
\$349,000

Home sales price

or

\$367,000-
\$419,000

Home sales price



**Senior
Center Aid**
\$39,654*



Permit Tech.
\$56,735*



**Assistant
Engineer**
\$81,242*



**Marketing
Analyst**
\$94,410

★ Bonney Lake/Sumner Average Rent is around \$1,300 which means that the rent would be affordable to households earning incomes at the moderate-income level or higher (80% AMI or higher)

★ Both cities have a median home sale price estimated at around \$400,000 – indicating home ownership is increasingly becoming out of reach especially for those middle income or lower (below 120% AMI)

Bonney Lake cost burden by tenure

BONNEY LAKE - RENTER

Cost Burdened
28%

Severely Cost Burdened
18%

BONNEY LAKE - HOMEOWNER

Cost Burdened
17%

Severely Cost Burdened
8%

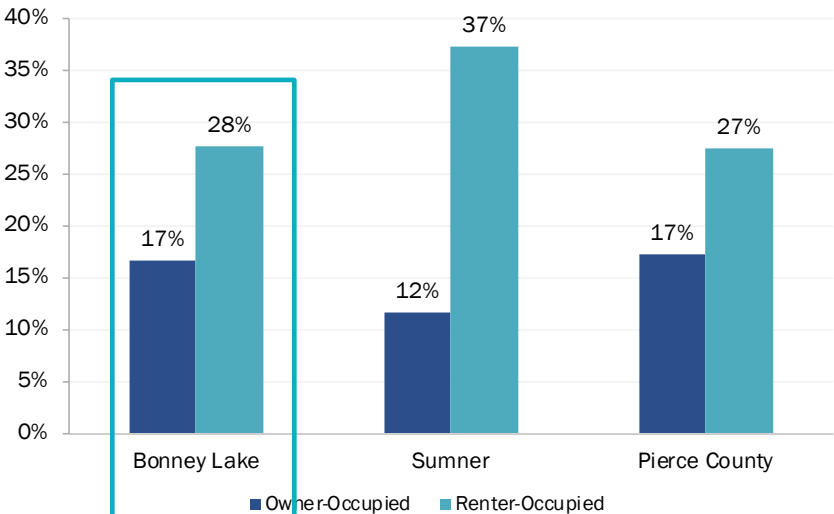


Overall Cost-Burdened in Bonney Lake:
29%

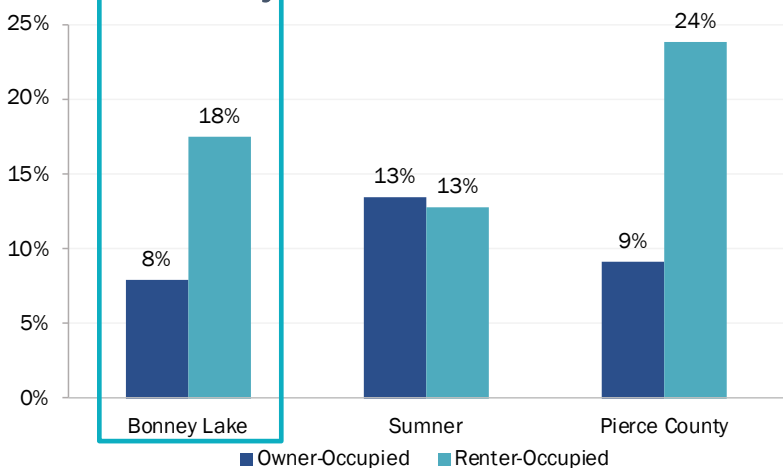
Renters are more likely to be cost burdened than owners.

**In comparison, 36% were cost burdened in Pierce County (2014-18)*

Cost-Burdened Households



Severely Cost-Burdened Households



Source: U.S. Census 2014-2018 ACS 5-Year Estimates. Notes: Cost burdening for owner-occupied households is not terribly common because mortgage lenders typically ensure that a household can pay its debt obligations before signing off on a loan. However, cost burdening can occur when a household secures a mortgage and then sees its income decline. Also, it is important to note that households with incomes over 100% of AMI are less burdened overall since their larger income will go farther to cover non-housing expenses such as transportation, childcare, and food. Cost burden does not consider accumulated wealth and assets.

Sumner cost burden by tenure

SUMNER - RENTER

Cost Burdened

37%

Severely Cost Burdened

13%

SUMNER - HOMEOWNER

Cost Burdened

12%

Severely Cost Burdened

13%



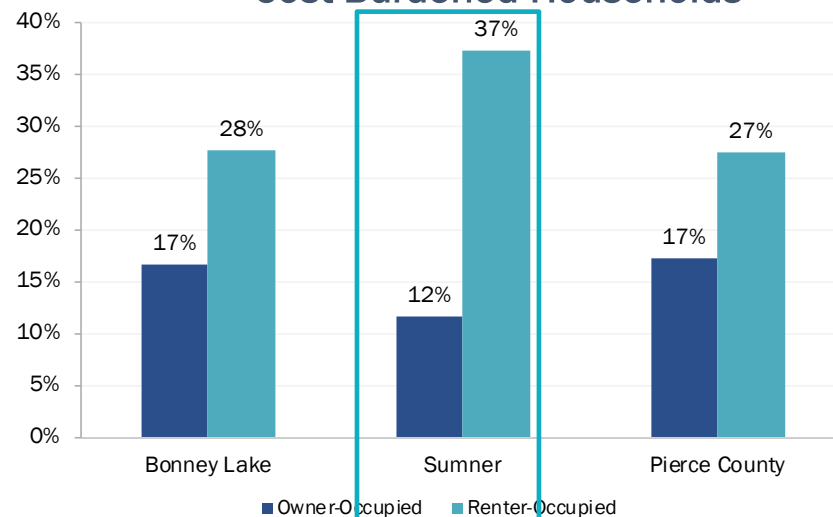
Overall Cost-Burdened in Sumner:

37%

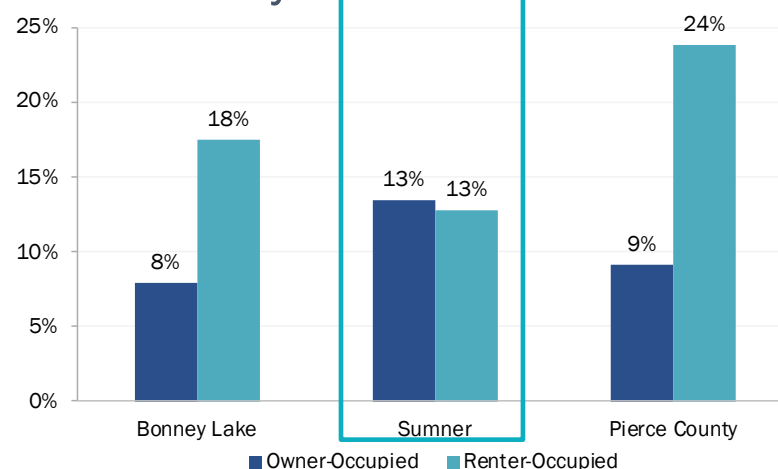
Overall, 37% of Sumner residents are cost burdened. However, only 13% of owners and renters are severely cost burdened.

**In comparison, 36% were cost burdened in Pierce County (2014-18)*

Cost-Burdened Households



Severely Cost-Burdened Households

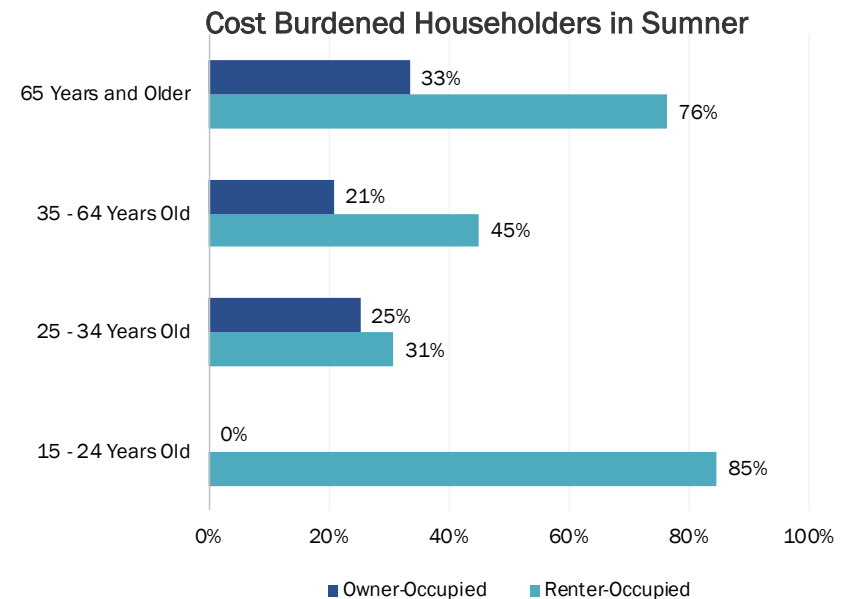
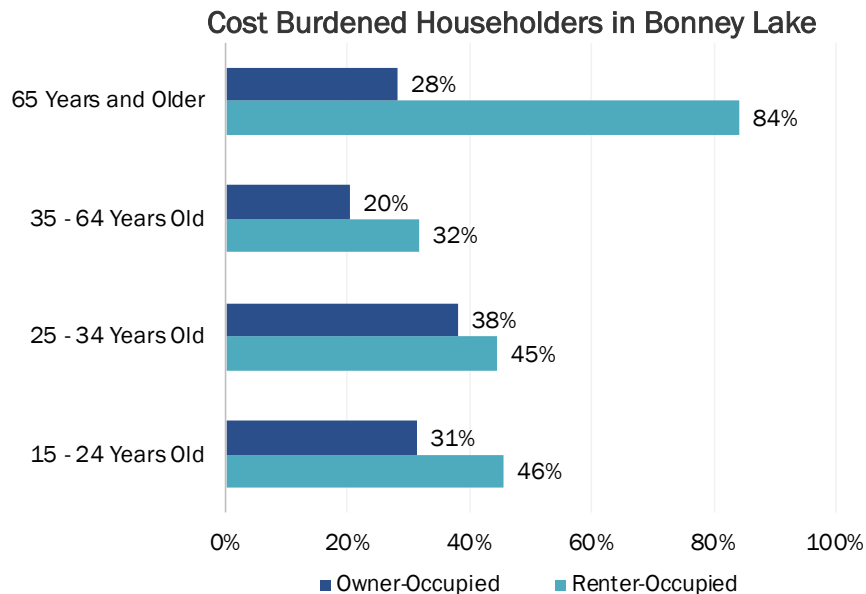


Source: U.S. Census 2014-2018 ACS 5-Year Estimates. Notes: Cost burdening for owner-occupied households is not terribly common because mortgage lenders typically ensure that a household can pay its debt obligations before signing off on a loan. However, cost burdening can occur when a household secures a mortgage and then sees its income decline. Also, it is important to note that households with incomes over 100% of AMI are less burdened overall since their larger income will go farther to cover non-housing expenses such as transportation, childcare, and food. Cost burden does not consider accumulated wealth and assets.

Cost burden trends associated with age

Renters under 24 and over 65 are more cost burdened.

- Bonney Lake: 84% of 65+ renters are cost burdened.
- Sumner: 85% under 24 renting cost burdened.



Bonney Lake: Cost burden by income and AMI

- Bonney Lake has a deficit of rental units affordable to incomes at 0-80% HAMFI
- Lower income households tend to be more cost burdened

Rental Units Compared to Household Incomes

Unit Rents "Affordably" at...	Unit Occupied by Household Earning...			
	0-30% HAMFI (Very Low Income)	Between 31 to 50% HAMFI (Low Income)	Between 51 to 80% HAMFI (Moderate Income)	Over 80% HAMFI
0-30%	25.0%	0.0%	5.6%	9.0%
30-50%	0.0%	5.6%	5.6%	1.6%
50-80%	50.0%	55.6%	61.1%	29.3%
80%	25.0%	38.9%	27.8%	60.1%
	100.0%	100.0%	100.0%	100.0%

Households Renting Down

75% of very-low income renters are cost burdened

Ownership Costs Compared to Household Incomes

Ownership Units Affordable to...	Unit Occupied by Household Earning...			
	0-50% HAMFI	50-80% HAMFI	80-100% HAMFI	Over 100% of the HAMFI
0-50%	23.1%	15.2%	14.8%	4.2%
50-80%	9.2%	43.5%	39.9%	15.4%
80-100%	29.2%	26.1%	8.4%	29.3%
100%	38.5%	15.2%	36.9%	51.0%
	100.0%	100.0%	100.0%	100.0%

Blue = in Income
Category

Green = Renting/
Buying Down

Orange = Cost
Burdened

Sumner: Cost burden by income and AMI

- Sumner has a deficit of rental units affordable to incomes at the lower end (0-50%) but the deficit is not as high as Bonney Lake
- Sumner has a lower share of housing available at the upper end (80%+ HAMFI) of affordability in comparison to Bonney Lake.

Rent Costs Compared to Household Incomes

Unit Rents "Affordably" at...	Unit Occupied by Household Earning...			
	0-30% HAMFI (Very Low Income)	Between 31 to 50% HAMFI (Low Income)	Between 51 to 80% HAMFI (Moderate Income)	Over 80% HAMFI
0-30%	33.3%	8.7%	3.2%	3.3%
30-50%	16.7%	22.2%	12.9%	13.1%
50-80%	40.7%	46.5%	63.4%	50.3%
80%	9.3%	22.6%	20.5%	33.3%
	100.0%	100.0%	100.0%	100.0%

Blue = in Income Category

Green = Renting/
Buying Down

Orange = Cost Burdened

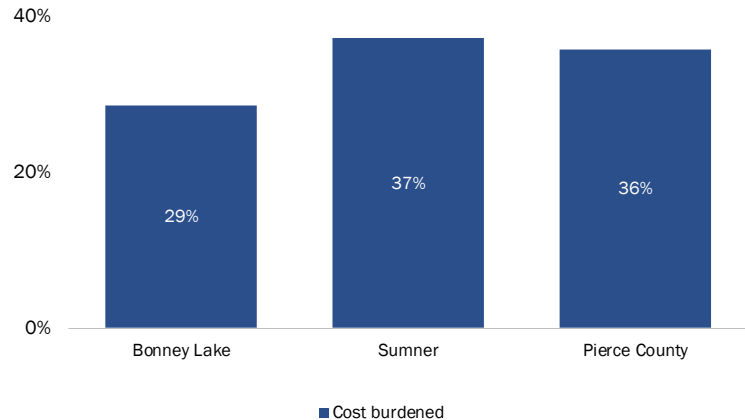
Ownership Cost Bins Compared to Household Incomes

Ownership Units Affordable to...	Unit Occupied by Household Earning...			
	0-50% HAMFI	50-80% HAMFI	80-100% HAMFI	Over 100% of the HAMFI
0-50%	31.3%	5.8%	15.8%	3.3%
50-80%	38.2%	43.5%	63.2%	19.9%
80-100%	9.7%	29.0%	10.5%	30.4%
100%	20.8%	21.7%	10.5%	46.4%
	100.0%	100.0%	100.0%	100.0%

Note: Sumner has more rentals than BL.

Combined: Cost Burden

- **Cost Burden: 32%** (29% rate in BL, 37% in S)
- **Severely Cost Burden: 11%** (10% rate in BL, 13% in S)



Rent Costs Compared to Household Incomes

Area	Unit Rents "Affordably" at...	Unit Occupied by Household Earning...			
		0-30% HAMFI (Very Low Income)	Between 31 to 50% HAMFI (Low Income)	Between 51 to 80% HAMFI (Moderate Income)	Over 80% HAMFI
Bonney Lake and Sumner Combined	0-30%	32.3%	32.3%	32.3%	32.3%
	30-50%	14.5%	14.5%	14.5%	14.5%
	50-80%	41.9%	41.9%	41.9%	41.9%
	80%	11.3%	11.3%	11.3%	11.3%
		100.0%	100.0%	100.0%	100.0%

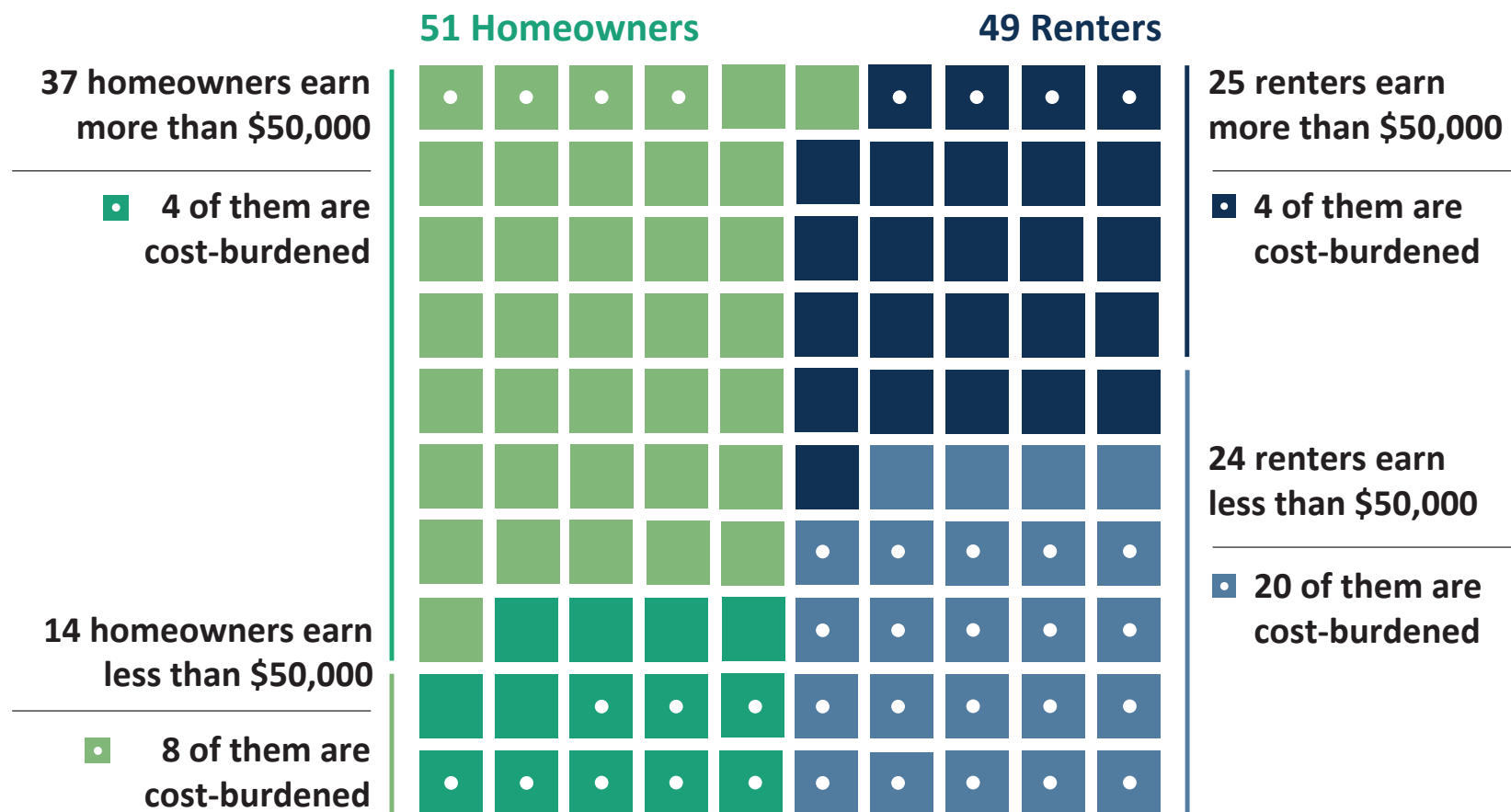
Orange = Cost
Burdened

Blue = in Income
Category

Green = Renting/
Buying Down

Sumner: Cost burden by income

If all of Sumner's Households Were 100 Residents:



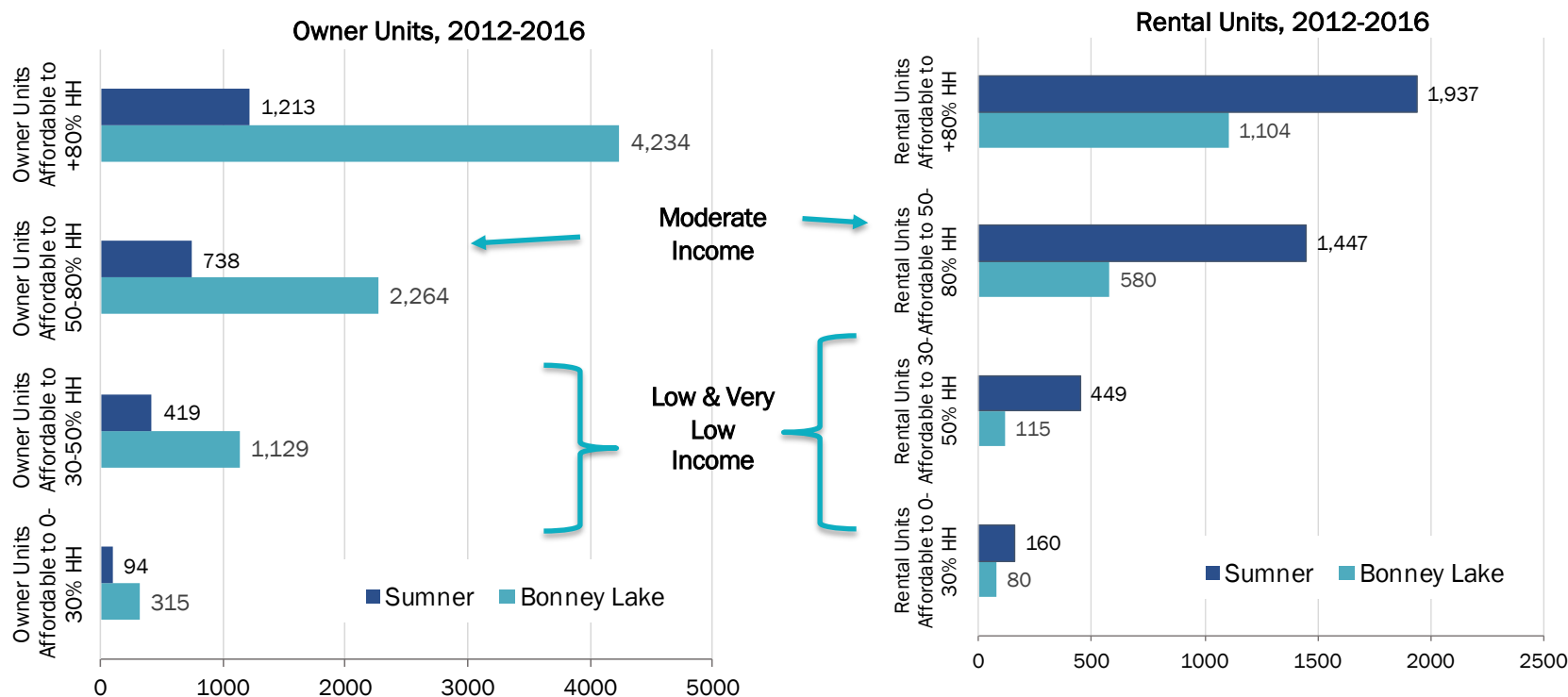
This illustration explains cost burden rates by viewing Sumner as 100 residents. Homeowners are represented by green squares, and renters are represented by blue squares; and as shown above, there are a similar share of homeowners in comparison to renters. The graphic also breaks homeowners and renters into two groups based on income. The darker shade are those people in households with middle to higher incomes and lighter shades represent people in households with lower incomes. The white dots indicate the number of people that are considered cost burdened. As shown, 20 out of 24 renters earning less than \$50,000 a year are cost burdened. Homeowners earning less than \$50,000 tend to be more cost burdened too; in fact, 8 out of 14 are cost burdened. Those earning more than \$50,000 a year tend to be much less cost burdened.

Source: ECONorthwest illustration. Data Source: ACS 5-Year Survey, 2014-18

Affordable housing production



- Bonney Lake has triple the number of owned moderate-income housing in comparison to Sumner
- Sumner Rentals: More than double the number of moderate-income and very low-income; and triple the number of low-income rentals in comparison to Bonney Lake. However, Bonney Lake is expecting to add 408 new low-income rentals in the next year (less than 50% AMI).
- Sumner has more rentals while Bonney Lake has more owner units (particularly +80% AMI)



Affordable housing production detail



Bonney Lake Housing	Owner Units	Rental Units	Total Units	Percent of Total
Affordable to 0-30% Households	315	80	395	4%
Affordable to 30-50% Households	1,129	115	1,244	13%
Affordable to 50-80% Households	2,264	580	2,844	29%
Affordable to +80% Households	4,234	1,104	5,338	54%
Total	7,942	1,879	9,821	100%

Sumner Housing	Owner Units	Rental Units	Total Units	Percent of Total
Affordable to 0-30% Households	94	160	254	4%
Affordable to 30-50% Households	419	449	868	13%
Affordable to 50-80% Households	738	1,447	2,185	34%
Affordable to +80% Households	1,213	1,937	3,150	49%
Total	2,464	3,993	6,457	100%

Rent restricted affordable units



- Bonney Lake total low-income units = 433 (bond subsidy)
- Sumner total low-income units = 63 (tax credit, HUD Section 8)



Project: Project Name	City	Project Type	# Market Rate Units	# Low Income Units	Total Project Units
View by Vintage	Bonney Lake	Bond	0	408	408
Cedar Ridge Retirement	Bonney Lake	Bond	98	25	123
<i>Total</i>			98	433	531

Project: Project Name	City	Project Type	# Market Rate Units	# Low Income Units	Total Project Units
Sumner Commons Senior Housing	Sumner	Tax Credit	0	34	34
Kincaid Court Apartments	Sumner	HUD Section 8	10	29	39
<i>Total</i>			10	63	73

Affordable housing targets



It shall be the goal of each jurisdiction in Pierce County that a minimum of 25% of the growth population allocation is satisfied through affordable housing (Countywide Planning Policies, 2018).

Bonney Lake 2008-30 Target:

- 8,604 total housing units
- Add 2,776 new units, 25% is 694

As of 2012-16:

- 4,483 total units affordable (under 80% AMI) out of 9,821 units (46% of total) – however with new development this will increase to 48% out of 10,229 units

Sumner 2008-30 Target:

- 5,743 total housing units
- Add 1,770 new units, 25% is 443

As of 2012-16:

- 3,307 units affordable (under 80% AMI) out of 6,457 units (51% of total)

**Targets expected to be updated in 2021.*

1. Community Profile

2. Workforce

3. Housing Market

4. Housing Affordability

5. Housing Demand & Gaps

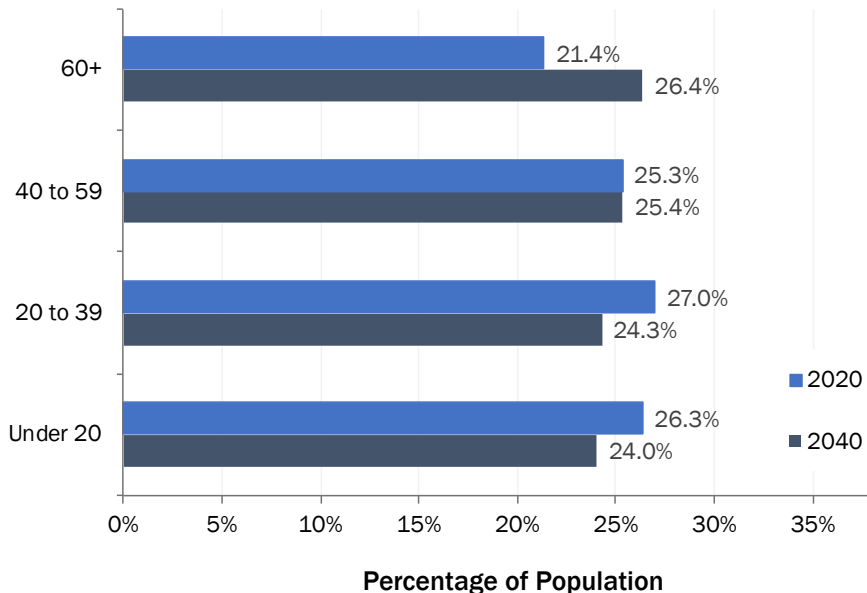


Modest population growth projected



- Pierce County: 26% will be 60+ by 2040 and will become largest age group.
 - Bonney Lake: 6,114 persons 60+ persons by 2040
 - Sumner: 3,293 persons 60+ persons by 2040
- Both: Modest population growth forecasted, adding ~2,000 more people

Population Projections by Age Group,
Pierce County, 2020 – 2040



PSRC 2020-40 Population Projections for
Bonney Lake and Sumner

Jurisdiction	Total Population 2020	Total Population 2025	Total Population 2030	Total Population 2035	Total Population 2040
Bonney Lake	21,211	21,810	22,058	22,421	23,158
Sumner	10,443	11,163	11,746	12,209	12,473

****Projections expected to be updated in late 2020 or early 2021 in coordination with the Pierce County population target setting process.***

Key demographic trends influencing need

Aging Baby Boomer Generation: By 2040, the number of seniors in Pierce County will increase to 26% of total population. *Bonney Lake's 65+ age group quadrupled since 2000 (10% of total in 2014-18). Sumner's 65+ grew modestly but was 15% of total in 2014-18.*

- Household sizes will decrease (greater 1-person households)
- Homeownership rates will decrease (especially for households 75+ years)
- Need for subsidized units, middle housing, and ADUs will increase

Increased Diversity: Hispanic/Latino population predicted to be the fastest growing racial/ethnic group over next few decades.

- Housing demand will increase
- Increase in multi-generational housing needs



Employment targets, 2008-2030



- Bonney Lake: 1,141 new jobs (growth) between 2008-2030 with a total of 5,488 total jobs by 2030 -> approximately 5,096 jobs in 2018, need to add around 39 jobs per year for 10 years
- Sumner: 10,656 new jobs (growth) between 2008-2030 with a total of 21,484 total jobs by 2030 -> approximately 16,065 jobs in 2018, need to add around 542 jobs per year for 10 years

*Targets to be updated in February 2021

PSRC 2020-40 Employment Projections

Jurisdiction	Total Jobs 2020	Total Jobs 2025	Total Jobs 2030	Total Jobs 2035	Total Jobs 2040
Bonney Lake	5,436	5,450	5,342	5,355	5,429
Sumner	16,434	16,921	16,797	16,971	17,355

Sources: Countywide Planning Policies for Pierce County, Washington, 2018; and PSRC Employment Forecasts. PSRC developed a policy directed growth projection that is intended for use in regional travel modeling and other planning analyses. This product is called the Land Use Vision (LUV) and was developed through a two-step process. First, PSRC's 2015 macroeconomic forecast is broken down to jurisdiction-level household, population, and job control totals (for cities and towns, unincorporated UGAs, and rural areas), by numerical policy guidance including the VISION2040 Regional Growth Strategy and adopted local growth targets. Secondly, the control totals are then allocated across each jurisdiction using PSRC's UrbanSim land use model. Link to data: <https://www.psrc.org/projections-cities-and-other-places>

Draft Housing gap analysis results

- Bonney Lake needs an additional 3,065 housing units
- Sumner needs 1,422 housing units

**Projections expected to be updated in late 2020 or early 2021 in coordination with the Pierce County population target setting process. This will affect the number of future housing units needed.*

Gap Analysis for Bonney Lake and Sumner in Comparison to Pierce County

Area	Current Estimated Underproduction, Units	Future Housing Need, Units	Total Units	Existing Housing Units (2019, OFM)
Bonney Lake	1,774	1,290	3,065	7,476
Sumner	0	1,422	1,422	4,450
Pierce County	37,078	127,116	164,193	353,089



- *Current Estimated Underproduction: Existing shortage of housing units from the past 10 years.*
- *Future Housing Need: Shows the estimated housing demand up to 2040.*

Sources: ECONorthwest calculations/modeling. Primary Data Sources: Washington Office of Financial Management, 2019; PSRC, 2019. Method: Using population forecast from OMF and PSRC, and selected Census information we can estimate both the current underproduction and future housing need. For this analysis we calculated the total future housing need as the current underproduction of housing plus the future need based on projections from PSRC's 2040 household projections. Current underproduction of housing was calculated based on the ratio of housing units produced and new households formed over time. The average household size in each city is calculated and converted to a ratio of total housing units to households. This ratio is compared to that of the region as the target ratio. If the ratio is lower, then we calculated the underproduction as the number of units it would have needed to produce over time, to reach the target ratio. Washington State does not have a regional approach for housing production. This approach to underproduction is simple and intuitive while using the best available data that is both local and most updated. This analysis does not differentiate between renter and owner households and relies on average household size to convert population counts to household counts. One drawback of this approach is that it does not identify the underproduction at different levels of affordability. Future housing need is calculated based on the forecasted household growth through 2040 from PSRC. PSRC does not forecast housing units, but instead forecasts the estimated number of households for each city. To calculate future housing need, we use a target ratio of 1.14 housing units per new household. This ratio is the national average of housing units to households in 2019. It is important to use a ratio greater than 1:1 since healthy housing markets allow for vacancy, demolition, second/vacation homes, and broad absorption trends.

Housing gap compared to targets



Gap Analysis for Bonney Lake and Sumner in Comparison to Pierce County

Area	Current Estimated Underproduction, Units	Future Housing Need, Units	Total Units
Bonney Lake	1,774	1,290	3,065
Sumner	0	1,422	1,422
Pierce County	37,078	127,116	164,193

Bonney Lake Target (2030) vs Gap (2040):

- Targets: Add 2,776 from 2008 to 2030 (CPP) or 3,470 *housing units by 2035 (Comp Plan)*
- As of 2018, added 1,302 (over 2k needed) – gap shows ~3k needed by 2040 though this is needed in 10 more years

Sumner Target (2030) vs Gap (2040):

- Target: Add 1,770 from 2008 to 2030
- As of 2018, added 355 (need 1,415) – gap is a similar number of total units (1,422) needed by 2040 though this is needed in 10 more years



Different Scenarios for Filling the Gap

- **Scenario 1, Status Quo:** Existing housing production continues with no new action.
- **Scenario 2, Fair Share:** Housing targets are based on the income averages in Pierce County.

Scenario 1: Status Quo



Scenario 2: Fair Share



Gap analysis Methods

Allocate total housing units needed into two different scenarios, as follows:

Share of Less than 50% (low income):

- Scenario 1: 20%
- Scenario 2: 31%

Share of 80-100% (middle income):

- Scenario 1: 17%
- Scenario 2: 15%

Share of 50-80% (moderate income):

- Scenario 1: 20%
- Scenario 2: 24%

Share of 100%+ housing (high income):

- Scenario 1: 44%
- Scenario 2: 30%

Draft Gap analysis: Bonney Lake scenarios

Scenario 1 would have more higher income housing while Scenario 2 would add a greater amount of low-income categories.

Income Category	1) Bonney Lake Status Quo	2) Bonney Lake Fair Share
Extremely Low (<30%)	235	463
Very Low (30-50)	378	502
Low Income (50-80%)	601	723
Moderate Income (80-100%)	513	455
Over 100%	1,338	922
<i>Total</i>	3,065	3,065

Share of Less than 50%:

- Scenario 1: 20% - **LOWER**
- Scenario 2: 31% - **HIGHER**

Share of 50-80%:

- Scenario 1: 20%
- Scenario 2: 24%

Share of 80-100%:

- Scenario 1: 17%
- Scenario 2: 15%

Share of 100%+ housing:

- Scenario 1: 44% - **HIGHER**
- Scenario 2: 30% - **LOWER**

Draft Gap analysis: Sumner scenarios



Sumner results differed. Scenario 1 (status quo) calls for more lower income housing in comparison to Scenario 2 (fair share). In addition, Scenario 2 calls for slightly more 100%+ housing than currently produced. This indicates a possible deficit of market rate units for middle income, workforce households that should be augmented to prevent renting or buying down of lower-income housing units.

Income Category	1) Sumner Status Quo	2) Sumner Fair Share
Extremely Low (<30%)	253	215
Very Low (30-50)	258	233
Low Income (50-80%)	351	336
Moderate Income (80-100%)	208	211
Over 100%	352	428
Total	1,422	1,422

Share of Less than 50%:

- Scenario 1: 36% - **HIGHER**
- Scenario 2: 31% - **LOWER**

Share of 50-80%:

- Scenario 1: 25%
- Scenario 2: 24%

Share of 80-100%:

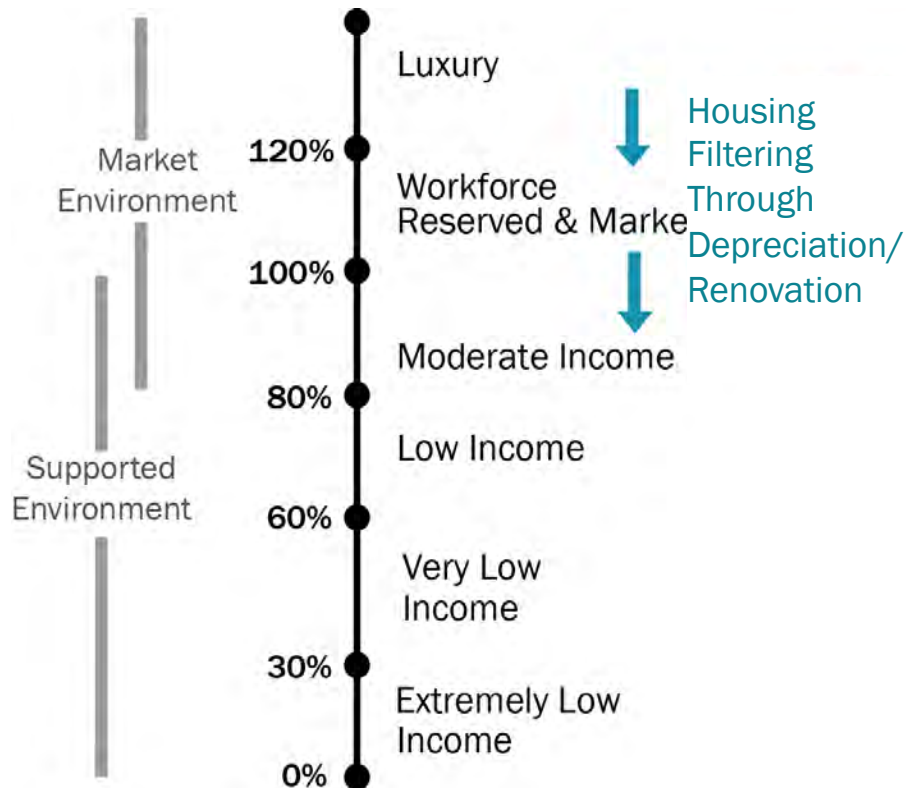
- Scenario 1: 15%
- Scenario 2: 15%

Share of 100%+ housing:

- Scenario 1: 25% - **LOWER**
- Scenario 2: 30% - **HIGHER**

Housing strategies vary by affordability

The market environment mainly supports production of moderate-income or above



HUD Affordability & Price by Housing Type, 2018

AMI	Studio Affordability at AMI Bin	One Bedroom Affordability at AMI Bin	Two Bedroom Affordability at AMI Bin
30%	\$392	\$420	\$504
50%	\$652	\$700	\$840
80%	\$1,044	\$1,120	\$1,342
100%	\$1,306	\$1,398	\$1,678

Source: HUD, 2018

Spectrum of housing strategies

Publicly-funded and produced

Primarily 0 – 30% MFI

Federal programs
(HOME, CDBG, etc.)

General fund

Housing bond

Surplus Land

Community
Land Trusts

Low Income
Housing Tax
Credit (LIHTC)

Public Private
Projects

Non-profit-
funded projects

Privately-funded and produced

Primarily 80 – 120% MFI

Regulatory Examples

Inclusionary zoning

Supply-side strategies
(i.e., increase allowable
density in SF zones)

Linkage or impact fees

Multifamily Property Tax
Exemption (low-income
too)

Incentive-based Examples

Incentive zoning

Transfer of
Development Rights

Key findings & policy implications



Gaps in Housing Need

- **High Demand for diverse Middle-income Options (smaller homes, SF attached)**
 - Rising incomes
 - Aging baby boomers particularly in Bonney Lake
 - Growing Workforce particularly in Sumner
- **Pent up Demand for Low to Moderate-income**
 - 28% in Bonney Lake & 37% in Sumner cost burdened – worse for lower incomes
 - Average rent higher than 100% MFI (not enough rentals)
 - Low # of senior housing
- **Demand for More Housing**
 - Very high commuting rates
 - Need to build more housing to achieve targets & fill gap

Possible Solutions

- Incentives to subsidize low-income units, senior housing, TOD, and MF housing
- Identify and lower barriers for building and preserving low-to-middle-income housing, ADUs, and diverse housing types
- Explore funding sources & partnerships
- Expand areas for building more housing & allowing housing diversity
- Identify tweaks in policies and the permitting process



How do the cities complement each other?



Bonney Lake

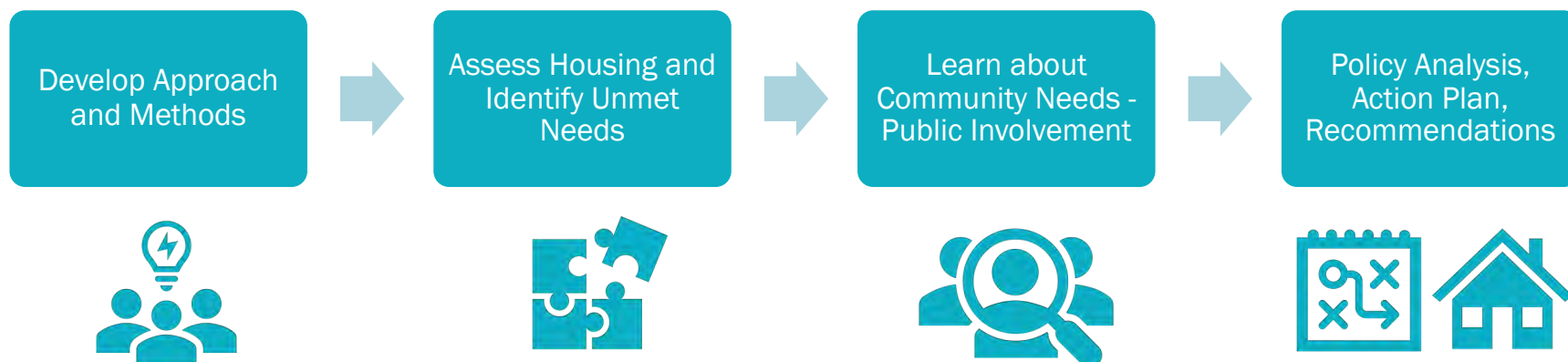
- **More People + Growth:** Population doubled to over 20k with high growth in 65+ age group & increase in median age to almost 35 from 2000 to 2014-18
- **Household sizes larger,** mostly 3+ (49%), 2.91 average size, 77% are family households
- **Increasing diversity** (Hispanic/Latino, 2+ races), growth from 8 to 19% nonwhite since 2000
- **High Income:** Median income **\$91k**, 52% change since 2000, 55% of incomes above \$75k
- **Less Jobs:** 26% of total jobs in BL/S area. Low Jobs-housing: 0.7, combined better at 1.7
- **Highest commuting:** 3% live + work in town
- **More Housing:** Over 7k units, mostly owner-occupied (81%) & SF detached (84%). Newer: 75% built after 1980. 80% of new housing built since 2010 SF (20% MF).
- **Increased Housing Costs:** Rent above median income & home sale prices increased by over 50% since 2000.
- **Housing Affordability/Special Needs:** 29% cost burdened, fewer low-income. More owned moderate-income & subsidized (433) but less senior housing (111 units).
- **Halfway to 2030 Housing Target:** 50% towards goal, keep up pace
- **Higher 2040 gap:** 3,065, fair share would require more low-income housing and less high-income

Sumner

- **Less People + Growth:** Population **grew modestly** to almost 10k, no change in 35 median age
- **Household sizes smaller,** mostly 1-2 (62%), 2.41 median size, 42% non-family households
- **Increasing diversity** (Hispanic/Latino, 2+ races), growth from 13 to 20% nonwhite since 2000
- **Low-Moderate Income:** Median income **\$60k**, 55% change since 2000, 62% below \$75k, greater poverty 13%
- **More Jobs:** 74% of total jobs in BL/S area. 16k jobs. Most jobs earn below \$60k. High Jobs-housing: 3.2, combined better at 1.7.
- **High commuting:** 11% live + work in town
- **Less Housing:** Over 4k units, half rentals & owner-occupied. Mostly SF detached (67%) though more diverse types. Older: 78% built before 1999. Half of new housing built since 2010 is SF and MF.
- **Increased Housing Costs:** Rent above median income & home sale prices increased by over 50% since 2000.
- **Housing Affordability/Special Needs:** 37% cost burdened, greater low to moderate income renters. Less subsidized (63) but more senior housing (251 units)
- **Behind on 2030 housing Target:** 28% towards goal, pick up pace
- **Lower 2040 gap:** 1,422 units, fair share would require less low-income housing and more high-income

Next steps

- Policy Analysis
- Draft and Final Housing Action Plan
- Implementation Plan



APPENDIX 2: REAL ESTATE PROTOTYPES

DATE: October 20, 2020

TO: City of Bonney Lake, City of Sumner

FROM: ECONorthwest

SUBJECT: ANALYSIS OF KEY programs for BONNEY LAKE/SUMNER HOUSING ACTION
PLANS

INTRODUCTION OF POLICY ANALYSIS FOR HAPS

The cities of Bonney Lake and Sumner are developing Housing Action Plans (HAPs) to identify ways to effectively meet housing needs now and in the future. The HAPs are largely made possible due to a Washington State Department of Commerce Housing Bill 1923 Grant. The HAPs will help inform policy revisions associated with each city's Comprehensive Plans and will outline the housing needs and housing production strategies to reach PSRC 2040 (soon to be adopted 2050) population and household growth projections.

The approach for developing Housing Action Plans began with a deep assessment of housing needs for the cities of Bonney Lake and Sumner. This assessment included extensive analysis of community demographics, housing market dynamics, employment and commuting trends, housing affordability metrics, and growth trends and projections. Public involvement, primarily delivered through a stakeholder committee approach, has been integrated into the process to gain input informative to plan development. Building off this work, focused policy analysis was identified as the next step for building an improved understanding of implications associated with different housing strategies.

This memo describes the findings from evaluating a set of key planning tools, specifically the multifamily property tax exemption incentive and regulations associated with building Accessory Dwelling Units (ADUs). These planning tools were selected due to their potential to boost housing production especially housing priced for moderate to low-income households.

- The multifamily tax exemption allows a local jurisdiction to incent diverse housing options in urban centers lacking in housing choices or workforce housing units. Essentially this program supports increased housing availability, possibly including affordable units, largely in mixed income developments conveniently located in urban centers. Washington State Chapter 84.14 RCW outlines the existing requirements for implementing a multifamily tax exemption (MFTE). This program exempts eligible new construction or rehabilitated housing from paying property taxes for either an 8-year or 12-year period of time. When a project is approved under a multifamily tax exemption program, the value of eligible housing improvements is exempted from property taxes. Only multiple-unit projects with

four or more units are eligible for either the 8- or 12-year exemption, and only property owners who commit to renting or selling at least 20% of these units to low- and moderate-income households are eligible for the 12-year exemption. Additional detail on the MFTE incentive is provided in Attachment B.

- As described in Attachment B, Accessory dwelling units (ADUs) are also referred to as mother-in-law apartments, carriage houses, granny flats, or second units. They are a self-contained residential unit with a kitchen and bathroom that is an accessory use to a single-family home, located on the same parcel. Many communities are supporting the development of ADUs since they broaden housing diversity and choices in a broader range of neighborhoods; they offer additional options for seniors and younger populations, single person households; can be a source of added income to help pay housing expenses; and can blend into single-family neighborhoods.

Many local jurisdictions across Washington state are using these tools to help bridge the gap in meeting their community's housing needs.

PURPOSE OF THIS ASSESSMENT

ECONorthwest as a part of a consultant team including LDC, was contracted to evaluate the effectiveness of these two planning tools for the cities of Bonney Lake and Sumner. The City of Sumner adopted a MFTE program in December 2018 while Bonney Lake has not adopted this program. To date, the City of Sumner has not had any proponents take advantage of the MFTE program incentives. Both the cities of Sumner and Bonney Lake allow ADUs and have similar regulatory stipulations for their development. However, there are some variations; for example, Bonney Lake exempts developers/home-owners from paying most impact fees for the development of an ADU while Sumner does not exempt ADU development from payment of impact fees (more detail in Attachment B).

The purpose of this analysis is to examine a set of key policy levers that can help "tip" project feasibility for using the MFTE program and for building ADUs in both the cities of Bonney Lake and Sumner. The financial feasibility of MFTE program variations associated with the 8 and 12-year property tax exemptions and affordable housing unit set asides were examined along with the addition of an inclusionary zoning program option (additional detail on inclusionary zoning is provided in Attachment B). The financial feasibility of building one to two ADUs on a parcel, under a set of varied assumptions, was evaluated. This analysis will help inform recommendations and strategies for the Bonney Lake and Sumner Housing Action Plans.

METHODOLOGY FOR THIS ASSESSMENT

The Bonney Lake, Sumner Housing Action Planning Team collectively chose to analyze MFTE and ADU policy variations with the use of real estate development prototype analysis. The results will help provide the cities an improved understanding of the

financial magnitude and feasibility associated with different policies and development regulations. The cities provided policy and impact fee information and zoning GIS data, which was examined for the analysis. Below is a summary of the features of MFTE and ADU that were analyzed.

MFTE Analysis Methods

- How many market rate units would be needed to pay for or cross-subsidize affordable units? The analysis includes variations with the percent set aside as low- and moderate-income.
- How do changes to the program requirements associated with the 8-year and 12-year set aside requirements impact the financial feasibility of a few different development types (townhomes, stacked flats, and podium)?

Current regulations for Sumner's MFTE program are summarized here and provided in detail in Attachment B. Sumner's MFTE program is limited to buildings with 10+ dwelling units located in the Town Center Plan Area, including new construction or rehabilitated apartments or a converted building. For the property to qualify for the 12-year exemption, the applicant must commit to renting or selling at least 20% of the multifamily housing units as affordable housing units to low- and moderate-income households "Low-income household" must be 80% of the median family income or lower while a "Moderate-income household" is between 80 to 115% of the median family income. *(Pierce Countywide Planning policies define low income housing as below 80% and moderate-income is defined as between 80 to 120% of the countywide median income.)*

ADU Analysis Methods

- The feasibility of a variety of ADU typologies were included for the ADU analysis. We evaluated if a property owner built only one new ADU as detached new construction or as internal conversion of an existing space (such as converting a garage) along with evaluating two new ADUs including new construction and a conversion.
- In addition, the analysis examined a set of code changes that might increase the financial feasibility for developing ADUs. The following regulatory changes were analyzed:
 - o Density: Tested the financial effects of allowing one ADU per lot in comparison to allowing two ADUs per lot.
 - o Fee Barriers: Tested the financial effects associated with impact fee waivers.
- The analysis qualitatively examined the combination of the following development regulations for architectural feasibility: parking, building height, ADU size restrictions,

zoning, and lot coverage limitations. Current regulations are summarized below and provided in detail in Attachment B.

- o **Parking:** Bonney Lake requires one off-street parking space for 1-bedroom ADU and two for 2-bedroom ADUs located in a carport, garage or designated space. Sumner has similar requirements except for it is uncertain whether the parking spaces can be located in a garage or carport.
- o **ADU Maximum Size:** The maximum ADU size is 1,200 square feet in Bonney Lake and 800 square feet in Sumner.
- o **Building Height:** The maximum building height ranges from 16 to 18 feet for detached ADUs.
- o **Density:** One ADU allowed per lot as a subordinate use to a single-family structure.
- o **Lot Coverage Limits:** Sumner lot coverage ranges from 35 to 45% (covered by buildings) while Bonney Lake limits maximum coverage to 60% for most of the applicable zones.

Pro Forma Methods

To understand the impact the various policies, we created an analysis model that employs the same financial considerations a real estate developer would use to determine if a proposed development is financially feasible. These financial calculations are referred to as a *pro forma* model. A pro forma considers the size of the building allowed by zoning and the revenue that building can deliver (from rents and sales prices) relative to the costs of constructing and operating the building. We ran the pro forma model on example developments (or *prototypes*) that are reflective of the types and scales of development in the Bonney Lake and Sumner area.

We used two different pro forma methodologies for the quantitative analysis that informed the recommendations. For the regulatory and incentive changes that impact multifamily and townhome developments (i.e. MFTE and inclusionary zoning), we used a pro forma to solve for *residual land value* (RLV). This is more reflective of the conditions that a developer is considering when finding property to build a new residential development. For regulatory and incentive changes that impact ADU development (e.g. allowing multiple ADUs, impact fee waivers), we used a pro forma that solved for *debt coverage ratios*. This approach is more reflective of the conditions that existing, single family homeowners are considering when building one (or more) ADUs on the property they already own. We describe these approaches in more detail both in the following sections and in Attachment A and the analysis assumptions are summarized in Attachment A.

Multifamily – MFTE Analysis Results

We analyzed the RLV (a.k.a. the land budget remaining after all the other development constraints have been analyzed) of multiple multi-family development typologies – wood frame over a concrete podium for parking, wood frame with surface parking, townhomes with garage parking – to understand the varying feasibility impacts of the different MFTE incentives as well as an inclusionary housing requirement. An advantage of the RLV approach is that it does not rely on land prices as an input. Rather, observed land prices can be compared with the model outputs to help calibrate the model and ensure it reflects reality. It is therefore a useful metric for assessing the impacts of changes to development incentives or requirements because these policies principally affect land value, especially in the short run.

More specifically, we looked at the existing MFTE program requirements that are currently allowed in the City of Sumner (the 8-year program without an affordability requirement and the 12-year program that requires 20% of units to be set aside at 80% of median family income) to understand their impact on feasibility relative to developments that do not pursue a tax abatement. We also evaluated a hypothetical 8-year program that had a lower affordability requirement than the 12-year program (10% of units set aside at 80% of median family income). In addition to evaluating the incentive programs relative to a baseline market rate development, we also analyzed the impact of an inclusionary housing program on development feasibility. It is important to note that we modeled the same affordability requirements as the 12-year MFTE program (20% of units set aside at 80% of median family income) but without the incentive of the tax abatement or any other common offsetting incentives (e.g. fee waivers, increased development entitlements, shortened permit review time).

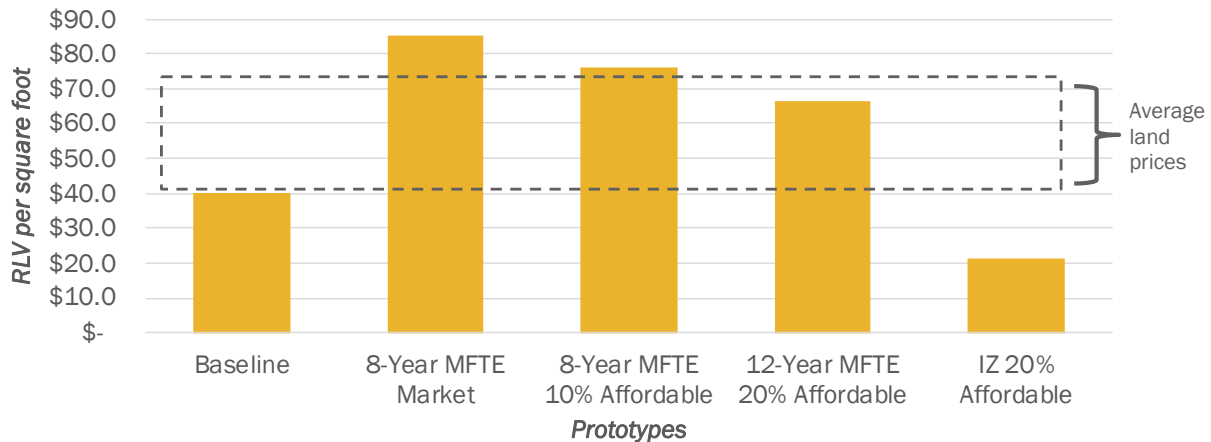
Multifamily rents are generally similar between Bonney Lake and Sumner, so we evaluated development prototypes that complied with zoning entitlements for both cities. We compared the RLV results to existing land prices to understand how the various incentives impact development feasibility and the ability to pay for land.

Figure 1 shows the RLV results for the wood frame with surface parking prototype.

Our evaluation of recent transactions, using assessor data, indicated a range of existing land prices in both cities. In Bonney Lake, for zones that would allow the level of residential density of the prototypes we evaluated (e.g. Downtown Mixed-Use District) land prices ranged from \$14 to \$90 per square foot with a mean and median sales price of \$65 per square foot and \$72 per square foot respectively. In Sumner, the land prices in the zones that would allow the residential density of the prototypes (e.g. Mixed-Use Development District, High Density Residential) the land prices ranged from \$15 to \$130 per square foot with a mean and median sales price of \$47 per square foot and \$39 per square foot respectively. We show the range of the mean and median, for both cities, in

Figure 1.

Figure 1. Residual Land Value (RLV) Results for a Multifamily Prototype (wood frame, surface parked) in Bonney Lake and Sumner



Source: ECONorthwest

In

Figure 1, the furthest left bar shows the feasibility of development under baseline conditions (without incentives or affordability requirements). For this prototype, development is almost feasible in that it comes close to having enough residual land value to pay for the average price of land. The subsequent bars show the residual land value of this type of development under the different incentive and affordability requirements.

Results:

- **Overall Financial Feasibility:** Our analysis indicates the tax abatement programs, both existing and hypothetical, increase the feasibility of multifamily development such that it can more likely pay for land at the current average prices.
- **Inclusionary Zoning:** An inclusionary housing requirement, without any offsetting incentives, makes development less able to pay for land such that development could only occur if land was available at prices lower than the current average.
- **Feasible Prototype:** Only the wood frame, surface parked Multifamily Prototype was financially feasible. The other multifamily prototypes are not financially feasible, and the incentives aren't substantial enough to close the feasibility gap in the current market. This means that even with incentives, the other development types can't pay for land at current average prices.

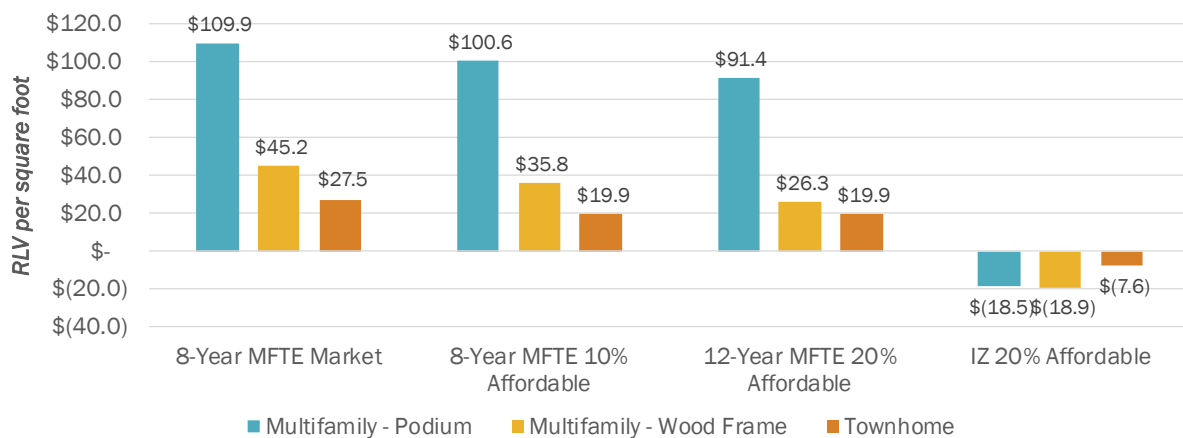
- Program Variation Results for wood frame with surface parking: In terms of the set aside affordability level and tax exemption variation, the 8-year program without an affordability requirement was the most financially feasible (Sumner's program includes this option). The second most financially feasible project was the hypothetical 8-year program that had a lower affordability requirement than the 12-year program (10% of units set aside at 80% of median family income). The least financially feasible option was the 12-year program that requires 20% of units to be set aside at 80% of median family income. The top end of the average land price range was slightly above the 12-year program. If land prices and development costs increase, a new 8-year program could be a viable option for incentivizing the private market to provide affordable housing.

For the prototype that is wood frame over concrete podium parking, the challenge is that structured parking is costly and only financially feasible when the rents are high enough to cover those costs. In the future, if rents increase faster than construction costs, this denser development type might be feasible, especially with incentives.

The impact to the townhome prototypes we modeled were more nuanced. If the townhomes were built as rentals, the rental revenue isn't quite high enough to cover the cost to build, but these are close to being feasible with an incentive such as MFTE. For the townhome prototype built as ownership, the revenues are high enough to cover the cost to build and they are financially feasible to develop but the value of a tax abatement incentive (especially for any affordable units) cannot be realized to the same extent as with rental housing units.

We therefore chose to only show the results of the MFTE and inclusionary analysis for the rental prototypes we modeled (see Figure 2). The results in this chart are displayed as a comparison to baseline where instead of showing the RLV per square foot of the prototype, we show the increases in RLV per square foot from the baseline RLV for all rental prototypes under each incentive or regulatory scenario (a.k.a. the incremental RLV). In all cases, the MFTE programs increase the ability to pay for land and the inclusionary housing program decreases the land budget.

Figure 2. Incremental RLV of Each Prototype Scenario in Bonney Lake and Sumner



Source: ECONorthwest Note: this chart displays the incremental RLV of each prototype scenario as compared to the baseline scenario

Accessory Dwelling Unit Analysis Results

For the ADU analysis we analyzed the feasibility of a variety of ADU typologies. More specifically, we evaluated if a property owner built only one new ADU as detached new construction, only one new ADU as an internal conversion of an existing space, and two new ADUs with one as new construction and one as a conversion of an existing space. We evaluated the feasibility if these ADUs were studios, 1-bedrooms, or 2-bedrooms. Though we still employed a pro forma, we used a different metric than residual land value – most of the people building an ADU already own the property and don't need to buy new land to build this housing type. However, it's rare that a homeowner would have enough cash to build the unit(s) outright and would need to access a loan of some kind. Therefore, the metric we used was *debt coverage ratio* which indicates how much cash flow exists to make the loan payments and potentially have profit remaining.

Debt coverage ratio (DCR) is expressed as a ratio of how much net income (after vacancy and operating expenses like property taxes) is available relative to the debt payment. A DCR above one indicates that the ADU development likely would bring in profit, if rented. As an example, if someone had a monthly debt payment of \$1,000 and was bringing in a net income of \$1,300 the debt coverage ratio would be 1.3. This means that after paying the \$1,000 monthly debt payment, the homeowner would have \$300 of profit. If the homeowner was only making \$900 a month, but had the same monthly debt payment of \$1,000, the debt coverage ratio would be 0.9 – this means they would have to pull money from other sources to pay the loan.

In the case of the ADU analysis, debt coverage ratio is NOT an absolute metric of feasibility since the reason homeowners build an ADU vary substantially. Some homeowners might build an ADU to house a relative or guests and not require any monthly income, whereas other's might be looking for substantial passive income from their ADU.

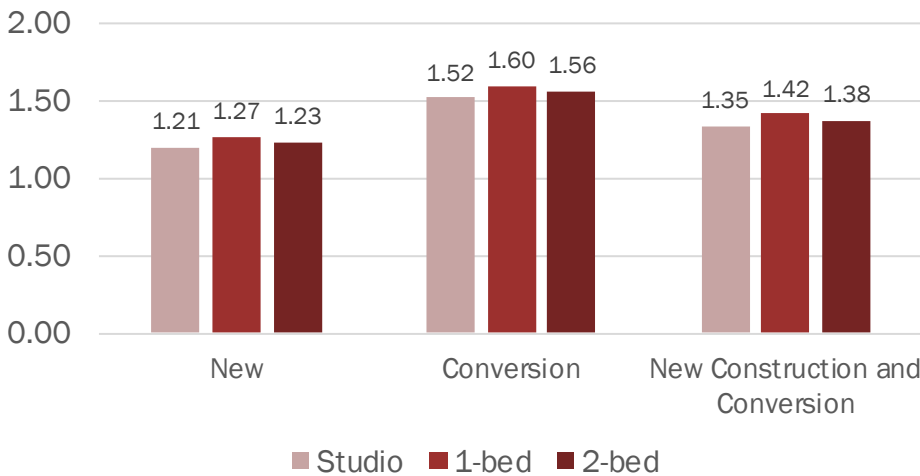
Bonney Lake ADU Results

In Bonney Lake, if a homeowner builds a new construction 1-bedroom ADU, our analysis indicates they could earn profit after paying their debt given the DCR of 1.27. For example, if they had a \$1,000 monthly loan payment, they would earn \$270. For the internal conversion, a typically less expensive ADU typology, they could earn \$600 per month if their loan payment was \$1,000 per month. If they built two units, the internal conversion would cross subsidize the new construction and they could earn, on average, \$420 per unit per month if required to make a \$1,000 loan payment per unit.

- Density/Conversion: The results indicate that the ADU conversion and two ADUs (new construction and conversion) would yield greater financial gain than the construction of one ADU.

- **Impact Fees:** The DCRs are higher overall in Bonney Lake than Sumner likely due to impact fee exemptions for ADUs in Bonney Lake (overall range of 1.21 to 1.6 DCR).
- **Parking:** Parking, per stall, conservatively would be around \$5,000 to \$7,000. Reduced parking requirements could contribute to financial feasibility by increasing the DCRs by 0.03 to 0.05. Depending on the sources of funding for a project, any additional cost saving is important particularly for people not paying in cash.

Figure 3. Debt Coverage Ratio Results for 1-bed ADUs in City of Bonney Lake



Source: ECONorthwest. Note: A Debt Coverage Ratio (DCR) above one indicates that the ADU development likely would be bringing in profit, if rented. The higher the DCR, the higher the profit.

Sumner ADU Results

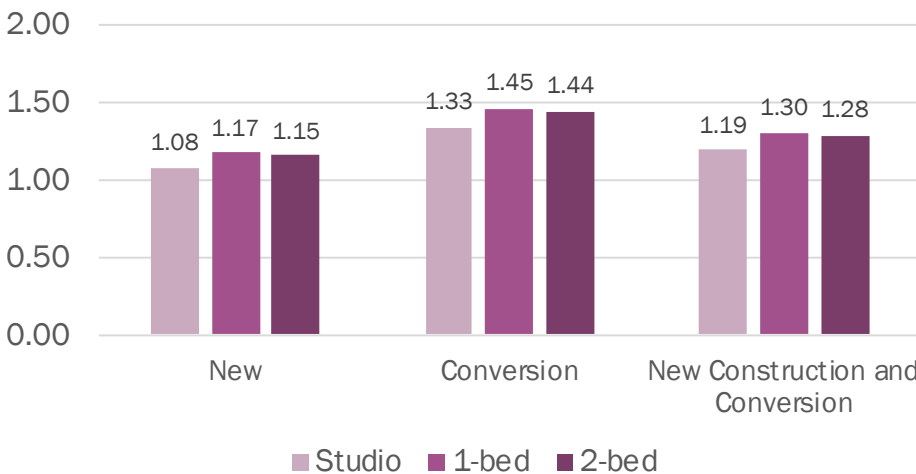
The City of Sumner has slightly higher impact fees for ADUs. This results in lower debt coverage ratios than in Bonney Lake. For the same 1-bedroom prototypes, and assuming the same \$1,000 monthly debt payment, a new construction detached unit would earn a profit of \$170 per month, an internal conversion would earn \$450 per month, and the two ADUs would earn, on average \$300 per unit per month.

- **Density/Conversion:** Similar to the Bonney Lake, the results indicate that the ADU conversion and two ADUs (new construction and conversion) would result in greater financial gain than the construction of one ADU.
- **Impact Fees:** The DCRs have a lower range in Sumner in comparison to Bonney Lake likely due to impact fee exemptions for ADUs in Bonney Lake (overall range of 1.08 to 1.45 DCR). The total impact fees in Sumner were a little over \$14,000 and when waived, translate to DCR increases ranging from 0.08 to 0.19

depending on the size of the ADU and whether or not it was new construction or a conversion.

- **Parking:** Parking, per stall, conservatively would be around \$5,000 to \$7,000. Reduced parking requirements could contribute to financial feasibility by increasing the DCRs by 0.03 to 0.05. Depending on the sources of funding for a project, any additional cost saving is important particularly for people not paying in cash.

Figure 4. Debt Coverage Ratio Results for 1-bed ADUs in the City of Sumner



Source: ECONorthwest. Note: A Debt Coverage Ratio (DCR) above one indicates that the ADU development likely would be bringing in profit, if rented. The higher the DCR, the higher the profit.

RESULTS DISCUSSION AND RECOMMENDATIONS

Multifamily Property Tax Exemption Program and Inclusionary Housing

Continue to focus on the 8-year program

Only multiple-unit projects with four or more units are eligible for either the 8- or 12-year MFTE exemption, and only property owners who commit to renting or selling at least 20% of these units to low- and moderate-income households are eligible for the 12-year exemption (at a minimum). Our analysis showed that the 8-year tax exemption variation would be more financially feasible in comparison to the 12-year variation and the lower affordability requirement (10% of units set aside at 80% of median family income) could be financially viable for a wood frame, surface parked, apartment complex in the cities of Bonney Lake and Sumner. However, the analysis did not consider the cost reduction

impacts from bonuses and incentives. State law does not prohibit MFTE from being paired with other incentives. Bonus units, incentives such as impact fee waivers, and the integration of a more flexible development agreement approach including performance requirements and a menu of corresponding incentives could help offset the costs incurred from affordable housing unit requirements and could be considered as a way to promote program usage. Continuing to use the 8-year program to support housing development, however, pairing the program with other incentives could also support a modest affordability requirement of 10% set-aside.

Offer a 12-year MFTE option

In addition to offering an 8-year exemption option, jurisdictions should adopt a 12-year program. Even if it's not used for years, there's no disincentive to having one already adopted when market conditions change, and a developer wants to take advantage of it. The target option for the 12-year program would require 20% of units to be set aside at 80% of median family income.

Offer a 12-year MFTE option for rehabilitation of units

Other MFTE program variations should be considered and researched and weighed against costs (foregone property tax revenue for the duration of the program) and benefits (such as affordable housing production). MFTE programs can vary in the range of eligible urban center areas, whether to include rehabilitated units or only new construction, and whether to expand what type of developments would be qualified. If a city has aging multifamily developments or underutilized buildings suited to residential uses, they could consider whether rehabilitated units should be added to as a way to expand program eligibility. The target option for the 12-year program would require 20% of units to be set aside at 80% of median family income.

Consider broadening MFTE to other lower density housing types

If a city wants to broaden housing choices, they could evaluate whether other forms of qualified housing with over four units such as quadplexes would be permissible under state law and whether they want to limit program usage to only projects producing a certain number of total units (such as Sumner's program limiting it to buildings with more than 10 dwelling units).¹⁷ Program variations could be analyzed to inform recommendations through detailed cost-of-construction analysis, or by garnering input from housing developers and current planners, or cost-benefit analysis, or through best practice research comparisons of other jurisdictions.

Continue to monitor and revise the MFTE as necessary

Except in very active urban markets like Seattle which can command higher profits and rents from non-affordable units, development incentives are generally required alongside inclusionary zoning affordability requirements since they complement one

¹⁷ The Washington State RCW offers the following relevant definition: "Multiple-unit housing" means a building having four or more dwelling units not designed or used as transient accommodations and not including hotels and motels.

another to help make projects financially attractive for private developers. If the affordability requirements are not sufficiently ameliorated by incentives, the profit required by the developer and financial partners will not be actualized and projects are less likely to be built. The level of incentive necessary will vary greatly between jurisdictions and within a region.

Consequently, it is prudent to thoroughly evaluate, monitor, and continually adapt incentives to ensure housing prices account for market dynamics. A key method for detecting how well a MFTE program is performing is to evaluate program usage, including detail on the amount of housing units produced along with their affordability level. In addition, program variations could be analyzed to inform recommendations through detailed cost-of-construction analysis, or by garnering input from housing developers and current planners, or cost-benefit analysis, or through best practice research comparisons of other jurisdictions.

Accessory Dwelling Units

In addition to the financial pro forma analysis, ECONorthwest also evaluated zoning and development regulations associated with ADU development. Many communities are supporting ADU development since they broaden housing choices in a broader range of neighborhoods, can be another way to provide affordable housing, and if rented, can be a source of added income to help pay housing expenses or property taxes.¹⁸ Policies supporting ADU development can serve as a way to modestly increase housing density in a low-profile way that does not change the look and feel of existing neighborhoods. ADUs can serve as a form of housing for seniors to age in place and can expand options for multigenerational living.

Our analysis showed that ADU conversion and increasing density to allow two ADUs would yield greater financial gain than the construction of one new ADU. In addition, reduced impact fees proportionate to ADU development or impact fee exemptions helped to improve financial feasibility for ADU development. New construction of an ADU can easily cost between \$100,000 and \$200,000 depending on the size and complexity. In consideration of these cost estimates, measures to reduce expenses such as reducing permit and impact fees should be considered to help boost financial feasibility for developing ADUs.

Allow ADUs in more zones

Lastly, expanding the zones where ADUs can be built can be a prudent way to expand the supply of lots potentially suited for an ADU addition. For instance, Sumner could expand where detached ADUs are allowed to be built to include other zones in addition to the LDR-12 zone and Bonney Lake could loosen up restrictions to allow detached ADUs on any lot size outside of the R-2 zone. Revisiting the intent and purpose of different zones and how ADU uses comply with this intent, could serve as a good starting point for the code update process.

¹⁸ Master Builders Association, 2020. Accessory Dwelling Unit Ordinances. Accessed at: <https://www.mbaks.com/docs/default-source/documents/advocacy/issue-briefs/adu-ordinances.pdf>

Many jurisdictions impose a broad range of restrictions on ADU development and the additive effect of these regulations can have a compounding impact, preventing ADU development. These restrictions can limit the ADU building height, density, lot coverage, and the configuration and size of the ADU in relationship to the primary residence. In addition, regulations such as requiring parking spots for each bedroom, owner-occupancy, special fees, and gaining a special permit can be challenging to meet.

Right-size parking standards to support ADUs

Lowering parking space requirements can be a helpful way to encourage ADU development. If on-street parking is available or garage or driveway space is available, cities should consider waiving onerous parking requirements such as requiring one parking space per bedroom and prohibiting the use of the driveway, garage, or carport areas to count for parking. Especially if owner-occupancy is required, ADUs tend to be located on a lot with shared parking arrangements and the availability of parking can be coordinated with the primary residence (likely the landlord) living on-site. Parking spaces could easily cost \$5,000 to \$7,000 which, given the cost of development of an ADU, can add substantial cost such that it becomes a barrier for homeowner financing.¹⁹

Changes to design standards can support ADU development

Highly restrictive lot coverage requirements limiting the amount of area for buildings in combination with special ADU square footage limitations (such as not exceeding 40% of the total square footage of the primary residence) can limit development feasibility and pose physical barriers associated with adding parking provided through carports or a garage structure. On smaller lots, even if a parking space can hypothetically fit outside of a garage or carport, it might be in an undesirable location in terms of accessing the ADU (e.g. within the front setbacks because side setbacks are too narrow to allow vehicular access to the backyard). In general, increasing the flexibility with the physical design of the ADU on a lot would help to increase the development of ADU options.

The maximum building height for detached ADUs is limited to about 16 feet for both jurisdictions. At a minimum, building height limitations could be aligned with the single-family home building height requirements which generally are up to 2.5 or 3 stories of building height (or 30 to 35 feet in Bonney Lake and Sumner). Allowing additional height means larger, 2-bedroom, ADUs can be two stories. Overall, the layering of different requirements could be evaluated for different development scenarios to examine their cumulative effect and associated tradeoffs. These key regulatory conflicts should be revisited to identify opportunities for loosening up restrictions in a way that advances housing and other comprehensive plan goals. In addition, enhancements such as

¹⁹ Due to the total costs, homeowners building an ADU on a lot with an existing home could be required to take a loan, such as a second mortgage, cash-out refinance, home improvement loan, or other financial vehicle to fund an ADU addition. Qualifying for financing can be difficult, however, when applying for conventional funding sources without a documented income stream (source: <https://www.buildinganadu.com/cost-of-building-an-adu>). Applicants may have the most success with an FHA 203k improvement/rehabilitation loan (<https://accessorydwellings.org/2013/11/15/financing-your-adu-has-become-easier/>).

examples for how to apply different code restrictions and visual aids could be added to each city's Code to make it more user-friendly.

Pre-planned ADU packages can lower costs

Lastly, pre-approved ADU plans are another avenue for promoting ADU construction. A pre-approved plan is designed by an architect on a hypothetical lot and this plan has already gained some level of approval by the planning and building departments for construction. ADUs using these plans are expected to have a more expedited permit approval along with lower costs associated with design and plan check review fees. The City of Seattle has launched a new online resource referred to as the *ADUniverse* which features a gallery of pre-approved detached ADU designs.²⁰ The process of developing a pre-approved ADU plan could be an efficient way to examine the additive effect of the combination of different regulations and identify opportunities for regulatory improvement. In addition, these plans could be provided in an ADU guidebook developed for people who may not have experience with design, construction, or permitting.

²⁰ City of Seattle, 2020. Accessed at: <https://www.seattle.gov/sdci/permits/common-projects/accessory-dwelling-units>

ATTACHMENT A: PRO FORMA METHODOLOGY

We used two different pro forma methodologies for the quantitative analysis that informed the recommendations. For regulatory and incentive changes that impact multifamily and townhome developments, we used a pro forma to solve for residual land value. This is more reflective of the conditions that a developer is considering when finding property to build a new multifamily development. For regulatory and incentive changes that impact ADU development, we used a pro forma that solved for debt service coverage ratio. This approach is more reflective of the conditions that existing, single family homeowners are considering when building one (or more) ADUs on the property they already own.

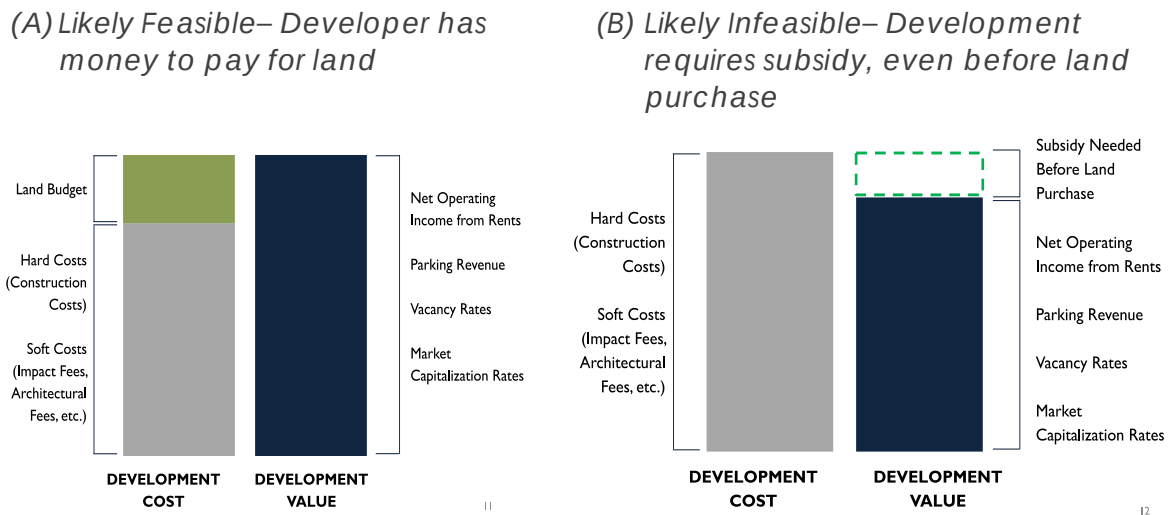
Residual Land Value Analysis

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

Figure 5 summarizes the residual land value method by illustrating two example developments (or *prototypes*), one which is feasible and the other likely infeasible. In both scenarios, the right-hand column (shown in dark blue) illustrates the total value that comes from the project (derived from rental revenue less any operating expenses and vacancy costs). The left-hand column (shown primarily in grey) illustrates the total costs to build the project, both the hard construction costs and the soft costs such as the design and city fees.

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

Figure 5. Land Budget Method for Pro Forma Modeling



Source: ECONorthwest.

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

To complete this analysis, we used financial inputs such as rent, operating costs, and development costs for each prototype modeled. After defining the available building areas, we used the pro forma to calculate the revenue from the leasable square feet and then removed the vacancy and operating costs (such as taxes, insurance, maintenance, management, select utilities) to arrive at an annual net operating income (a.k.a. NOI).

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

We then calculated the land budget (a.k.a. the RLV) by subtracting the total development cost from the total value (shown in Exhibit 1). We also divided the total land budget by the site square feet to arrive at a residual land value per square foot.

Exhibit 1. Residual Land Value Calculation (with additional explanatory calculations)

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

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

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

Debt Coverage Ratio

ECONorthwest used a pro forma to evaluate the accessory dwelling unit (ADU) feasibility, but via the metric of debt coverage ratio instead of residual land value. We employed this different approach given that most of the people building an ADU already own the property and don't need to buy new land to build this housing type. However, it's rare that a homeowner would have enough cash to build the unit(s) outright and would need to access a loan of some kind (see Figure 7 below **Error! Reference source not found.**). Therefore, the metric we used was *debt coverage ratio* which indicates how much cash flow exists to make the loan payments and potentially have profit remaining.

Figure 7. Examples of Common Financing Sources for ADU Development by Homeowners

Table 2. Households by Income and Equity in Comparing Existing Mortgage Products

	High-Income	Low-Income
High Home Equity	Cash-Out Refinance or Home Equity Loan/HELOC	Special FHA, Reverse Mortgage, or Fannie Mae Loan Products
Low Home Equity	Renovation Loan	Cash Savings and Personal Resources

Level of Difficulty Finding and Qualifying for Loan Products:

Least Difficult  Most Difficult

Source: Adapted from UC Berkeley Center for Community Innovation, 2017.

Debt coverage ratio (DCR) is expressed as a ratio of how much net income (after vacancy and operating expenses like property taxes) is available relative to the debt (or loan) payment. In the case of the ADU analysis, debt coverage ratio is NOT an absolute metric of feasibility – the reasons homeowners build an ADU vary substantially. Some homeowners might build an ADU to house a relative and not require any monthly income, whereas others might be looking for substantial passive income from their ADU.

To complete this analysis, we used the same types of financial inputs as the residual land value analysis to arrive at both NOI and total development costs. We then applied additional assumptions to estimate a typical debt service payment (e.g. amount of the loan, term of the loan, and interest rates). We then calculated debt service coverage ratio by dividing the NOI by the debt service payment (see Figure 8).

Figure 8. Debt Coverage Ratio Calculation (with additional explanatory calculations)

$$DCR = NOI \div Debt\ Service$$

Debt Service = Loan payment for most of the total development costs

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

Figure 9. Pro Forma Assumptions (next page)

Operating Revenue and Cost Assumptions		
Variable	Assumption	Unit of Measure
<u>Rent</u>		
Studio Apartment	\$2.65	Per square foot, monthly
1-br Apartment	\$2.35	Per square foot, monthly
2-br Apartment	\$2.04	Per square foot, monthly
Towhome rent	\$1.45	Per square foot, monthly
Studio ADU	\$2.60 to \$2.70	Per square foot, monthly
1-br ADU	\$2.30 to \$2.40	Per square foot, monthly
2-br ADU	\$2.00 to \$2.10	Per square foot, monthly
<u>Vacancy Rate</u>		
Market rate residential	5%	Percent
Affordable residential	4%	Percent
<u>Operating Expenses</u>		
Podium	30%	Percent of net revenue
Wood frame	20%	Percent of net revenue
Townhome	10%	Percent of net revenue
ADU	\$600	Per unit, yearly
Development Cost Assumptions		
Variable	Assumption	Unit of Measure
<u>Construction Cost</u>		
Podium	\$210	Per square foot
Wood frame	\$150	Per square foot
Townhome	\$140	Per square foot
Lobby / Common space	\$220	Per square foot
Studio ADU	\$230 to \$295	Per square foot
1-br ADU	\$200 to \$255	Per square foot
2-br ADU	\$180 to \$230	Per square foot
<u>Parking Cost</u>		
Podium	\$40,000	Per stall
Surface	\$5,000	Per stall
<u>Other Development Costs</u>		
Soft costs (including permitting)	20% to 30%	Percent of hard costs
Contingency fee	5%	Percent of hard and soft costs
Developer fee	5%	Percent of development costs
Financing Assumptions		
Variable	Assumption	Unit of Measure
<u>Loan Assumptions (ADU)</u>		
Equity	20%	Percent of total cost
Debt	80%	Percent of total cost
Interest Rate	5.5%	
Number of Periods	30	
<u>Target Returns</u>		
Residential ROC	5.80%	

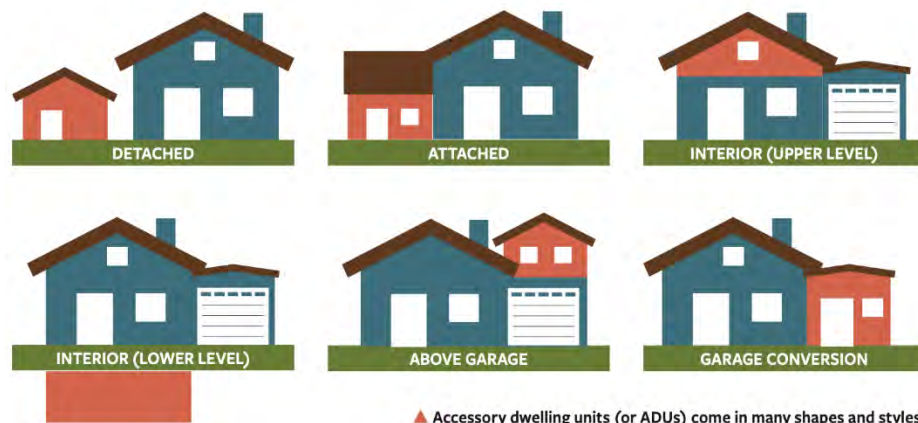
ATTACHMENT B: OVERVIEW OF PLANNING TOOLS

This overview describes how each tool works to support the creation of new affordable units or to preserve existing units. The tool overviews offer a description for how the tool works, variations in use, benefits, drawbacks, funding sources, examples, and links to more information.

Accessory Dwelling Units

How It Works

Accessory dwelling units (ADUs), also referred to as mother-in-law apartments, carriage house, granny flat, second unit, are self-contained residential unit that is an accessory use to a single-family home and is located on the parcel with a single-family home. An ADU typically contains all the basic facilities needed for living independent from the primary residence such as a kitchen and bathroom. ADUs tend to be smaller in size and scale to the primary single-family home. An ADU can be configured in different ways such as being attached to a single-family home, above a garage, or detached from the primary residence. See the examples shown below.



Source: AARP, 2018 ABCs of ADUs Guide and images.

Bonney Lake's ADU Regulations

- "Accessory dwelling unit" is a second dwelling unit either in or added to an existing single-family detached dwelling, or in a separate structure on the same lot as the primary dwelling for use as a complete, independent living facility with provision within the accessory unit for cooking, eating, sanitation, sleeping and entry separate from that of the main dwelling. Such a dwelling is an accessory use to the main dwelling. Accessory units are also commonly known as "mother-in-law" units or "carriage houses." (Bonney Lake Code section: 18.04.010, Definitions). The difference between an ADU, attached to a single-family home, and duplex is

that the owner has to live on site. Code section 18.22.090 outlines the main ADU regulations. The owner must occupy the primary residence for at least six months every year.

- Zoning: ADUs are allowed in RC-5, R-1, and R-2 zones (Section 18.08.020 Land Use matrix). However, a detached ADU is only allowed in the R-2 zone or on lots w/ more than 10,000 square feet in R-1 and RC-5 zones.
- Lot Coverage: Max lot coverage by impervious surfaces is 60% for R-1 and R-2. "Lot coverage" is that portion of a lot which is permitted to be covered by a building or any part of a building.
- Permit: An ADU permit required in addition to any required building permit.
- Density: One ADU is allowed per legal building lot as an accessory use to the single-family residence.
- Size: The maximum size is 1,200 sf and the minimum size is 300 sf if part of primary residence and 450 sf if separated. The ADU shall not exceed 40% of the total sf of the primary residence.
- Building Height: The max building height for a detached ADU is 18 feet.
- Parking: The City requires one off-street parking space provided for an ADU with one bedroom and two off-street parking spaces provided for an ADU with 2+ bedrooms (this is in addition to spots required for the primary residence) located in a carport, garage, or designated space. DC, DM, and TOD Overlay: Each ADU, needs 1 off-street parking space in addition to the basic parking requirements for the primary dwelling unit(s) (Code section 18.22.100).
- Estimated Impact Fees: The City does not charge any impact fees and connection charges for ADUs. The only exception is when a developer wants a separate water meter for the ADU, then they would be responsible for 77% of the connection charge established for a new single-family home or \$7,003.15. No other fees would be triggered by adding a water meter.

Sumner's ADU Regulations

- "Accessory unit" means a second dwelling unit either in or added to an existing single-family detached dwelling, or in a separate accessory structure on the same lot as the main dwelling, for use as a complete, independent living facility with provision within the accessory apartment for cooking, eating, sanitation, and sleeping.

	<i>Such a dwelling is an accessory use to the main dwelling. Accessory units are also commonly known as “mother-in-law” units or “carriage houses.” (Sumner Code Section 18.04.0035 Accessory Unit). The owner must occupy primary residence or ADU and must live in primary residence for at least 6 months per year.</i> • Zoning: ADUs are allowed in the low-density residential zones (LDR-4, LDR-6, LDR-7.2, LDR-8.5, LDR-12). However, LDR-12, is the only zone that allows detached ADUs. • Lot Coverage: Sumner lot coverage ranges from 35 to 45% in LDR zones. “Lot coverage” means the area of a site covered by buildings or roofed areas including covered porches and accessory buildings, measured at the building foundation. • Density: One ADU allowed per legal building lot as a subordinate use to a single-family structure. • Size: The maximum size is 800 sf (excluding garage) and minimum is 300 sf if part of primary residence and 450 sf if separated. The ADU shall not exceed 40% of total sf of the primary residence. ADUs in the RP zone should be attached to the primary residence except if it is larger than 8,500 sf or if it is replacing a preexisting detached structure of at least 400 sf. • Parking: The City requires one off-street parking space provided for an ADU in addition to what exists for the primary residence (1 space per bedroom). • Building Height: In low density zones, the max building height is 16 feet (18 feet when necessary to match roof pitch of principal structure) for detached ADUs. • Estimated Impact Fees: School (no need to average, there is no residential zoning in the other school district left) – \$1,907.50; Parks & Trail - \$1,448.04; Sewer - \$2,426.34; Storm (may be changing but this would be the current rate) - \$2,360.67; Traffic (varies, so I averaged the 3 districts) - \$1,405.00; and Water - \$4,556.06.
Considerations	• Some communities only allow ADUs that are within or attached to the main residence and exclude ADUs housed in a separate structure. • Some communities require that the main residence and the ADU must be owned by the same person and may not be sold separately. • Does it matter whether they are attached or detached ADUs?

	• How does the 18' building height compare to allowed SF building heights? • Are there additional opportunities to relax the size limitations? • Parking space requirements tend to increase the cost of development and can make the development physically impossible when taking into account the primary and accessory parking unit requirements and impervious surface limitations. • Does the ADU need to be smaller in size to the primary residence? • Does an ADU need to be below 40% of the total sf of the primary residence? • Relax max size of ADUs (1,500 sf) to allow more flexibility?
Benefits	• Broadens housing diversity and choices in a broader range of neighborhoods since it can be offered at a more affordable cost due to their small size. Although ADUs can be cheaper housing options, this lower cost is not always the case. • Offers additional options for Seniors and younger populations, single person households, etc. • Can be a source of added income to help pay housing expenses. • AARP surveyed people 50+ and found, they would consider creating an ADU to: provide a home for a loved one in need of care (84%), provide housing for relatives or friends (83%), feel safer by having someone living nearby (64%), have a space for guests (69%), increase the value of their home (67%), create a place for a caregiver to stay (60%), and earn extra income from renting to a tenant (53%) Source: AARP Home and Community Preferences Survey, 2018. (AARP Home and Community Preferences Survey, 2018) • Can blend into single-family neighborhoods and be a form of intergenerational housing
Drawbacks	• Be careful with not monitoring or addressing short-term vacation rental. • Can have spillover effects in terms of parking and service and neighborhood impacts.
Examples	• Seattle: 1 attached ADU and 1 detached ADU in single-family zones (2 ADUs in total); removes owner-occupancy requirement (min of 1 year of continuous ownership needed to establish 2nd ADU); removes off-street parking requirement for ADUs; adds an incentive for affordable housing for creation of a second ADU; and reduced

	min lot size (lots between 3,200 sf and 3,999 sf) to add a detached ADU; max FAR limit for development in SF zones. • Everett: 75% of gross floor area of primary unit, 1 parking space but can be waived if there is sufficient on-street parking or public transit access. Variations: some jurisdictions limit whether attached or detached, some limit number of occupants, parking spaces vary from 0 to 1 space per bedroom, and some limit unit size. • Burien: 2 ADUs on property (1 attached, 1 detached), no more owner-occupancy requirement, parking requirement waived if within 1/3 mile of a transit stop
For More Information	• Sumner Code: Chapter 18.10 and 18.12 www.codepublishing.com/WA/Sumner/#!/Sumner18/Sumner18.html • Bonney Lake Code: www.codepublishing.com/WA/BonneyLake

Multifamily Tax Exemption (MFTE)

How It Works

Through the multifamily tax exemption, a jurisdiction can incent diverse housing options in urban centers lacking in housing choices or workforce housing units. Washington State Chapter 84.14 RCW outlines the existing requirements for implementing a multifamily tax exemption. Washington cities with a population of 15,000 can adopt a MFTE program to stimulate new multifamily affordable housing development in certain designated urban center areas. This program exempts eligible new construction or rehabilitated housing from paying property taxes for either an 8-year or 12-year period of time. (There was previously an option for a 10-year contract as well.) When a project is approved under a multifamily tax exemption program, the value of eligible housing improvements is exempted from property taxes. Only multiple-unit projects with 4 or more units are eligible for either the 8- or 12-year exemption, and only property owners who commit to renting or selling at least 20% of these units to low- and moderate-income households are eligible for the 12-year exemption.

Sumner's MFTE Program (Bonney Lake has not established a MFTE Program)

Code Chapter 3.52 provides the main regulations associated with Sumner's Multifamily Property Tax Exemption program. "Multifamily housing" means a building having 10 or more dwelling units not designed or used as transient accommodations and not including hotels and motels. Multifamily units may result from new construction or rehabilitated or conversion of vacant, underutilized, or substandard buildings to multifamily housing. "Multifamily property tax

	exemption” means an exemption from ad valorem property taxation for multifamily housing. • For the property to qualify for the 12-year exemption, the applicant must commit to renting or selling at least 20% of the multifamily housing units as affordable housing units to low- and moderate-income households, and the property must satisfy that commitment and any additional affordability and income eligibility conditions adopted by the local government under this chapter. “Low-income household” must be 80% of the median family income [or lower] adjusted for family size, for the county where the project is located while a “Moderate-income household” is between 80 to 115% of the median family income. (Pierce Countywide Planning policies define low income housing as below 80% of the countywide median income and moderate-income is defined as between 80 to 120% of the countywide median income). • The project must be located in the Town Center Plan Area. • The project must not displace existing residential tenants of structures that are proposed for redevelopment. If the property proposed to be rehabilitated is not vacant, an applicant shall provide each existing tenant housing of comparable size, quality, and price and a reasonable opportunity to relocate. 50% of project space should be residential. New construction of multifamily housing and rehabilitation improvements must be completed within 3 years from the date of approval of the application.
Program Considerations	• Geographic areas for where MFTE could be used vary in different jurisdictions. If working in conjunction with Inclusionary Zoning, planners should make sure the areas are aligned. • MFTE incentives can help offset the costs associated with Inclusionary Zoning. • Evaluate whether rehabilitated units should be eligible and evaluate whether it would be possible to add other forms of qualified housing with over four units (as required) such as quadplexes. The Washington State RCW offers the following relevant definition: <i>“Multiple-unit housing” means a building having four or more dwelling units not designed or used as transient accommodations and not including hotels and motels. Multifamily units may result from new construction or rehabilitated</i>

	<i>or conversion of vacant, underutilized, or substandard buildings to multifamily housing.</i> • Should this be limited to projects producing 10 or more dwelling units? • Consider adding bonus units to help offset costs. • Cities should evaluate scenarios for what to require in terms of the 8-year and 10-year program option requirements. The state gives cities the option to not require affordable units to be set aside under the 8-year exemption. However, 12-year exemptions must set aside a minimum of 20% of the units affordable to low and moderate-income households. The depth of affordability required for these units can vary slightly under the 12-year program (for example, a city could require half be set aside as low-income and moderate income).
Benefits	• Tax abatements positively impact the feasibility of projects where market-rate projects are feasible and can help cross-subsidize the affordable units. • Helps balance out the financial impacts associated with inclusionary zoning.
Drawbacks	• Requires regular reporting to the state which helps track program usage. • City must weigh the temporary loss of tax revenue against the potential attraction of new investment in targeted areas. • Reduces general fund revenues for all overlapping taxing districts, which could make it harder to promote the tool to partner jurisdictions that do not perceive the same project benefits. • May provide insufficient incentive to lead to affordability unless paired with other tools.
For More Info	• Sumner Code: Chapter 3.52, https://www.codepublishing.com/WA/Sumner/#!/Sumner03/Sumner0352.html#3.52 • MFTE overview: http://mrsc.org/Home/Explore-Topics/Planning/Specific-Planning-Subjects-Plan-Elements/Affordable-Housing-Ordinances-Flexible-Provisions.aspx. • Chapter 84.14 RCW: https://app.leg.wa.gov/rcw/default.aspx?cite=84.14

Examples

- The 8-year MFTE program option with no affordability requirements have been implemented in Renton along with Kent and Tukwila - though their programs expired.
- Adopted in 2004, Burien has engaged 8-year, 10-year, and 12-year contracts and required affordable units.
- Redmond's MFTE program was adopted recently in 2017 as a way to help offset costs where affordable housing units are required. It is an optional program in all circumstances; there are no requirements to use the program. The affordable units created are for "the life of the project" by recorded contract similar to that used for inclusionary units. This program exempts property taxes for qualified housing projects in three urban centers including Downtown, Overlake Village, and Marymoor Village. Property owners can apply for an exemption on property taxes on the residential improvement value of new developments for either 8 or 12 years, in exchange for providing affordable housing.
- [Kirkland Affordable Housing Master Leases and MFTE Amendments](#) (2019): Kirkland recently has worked on MFTE ordinance amendments to promote availability of affordable housing, including reserving around 30 rental units for city and public sector staff.
- Tacoma Municipal Code Ch. 6A.110 (2015) offers 8- and 12-year exemptions for targeted residential areas and for qualified multifamily housing rehabilitation projects (More information at: <https://cms.cityoftacoma.org/cityclerk/Files/MunicipalCode/Title06-TaxandLicenseCode.PDF>).

Inclusionary zoning (IZ)

How It Works

Inclusionary zoning provides affordable housing for moderate income residents in exchange for additional residential development capacity (i.e. an increase in what the zoning currently allows; and generally, density, height, floor area ratio or some other benefit). Over 500 cities in the US use inclusionary zoning. Such a program can be either voluntary or mandatory. This program often works best in areas with high density zoning capacity. Several IZ policies are setup to work in conjunction with MFTE programs.

	In theory, private market-rate development supports some portion of the cost of the affordable units in an inclusionary project. However, in almost all cases, public incentives are also required. These incentives can be regulatory (reduced parking requirements or density bonuses, for example) or financial (property tax abatements or other forms of public investment). Funds can come from general fund, urban renewal, or other municipal sources described in this report. If density bonuses are offered, analysis should target how much increased development capacity will offset the added costs to the housing developer of providing the affordable units.
Program Considerations	• Before proposing specific regulatory changes, consider analyzing the financial feasibility of different development typologies (a.k.a. prototypes) that could occur in the study area zones (currently allowed) in comparison to what could occur if proposed zoning entitlements were changed (changes to the zoning code). Can analyze the feasibility based on a range of build out scenarios beginning with the maximum entitlements level and then at ranges smaller than the maximum. The results from this analysis can help inform how to best set base entitlements that would be more financially viable and possibly favorable. • Another route for comparing development feasibility and the impact of incentive zoning specifications across different sites and prototypes, is <i>residual land value analysis</i>. Residual land value (RLV) is an estimate of what a developer would be able to pay for land given 1) the property's income from rental or sales revenue, 2) the cost to build as well as to operate the building, and 3) the investment returns needed to attract capital for the project. In other words, it is the budget that developers have remaining for land after all the other development constraints have been analyzed. An advantage of the RLV approach is that it does not rely on land prices as an input. Rather, observed land prices can be compared with the model outputs to help calibrate the model and ensure it reflects reality. It is therefore a useful metric for assessing the impacts of changes to the development code and accompanying development incentives because these policies principally affect land value, especially in the short run.
Benefits	• Has opportunity to create some new affordable units, especially in “high-opportunity areas” (high rent) areas with good schools, jobs, and amenities. • Designed to lead to mixed-income projects; helps avoid economic and racial segregation

	• Can create a revenue source for affordable housing if the inclusionary program allows fee-in-lieu payments • Mandatory: produces affordable units in proportion to development of market housing and allows for greater dispersion of affordable units within new apartment development and residential growth areas. Voluntary: Bonuses may encourage more development, can be targeted for specific areas and goals, and potential can be higher if paired with density bonuses.
Drawbacks	• IZ does not work unless market-rate development is feasible. • Programs can be administratively difficult to design and implement. Staff must ensure that tenants comply with income-qualification requirements. • If incentives are insufficient to offset program requirements, IZ may encourage developers to develop less housing or charge more for the non-zoned housing, pushing up overall rental costs. • Overall, evidence of success is mixed and seems largely dependent on which specific policies are adapted as part of the IZ policy and how they match the City's need. • Given the structure of Oregon's program requirements, IZ would result in relatively few new affordable units being constructed. • Mandatory: Requires changes to development which limit where it is applied; some view the need for affordable housing as a broader social issue not the responsibility of private developers; and if too onerous can discourage development. Voluntary: May not be used and if not carefully calibrated, then affordable units would not be produced
Options for Implementing	• Voluntary requirements, mandatory requirements, or a mix. • Some programs give participants the option to contribute funds to a lieu fee instead of creating affordable housing units. • Minimum quantity of affordable units to be provided, usually a share of a development's total number of dwelling units. For example, Sammamish has a sliding scale, based on the affordability level of the provided housing units. Developers in Sammamish are also using the City's affordable housing "bonus pool" to produce more units. • Household income of Affordable Units: Typically consists of housing units below 80% AMI with more incentives for low-income versus moderate-income households.

For more information	• Time period for units to remain affordable. Redmond requires affordability for the life of the project while Issaquah requires those units to remain affordable for a minimum of 50 years. • Geographic Area: Typically limited to designated urban center areas although they may be applied throughout your community. Examples • Bellevue and Mercer Island's IZ programs are voluntary. Kenmore and Redmond's IZ programs are mandated. Kirkland and Newcastle's IZ programs are both voluntary and mandated. • Adopted in 1994, Redmond's IZ regulation applies to all new residential and mixed-use developments with over 10 units. The provision requires 10% of dwellings units be affordable (80% AMI or less) or 5% be affordable at 50% AMI or less. In addition, one bonus market-rate unit is permitted for each affordable housing unit (at a minimum) up to 15% above the maximum allowed density. Multifamily properties could be eligible for MFTE. The affordable housing units and, if applicable, any bonus market-rate units should not be included in the total number of the housing units when determining the number of required affordable housing units. Units are required to be affordable for the life of the project. (RZC Affordable Housing 21.20). <i>The program has produced an estimated 709 affordable units, as of July 2020.</i> For More Information: • MSRC Background Information: http://mrsc.org/Home/Stay-Informed/MRSC-Insight/November-2016/Inclusionary-Zoning-for-Affordable-Housing • WA State law: RCW 36.70A.540 gives authority for GMA cities and counties to establish requirements and outlines circumstances for the inclusion of affordable housing to be mandated Another policy to review is: WAC 365-196-870(2) which allows local government to require a minimum number of affordable housing units that must be provided by all residential developments in areas where the City or county decides to increase residential capacity. https://apps.leg.wa.gov/RCW/default.aspx?cite=36.70A.540 • In 2016, the Oregon Legislature passed Senate Bill 1533 which allows for a jurisdiction to implement an inclusionary zoning policy if it meets certain requirements. These requirements relate to the income at which the units are affordable (80% MFI or 60% MFI), the percent of the project set aside as affordable (no greater than
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20% of the project), the size of the projects (only if greater than 20 units) and the requirement for both an in-lieu fee option and incentive package.

<http://www.oregon.gov/LCD/docs/legislative/landusebills2016.pdf>
and <https://www.portlandoregon.gov/phb/72291>

APPENDIX 3: BONNEY LAKE POLICY TABLE

Comprehensive Plan Policy Summary											
City of Bonney Lake											
Policy Info											
Element	Policy #	Policy Text	Single Family Housing	Duplex	Town-homes	Multi-Family	Accessory Dwelling Units	Affordable Housing	Senior Housing	Tiny Housing	Other
Community Development Element	2.2	Encourage the development of mixed-use, senior housing, high density residential, and public services uses such as education, health care, libraries, child care, governmental facilities in the centers to create vibrant activity nodes, provide housing choices, advance sustainable development principles, support transit, and preserve the City's existing residential neighborhoods.			X	X		X	X	X	
	9.11	Redevelop Bonney Lake's under-developed or vacant sites in a manner that balances providing an array of housing, jobs, retail, recreational, and entertainment opportunities, with the need to respect the scale and form of surrounding properties and neighborhoods	X	X	X	X	X	X	X	X	

	10.1	Encourage the development of a diverse and high quality housing stock that provides a range of housing types (including family and larger-sized units) to accommodate the diverse needs of Bonney Lake's residents through changes in age, family size, and various life changes.	X	X	X	X	X	X	X	X	
	10.2	Encourage the development of special-needs housing, especially for seniors, such as independent living facilities, various degrees of assisted living facilities, and skilled nursing care facilities.							X		
	10.3	Actively promote community awareness and education campaigns regarding affordable housing in order to engender acceptance throughout the community.						X			
	10.4	Explore methods and partnerships to reduce the costs associated with developing housing						X			
	10.5	Ensure that there is a sufficient supply of housing affordable to all income levels by maintaining a supply of housing that is currently affordable to median-income, low income and very low-income households, and work to increase the supply of housing affordable to households within Bonney Lake that make eighty percent (80%) of the Pierce County Median Income by 702 housing units.						X			

	10.7	Allow the use of recreational vehicles (RVs) as a primary residence within mobile home parks when all applicable regulations can be satisfied									X
	10.8	Allow manufactured homes in all residential zones that allow single-family residences	X	X				X			
	10.9	Regulate residential structures occupied by persons with handicaps no differently than similar residential structures occupied by a family or unrelated individuals.									X
Bonney Lake Centers Plan	CP-1.1	Adopt land use and zoning that supports housing and employment growth within the centers.									X

APPENDIX 4: SUMNER POLICY TABLE

Comprehensive Plan Policy Summary												
City of Sumner												
Policy Info												
Element	Sub-Element	Policy #	Policy Text	Single Family Housing	Duplex	Town-homes	Multi-Family	Accessory Dwelling Units	Affordable Housing	Senior Housing	Tiny Housing	Other
Land Use	Commuter Rail / Regional Transit	1.6	Promote the use of the Sounder commuter train by the entire Sumner community. Provide housing near the train station for households desiring the close transit availability, and provide services and businesses that cater to residents and train commuters									X
Community Character Element		3.5	Subject to design review, encourage infill residential development in the Downtown, such as "mixed use buildings" (multifamily units above ground-floor commercial), and "mixed use developments" (combination mixed use buildings and separate residential buildings on the same parcel), in order to allow for an active community core.				X					

	3.9	Encourage more housing in and near Downtown to strengthen Downtown businesses, take advantage of the commuter train, offer a range of housing in the community, and provide an active, social character.									X
Housing	1.4	In order to balance the protection of viable neighborhoods and the need to provide for a range of housing to all life stages and economic segments, allow for accessory units in single-family neighborhoods.					X				
	1.4.3	Review development regulations for obstacles to permitting accessory dwelling units.					X				
	1.5	Accommodate local non-profit housing agencies' efforts to purchase and rehabilitate housing to meet affordable housing needs and special needs of the community				X					
	1.6	Multi-family housing outside the Town Center area, should be "ground related" where the individual housing unit entries are close to the ground and allows direct access to private ground-level usable open space. Examples of ground-related dwellings include single-family detached, single family semi-attached, cottages, tandem houses, and townhouses. This does not include mixed use				X					

		commercial/residential buildings or “housing for the aged” such as assisted living facilities, continued care communities, board and care homes, hospices or nursing homes.									
	2.1	Strive to meet the City's fair share of housing needs by planning that 25% of the growth population allocation is satisfied through affordable housing.						X			
	2.1.1	Develop a housing strategy to implement fair share objectives. It shall include an inventory of affordable housing, an analysis of Sumner's fair share as compared to surrounding cities, and a phased approach to meet the community's fair share housing allocation. Milestone dates and interim objectives shall be established to allow for progress in meeting the overall fair share targets. The housing strategy should be completed by December 2017.						X			
	2.2	Plan for an adequate supply of land in appropriate land use designations and zoning categories to accommodate projected household growth.	X	X	X	X	X	X	X	X	

	2.2.1	Through the Comprehensive Plan, Zoning Code, and Subdivision code, and Design Guidelines allow for a variety of housing types and lot configurations including multi-family housing, mixed use development, cluster development, zero-lot line and similar subdivisions, planned unit development, and non-traditional housing forms such as adult family homes.	X	X	X	X	X	X	X	X
	2.2.3	Allow for accessory units in low density residential districts.					X			
	2.3	Encourage a variety of housing available to all economic segments of the community	X	X	X	X	X	X	X	X
	2.3.2	Review the City's administrative procedures and streamline the permit process for affordable housing developments.						X		
	2.3.3	Consider implementing strategies such as an inclusionary housing program, minimum densities, density bonuses, adaptive re-use, and others to promote affordable housing	X	X	X	X	X	X	X	X
	2.3.4	Promote the development of senior housing units in proximity to needed services.							X	
	2.3.6	Consider participation in the preparation of applications							X	

		for federal or state housing funds.									
	2.3.7	Identify and catalogue real property owned by the City that is no longer required for its purposes and is suitable for the development of affordable housing for very low to moderate income households. The inventory shall be provided to the state Department of Commerce annually in accordance with state law.							X		
	2.4	Provide for a jobs and housing relationship that satisfies the local need for housing and affordability.							X		
	2.5	Promote fair and equal access to housing for all persons in accordance with state law.									X
	2.6	Make a biennial report to the City Council and the Pierce County Regional Council regarding the progress made in meeting community housing needs.									X
	2.7	Plan for a standard density of 30 dwelling units per acre in Central Business District and General Commercial zones and 40 dwelling units per acre in the Mixed Use Development zone within the Town Center.				X					
	2.8	Provide incentives for developing senior housing in the downtown such as permit fee waivers and							X		

		reductions and parking requirement reductions.									
	4.1	Promote the construction of housing stock in the town center by at least 350-500 dwelling units by 2035.				X					
	4.2	Examine higher density in West Sumner through the review of existing development patterns and desires of neighborhoods to consider allowing higher densities.	X	X		X					
	4.3	Work with property owners and developers to promote increased housing on strategic properties in the town center.		X	X	X					
	4.4	Encourage land assembly allowing for feasible and attractive housing or mixed housing/commercial developments. Waive permit fees associated with lot consolidation such as lot line adjustments. Facilitate matching compatible owners that can work jointly to consolidate and sell/develop.									X
Economic Development Element	1.13	Create a document that compiles initiatives and activities that can be undertaken to promote economic development in the Downtown including infrastructure improvements, events, and housing initiatives.									X

	5.5	Encourage more housing in and near Downtown to strengthen Downtown businesses that will in turn offer goods and services for residents.									X
	5.13	Create 300-500 new housing units in the town center in close proximity to the train station and existing businesses.									X
	5.15	Encourage more mixed commercial/service/housing uses in the Town Center, along Traffic and Fryer Avenues. Reduce light industrial zoning in the Town Center in favor of mixed-use zoning.									X

APPENDIX 5: CITY RESOLUTIONS ADOPTING PLAN

Placeholder for when
city councils adopt the
plans

APPENDIX 6: COPY OF HB 1923

HOUSE BILL 1923

State of Washington

66th Legislature

2019 Regular Session

By Representatives Fitzgibbon, Macri, Appleton, Doglio, Dolan, Santos, and Frame

Read first time 02/06/19. Referred to Committee on Environment & Energy.

1 AN ACT Relating to increasing urban residential building
2 capacity; amending RCW 36.70A.030, 43.21C.450, 70.146.070,
3 43.155.070, 47.26.086, 43.21C.420, 36.70A.490, and 82.02.060;
4 reenacting and amending RCW 36.70A.070; adding new sections to
5 chapter 36.70A RCW; adding a new section to chapter 43.21C RCW; and
6 adding a new section to chapter 35.21 RCW.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** A new section is added to chapter 36.70A
9 RCW to read as follows:

10 (1) A city planning pursuant to RCW 36.70A.040 with a population
11 greater than ten thousand shall take two or more of the following
12 actions by December 31, 2022, in order to increase its residential
13 building capacity:

14 (a) Authorize development of at least fifty residential units per
15 acre in locations that are located within one-half mile of a fixed
16 guideway transit station;

17 (b) Authorize at least one duplex, triplex, or courtyard
18 apartment on each parcel in one or more single-family residential
19 zones unless a city documents a specific infrastructure of physical
20 constraint that would make this requirement unfeasible for a
21 particular parcel;

1 (c) Require no more than one on-site parking space per two
2 dwelling units in multifamily zones that are located within one-half
3 mile of a fixed guideway transit station;

4 (d) Authorize accessory dwelling units on all lots located in
5 single-family residential zoning districts;

6 (e) Adopt a planned action pursuant to RCW 43.21C.420, except
7 that an environmental impact statement pursuant to RCW 43.21C.030 is
8 not required for such an action;

9 (f) Adopt a planned action pursuant to RCW 43.21C.440, except
10 that an environmental impact statement pursuant to RCW 43.21C.030 is
11 not required for such an action;

12 (g) Adapt the maximum feasible number of categorical exemptions
13 pursuant to RCW 43.21C.229 for single-family and multifamily
14 development.

15 (2) A city planning pursuant to RCW 36.70A.040 with a population
16 greater than ten thousand shall take two or more of the following
17 actions by December 31, 2022, in order to increase housing
18 affordability:

19 (a) Adopt an inclusionary zoning program, in which twenty-five
20 percent of the new housing capacity directed by this act consists of
21 affordable housing; or

22 (b) Take some other action to address affordability for very low-
23 income households.

24 (3) A city that is subject to subsections (1) and (2) of this
25 section that fails to comply with subsections (1) and (2) of this
26 section by December 31, 2021, shall update the housing element of its
27 comprehensive plan as required by RCW 36.70A.070.

28 (4) The actions taken by a city to comply with subsections (1)
29 and (2) of this section are not subject to appeal under chapter
30 43.21C RCW.

31 (5)(a) A city that is subject to the requirements of subsections
32 (1) and (2) of this section shall certify to the department once it
33 has complied with the requirements of subsections (1) and (2) of this
34 section.

35 (b) When the department receives a certification from a city
36 pursuant to (a) of this subsection (5), the department shall take
37 such investigative steps as are necessary to confirm the accuracy of
38 the certification. Once the department has confirmed the accuracy of
39 the certification, the department shall issue a letter verifying the
40 city's compliance.

1 (c) A city who has received a letter of verification from the
2 department is eligible to receive a one-time grant from the
3 department of one hundred thousand dollars in order to support
4 planning and outreach efforts.

5 (6) A city that is subject to the requirements of subsections (1)
6 and (2) of this section that fails to comply with subsections (1) and
7 (2) of this section by December 31, 2021, may not receive grants,
8 loans, or any other form of funding from the following accounts until
9 the city certifies to the department that the city has complied with
10 subsections (1) and (2) of this section: The public works assistance
11 account established in RCW 43.155.050; the water quality capital
12 account created in RCW 70.146.100; or the transportation improvement
13 account created in RCW 47.26.084.

14 (7) In meeting the requirements of subsections (1) and (2) of
15 this section, cities are encouraged to utilize strategies that
16 increase residential building capacity in areas with frequent transit
17 service and with the transportation and utility infrastructure that
18 supports the additional residential building capacity.

19 **Sec. 2.** RCW 36.70A.070 and 2017 3rd sp.s. c 18 s 4 and 2017 3rd
20 sp.s. c 16 s 4 are each reenacted and amended to read as follows:

21 The comprehensive plan of a county or city that is required or
22 chooses to plan under RCW 36.70A.040 shall consist of a map or maps,
23 and descriptive text covering objectives, principles, and standards
24 used to develop the comprehensive plan. The plan shall be an
25 internally consistent document and all elements shall be consistent
26 with the future land use map. A comprehensive plan shall be adopted
27 and amended with public participation as provided in RCW 36.70A.140.
28 Each comprehensive plan shall include a plan, scheme, or design for
29 each of the following:

30 (1) A land use element designating the proposed general
31 distribution and general location and extent of the uses of land,
32 where appropriate, for agriculture, timber production, housing,
33 commerce, industry, recreation, open spaces, general aviation
34 airports, public utilities, public facilities, and other land uses.
35 The land use element shall include population densities, building
36 intensities, and estimates of future population growth. The land use
37 element shall provide for protection of the quality and quantity of
38 groundwater used for public water supplies. Wherever possible, the
39 land use element should consider utilizing urban planning approaches

1 that promote physical activity. Where applicable, the land use
2 element shall review drainage, flooding, and storm water run-off in
3 the area and nearby jurisdictions and provide guidance for corrective
4 actions to mitigate or cleanse those discharges that pollute waters
5 of the state, including Puget Sound or waters entering Puget Sound.

6 (2)(a) A housing element ensuring the vitality and character of
7 established residential neighborhoods that: ~~((a))~~ (i) Includes an
8 inventory and analysis of existing and projected housing needs that
9 identifies the number of housing units necessary to manage projected
10 growth and quantifies existing and projected housing needs for all
11 income levels, including extremely low-income households, with
12 documentation of housing and household characteristics, including
13 housing stock condition, overcrowding, and comparison of level of
14 payment with ability to pay; ~~((b))~~ (ii) includes a statement of
15 goals, policies, objectives, and mandatory provisions for the
16 preservation, improvement, and development of housing, including
17 single-family residences; ~~((c))~~ (iii) includes policies,
18 regulations, and programs to conserve and preserve existing private
19 market and subsidized affordable housing and existing manufactured
20 home parks. In cities with populations of more than eighty thousand,
21 the housing element must include policies, regulations, and programs
22 to minimize displacement; (iv) identifies sufficient land for
23 housing, including, but not limited to, government-assisted housing,
24 housing for low-income families, manufactured housing, multifamily
25 housing, and group homes and foster care facilities. If the inventory
26 in (a) of this subsection demonstrates a lack of sufficient sites to
27 accommodate housing needs for extremely low-income, very low-income,
28 and low-income households, the housing element must include a program
29 to make sufficient sites available at multifamily densities available
30 for development; ~~((and—(d))~~ (v) makes adequate provisions for
31 existing and projected needs of all economic segments of the
32 community; (vi) analyzes population and employment trends, with
33 documentation of projections; (vii) provides a zone where emergency
34 shelters are permitted without a discretionary review process; (viii)
35 includes an eight-year schedule of programs and actions to implement
36 the policies of the housing element and to accommodate the planned
37 housing units, including incentives and funding for affordable
38 housing; and (ix) reviews and evaluates the previous housing element,
39 including an evaluation of success in attaining planned housing
40 units, achievement of goals and policies, and implementation of the

1 schedule of programs and actions. In counties and cities subject to
2 the review and evaluation requirements of RCW 36.70A.215, any
3 revision to the housing element shall include consideration of prior
4 review and evaluation reports and any reasonable measures identified.

5 (b) The department must review and, if compliant with the
6 requirements of this subsection, approve the housing element of each
7 planning jurisdiction after each periodic review required under RCW
8 36.70A.130.

9 (3) A capital facilities plan element consisting of: (a) An
10 inventory of existing capital facilities owned by public entities,
11 showing the locations and capacities of the capital facilities; (b) a
12 forecast of the future needs for such capital facilities; (c) the
13 proposed locations and capacities of expanded or new capital
14 facilities; (d) at least a six-year plan that will finance such
15 capital facilities within projected funding capacities and clearly
16 identifies sources of public money for such purposes; and (e) a
17 requirement to reassess the land use element if probable funding
18 falls short of meeting existing needs and to ensure that the land use
19 element, capital facilities plan element, and financing plan within
20 the capital facilities plan element are coordinated and consistent.
21 Park and recreation facilities shall be included in the capital
22 facilities plan element.

23 (4) A utilities element consisting of the general location,
24 proposed location, and capacity of all existing and proposed
25 utilities, including, but not limited to, electrical lines,
26 telecommunication lines, and natural gas lines.

27 (5) Rural element. Counties shall include a rural element
28 including lands that are not designated for urban growth,
29 agriculture, forest, or mineral resources. The following provisions
30 shall apply to the rural element:

31 (a) Growth management act goals and local circumstances. Because
32 circumstances vary from county to county, in establishing patterns of
33 rural densities and uses, a county may consider local circumstances,
34 but shall develop a written record explaining how the rural element
35 harmonizes the planning goals in RCW 36.70A.020 and meets the
36 requirements of this chapter.

37 (b) Rural development. The rural element shall permit rural
38 development, forestry, and agriculture in rural areas. The rural
39 element shall provide for a variety of rural densities, uses,
40 essential public facilities, and rural governmental services needed

1 to serve the permitted densities and uses. To achieve a variety of
2 rural densities and uses, counties may provide for clustering,
3 density transfer, design guidelines, conservation easements, and
4 other innovative techniques that will accommodate appropriate rural
5 economic advancement, densities, and uses that are not characterized
6 by urban growth and that are consistent with rural character.

7 (c) Measures governing rural development. The rural element shall
8 include measures that apply to rural development and protect the
9 rural character of the area, as established by the county, by:

10 (i) Containing or otherwise controlling rural development;

11 (ii) Assuring visual compatibility of rural development with the
12 surrounding rural area;

13 (iii) Reducing the inappropriate conversion of undeveloped land
14 into sprawling, low-density development in the rural area;

15 (iv) Protecting critical areas, as provided in RCW 36.70A.060,
16 and surface water and groundwater resources; and

17 (v) Protecting against conflicts with the use of agricultural,
18 forest, and mineral resource lands designated under RCW 36.70A.170.

19 (d) Limited areas of more intensive rural development. Subject to
20 the requirements of this subsection and except as otherwise
21 specifically provided in this subsection (5)(d), the rural element
22 may allow for limited areas of more intensive rural development,
23 including necessary public facilities and public services to serve
24 the limited area as follows:

25 (i) Rural development consisting of the infill, development, or
26 redevelopment of existing commercial, industrial, residential, or
27 mixed-use areas, whether characterized as shoreline development,
28 villages, hamlets, rural activity centers, or crossroads
29 developments.

30 (A) A commercial, industrial, residential, shoreline, or mixed-
31 use area are subject to the requirements of (d)(iv) of this
32 subsection, but are not subject to the requirements of (c)(ii) and
33 (iii) of this subsection.

34 (B) Any development or redevelopment other than an industrial
35 area or an industrial use within a mixed-use area or an industrial
36 area under this subsection (5)(d)(i) must be principally designed to
37 serve the existing and projected rural population.

38 (C) Any development or redevelopment in terms of building size,
39 scale, use, or intensity shall be consistent with the character of
40 the existing areas. Development and redevelopment may include changes

1 in use from vacant land or a previously existing use so long as the
2 new use conforms to the requirements of this subsection (5);

3 (ii) The intensification of development on lots containing, or
4 new development of, small-scale recreational or tourist uses,
5 including commercial facilities to serve those recreational or
6 tourist uses, that rely on a rural location and setting, but that do
7 not include new residential development. A small-scale recreation or
8 tourist use is not required to be principally designed to serve the
9 existing and projected rural population. Public services and public
10 facilities shall be limited to those necessary to serve the
11 recreation or tourist use and shall be provided in a manner that does
12 not permit low-density sprawl;

13 (iii) The intensification of development on lots containing
14 isolated nonresidential uses or new development of isolated cottage
15 industries and isolated small-scale businesses that are not
16 principally designed to serve the existing and projected rural
17 population and nonresidential uses, but do provide job opportunities
18 for rural residents. Rural counties may allow the expansion of small-
19 scale businesses as long as those small-scale businesses conform with
20 the rural character of the area as defined by the local government
21 according to RCW 36.70A.030(16). Rural counties may also allow new
22 small-scale businesses to utilize a site previously occupied by an
23 existing business as long as the new small-scale business conforms to
24 the rural character of the area as defined by the local government
25 according to RCW 36.70A.030(16). Public services and public
26 facilities shall be limited to those necessary to serve the isolated
27 nonresidential use and shall be provided in a manner that does not
28 permit low-density sprawl;

29 (iv) A county shall adopt measures to minimize and contain the
30 existing areas or uses of more intensive rural development, as
31 appropriate, authorized under this subsection. Lands included in such
32 existing areas or uses shall not extend beyond the logical outer
33 boundary of the existing area or use, thereby allowing a new pattern
34 of low-density sprawl. Existing areas are those that are clearly
35 identifiable and contained and where there is a logical boundary
36 delineated predominately by the built environment, but that may also
37 include undeveloped lands if limited as provided in this subsection.
38 The county shall establish the logical outer boundary of an area of
39 more intensive rural development. In establishing the logical outer
40 boundary, the county shall address (A) the need to preserve the

1 character of existing natural neighborhoods and communities, (B)
2 physical boundaries, such as bodies of water, streets and highways,
3 and land forms and contours, (C) the prevention of abnormally
4 irregular boundaries, and (D) the ability to provide public
5 facilities and public services in a manner that does not permit low-
6 density sprawl;

7 (v) For purposes of (d) of this subsection, an existing area or
8 existing use is one that was in existence:

9 (A) On July 1, 1990, in a county that was initially required to
10 plan under all of the provisions of this chapter;

11 (B) On the date the county adopted a resolution under RCW
12 36.70A.040(2), in a county that is planning under all of the
13 provisions of this chapter under RCW 36.70A.040(2); or

14 (C) On the date the office of financial management certifies the
15 county's population as provided in RCW 36.70A.040(5), in a county
16 that is planning under all of the provisions of this chapter pursuant
17 to RCW 36.70A.040(5).

18 (e) Exception. This subsection shall not be interpreted to permit
19 in the rural area a major industrial development or a master planned
20 resort unless otherwise specifically permitted under RCW 36.70A.360
21 and 36.70A.365.

22 (6) A transportation element that implements, and is consistent
23 with, the land use element.

24 (a) The transportation element shall include the following
25 subelements:

26 (i) Land use assumptions used in estimating travel;

27 (ii) Estimated traffic impacts to state-owned transportation
28 facilities resulting from land use assumptions to assist the
29 department of transportation in monitoring the performance of state
30 facilities, to plan improvements for the facilities, and to assess
31 the impact of land-use decisions on state-owned transportation
32 facilities;

33 (iii) Facilities and services needs, including:

34 (A) An inventory of air, water, and ground transportation
35 facilities and services, including transit alignments and general
36 aviation airport facilities, to define existing capital facilities
37 and travel levels as a basis for future planning. This inventory must
38 include state-owned transportation facilities within the city or
39 county's jurisdictional boundaries;

1 (B) Level of service standards for all locally owned arterials
2 and transit routes to serve as a gauge to judge performance of the
3 system. These standards should be regionally coordinated;

4 (C) For state-owned transportation facilities, level of service
5 standards for highways, as prescribed in chapters 47.06 and 47.80
6 RCW, to gauge the performance of the system. The purposes of
7 reflecting level of service standards for state highways in the local
8 comprehensive plan are to monitor the performance of the system, to
9 evaluate improvement strategies, and to facilitate coordination
10 between the county's or city's six-year street, road, or transit
11 program and the office of financial management's ten-year investment
12 program. The concurrency requirements of (b) of this subsection do
13 not apply to transportation facilities and services of statewide
14 significance except for counties consisting of islands whose only
15 connection to the mainland are state highways or ferry routes. In
16 these island counties, state highways and ferry route capacity must
17 be a factor in meeting the concurrency requirements in (b) of this
18 subsection;

19 (D) Specific actions and requirements for bringing into
20 compliance locally owned transportation facilities or services that
21 are below an established level of service standard;

22 (E) Forecasts of traffic for at least ten years based on the
23 adopted land use plan to provide information on the location, timing,
24 and capacity needs of future growth;

25 (F) Identification of state and local system needs to meet
26 current and future demands. Identified needs on state-owned
27 transportation facilities must be consistent with the statewide
28 multimodal transportation plan required under chapter 47.06 RCW;

29 (iv) Finance, including:

30 (A) An analysis of funding capability to judge needs against
31 probable funding resources;

32 (B) A multiyear financing plan based on the needs identified in
33 the comprehensive plan, the appropriate parts of which shall serve as
34 the basis for the six-year street, road, or transit program required
35 by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW
36 35.58.2795 for public transportation systems. The multiyear financing
37 plan should be coordinated with the ten-year investment program
38 developed by the office of financial management as required by RCW
39 47.05.030;

1 (C) If probable funding falls short of meeting identified needs,
2 a discussion of how additional funding will be raised, or how land
3 use assumptions will be reassessed to ensure that level of service
4 standards will be met;

5 (v) Intergovernmental coordination efforts, including an
6 assessment of the impacts of the transportation plan and land use
7 assumptions on the transportation systems of adjacent jurisdictions;

8 (vi) Demand-management strategies;

9 (vii) Pedestrian and bicycle component to include collaborative
10 efforts to identify and designate planned improvements for pedestrian
11 and bicycle facilities and corridors that address and encourage
12 enhanced community access and promote healthy lifestyles.

13 (b) After adoption of the comprehensive plan by jurisdictions
14 required to plan or who choose to plan under RCW 36.70A.040, local
15 jurisdictions must adopt and enforce ordinances which prohibit
16 development approval if the development causes the level of service
17 on a locally owned transportation facility to decline below the
18 standards adopted in the transportation element of the comprehensive
19 plan, unless transportation improvements or strategies to accommodate
20 the impacts of development are made concurrent with the development.
21 These strategies may include increased public transportation service,
22 ride-sharing programs, demand management, and other transportation
23 systems management strategies. For the purposes of this subsection
24 (6), "concurrent with the development" means that improvements or
25 strategies are in place at the time of development, or that a
26 financial commitment is in place to complete the improvements or
27 strategies within six years. If the collection of impact fees is
28 delayed under RCW 82.02.050(3), the six-year period required by this
29 subsection (6)(b) must begin after full payment of all impact fees is
30 due to the county or city.

31 (c) The transportation element described in this subsection (6),
32 the six-year plans required by RCW 35.77.010 for cities, RCW
33 36.81.121 for counties, and RCW 35.58.2795 for public transportation
34 systems, and the ten-year investment program required by RCW
35 47.05.030 for the state, must be consistent.

36 (7) An economic development element establishing local goals,
37 policies, objectives, and provisions for economic growth and vitality
38 and a high quality of life. A city that has chosen to be a
39 residential community is exempt from the economic development element
40 requirement of this subsection.

(8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.

(9) It is the intent that new or amended elements required after January 1, 2002, be adopted concurrent with the scheduled update provided in RCW 36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to cover applicable local government costs are appropriated and distributed by the state at least two years before local government must update comprehensive plans as required in RCW 36.70A.130.

Sec. 3. RCW 36.70A.030 and 2017 3rd sp.s. c 18 s 2 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Adopt a comprehensive land use plan" means to enact a new comprehensive land use plan or to update an existing comprehensive land use plan.

(2) "Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees not subject to the excise tax imposed by RCW 84.33.100 through 84.33.140, finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.

(3) "City" means any city or town, including a code city.

(4) "Comprehensive land use plan," "comprehensive plan," or "plan" means a generalized coordinated land use policy statement of the governing body of a county or city that is adopted pursuant to this chapter.

(5) "Critical areas" include the following areas and ecosystems: (a) Wetlands; (b) areas with a critical recharging effect on aquifers used for potable water; (c) fish and wildlife habitat conservation areas; (d) frequently flooded areas; and (e) geologically hazardous areas. "Fish and wildlife habitat conservation areas" does not include such artificial features or constructs as irrigation delivery

1 systems, irrigation infrastructure, irrigation canals, or drainage
2 ditches that lie within the boundaries of and are maintained by a
3 port district or an irrigation district or company.

4 (6) "Department" means the department of commerce.

5 (7) "Development regulations" or "regulation" means the controls
6 placed on development or land use activities by a county or city,
7 including, but not limited to, zoning ordinances, critical areas
8 ordinances, shoreline master programs, official controls, planned
9 unit development ordinances, subdivision ordinances, and binding site
10 plan ordinances together with any amendments thereto. A development
11 regulation does not include a decision to approve a project permit
12 application, as defined in RCW 36.70B.020, even though the decision
13 may be expressed in a resolution or ordinance of the legislative body
14 of the county or city.

15 (8) "Forestland" means land primarily devoted to growing trees
16 for long-term commercial timber production on land that can be
17 economically and practically managed for such production, including
18 Christmas trees subject to the excise tax imposed under RCW 84.33.100
19 through 84.33.140, and that has long-term commercial significance. In
20 determining whether forestland is primarily devoted to growing trees
21 for long-term commercial timber production on land that can be
22 economically and practically managed for such production, the
23 following factors shall be considered: (a) The proximity of the land
24 to urban, suburban, and rural settlements; (b) surrounding parcel
25 size and the compatibility and intensity of adjacent and nearby land
26 uses; (c) long-term local economic conditions that affect the ability
27 to manage for timber production; and (d) the availability of public
28 facilities and services conducive to conversion of forestland to
29 other uses.

30 (9) "Freight rail dependent uses" means buildings and other
31 infrastructure that are used in the fabrication, processing, storage,
32 and transport of goods where the use is dependent on and makes use of
33 an adjacent short line railroad. Such facilities are both urban and
34 rural development for purposes of this chapter. "Freight rail
35 dependent uses" does not include buildings and other infrastructure
36 that are used in the fabrication, processing, storage, and transport
37 of coal, liquefied natural gas, or "crude oil" as defined in RCW
38 90.56.010.

39 (10) "Geologically hazardous areas" means areas that because of
40 their susceptibility to erosion, sliding, earthquake, or other

1 geological events, are not suited to the siting of commercial,
2 residential, or industrial development consistent with public health
3 or safety concerns.

4 (11) "Long-term commercial significance" includes the growing
5 capacity, productivity, and soil composition of the land for long-
6 term commercial production, in consideration with the land's
7 proximity to population areas, and the possibility of more intense
8 uses of the land.

9 (12) "Minerals" include gravel, sand, and valuable metallic
10 substances.

11 (13) "Public facilities" include streets, roads, highways,
12 sidewalks, street and road lighting systems, traffic signals,
13 domestic water systems, storm and sanitary sewer systems, parks and
14 recreational facilities, and schools.

15 (14) "Public services" include fire protection and suppression,
16 law enforcement, public health, education, recreation, environmental
17 protection, and other governmental services.

18 (15) "Recreational land" means land so designated under RCW
19 36.70A.1701 and that, immediately prior to this designation, was
20 designated as agricultural land of long-term commercial significance
21 under RCW 36.70A.170. Recreational land must have playing fields and
22 supporting facilities existing before July 1, 2004, for sports played
23 on grass playing fields.

24 (16) "Rural character" refers to the patterns of land use and
25 development established by a county in the rural element of its
26 comprehensive plan:

27 (a) In which open space, the natural landscape, and vegetation
28 predominate over the built environment;

29 (b) That foster traditional rural lifestyles, rural-based
30 economies, and opportunities to both live and work in rural areas;

31 (c) That provide visual landscapes that are traditionally found
32 in rural areas and communities;

33 (d) That are compatible with the use of the land by wildlife and
34 for fish and wildlife habitat;

35 (e) That reduce the inappropriate conversion of undeveloped land
36 into sprawling, low-density development;

37 (f) That generally do not require the extension of urban
38 governmental services; and

1 (g) That are consistent with the protection of natural surface
2 water flows and groundwater and surface water recharge and discharge
3 areas.

4 (17) "Rural development" refers to development outside the urban
5 growth area and outside agricultural, forest, and mineral resource
6 lands designated pursuant to RCW 36.70A.170. Rural development can
7 consist of a variety of uses and residential densities, including
8 clustered residential development, at levels that are consistent with
9 the preservation of rural character and the requirements of the rural
10 element. Rural development does not refer to agriculture or forestry
11 activities that may be conducted in rural areas.

12 (18) "Rural governmental services" or "rural services" include
13 those public services and public facilities historically and
14 typically delivered at an intensity usually found in rural areas, and
15 may include domestic water systems, fire and police protection
16 services, transportation and public transit services, and other
17 public utilities associated with rural development and normally not
18 associated with urban areas. Rural services do not include storm or
19 sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

20 (19) "Short line railroad" means those railroad lines designated
21 class II or class III by the United States surface transportation
22 board.

23 (20) "Urban governmental services" or "urban services" include
24 those public services and public facilities at an intensity
25 historically and typically provided in cities, specifically including
26 storm and sanitary sewer systems, domestic water systems, street
27 cleaning services, fire and police protection services, public
28 transit services, and other public utilities associated with urban
29 areas and normally not associated with rural areas.

30 (21) "Urban growth" refers to growth that makes intensive use of
31 land for the location of buildings, structures, and impermeable
32 surfaces to such a degree as to be incompatible with the primary use
33 of land for the production of food, other agricultural products, or
34 fiber, or the extraction of mineral resources, rural uses, rural
35 development, and natural resource lands designated pursuant to RCW
36 36.70A.170. A pattern of more intensive rural development, as
37 provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed
38 to spread over wide areas, urban growth typically requires urban
39 governmental services. "Characterized by urban growth" refers to land
40 having urban growth located on it, or to land located in relationship

1 to an area with urban growth on it as to be appropriate for urban
2 growth.

3 (22) "Urban growth areas" means those areas designated by a
4 county pursuant to RCW 36.70A.110.

5 (23) "Wetland" or "wetlands" means areas that are inundated or
6 saturated by surface water or groundwater at a frequency and duration
7 sufficient to support, and that under normal circumstances do
8 support, a prevalence of vegetation typically adapted for life in
9 saturated soil conditions. Wetlands generally include swamps,
10 marshes, bogs, and similar areas. Wetlands do not include those
11 artificial wetlands intentionally created from nonwetland sites,
12 including, but not limited to, irrigation and drainage ditches,
13 grass-lined swales, canals, detention facilities, wastewater
14 treatment facilities, farm ponds, and landscape amenities, or those
15 wetlands created after July 1, 1990, that were unintentionally
16 created as a result of the construction of a road, street, or
17 highway. Wetlands may include those artificial wetlands intentionally
18 created from nonwetland areas created to mitigate conversion of
19 wetlands.

20 (24) "Affordable housing" means, unless the context clearly
21 indicates otherwise, residential housing whose monthly costs,
22 including utilities other than telephone, do not exceed thirty
23 percent of the monthly income of a household whose income is sixty
24 percent of the median family income adjusted for family size, for the
25 county where the household is located, as reported by the United
26 States department of housing and urban development.

27 (25) "Extremely low-income household" means a single person,
28 family, or unrelated persons living together whose adjusted income is
29 at or below thirty percent of the median family income adjusted for
30 family size, for the county where the household is located, as
31 reported by the United States department of housing and urban
32 development.

33 (26) "Low-income household" means a single person, family, or
34 unrelated persons living together whose adjusted income is at or
35 below eighty percent of the median family income adjusted for family
36 size, for the county where the household is located, as reported by
37 the United States department of housing and urban development.

38 (27) "Very low-income household" means a single person, family,
39 or unrelated persons living together whose adjusted income is at or
40 below fifty percent of the median family income adjusted for family

1 size, for the county where the household is located, as reported by
2 the United States department of housing and urban development.

3 **Sec. 4.** RCW 43.21C.450 and 2012 1st sp.s. c 1 s 307 are each
4 amended to read as follows:

5 The following nonproject actions are categorically exempt from
6 the requirements of this chapter:

7 (1) Amendments to development regulations that are required to
8 ensure consistency with an adopted comprehensive plan pursuant to RCW
9 36.70A.040, where the comprehensive plan was previously subjected to
10 environmental review pursuant to this chapter and the impacts
11 associated with the proposed regulation were specifically addressed
12 in the prior environmental review;

13 (2) Amendments to development regulations that are required to
14 ensure consistency with a shoreline master program approved pursuant
15 to RCW 90.58.090, where the shoreline master program was previously
16 subjected to environmental review pursuant to this chapter and the
17 impacts associated with the proposed regulation were specifically
18 addressed in the prior environmental review;

19 (3) Amendments to development regulations that, upon
20 implementation of a project action, will provide increased
21 environmental protection, limited to the following:

22 (a) Increased protections for critical areas, such as enhanced
23 buffers or setbacks;

24 (b) Increased vegetation retention or decreased impervious
25 surface areas in shoreline jurisdiction; and

26 (c) Increased vegetation retention or decreased impervious
27 surface areas in critical areas;

28 (4) Amendments to technical codes adopted by a county, city, or
29 town to ensure consistency with minimum standards contained in state
30 law, including the following:

31 (a) Building codes required by chapter 19.27 RCW;

32 (b) Energy codes required by chapter 19.27A RCW; and

33 (c) Electrical codes required by chapter 19.28 RCW;

34 (5) Amendments to development regulations in order to comply with
35 section 1 of this act.

36 NEW SECTION. **Sec. 5.** A new section is added to chapter 36.70A
37 RCW to read as follows:

1 In counties and cities planning under RCW 36.70A.040, minimum
2 residential parking requirements mandated by municipal zoning
3 ordinances are subject to the following requirements:

4 (1) For affordable housing units that are located within one-
5 quarter mile of a transit stop that receives transit service at least
6 four times per hour for twelve or more hours per day, minimum
7 residential parking requirements may be no greater than one parking
8 space per bedroom.

9 (2) For housing units that are specifically for seniors or people
10 with disabilities, that are located within one-quarter mile of a
11 transit stop that receives transit service at least four times per
12 hour for twelve or more hours per day, no minimum residential parking
13 requirement may be imposed.

14 **Sec. 6.** RCW 70.146.070 and 2013 c 275 s 4 are each amended to
15 read as follows:

16 (1) When making grants or loans for water pollution control
17 facilities, the department shall consider the following:

18 (a) The protection of water quality and public health;

19 (b) The cost to residential ratepayers if they had to finance
20 water pollution control facilities without state assistance;

21 (c) Actions required under federal and state permits and
22 compliance orders;

23 (d) The level of local fiscal effort by residential ratepayers
24 since 1972 in financing water pollution control facilities;

25 (e) Except as otherwise conditioned by RCW 70.146.110, whether
26 the entity receiving assistance is a Puget Sound partner, as defined
27 in RCW 90.71.010;

28 (f) Whether the project is referenced in the action agenda
29 developed by the Puget Sound partnership under RCW 90.71.310;

30 (g) Except as otherwise provided in RCW 70.146.120, and effective
31 one calendar year following the development and statewide
32 availability of model evergreen community management plans and
33 ordinances under RCW 35.105.050, whether the project is sponsored by
34 an entity that has been recognized, and what gradation of recognition
35 was received, in the evergreen community recognition program created
36 in RCW 35.105.030;

37 (h) The extent to which the applicant county or city, or if the
38 applicant is another public body, the extent to which the county or
39 city in which the applicant public body is located, has established

1 programs to mitigate nonpoint pollution of the surface or
2 subterranean water sought to be protected by the water pollution
3 control facility named in the application for state assistance; and

4 (i) The recommendations of the Puget Sound partnership, created
5 in RCW 90.71.210, and any other board, council, commission, or group
6 established by the legislature or a state agency to study water
7 pollution control issues in the state.

8 (2) Except where necessary to address a public health need or
9 substantial environmental degradation, a county, city, or town
10 planning under RCW 36.70A.040 may not receive a grant or loan for
11 water pollution control facilities unless it has adopted a
12 comprehensive plan, including a capital facilities plan element, and
13 development regulations as required by RCW 36.70A.040. A county,
14 city, or town that has adopted a comprehensive plan and development
15 regulations as provided in RCW 36.70A.040 may request a grant or loan
16 for water pollution control facilities. This subsection does not
17 require any county, city, or town planning under RCW 36.70A.040 to
18 adopt a comprehensive plan or development regulations before
19 requesting a grant or loan under this chapter if such request is made
20 before the expiration of the time periods specified in RCW
21 36.70A.040. A county, city, or town planning under RCW 36.70A.040
22 that has not adopted a comprehensive plan and development regulations
23 within the time periods specified in RCW 36.70A.040 is not prohibited
24 from receiving a grant or loan under this chapter if the
25 comprehensive plan and development regulations are adopted as
26 required by RCW 36.70A.040 before the department executes a
27 contractual agreement for the grant or loan.

28 (3) Whenever the department is considering awarding grants or
29 loans for public facilities to special districts requesting funding
30 for a proposed facility located in a county, city, or town planning
31 under RCW 36.70A.040, it shall consider whether the county, city, or
32 town planning under RCW 36.70A.040 in whose planning jurisdiction the
33 proposed facility is located has adopted a comprehensive plan and
34 development regulations as required by RCW 36.70A.040.

35 (4) The department may not award a grant or loan for a public
36 facility located in a city subject to the requirements of section
37 1(1) and (2) of this act unless the city has certified to the
38 department of commerce that it is in compliance with section 1(1) and
39 (2) of this act, as appropriate.

1 (5) After January 1, 2010, any project designed to address the
2 effects of water pollution on Puget Sound may be funded under this
3 chapter only if the project is not in conflict with the action agenda
4 developed by the Puget Sound partnership under RCW 90.71.310.

5 **Sec. 7.** RCW 43.155.070 and 2017 3rd sp.s. c 10 s 9 are each
6 amended to read as follows:

7 (1) To qualify for financial assistance under this chapter the
8 board must determine that a local government meets all of the
9 following conditions:

10 (a) The city or county must be imposing a tax under chapter 82.46
11 RCW at a rate of at least one-quarter of one percent;

12 (b) The local government must have developed a capital facility
13 plan; and

14 (c) The local government must be using all local revenue sources
15 which are reasonably available for funding public works, taking into
16 consideration local employment and economic factors.

17 (2) Except where necessary to address a public health need or
18 substantial environmental degradation, a county, city, or town
19 planning under RCW 36.70A.040 may not receive financial assistance
20 under this chapter unless it has adopted a comprehensive plan,
21 including a capital facilities plan element, and development
22 regulations as required by RCW 36.70A.040. This subsection does not
23 require any county, city, or town planning under RCW 36.70A.040 to
24 adopt a comprehensive plan or development regulations before
25 requesting or receiving financial assistance under this chapter if
26 such request is made before the expiration of the time periods
27 specified in RCW 36.70A.040. A county, city, or town planning under
28 RCW 36.70A.040 that has not adopted a comprehensive plan and
29 development regulations within the time periods specified in RCW
30 36.70A.040 may apply for and receive financial assistance under this
31 chapter if the comprehensive plan and development regulations are
32 adopted as required by RCW 36.70A.040 before executing a contractual
33 agreement for financial assistance with the board.

34 (3) In considering awarding financial assistance for public
35 facilities to special districts requesting funding for a proposed
36 facility located in a county, city, or town planning under RCW
37 36.70A.040, the board must consider whether the county, city, or town
38 planning under RCW 36.70A.040 in whose planning jurisdiction the

1 proposed facility is located has adopted a comprehensive plan and
2 development regulations as required by RCW 36.70A.040.

3 (4) The board may not award financial assistance for a proposed
4 facility located in a city subject to the requirements of section
5 1(1) and (2) of this act unless the city has certified to the
6 department of commerce that it is in compliance with section 1(1) and
7 (2) of this act, as appropriate, of this act.

8 (5)(a) The board must develop a process to prioritize
9 applications and funding of loans and grants for public works
10 projects submitted by local governments. The board must consider, at
11 a minimum and in any order, the following factors in prioritizing
12 projects:

13 (i) Whether the project is critical in nature and would affect
14 the health and safety of many people;

15 (ii) The extent to which the project leverages other funds;

16 (iii) The extent to which the project is ready to proceed to
17 construction;

18 (iv) Whether the project is located in an area of high
19 unemployment, compared to the average state unemployment;

20 (v) Whether the project promotes the sustainable use of resources
21 and environmental quality, as applicable;

22 (vi) Whether the project consolidates or regionalizes systems;

23 (vii) Whether the project encourages economic development through
24 mixed-use and mixed income development consistent with chapter 36.70A
25 RCW;

26 (viii) Whether the system is being well-managed in the present
27 and for long-term sustainability;

28 (ix) Achieving equitable distribution of funds by geography and
29 population;

30 (x) The extent to which the project meets the following state
31 policy objectives:

32 (A) Efficient use of state resources;

33 (B) Preservation and enhancement of health and safety;

34 (C) Abatement of pollution and protection of the environment;

35 (D) Creation of new, family-wage jobs, and avoidance of shifting
36 existing jobs from one Washington state community to another;

37 (E) Fostering economic development consistent with chapter 36.70A
38 RCW;

39 (F) Efficiency in delivery of goods and services and
40 transportation; and

1 (G) Reduction of the overall cost of public infrastructure;

2 (xi) Whether the applicant sought or is seeking funding for the
3 project from other sources; and

4 (xii) Other criteria that the board considers necessary to
5 achieve the purposes of this chapter.

6 (b) Before September 1, 2018, and each year thereafter, the board
7 must develop and submit a report regarding the construction loans and
8 grants to the office of financial management and appropriate fiscal
9 committees of the senate and house of representatives. The report
10 must include:

11 (i) The total number of applications and amount of funding
12 requested for public works projects;

13 (ii) A list and description of projects approved in the preceding
14 fiscal year with project scores against the board's prioritization
15 criteria;

16 (iii) The total amount of loan and grants disbursements made from
17 the public works assistance account in the preceding fiscal year;

18 (iv) The total amount of loan repayments in the preceding fiscal
19 year for outstanding loans from the public works assistance account;

20 (v) The total amount of loan repayments due for outstanding loans
21 for each fiscal year over the following ten-year period; and

22 (vi) The total amount of funds obligated and timing of when the
23 funds were obligated in the preceding fiscal year.

24 (c) The maximum amount of funding that the board may provide for
25 any jurisdiction is ten million dollars per biennium.

26 ~~((+5))~~ (6) Existing debt or financial obligations of local
27 governments may not be refinanced under this chapter. Each local
28 government applicant must provide documentation of attempts to secure
29 additional local or other sources of funding for each public works
30 project for which financial assistance is sought under this chapter.

31 ~~((+6))~~ (7) Before September 1st of each year, the board must
32 develop and submit to the appropriate fiscal committees of the senate
33 and house of representatives a description of the loans and grants
34 made under RCW 43.155.065 and 43.155.068.

35 ~~((+7))~~ (8) The board may not sign contracts or otherwise
36 financially obligate funds from the public works assistance account
37 before the legislature has appropriated funds to the board for the
38 purpose of funding public works projects under this chapter.

39 ~~((+8))~~ (9) To qualify for loans, grants, or pledges for solid
40 waste or recycling facilities under this chapter, a city or county

1 must demonstrate that the solid waste or recycling facility is
2 consistent with and necessary to implement the comprehensive solid
3 waste management plan adopted by the city or county under chapter
4 70.95 RCW.

5 ~~((+9))~~ (10) After January 1, 2010, any project designed to
6 address the effects of stormwater or wastewater on Puget Sound may be
7 funded under this section only if the project is not in conflict with
8 the action agenda developed by the Puget Sound partnership under RCW
9 90.71.310.

10 ~~((+10))~~ (11) For projects involving repair, replacement, or
11 improvement of a wastewater treatment plant or other public works
12 facility for which an investment grade efficiency audit is reasonably
13 obtainable, the public works board must require as a contract
14 condition that the project sponsor undertake an investment grade
15 efficiency audit. The project sponsor may finance the costs of the
16 audit as part of its public works assistance account program loan or
17 grant.

18 ~~((+11))~~ (12) The board must implement policies and procedures
19 designed to maximize local government consideration of other funds to
20 finance local infrastructure.

21 **Sec. 8.** RCW 47.26.086 and 2011 c 120 s 7 are each amended to
22 read as follows:

23 Transportation improvement account projects selected for funding
24 programs after fiscal year 1995 are governed by the requirements of
25 this section.

26 The board shall allocate funds from the account by June 30th of
27 each year for the ensuing fiscal year to urban counties, cities with
28 a population of five thousand and over, and to transportation benefit
29 districts. Projects may include, but are not limited to, multiagency
30 projects and arterial improvement projects in fast-growing areas. The
31 board shall endeavor to provide geographical diversity in selecting
32 improvement projects to be funded from the account.

33 To be eligible to receive these funds, a project must be
34 consistent with the Growth Management Act, the Clean Air Act
35 including conformity, and the Commute Trip Reduction Law and
36 consideration must have been given to the project's relationship,
37 both actual and potential, with the statewide rail passenger program
38 and rapid mass transit. For a project located in a city that is
39 subject to the requirements of section 1(1) and (2) of this act, the

1 city must certify to the department of commerce that it is in
2 compliance with section 1(1) and (2) of this act, as appropriate, in
3 order for the project to be eligible to receive these funds. Projects
4 must be consistent with any adopted high capacity transportation
5 plan, must consider existing or reasonably foreseeable congestion
6 levels attributable to economic development or growth and all modes
7 of transportation and safety, and must be partially funded by local
8 government or private contributions, or a combination of such
9 contributions. Priority consideration shall be given to those
10 projects with the greatest percentage of local or private
11 contribution, or both.

12 Within one year after board approval of an application for
13 funding, the lead agency shall provide written certification to the
14 board of the pledged local and private funding for the phase of the
15 project approved. Funds allocated to an applicant that does not
16 certify its funding within one year after approval may be reallocated
17 by the board.

18 NEW SECTION. **Sec. 9.** A new section is added to chapter 43.21C
19 RCW to read as follows:

20 (1) A project action evaluated under this chapter by a city,
21 town, or county planning under RCW 36.70A.040 is exempt from appeals
22 under this chapter on the basis of the evaluation of or impacts to
23 transportation elements of the environment, so long as the project
24 does not present significant adverse impacts to state highways and
25 the project is:

26 (a)(i) Consistent with a locally adopted transportation plan; or
27 (ii) Consistent with the transportation element of a
28 comprehensive plan; and

29 (b)(i) A project for which traffic or parking impact fees are
30 imposed pursuant to RCW 82.02.050 through 82.02.090; or

31 (ii) A project for which traffic or parking impacts are expressly
32 mitigated by an ordinance, or ordinances, of general application
33 adopted by the city, town, or county.

34 (2) For purposes of this section, "impacts to transportation
35 elements of the environment" include impacts to transportation
36 systems; vehicular traffic; waterborne, rail, and air traffic;
37 parking; movement or circulation of people or goods; and traffic
38 hazards.

1 **Sec. 10.** RCW 43.21C.420 and 2010 c 153 s 2 are each amended to
2 read as follows:

3 (1) Cities with a population greater than five thousand, in
4 accordance with their existing comprehensive planning and development
5 regulation authority under chapter 36.70A RCW, and in accordance with
6 this section, may adopt optional elements of their comprehensive
7 plans and optional development regulations that apply within
8 specified subareas of the cities, that are either:

9 (a) Areas designated as mixed-use or urban centers in a land use
10 or transportation plan adopted by a regional transportation planning
11 organization; or

12 (b) Areas within one-half mile of a major transit stop that are
13 zoned to have an average minimum density of fifteen dwelling units or
14 more per gross acre.

15 (2) Cities located on the east side of the Cascade mountains and
16 located in a county with a population of two hundred thirty thousand
17 or less, in accordance with their existing comprehensive planning and
18 development regulation authority under chapter 36.70A RCW, and in
19 accordance with this section, may adopt optional elements of their
20 comprehensive plans and optional development regulations that apply
21 within the mixed-use or urban centers. The optional elements of their
22 comprehensive plans and optional development regulations must enhance
23 pedestrian, bicycle, transit, or other nonvehicular transportation
24 methods.

25 (3) A major transit stop is defined as:

26 (a) A stop on a high capacity transportation service funded or
27 expanded under the provisions of chapter 81.104 RCW;

28 (b) Commuter rail stops;

29 (c) Stops on rail or fixed guideway systems, including
30 transitways;

31 (d) Stops on bus rapid transit routes or routes that run on high
32 occupancy vehicle lanes; or

33 (e) Stops for a bus or other transit mode providing fixed route
34 service at intervals of at least thirty minutes during the peak hours
35 of operation.

36 (4) (a) A city that elects to adopt such an optional comprehensive
37 plan element and optional development regulations shall prepare a
38 nonproject environmental impact statement, pursuant to RCW
39 43.21C.030, assessing and disclosing the probable significant adverse
40 environmental impacts of the optional comprehensive plan element and

1 development regulations and of future development that is consistent
2 with the plan and regulations.

3 (b) At least one community meeting must be held on the proposed
4 subarea plan before the scoping notice for such a nonproject
5 environmental impact statement is issued. Notice of scoping for such
6 a nonproject environmental impact statement and notice of the
7 community meeting required by this section must be mailed to all
8 property owners of record within the subarea to be studied, to all
9 property owners within one hundred fifty feet of the boundaries of
10 such a subarea, to all affected federally recognized tribal
11 governments whose ceded area is within one-half mile of the
12 boundaries of the subarea, and to agencies with jurisdiction over the
13 future development anticipated within the subarea.

14 ~~((In cities with over five hundred thousand residents, notice~~
15 ~~of scoping for such a nonproject environmental impact statement and~~
16 ~~notice of the community meeting required by this section must be~~
17 ~~mailed to all small businesses as defined in RCW 19.85.020, and to~~
18 ~~all community preservation and development authorities established~~
19 ~~under chapter 43.167 RCW, located within the subarea to be studied or~~
20 ~~within one hundred fifty feet of the boundaries of such subarea. The~~
21 ~~process for community involvement must have the goal of fair~~
22 ~~treatment and meaningful involvement of all people with respect to~~
23 ~~the development and implementation of the subarea planning process.~~

24 ~~((d))~~ The notice of the community meeting must include general
25 illustrations and descriptions of buildings generally representative
26 of the maximum building envelope that will be allowed under the
27 proposed plan and indicate that future appeals of proposed
28 developments that are consistent with the plan will be limited.
29 Notice of the community meeting must include signs located on major
30 travel routes in the subarea. If the building envelope increases
31 during the process, another notice complying with the requirements of
32 this section must be issued before the next public involvement
33 opportunity.

34 ~~((e))~~ (d) Any person that has standing to appeal the adoption
35 of this subarea plan or the implementing regulations under RCW
36 36.70A.280 has standing to bring an appeal of the nonproject
37 environmental impact statement required by this subsection.

38 ~~((f) Cities with over five hundred thousand residents shall~~
39 ~~prepare a study that accompanies or is appended to the nonproject~~
40 ~~environmental impact statement, but must not be part of that~~

1 ~~statement, that analyzes the extent to which the proposed subarea~~
2 ~~plan may result in the displacement or fragmentation of existing~~
3 ~~businesses, existing residents, including people living with poverty,~~
4 ~~families with children, and intergenerational households, or cultural~~
5 ~~groups within the proposed subarea plan. The city shall also discuss~~
6 ~~the results of the analysis at the community meeting.~~

7 ~~((g))~~ (e) As an incentive for development authorized under this
8 section, a city shall consider establishing a transfer of development
9 rights program in consultation with the county where the city is
10 located, that conserves county-designated agricultural and forestland
11 of long-term commercial significance. If the city decides not to
12 establish a transfer of development rights program, the city must
13 state in the record the reasons for not adopting the program. The
14 city's decision not to establish a transfer of development rights
15 program is not subject to appeal. Nothing in this subsection (4)
16 ~~((g))~~ (e) may be used as a basis to challenge the optional
17 comprehensive plan or subarea plan policies authorized under this
18 section.

19 (5)(a) Until July 1, ((2018)) 2029, a proposed development that
20 meets the criteria of (b) of this subsection may not be challenged in
21 administrative or judicial appeals for noncompliance with this
22 chapter as long as a complete application for such a development that
23 vests the application or would later lead to vested status under city
24 or state law is submitted to the city within a time frame established
25 by the city, but not to exceed the following time frames:

26 (i) Nineteen years from the date of issuance of the final
27 environmental impact statement, for projects that are consistent with
28 an optional element adopted by a city as of the effective date of
29 this section; or

30 (ii) Ten years from the date of issuance of the final
31 environmental impact statement, for projects that are consistent with
32 an optional element adopted by a city after the effective date of
33 this section.

34 (b) A proposed development may not be challenged, consistent with
35 the timelines established in (a) of this subsection, so long as the
36 development:

37 (i) Is consistent with the optional comprehensive plan or subarea
38 plan policies and development regulations adopted under subsection
39 (1) or (2) of this section;

1 (ii) Sets aside or requires the occupancy of at least ten percent
2 of the dwelling units, or a greater percentage as determined by city
3 development regulations, within the development for low-income
4 households at a sale price or rental amount that is considered
5 affordable by a city's housing programs. This subsection (5)(b)(ii)
6 applies only to projects that are consistent with an optional element
7 adopted by a city pursuant to this section after the effective date
8 of this section; and ((that))

9 (iii) Is environmentally reviewed under subsection (4) of this
10 section ((may not be challenged in administrative or judicial appeals
11 for noncompliance with this chapter as long as a complete application
12 for such a development that vests the application or would later lead
13 to vested status under city or state law is submitted to the city
14 within a time frame established by the city, but not to exceed ten
15 years from the date of issuance of the final environmental impact
16 statement)).

17 ((b)) (c) After July 1, ((2018)) 2029, the immunity from
18 appeals under this chapter of any application that vests or will vest
19 under this subsection or the ability to vest under this subsection is
20 still valid, provided that the final subarea environmental impact
21 statement is issued by July 1, ((2018)) 2029. After July 1, ((2018))
22 2029, a city may continue to collect reimbursement fees under
23 subsection (6) of this section for the proportionate share of a
24 subarea environmental impact statement issued prior to July 1,
25 ((2018)) 2029.

26 (6) It is recognized that a city that prepares a nonproject
27 environmental impact statement under subsection (4) of this section
28 must endure a substantial financial burden. A city may recover or
29 apply for a grant or loan to prospectively cover its reasonable
30 expenses of preparation of a nonproject environmental impact
31 statement prepared under subsection (4) of this section through
32 access to financial assistance under RCW 36.70A.490 or funding from
33 private sources. In addition, a city is authorized to recover a
34 portion of its reasonable expenses of preparation of such a
35 nonproject environmental impact statement by the assessment of
36 reasonable and proportionate fees upon subsequent development that is
37 consistent with the plan and development regulations adopted under
38 subsection (5) of this section, as long as the development makes use
39 of and benefits ((from)) from, as described in subsection (5) of
40 this section, ((from)) the nonproject environmental impact statement

1 prepared by the city. Any assessment fees collected from subsequent
2 development may be used to reimburse funding received from private
3 sources. In order to collect such fees, the city must enact an
4 ordinance that sets forth objective standards for determining how the
5 fees to be imposed upon each development will be proportionate to the
6 impacts of each development and to the benefits accruing to each
7 development from the nonproject environmental impact statement. Any
8 disagreement about the reasonableness or amount of the fees imposed
9 upon a development may not be the basis for delay in issuance of a
10 project permit for that development. The fee assessed by the city may
11 be paid with the written stipulation "paid under protest" and if the
12 city provides for an administrative appeal of its decision on the
13 project for which the fees are imposed, any dispute about the amount
14 of the fees must be resolved in the same administrative appeal
15 process.

16 (7) If a proposed development is inconsistent with the optional
17 comprehensive plan or subarea plan policies and development
18 regulations adopted under subsection (1) of this section, the city
19 shall require additional environmental review in accordance with this
20 chapter.

21 **Sec. 11.** RCW 36.70A.490 and 2012 1st sp.s. c 1 s 309 are each
22 amended to read as follows:

23 The growth management planning and environmental review fund is
24 hereby established in the state treasury. Moneys may be placed in the
25 fund from the proceeds of bond sales, tax revenues, budget transfers,
26 federal appropriations, gifts, or any other lawful source. Moneys in
27 the fund may be spent only after appropriation. Moneys in the fund
28 shall be used to make grants or loans to local governments for the
29 purposes set forth in RCW 43.21C.240, 43.21C.031, or 36.70A.500, and
30 to cover costs associated with the adoption of optional elements of
31 comprehensive plans consistent with RCW 43.21C.420. Any payment of
32 either principal or interest, or both, derived from loans made from
33 this fund must be deposited into the fund.

34 NEW SECTION. **Sec. 12.** A new section is added to chapter 35.21
35 RCW to read as follows:

36 Permanent supportive housing shall be a permitted use in all
37 areas where multifamily housing is permitted.

1 **Sec. 13.** RCW 82.02.060 and 2012 c 200 s 1 are each amended to
2 read as follows:

3 The local ordinance by which impact fees are imposed:

4 (1) Shall include a schedule of impact fees which shall be
5 adopted for each type of development activity that is subject to
6 impact fees, specifying the amount of the impact fee to be imposed
7 for each type of system improvement. The schedule shall be based upon
8 a formula or other method of calculating such impact fees. In
9 determining proportionate share, the formula or other method of
10 calculating impact fees shall incorporate, among other things, the
11 following:

12 (a) The cost of public facilities necessitated by new
13 development;

14 (b) An adjustment to the cost of the public facilities for past
15 or future payments made or reasonably anticipated to be made by new
16 development to pay for particular system improvements in the form of
17 user fees, debt service payments, taxes, or other payments earmarked
18 for or proratable to the particular system improvement;

19 (c) The availability of other means of funding public facility
20 improvements;

21 (d) The cost of existing public facilities improvements; and

22 (e) The methods by which public facilities improvements were
23 financed;

24 (2) May provide an exemption for low-income housing, and other
25 development activities with broad public purposes, from these impact
26 fees, provided that the impact fees for such development activity
27 shall be paid from public funds other than impact fee accounts;

28 (3) May provide an exemption from impact fees for low-income
29 housing. Local governments that grant exemptions for low-income
30 housing under this subsection (3) may either: Grant a partial
31 exemption of not more than eighty percent of impact fees, in which
32 case there is no explicit requirement to pay the exempted portion of
33 the fee from public funds other than impact fee accounts; or provide
34 a full waiver, in which case the remaining percentage of the exempted
35 fee must be paid from public funds other than impact fee accounts. An
36 exemption for low-income housing granted under subsection (2) of this
37 section or this subsection (3) must be conditioned upon requiring the
38 developer to record a covenant that, except as provided otherwise by
39 this subsection, prohibits using the property for any purpose other
40 than for low-income housing. At a minimum, the covenant must address

1 price restrictions and household income limits for the low-income
2 housing, and that if the property is converted to a use other than
3 for low-income housing, the property owner must pay the applicable
4 impact fees in effect at the time of conversion. Covenants required
5 by this subsection must be recorded with the applicable county
6 auditor or recording officer. A local government granting an
7 exemption under subsection (2) of this section or this subsection (3)
8 for low-income housing may not collect revenue lost through granting
9 an exemption by increasing impact fees unrelated to the exemption. A
10 school district who receives school impact fees must approve any
11 exemption under subsection (2) of this section or this subsection
12 (3);

13 (4) May not charge a higher per unit fee for multifamily
14 residential construction than for single-family residential
15 construction;

16 (5) Shall provide a credit for the value of any dedication of
17 land for, improvement to, or new construction of any system
18 improvements provided by the developer, to facilities that are
19 identified in the capital facilities plan and that are required by
20 the county, city, or town as a condition of approving the development
21 activity;

22 ((+5+)) (6) Shall allow the county, city, or town imposing the
23 impact fees to adjust the standard impact fee at the time the fee is
24 imposed to consider unusual circumstances in specific cases to ensure
25 that impact fees are imposed fairly;

26 ((+6+)) (7) Shall include a provision for calculating the amount
27 of the fee to be imposed on a particular development that permits
28 consideration of studies and data submitted by the developer to
29 adjust the amount of the fee;

30 ((+7+)) (8) Shall establish one or more reasonable service areas
31 within which it shall calculate and impose impact fees for various
32 land use categories per unit of development; and

33 ((+8+)) (9) May provide for the imposition of an impact fee for
34 system improvement costs previously incurred by a county, city, or
35 town to the extent that new growth and development will be served by
36 the previously constructed improvements provided such fee shall not
37 be imposed to make up for any system improvement deficiencies.

38 For purposes of this section, "low-income housing" means housing
39 with a monthly housing expense, that is no greater than thirty
40 percent of eighty percent of the median family income adjusted for

1 family size, for the county where the project is located, as reported
2 by the United States department of housing and urban development.

--- END ---

APPENDIX 7: COMMERCE CROSS-WALK

The following table illustrates how the Housing Action Plan complies with the requirements under HB 1923 and codified in RCW 36.70A.200(2) as implemented by the Washington Department of Commerce. **Note: this table will be updated with page numbers and references when the document is finalized.**

<i>HB 1923 Requirement</i>	<i>Compliance</i>
Quantify existing and projected housing needs for all income levels, including extremely low-income households, with documentation of housing and household characteristics, and cost-burdened households;	The Housing Needs Assessments presented herein quantifies existing and projected housing needs for all income levels, including extremely low-income households. It documents housing and household characteristics on pages [xx] through [xx]. It addresses cost burden and the housing gap on pages [yy] through [yy].
Develop strategies to increase the supply of housing, and variety of housing types, needed to serve the housing needs identified in (a) of this subsection;	The final Housing Action Plan presented herein delineates a wide variety of strategies and policies designed to increase the supply and variety of housing needed to serve the needs identified in the Housing Needs Assessments.
Analyze population and employment trends, with documentation of projections;	The Housing Needs Assessments presented in brief in Section F and in full in Appendix 1 of this Plan analyzes population [page xx] and employment [page yy] trends and documents projections. Care has been taken in this process to account for differences in demographics, policy, and housing market between Bonney Lake and Sumner.
Consider strategies to minimize displacement of low-income residents resulting from redevelopment;	The Housing Action Plan contemplates a number of strategies explicitly designed to minimize displacement of low-income residents resulting from redevelopment. For example, [...]
Review and evaluate the current housing element adopted pursuant to RCW 36.70A.070 , including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions;	The Housing Action Plan includes an evaluation of the success of the current Housing Elements of the adopted Comprehensive Plans of the Cities of Bonney Lake and Sumner. This evaluation finds [...]

Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups; and	The Housing Action Plan effort prioritized public and stakeholder engagement from the beginning. Bonney Lake and Sumner staff and the City councils approved a Project Charter (Appendix X) and Public Involvement Plan, or PIP (Appendix Y) as two of the first formal actions associated with the project. The Stakeholder Advisory Committee formed to guide the development of the HNA and HAP included representatives from the City, county, and area tribes; federal and state agency representatives, including NAS Whidbey; the building and development community; housing and community service providers; realtors; and other local stakeholder groups. This stakeholder committee held three meetings/work sessions and stayed engaged through email and the interactive data and document review platform. Additionally, public engagement through the Konveio platform and newsletters from the City resulted in participation and input from a range of community members.
Include a schedule of programs and actions to implement the recommendations of the housing action plan.	The Housing Action Plan includes an implementation strategy for its policies in Chapter [XX].

APPENDIX 8: GLOSSARY OF TERMS

Affordable Housing Development Information

This section describes the affordable housing development and finance process and how it differs from market rate development, lists common state and local funding sources for housing, and includes a description of geographies associated with affordable housing benefits.

Typical Affordable Housing Development Process

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

Design and Feasibility

Affordable housing developers start with an understanding of the need for less expensive housing in an area.

How many units are needed at what rent level?

What income levels have the biggest gaps in housing supply?

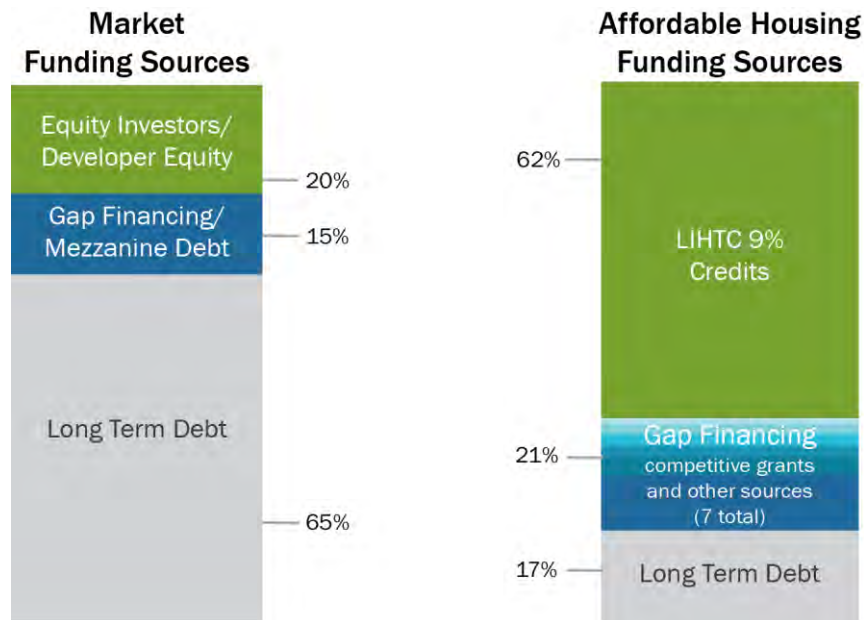
What populations are struggling with housing costs the most?

Just like market rate developers, affordable housing developers test the financial feasibility of what they hope to build against the local political and economic conditions. They must estimate what it will cost to build, what affordability levels the region needs, and the amount of funding available to build the project. If the project is not financially or politically feasible (i.e., cannot find adequate funding sources or does not meet a neighborhood's goals), building the housing will be immensely challenging. Key challenges that are considered: cost of land, development allowed on the land (zoning), costs of construction, rents or prices, costs of operations (for multifamily), or local opposition to the project.

How does affordable housing differ?

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

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



Source: ECONorthwest

Land Use Entitlements

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

How does affordable housing differ?

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

Public Funding Applications

This is a unique step required of affordable housing development that does not apply to market-rate development. Often, affordable housing developments receive public funding in exchange

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

How does affordable housing differ?

Market-rate developments do not typically need to secure public funding for development.

Construction

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

How does affordable housing differ?

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

Operations

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

How does affordable housing differ?

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

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

Local Affordable Housing Funding Sources

This section describes the state and local affordable housing funding sources available to developers looking to construct affordable housing properties in the Cities of Sumner and Bonney Lake. This section focuses solely on funding sources, not indirect financing sources that provide financial benefits to properties via reduced costs. The local funding sources do not include non-financial funding sources, like density bonuses or impact fee waivers, that indirectly provide funding by reducing costs.

Washington State Funding Sources

The Washington State Housing Finance Commission offers several funding programs to build multifamily affordable housing. All of these funding sources can be used in the Cities of Sumner and Bonney Lake. Additionally, properties utilizing some of these funding sources can receive funding “boosts” if they are located in one of the geographic areas described below.

The Low-Income Housing Tax Credit (LIHTC) program is the largest source of funding. It has two types: the 9% tax credit program is more valuable, but limited, and is awarded competitively through annual funding applications. The 4% bond tax credit program is less valuable for project financing, but the program is not competitive. Any project that is able to make the funding program work can access the tax credits up to a certain bond cap across the state. These programs typically fund housing units that are affordable to households earning below 60% of AMI.

The 80/20 Private Activity Bond program can fund construction and development costs for affordable housing projects. The interest on the funding is tax exempt, thereby reducing total development costs and increasing project feasibility. This program typically funds housing units that are affordable to households earning below 60% of AMI.²¹

Non-Profit Housing Bonds can assist 501(c)(3) nonprofits in financing numerous housing developments. These funds are more flexible than other types of financing programs.

The Land Acquisition Program assists qualified nonprofits with purchasing land for affordable housing development.

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

The Washington State Housing Trust Fund provides loans and grants to affordable housing projects through annual competitive applications. This program typically funds housing units that are affordable to households earning below 80% of AMI.

The Housing Preservation Program provides funding for affordable housing rehabilitation, preservation, and capital improvement needs. It is only available for projects that have previously received Housing Trust Funds.

The HOME Program is a federal block grant program funded through the US Department of Housing and Urban Development (HUD). This program offers funding for the preservation and

²¹ Washington State Housing Finance Commission. 2020. Multifamily Housing 80/20 Bond Program: <https://www.wshfc.org/mhcf/BondsOnly8020/index.htm>

development of affordable rental housing to non-profit organizations, public housing authorities, and local and tribal governments. HOME Funds typically build units that are affordable to households earning below 50% of AMI.

Local Funding Sources

A property tax levy (RCW 84.52.105) – allows jurisdictions to place an additional tax up to \$0.50 per thousand dollars assessed for up to ten years. Funds must go toward financing affordable housing for households earning below 50% MFI.

A sales tax levy (RCW 82.14.530) – allows jurisdictions to place a sales tax up to 0.1 percent. At least 60 percent of funds must go toward constructing affordable housing, mental/behavioral health-related facilities, or funding the operations and maintenance costs of affordable housing and facilities where housing-related programs are provided. At least 40 percent of funds must go toward mental / behavioral health treatment programs and services or housing-related services. The Cities of Bonney Lake (2020) and Sumner (2019) have recently adopted this sales tax levy set at the 0.0073% sales tax credit level. They are estimated to generate around \$45,000 to \$50,000 per year from this credit.

A real estate excise tax (REET) (RCW 82.46.035) – allows a portion of city REET funds to be used for affordable housing projects and the planning, acquisition, rehabilitation, repair, replacement, construction, or improvement of facilities for people experiencing homelessness. These projects must be listed in city's the capital facilities plan.

Pierce County Community Development Block Grants (CDBG) – Pierce County receives CDBG funding from the U.S. Department of Housing and Urban Development (HUD). CDBG funds can be used in a variety of ways, including the funding of low-income housing development and social services to improve the living conditions of homes within the Pierce County Consortium (along with several other cities, the City of Sumner is listed as being a part of this consortium but Bonney Lake is not listed). Pierce County has established a Citizens Advisory Board to help implement and advise the county on the use of CDBG funding. The CDBG public facilities Notice of Funding Availability typically is published in the fall for contracts that commence during the following summer.²²

Pierce County Downpayment Assistance Loan Program – Pierce County has established a down payment assistance program which includes a second mortgage loan program that combines with the Home Advantage or Opportunity first mortgage loan programs. This program is for qualified borrowers purchasing within the Pierce County limits, outside of the Tacoma, Lakewood, Bonney Lake, Auburn, and Pacific city limits. Residents in the City of Sumner could be eligible for this program. This program allows up to \$24,900 in down payment assistance with payments deferred for 30 years, at 3 percent simple interest.²³

²² *Pierce County Community Development Block Grant Program. 2020.*
<https://www.co.pierce.wa.us/4853/Community-Development-Block-Grant-Progra>

²³ *Washington State Housing and Finance Commission. 2020. Pierce County Downpayment Assistance Loan Program.*
<https://www.wshfc.org/buyers/Pierce.htm>

Federal Government Designated Geographic Areas for Affordable Housing Support

Developing a regulated affordable housing property can be a complex and difficult process. Different funding sources may have different priorities, and the costs of land and development can be prohibitive. To help alleviate some of these difficulties, the federal government has designated certain geographic areas to receive higher priority or more funding for regulated affordable housing development. These include Qualified Census Tracts, Difficult to Develop Areas, and Opportunity Zones, each described below.

Qualified Census Tracts

HUD defines a Qualified Census Tract (QCT) as a Census Tract with “50 percent of households with incomes below 60 percent of the Area Median Gross Income (AMGI)” or one where the poverty rate exceeds 25 percent.²⁴ Affordable housing developments in QCTs that apply for LIHTC funding receive a boost in the amount of tax credits they can receive. The Cities of Bonney Lake and Sumner do not have any QCTs.

Difficult Development Areas

HUD defines a Difficult Development Areas (DDA) as “areas with high land, construction and utility costs relative to the area median income” and uses HUD Fair Market Rents, income limits, 2010 census, and 5-year American Community Survey (ACS) data as determinants. As shown in the exhibit on the following page, the Cities of Bonney Lake and Sumner have DDAs intersecting parts of the area within both cities. DDA properties using the Low-Income Housing Tax Credit (LIHTC) program can receive a 30 percent basis boost in qualified costs, increasing tax credits and resulting in greater investment equity in a project.

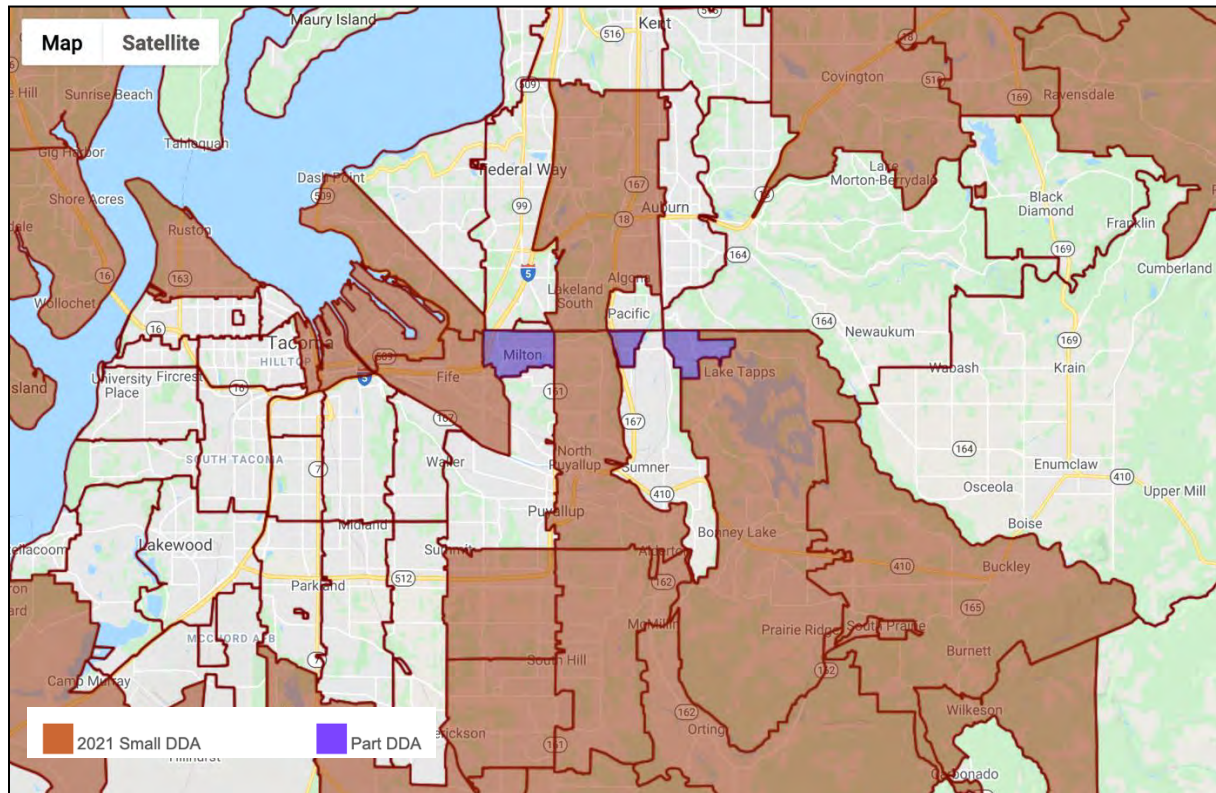
Opportunity Zones

In addition, the 2017 federal Tax Cuts and Jobs Act created the Opportunity Zone program which is designed to incentivize investment in low-income communities by providing tax benefits. Opportunity Zones are Census Tracts where the poverty rate exceeds 20 percent.²⁵ While there are no specific funding boosts for affordable housing projects developed in Opportunity Zones, the tax incentives make other types of multifamily development more feasible. The Cities of Bonney Lake and Sumner do not include any Opportunity Zones.

²⁴ HUD. 2020. “Qualified Census Tracts and Difficult Development Areas.” www.huduser.gov/portal/datasets/qct.html

²⁵ Washington State Department of Commerce. 2020. “Opportunity Zones-An Incentive to Invest in Lower-Income Areas.” <https://www.commerce.wa.gov/growing-the-economy/opportunity-zones/>

Difficult Development Areas near the Cities of Bonney Lake and Sumner



Data Source: HUD, 2020.

City of Bonney Lake Rent-Restricted Low-Income Housing

Project: Project Name	City	Project Type	# Market Rate Units	# Low Income Units	Total Project Units
View by Vintage	Bonney Lake	Bond	0	408	408
Cedar Ridge Retirement	Bonney Lake	Bond	98	25	123
Total			98	433	531

Data Sources: Washington State Housing and Finance Commission, 2020. Data Searches: Pierce County Housing Authority, HUD, USDA Rural Development Program, PolicyMap, and City of Bonney Lake.

City of Sumner Rent-Restricted Low-Income Housing

Project: Project Name	City	Project Type	# Market Rate Units	# Low Income Units	Total Project Units
Sumner Commons Senior Housing	Sumner	Tax Credit	0	34	34
Kincaid Court Apartments	Sumner	HUD Section 8	10	29	39
Total			10	63	73

Data Sources: Washington State Housing and Finance Commission, 2020. Data Searches: Pierce County Housing Authority, HUD, USDA Rural Development Program, PolicyMap, and City of Sumner. Sumner's newly adopted MFTE Program (2018) has not resulted in affordable housing production.

APPENDIX 9: PROJECT CHARTER

CITIES OF BONNEY LAKE AND SUMNER HOUSING ACTION PLAN PROJECT CHARTER



June 5th, 2020



CITIES OF BONNEY LAKE AND SUMNER HOUSING ACTION PLAN PROJECT CHARTER

Charter Purpose

The purpose of a Project Charter is to:

- ✓ Provide a background and framework for the project
- ✓ Outline high-level, introductory goals and objectives for each City
- ✓ Provide a detailed project schedule
- ✓ Establish communication protocols between the Consultant and Cities of Bonney Lake and Sumner
- ✓ Identify potential project risks upfront and strategies to address risk.

Project Background and Framework

The Washington State Department of Commerce (“Commerce”) received \$5 million in the 2019 Legislative Session to provide grant funds to local governments for activities to increase residential building capacity, streamline development, or develop a Housing Action Plan (HAP).

The Cities of Bonney Lake and Sumner have chosen to develop a joint HAP. As required by the State legislation, the project will generally focus on possible future actions that would “...encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market.”

The Commerce deadline for adoption of the HAP is June 30, 2021. However, the project schedule has the Bonney Lake and Sumner City Councils adopting the Plan no later than June 25th.

State guidelines for a complete Housing Action Plan

- ✓ Quantify existing and projected housing needs for all income levels, including extremely low-income households, with documentation of housing and household characteristics, and cost-burdened households
- ✓ Develop strategies to increase the supply of housing, and variety of housing types
- ✓ Analyze population and employment trends
- ✓ Consider strategies to minimize displacement of low-income residents resulting from redevelopment
- ✓ Review and evaluate the current housing element adopted pursuant to RCW 36.70A.070, including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions
- ✓ Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups
- ✓ Include a schedule of programs and actions to implement the recommendations of the housing action plan

The HAP process itself will not result in any Comprehensive Plan Policy or development regulation changes. However, the project will outline information, recommendations, and possible actions that both cities can consider taking in the future.

[Housing Action Plan - relationship to the Growth Management Act](#)

A comprehensive plan update is due no later than June of 2024. Both the City of Bonney Lake and City of Sumner will be planning for growth out to 2044 as part of that process. The elements and objectives of a HAP are directly linked to and will help support the implementation of growth and housing strategies and requirements under the Growth Management Act (GMA). The development of a HAP should be a helpful tool as both Cities embark on planning for the next 20 years of growth.

While broad housing requirements are outlined within the GMA ([RCW 36.70A.070\(2\)](#)), policies are also developed at the regional and countywide levels. The Puget Sound Regional Council (PSRC) develops policies regarding transportation, economic development, regional data, and growth for the four-county region (Pierce, King, Snohomish, and Kitsap). Planning for growth (including housing) is coordinated through the Regional Growth Strategy (RGS), often referred to as VISION. PSRC is currently in the final stages of adopting [VISION 2050](#), which looks to provide a framework for growth out to 2050. VISION contains significant data and housing policies that will then be considered as [Countywide Planning Policies](#) and Comprehensive Plans are updated.

The City of Bonney Lake and City of Sumner both participate with the Pierce County Regional Council on the development of Countywide Planning Policies (CPPs). The CPPs outline a framework for meeting the requirements of [RCW 36.70A.210](#) and implement broader policies that have been developed within VISION. The policies contained in the CPPs are then further refined as each City updates its Comprehensive Plan.



City of Bonney Lake and Sumner Goals, Objectives, Deliverables

As part of this project, a Scope of Work (SOW) has been prepared. This is attached as Appendix A. The SOW provides details about the tasks, deliverables, timelines, and expectations for the project. This includes short and long-term objectives of the Plan. It refines the requirements outlined by the State to ensure the project is tailored to both cities and their needs.

In addition, a kickoff meeting was held with both Cities on April 17, 2020. One of the purposes of that meeting was to understand and further refine the project goals, vision, concerns, and process for this project. A copy of the kickoff meeting notes is provided in Appendix B. One key project goal echoed by both cities during the kickoff meeting is the need for the project to identify concrete and tangible policy and code changes that the Cities may consider in the future as housing goals and policies are implemented. As each project task moves forward, this key project goal will stay in focus.

As we engage with citizens, stakeholders, and appointed and elected officials for each city, the project team expects to further refine overall project goals and outcomes.

While additional detail on the projects tasks and deliverables are outlined in the adopted SOW (Appendix A) and the project schedule (Appendix C), the following is a high-level summary of deliverables and timeframes for each task.

Tasks	General Timeframe	Deliverables from Scope of Work
Task 1: Project Kick-Off and Project Charter	April-June 2020	- Project Kick-off Workshop/meeting notes - Project Charter Development - Project Schedule
Task 2: Public Participation Plan	April -June 2020	- Develop Public Participation Plan - Preparation of informational materials - Assist with webpage content
Task 3: Housing Needs Assessment	May 2020 - March 2021	- Preparation of Housing Needs Assessment - Prepare briefing materials for Councils and Commissions
Task 4: Preliminary Draft Housing Action Plan	July -December 2020	- Prepare Draft Housing Action Plan - Hold stakeholder meetings (3) - Prepare briefing materials for Councils and Commissions
Task 5: Final Draft Housing Action Plan	December 2020 – March 2021	- Stakeholder meeting (1) – <i>if necessary</i> - Prepare Final Housing Action Plan
Task 6: Hearing Process	March – June 2021	- Prepare briefing materials for Councils and Commissions - Prepare Final Housing Action Plan with edits from Cities

Internal Communication

The success of a project is often built on a strong communication plan. Since this project involves two cities and three separate consultants, we want to ensure that our internal team communication is efficient and effective. The table provides contact information for the full project team. To maintain internal controls, however, it is important to identify the primary contacts for each city and consultant group involved with the project.

- Clay White, Director of Planning, LDC, Inc., is the primary consultant contact. He will coordinate efforts on behalf of the consultant team and is responsible for all project deliverables being met.
- Jennifer Cannon, Project Manager, is the primary contact at ECONorthwest.
- Brett Houghton, Associate Director, is the primary contact at PRR, Inc.
- Jason Sullivan, Planning & Building Supervisor, City of Bonney Lake, is the primary project contact for the City of Bonney Lake and will coordinate efforts on behalf of the City of Bonney Lake.
- Ryan Windish, Community Development Director, City of Sumner, is the primary project contact for the City of Sumner and will coordinate efforts on behalf of the City of Sumner.

The following is a full contact list for those working on the project.

Name	City/Company	Title	Contact information
Jason Sullivan*	City of Bonney Lake	Planning and Building Supervisor	sullivanj@cobl.us
Mary Reinbold	City of Bonney Lake	Assistant Planner	reinboldm@cobl.us
Ryan Windish	City of Sumner	Community Development Director	ryanw@sumnerwa.gov
Ann Siegenthaler	City of Sumner	Associate Planner	annsi@sumnerwa.gov
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Ian Faulds	LDC, Inc.	Planner	ifaulds@ldccorp.com
Isaac Anzlovar	LDC, Inc.	Permit Tech	ianzlovar@ldccorp.com
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Christine Kelly	PRR, Inc.	Project Accountant	ckelly@prrbiz.com

*Internal Team Lead

+Primary Project Contact

External Communications Protocols/Public Participation Plan

A separate Public Participation Plan has been developed for this project. However, it is important to emphasize that involvement from stakeholders and the community at-large is a cornerstone for the ultimate success of this project. Providing for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups is built into the Housing Action Plan development process through online platforms, stakeholder meetings, and the legislative process that both cities will undertake in the Spring of 2021.

Project Schedule

A detailed project schedule is provided in Appendix C and is intended to provide additional direction and specificity for upcoming project tasks. However, we want to remain flexible and to adjust as the project moves forward. The following are the high-level tenants the project team will work to adhere to as the project moves forward.

- The project is to be completed no later than June 30, 2021. Each project element must account for the time needed to move through each project step.
- COVID-19 social distancing requirements would currently not allow the project stakeholder group to meet in person. We are looking to push meeting dates out to later in the summer to address this issue. We will adjust the stakeholder process based upon current conditions.
- We plan to hold 3-4 stakeholder meetings. The schedule has these meetings designed around important project milestones to maximize stakeholder input.
- The schedule is designed to work around the city budget process. Our goal is to ensure important meetings and hearings do not fall during this time.
- The schedule is designed as much as possible to have key project milestones occur before and after the holiday season so stakeholders and citizens can participate.



Expectations and Keys to Success

The following factors will be necessary to ensure project success:

- Build trust with project stakeholders and the community at-large.
- Establish common goals among the project team and stakeholders.
- Provide clear, concise, and consistent messaging.
- Provide documents that are easy to understand by the public.
- Encourage broad participation from all populations, including elderly and under-represented populations.
- Ensure a higher awareness and understanding of housing needs and issues
- Provide a clear understand of current housing conditions in both the City of Bonney Lake and City of Sumner.
- Identification of concrete and tangible policy and code changes that the Cities may consider in the future to assist in closing the housing gap and meeting GMA Housing Goals.
- Ensure each of the project deliverables within the adopted Scope of Work is completed as outlined and on time.

Project Risks and Mitigation

The following is a list of potential risks that have been identified for this project:

1. Lack of understanding of the project – A housing needs assessment and action plan will identify both short- and long-term housing needs within both the City of Bonney Lake and Sumner. The overall process and methods of identifying these needs may not always be easy to understand for citizens and stakeholders. The project team should collectively work together to ensure that messaging is clear, understandable, and accurately represents the issues raised by project stakeholders and participants.
2. Public engagement methods – Due to the recent COVID-19 pandemic, State and Federal governments have placed restrictions on public gatherings, severely impacting opportunities for traditional public engagement methods. Even after the pandemic passes, there may be a greater fear of meeting in-person for quite some time. This has a significant effect on those who prefer to engage face-to-face vs. online, either by choice or because of a lack of online resources (Internet). The project team will need to assess current conditions at the time of each phase of the project, adjust participation methods and ensure that whatever the current health directives and social distancing protocols are in place, so that the public is engaged to the best extent possible.
3. Ensuring each Planning Commission and Council has adequate time to review and approve HAP – Housing issues can often engage a community which is a great thing. However, given the project schedule, we will have a limited amount of time to move the Final HAP through the legislative process. To adjust, we will coordinate with City staff early on to schedule briefing/meeting/hearing dates and ensure upfront work is completed so the Commissions and Councils feel well prepared and fully understand the project schedule. As part of the SOW, we will be assisting City staff with the preparation of meeting materials.

Appendix A – Scope of Work

SCOPE OF WORK AND DELIVERABLES

The Consultant shall perform the following scope of work as directed by the City consisting of six main tasks: (1) Project Kick-off Workshop/Project Charter development; (2) Public Participation Plan development; (3) Housing Needs Assessment; (4) Draft Housing Action Plan; (5) Final Draft Housing Action Plan; and (6) Public Meeting/Hearing Process.

Task 1: Project Kick-off Workshop/Project Charter Development:

- A. Kick-off workshop. Hold project kickoff workshop with staff from both Bonney Lake and Sumner, as well as key elected representatives (as cities deem appropriate), to discuss project objectives, goals and expectations, guiding principles, and the values/needs/issues for the Housing Action Plan project. We will also discuss the project schedule, deliverables, communication protocols, public outreach methods/opportunities. This process will include setting a schedule for regular check in meetings (typically via phone) with the cities and the LDC/ECONorthwest/PRR team. Meeting minutes will be developed by the Consultant.
- B. Project Charter Development. Prepare a short Project Charter to direct the project team through the project. This will ensure that roles and responsibilities for the project are well defined for both cities and the Consultant. It will also include the project schedule, tasks, and key objectives, goals, project expectations, and guiding principles for the project. The draft project charter will be presented to the cities for comment. A final Project Charter will then be prepared by the Consultant.

Deliverable 1.1: Project Kick-off Workshop. The Consultant, in coordination with both cities, will hold a kickoff meeting and develop a Project Charter. The Consultant shall provide a summary of the project kick-off workshop.

Deliverable 1.2: Project Charter Development: The Consultant, in coordination with both cities, will prepare a Project Charter as outlined above.

Deliverable 1.3: Project Schedule: The Consultant, in coordination with both cities, will prepare a defined project schedule.

Task 2: Development of Public Participation Plan

- A. In collaboration with staff from both cities, the Consultant will develop an outreach plan that includes strategies to engage multiple stakeholders, including

residents, community groups, builders, realtors, nonprofits/housing advocates, and local religious groups.

- B. In collaboration with staff from both cities, the Consultant will develop stakeholder committee draft invitation. The cities of Bonney Lake and Sumner will invite key stakeholders identified in the public participation plan.
- C. In collaboration with staff from both cities, the Consultant will develop an engagement plan for the Planning Commission and City Councils for both cities.
- D. Develop informational materials for the Cities to utilize for events this summer and fall to raise awareness of the project (e.g. Bonney Lake Days, Rhubarb Days, and the City of Sumner's Open House).
- E. Assist the Cities on the development of a webpage using the City of Sumner's public engagement website.

Deliverable 2.1: Public Participation Plan. The Consultant will develop an outreach plan, coordinate with both cities to develop stakeholder draft committee invitations, and development an engagement plan for the Planning Commission and City Councils of both cities.

Deliverable 2.2: Informational Materials. The Consultant will develop a tri-fold brochure and poster to be used by the Cities to promote the Housing Action Plan during the summer and fall of 2020.

Deliverable 2.3: Webpage Content. The Consultant will assist in developing the content for the webpage that will be used throughout the project.

Task 3: Housing Needs Assessment

- A. Consultant will conduct a housing market analysis and detailed housing inventory to understand the economic and financial fundamentals influencing the local housing market. Data will include housing for homeownership, rent-regulated affordable housing (private and public), and low-cost market rentals (often called "naturally occurring affordable housing"). This work will:
 - Identify how many households in each income segment are paying more than 30 percent of their income for housing and transportation costs (cost burdened).
 - Document the number of permanent and limited-term affordable housing units and the number of Section 8 vouchers provided to City residents.

- Document housing tenure and vacancy trends. It should also identify existing housing for special needs populations.
- Project population demographics and income levels for the planning period and identify the types and densities of housing, including workforce and senior housing, that are needed for housing suitable and affordable for all demographic and economic segments.
- Consider underserved categories such as senior independent and assisted living.

In addition, the housing market analysis will evaluate the following factors:

- Regional and local housing trends.
- Projected population growth per 20-year planning horizon.
- Regional employment and wage projections.
- The effects of national/regional demographic and socioeconomic trends on housing need.
- Housing affordability.
- Local housing regulations and policies.
- Jobs/Housing balance
- Jobs/Housing characteristics/similarities/differences between the two cities
- Geographic factors affecting demand for housing (e.g. access to jobs, transportation, educational opportunities, amenities and community services).

This task will also include an inventory of the existing housing supply in both cities and the immediate region. Understanding the current housing stock- its age, density, tenure, unit count, location, and cost- commensurate with the expected socioeconomic and demographic trends in the region will provide a solid foundation to develop the recommendations. Taken together, the analysis and housing inventory will evaluate the regional demand for housing (based on housing preferences, demographic trends, and affordability) and evaluate the sufficiency of the current housing stock to estimate the gaps in housing. We will calculate these gaps across different price points, housing types, and housing tenures, and will assess the policy implications of the gaps to inform the recommended strategies.

Deliverable 3.1: Housing Needs Assessment. This Consultant will develop a completed Housing Needs Assessment including the information as described within the Task.

Deliverable 3.2: Briefing Materials. The Consultant will assist both cities in preparing briefing documents and PowerPoint slides for each respective council and planning commission.

Task 4: Draft Housing Action Plan

This Task will include four elements including A. data collection and recommendations, B. stakeholder facilitation and engagement, C. stakeholder committee, planning commission, city council, and public review process, and D. development of a Preliminary Draft Housing Action Plan.

A. Data collection and recommendations

Consultant will prepare a list of recommended new tools and identify which of those tools will help minimize displacement. Proposed recommendations will be organized into four areas of consideration:

- Develop three real estate development prototypes in order to assess the viability and impact of various tools on development financials. This will be necessary since many of the tools used in many cities are not mutually exclusive of each other. Creating development financials will help decision makers understand the direction and magnitude of these effects on housing affordability.
- Current City Housing Actions. This list will include inclusion of current housing policies and actions (or refinements).
- Data- and Community-driven Actions: This list of actions will come from work completed in Task 1. Here, we will suggest areas of improvement based on our research and analysis as well as by input from the community.
- Good Housing Practices and Equitable Housing. This list of actions will include tools and policies that should be a part of any city's housing policy. Generally, it covers a comprehensive framing of a city's role in supporting market-rate and publicly supported housing with a focus on social equity and anti-displacement.
- "Stretch" Goals. These tools can be considered under special circumstances and typically fall into areas of either special needs or extenuating circumstances.

Potential policy and code strategies and recommendations to include:

- Housing types allowed in current zoning, such as rezones, infill housing, or ADUs.
- Zoning changes to increase housing options to meet needs, such as building reuse or parking regulation changes.
- Zoning or financial incentives to encourage housing variety.
- Revisions to parking requirements, setbacks or open space requirements.
- Incentives or funding for rent-restricted affordable housing, such as refinements to the MFTE program or using publicly owned land.
- Preservation strategies for unrestricted and rent restricted housing.
- A section on legislation and building codes related to tiny houses, possible impacts of allowing these types of housing units within the Cities of Bonney Lake and Sumner, and suggestions for addressing the possible impacts.
- Review of HB 1406 sales tax for affordable housing and options for utilizing dollars including as an incentive for mitigation fee waiver.

A. Stakeholder facilitation and engagement

The consultant will utilize the stakeholder committee for additional guidance or feedback on housing policy legislation and possible updates to city code during the development of information under item A.

Stakeholder committee, planning commission, city council, and public review process

- Hold meeting with stakeholder committee to review policy and code update recommendations for each city. Based on feedback, prioritize items to include in draft housing plan/code update.
- Hold work sessions with Planning Commission and City Council at both cities to review recommended policy and code update recommendations.
- In conjunction with in-person meetings, also provide online participatory methods so the public can engage.

B. Preliminary Draft Housing Action Plan

- Based upon the tasks above, the Consultant will develop the draft Housing

Action Plan.

- Draft will be provided to staff/leadership/public for comment and review.
- Identify schedule of programs and actions to implement the recommendations of the housing action plan.
- Hold additional Planning Commission and/or City Council workshops at each city, if needed, to gather revisions/recommendations from decision makers.

Deliverable 4.1: Draft Housing Action Plan. The consultant will prepare a complete draft of the Housing Action Plan utilizing the information and process outlined within the Task.

Deliverable 4.2: Briefing Materials. The Consultant will assist both cities in preparing briefing documents and PowerPoint slides for each respective council and planning commission.

Task 5: Final Draft Housing Action Plan.

Based upon the process outlined within Task 3, the Consultant will prepare a Final Draft Housing Action plan to be used during the public hearing process.

- Consultant will prepare a final draft for staff/leadership/public review.
- Meeting with stakeholder committee to review Final Draft (if necessary).
- Consultant will make changes to Plan in response to comments received.
- Final Draft to be provided to both Councils and viewable on each Cities' websites.

Deliverable 5: Final Draft Housing Action Plan. The consultant will prepare a complete draft of the Housing Action Plan utilizing the information and process outlined within the Task.

Task 6: Public Meeting/Hearing Process

- Refine and finalize policy/code documents for adoption by Bonney Lake and Sumner city councils.
- Prepare materials in coordination with City staff from both cities and attend and present at Public hearings in February/March 2021.
- Consultant to provide support during final legislative process, as requested.

- Adoption of Housing Action Plan.

Deliverable 6.1: Briefing Materials. The consultant will work with city staff from both cities to work with, assist, and present during the legislative process for both cities.

Deliverable 6.2: Final Housing Action Plan. At the conclusion of the public hearing process, the Consultant shall prepare the final version of the housing action plan in both PDF and Word. As part of this process, the Consultant shall provide the finalized GIS data layers used in the Housing Needs Assessment and Housing Action Plan.

Appendix B – Kick-off Meeting Notes

BONNEY LAKE-SUMNER HOUSING ACTION PLAN

Meeting Notes

Date: Friday, April 17, 2020

Location: Zoom meeting

In Attendance: City of Bonney Lake: Mary Reinbold, Jason Sullivan
City of Sumner: Ryan Windish
Consulting team: LDC: Ian Falls, Todd Hall, Clay White; EcoNW: Jennifer Baron, Madeline Cannon, Morgan Shook; PRR; Lynsey Burgess, Brett Houghton

Subject: Project Kick-off

Cities' vision and concerns

Bonney Lake vision

The City of Bonney Lake's ultimate goal is to have a Housing Action Plan (HAP) with actionable items they can implement, including a universal vision of housing needs and solutions tied to salary ranges of people who work in the city.

The HAP should identify specific policy and code changes that could be considered in the future by the City. The code changes could be considered at any time or as part of next comprehensive plan update. Identified code and policy changes must be items that will work when implemented, assist in closing the housing gap, and in meeting Growth Management Act (HMA) Housing Goals. The HAP should include pitfalls and opportunities for identified legislation. The plan should also include specific ways to spend the 1406 funds, the sales tax reimbursement from the State, over the next 20 years.

Bonney Lake is moving to form-based code but has not implemented that shift yet in residential neighborhoods. The plan should explore allowing other housing types single-family home zoning.

They would like pro formas they can reference when they have practical conversations with developers.

The work should review the two cities as a whole, where appropriate, to leverage the interplay, recognizing that people don't live their lives within one jurisdictional boundary. The work should look at the subregional community the two cities make up.

Bonney Lake is looking for the HAP to create a model for how a retail-based, suburban community can have this conversation in a serious way.

Sumner vision

The City of Sumner also wants some concrete, actionable steps. The HAP needs to provide a realistic picture of affordable housing in Sumner, including an understanding of the demographics and economics. It also needs to provide a clear picture to the Council and community of where Sumner and Bonney Lake fit in terms of affordability.

The Plan needs to consider the market and developers' needs. For this to be successful, it needs to be something developers support.

Sumner wants to understand the interplay between businesses, workforce, and housing to use for advertising Bonney Lake-Sumner as a place to move and grow businesses. The Bonney Lake-Sumner area has a large manufacturing and industrial center. Businesses have moved to be closer to their workforce. Their workforce is here because it is more affordable than in King County. The HAP should provide something Sumner can use to market to businesses. Sumner wants to be able to say, "Come to the Sumner-Bonney Lake area. Not only do we have places for your business, we have housing for your employees!"

The plan needs to provide the Council with a solid understanding of why this plan matters, the connection between a HAP and the requirements for housing under the GMA, what affordability looks like, where Bonney Lake and Sumner fit into regional affordability, and how that affects both communities. It needs to have concrete action steps that that realistically can be built, and the market will respond to. Sumner agrees with Bonney Lake that they want developers to support this and be willing to say they support it.

Jason expressed a keen interest to focus on workforce housing. The City already provides a variety of housing types. The Sumner Council is very concerned about affordable senior housing, so the plan needs to address that directly.

Concerns

Both Cities think public perception is important. There would be problems if people do not understand what affordable housing is and how it benefits the community. Public perception is of particular concern related to multi-family housing near existing single-family neighborhoods and affordable housing. The form-based code transition needs to be messaged carefully.

Sumner has had strong opposition to efforts to increase density but that is shifting as the town center area is transforming. Community members are seeing transit-oriented development more favorably. The Housing Action Plan should show that density, especially around transit stations, has a lot of benefits. The public involvement team should prepare messaging that considers the opposition and be prepared to manage rumors and social media.

Both Cities are concerned about how COVID-19 and the stay-at-home orders related to it will impact housing markets. They would like to explore if this can be modeled in a pro forma.

Both Cities are aware that the rent potential needs to work with the density goals and have sensitivity to this. The plan needs to consider the likely increase in land values and how that will impact housing costs in general. They also want to understand the relationship between rents in new development near transit and rent in the rest of the area.

Sumner wants to maintain things that are working, including the robust design standards they have in place.

Housing Needs Assessment

Affordability

The team needs to look at nuances in housing affordability, including what housing is affordable to middle-income workers. There are some important factors to consider and topics the Housing Needs Assessment should address:

- The Area Median Income (AMI) in Bonney Lake-Sumner is higher than most of Pierce County, but workers in the city cannot afford the housing in the city. The Housing Action Plan needs to consider workforce housing, especially for service sector workers. Both cities want to explore the opportunity to better match the workforce and housing options.
- Need to look at middle income folks and assess what demand is not being met. Bonney Lake is selling middle income housing, but most people in those homes are commuting. Folks who work in Bonney Lake are commuting in and folks who live in Bonney Lake are commuting out.
- For Sumner, we need to understand both owner occupied and rental housing needs. Half of housing in Sumner is rentals. About a third of all the housing units in Sumner are in multifamily structures.
- Sumner wants to explore how older housing might be impacted as land values go up. We have manufactured homes on large lots. These might be an investment opportunity for those with higher incomes and more wealth.
- Sumner also wants to look at ways to incorporate duplexes, triplexes, and quadplexes into existing single-family neighborhoods to fit into the neighborhood feel, but still add density and affordability.
- Need to address affordability going forward since new development is priced for middle to higher income households. Newer housing in Sumner is selling for \$600,000 to \$700,000. New 400-square-foot apartments near the train station are renting for \$1,300 per month. This direction is changing the affordability of Sumner. Explore the options to have this higher cost housing near the train station but preserve affordability for the rest of the city.
- Explore the possibilities of exclusionary zoning and master plans in the Bonney Lake and Sumner downtown cores.
- Minimum density is already in place across Bonney Lake, but the team should look at that across the City. The City wants to explore tax credits and impact fees.
- In Bonney Lake, we need to consider how changing to form-based code can reconcile with the comprehensive plan update and that process. If possible, the Housing Action Plan should lay the groundwork for the comprehensive plan update.
- Sumner has not applied for the 1406 tax credit but is exploring it. The City wants to understand if it could use the money to implement an impact fee program.

Special populations

As we look at affordable housing options, the team needs to consider seniors. The Sumner City Council is especially concerned about senior housing, including folks who will retire soon. Baby boomers are showing preference for remaining in their neighborhoods.

Large companies that provide senior housing have a stronghold in the area. Bonney Lake already has a pending permit from Bonaventure to build a large senior living facility in the city.

Senior housing in terms of the Housing Action Plan may include options for tiny houses or accessory dwelling units, or just making sure there is a greater range of affordable housing options in the area.

Draft and Final Housing Action Plan

Supported housing policies to pursue

Bonney Lake

- Inclusionary zoning and MFTE
 - o Want to look at these policies
 - o Weigh benefit against lost tax revenues
 - o They have a project being built and would like to use this as a selling point.
- Implementation chapter updates
 - o 20-year time frame
- Encourage infill development and reduce costs
- Minimum density requirements are in place, but the team needs to make sure it's implemented and appropriate.
- Tiny homes
 - o Tiny homes on wheels fit into the existing code for RVs
 - o Include assessment of the impact the building code update coming November 1 has on tiny houses
 - o For tiny homes on foundations, the Housing Action Plan needs to consider if they are allowed in certain multi-family zones or across the whole city
 - o The Plan should consider lot sizes and how tiny homes impact density
 - o The team also needs to explore the impact of tiny homes on lakeside properties, especially if tiny homes are considered to address affordability
 - o HAP should identify where these should/should not be allowed
 - o Perhaps tiny homes can be like cottage housing or an accessory dwelling unit
 - o Current code allows ADUs but there is some public opposition to them based on concerns about their proximity and visual access to neighbors

Sumner

- Has MFTE in town center program with an 8-year deferral for market-rate housing and an option for 12-year deferral for affordable housing
- One Council member has interest in shifting MFTE to just affordable housing
- Exploring 1406 sales tax credit but need to decide what they would do with the money

- Supports the creation of an ARCH type housing program in Pierce County (this program is in place for east King County)
 - o They would get about \$45,000 per year from 1406 funds
 - o Consider pooling this funding with other entities to make a bigger impact
 - o Funding must be used for the "construction of affordable housing" – does that money need to be used directly for construction, or can it be interpreted as facilitating the creation of affordable housing – for example, does this allow offsetting SDCs/impact waivers?
- Doesn't think Council is ready for Inclusionary Zoning but would like the team to investigate the nuances of the program for them
- Code doesn't address tiny homes; similar to Bonney Lake, prefers tiny homes on a foundation, maybe with provisions for tiny homes on wheels in mobile home parks
- Interested in cottage housing
- Interested in mixing multifamily with single family at a small scale (when multifamily fits in with community character)

Housing Element

The housing element in Bonney Lake's comprehensive plan is related to land use. It meets Housing Action Plan needs. The data is out of date but includes different levels of affordability and commuting status. It does not include transportation cost.

The data for Sumner's Comprehensive Plan is in the accompanying Environmental Impact Statement.

The team will look at recommendations through the lens of the current comprehensive plans and where there are deviations, work with the Cities to address them.

Project schedule

This project is grant funded, so the project schedule is drive by grant deadlines. Additionally, as we build the schedule, we need to consider the City Council schedule, including their breaks. The deadline is June 30, 2021, so there is an extra 90 days in the schedule. The team will primarily proceed as though we do not have the extra 90 days because we'll need to account for potential slowdowns related to COVID-19 and Council breaks in November and December.

We will talk to the cities next week about finalizing the project charter and public participation plan. The team is going to start now on housing needs assessment. The goal is to be able to complete an overview of the Housing Needs Assessment at the first stakeholder meeting. We will narrow down a timeline for that when we talk to the City about the public participation plan. The following are some high-level milestones discussed:

- | | |
|----------------------|----------------------------------|
| • July | Draft Housing Needs Assessment |
| • November | Draft HAP prepared and to Cities |
| • December | comments |
| • January/February | Final Housing Action Plan |
| • March through June | Legislative process |
| • June 30, 2021 | Project deadline |

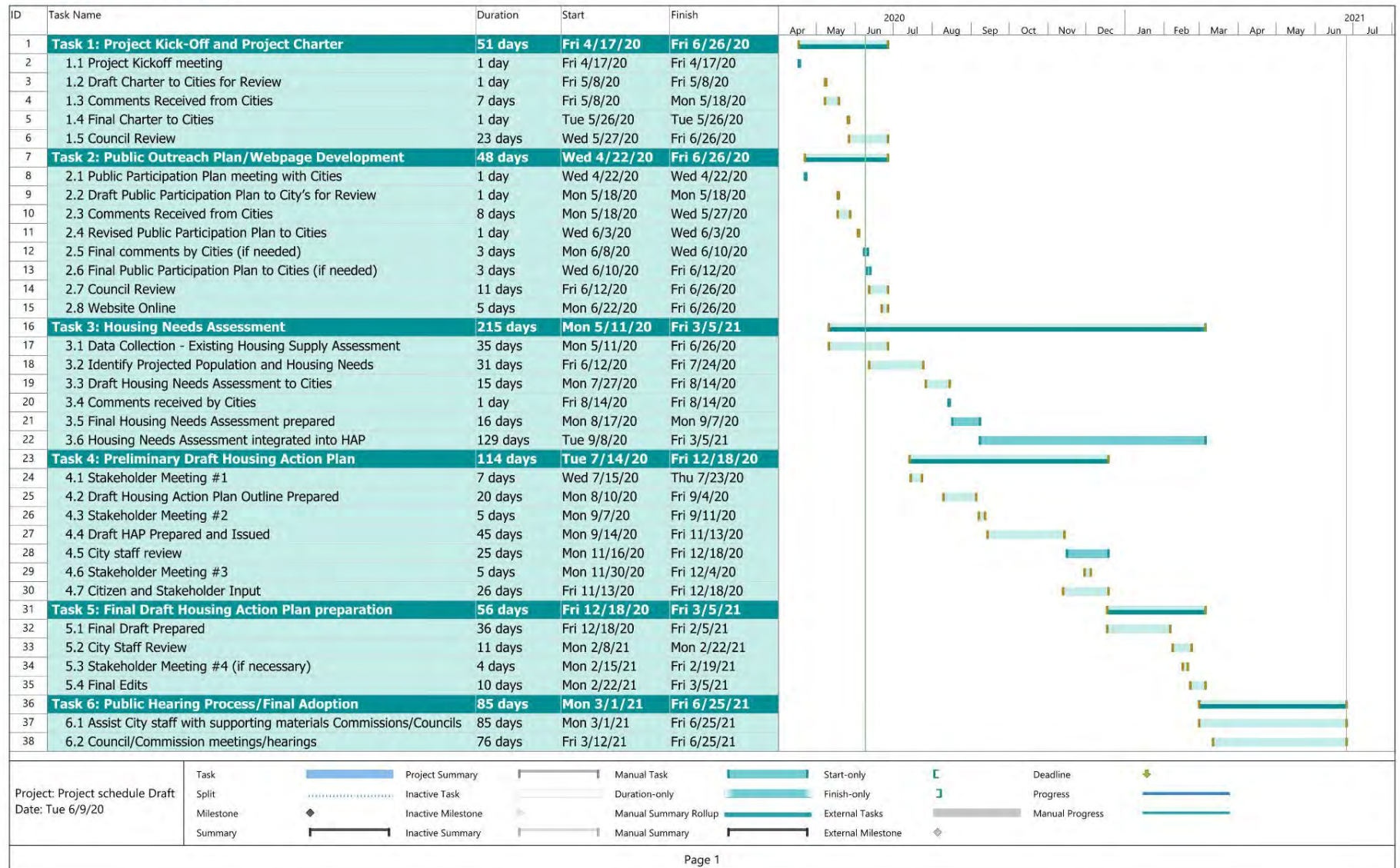
A defined schedule will be included in the project charter. A follow-up meeting is scheduled with the cities next week to discuss the public participation plan and overall project schedule. We are looking, however, to extend out when stakeholder meetings might start in order to respond to Covid-19 social distancing requirements.

Next steps and action items

- Clay and Brett talk to Cities next week about community engagement, including discussing public comment options
- Bonney Lake to send over framework of Form Based Code changes
- Regroup on Housing Needs Assessment
- Clarify the Cities' needs and vision against the scope, clarify any deviance, and identify how to address
- Clay will complete Project Charter

Appendix C – Project Schedule

APPENDIX C - PROJECT SCHEDULE



APPENDIX 10: PUBLIC PARTICIPATION PLAN

CITY OF BONNEY LAKE AND CITY OF SUMNER
HOUSING ACTION PLAN
PUBLIC PARTICIPATION PLAN



May 2020



Project Background

The Washington State Department of Commerce (Commerce) received \$4.6 million in the 2019 Legislative Session to provide grant funds to local governments to address housing affordability.

The Cities of Bonney Lake and Sumner were awarded a grant to develop a joint Housing Action Plan (HAP). As required by the State legislation, the project is intended to “encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market.”

The Commerce deadline for adoption of the HAP is June 30, 2021. The project team has developed a plan to have the HAP to the Bonney Lake and Sumner City Councils for adoption by May 31, 2021.

The HAP process itself will not result in any comprehensive plan policy or regulation changes. However, the project elements will outline information, recommendations, and possible actions that both cities can consider taking in the future. The Housing Action Plan will be a helpful tool as both Cities embark on updating their respective comprehensive plans prior to June 2024. The elements and objectives of a HAP are directly linked to planning requirements for housing in the [Growth Management Act](#) (GMA).

Public Involvement Goals

Goal 1: Engage diverse stakeholders in both Cities and consider their priorities and perspectives during the development of the Plan.

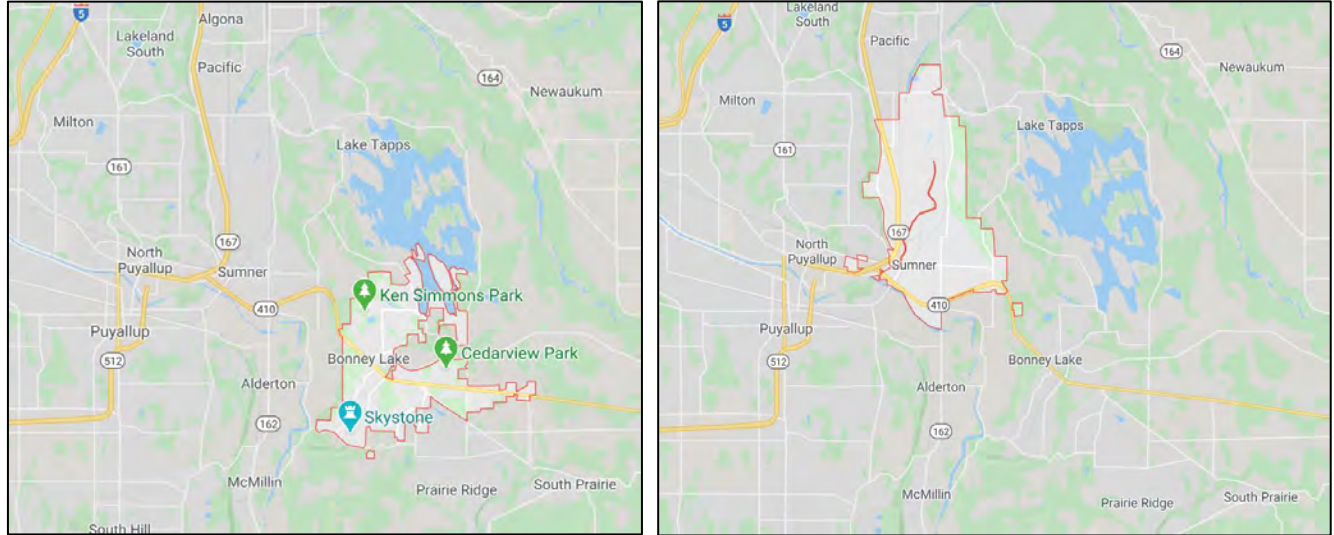
Goal 2: Build public support of the Plan before the draft Plan is presented at the public meetings.

COVID-19 Considerations

The COVID-19 public health crisis poses a challenge to the practice of public participation. It also provides a unique opportunity to develop innovative public participation techniques, strengthen online engagement practices, and increase digital engagement between the Cities and their residents. The project team needs to be nimble as they navigate COVID-19, any restrictions to community gathering, and disruptions to City Council processes. To accommodate this, the team will build additional time into the schedule.

Community Profile

Bonney Lake and Sumner sit in northern Pierce County with the cities of Puyallup to the west and Auburn to the north. In 2018, the median household income in Pierce County was \$69,278, higher than the median household income in Sumner, but lower than Bonney Lake. The median home price in Pierce County rose to \$369,998 in 2019, notably higher than the median home price in both Bonney Lake and Sumner.



Bonney Lake

Bonney Lake's largest employment base is in the retail and food service sectors, accounting for 50% of the jobs in the city. Professional services (doctors, lawyers, financial institutions, architects, etc.) account for 30% of the employment base in Bonney Lake. The averages wages paid to individuals employed in Bonney Lake is lower than the average wage in Pierce County and Washington state.

The median household income in Bonney Lake was \$91,368 in 2018, with 6.9% of Bonney Lake households living below the Federal Poverty Line.

The average home value and rent in Bonney Lake is higher than Sumner at \$310,500 and \$1,541 per month, respectively.

The median age in Bonney Lake was 34 in 2016; 26.5% of the population is under the age of 18 and 9.8% of the population is over 65.

Most Bonney Lake residents, 92.6%, speak only English, while 7.4% speak other languages. The most predominate non-English language spoken in Bonney Lake is Spanish, spoken by 4.42% of the population. The table on the next page shows the racial and ethnic breakdown of Bonney Lake residents.

Race and Ethnicity	Percentage of total population
White alone	86.8%

Black of African American alone	1.1%
American Indian and Alaska Native alone	1.1%
Asian alone	2.5%
Native Hawaiian and Other Pacific Islander alone	0.7%
Two or More Races	6.4%
Hispanic or Latino	7.6%
White alone, not Hispanic or Latino	80.9%

Sumner

The City of Sumner is home to a mix of commerce, industry, and agriculture with a variety of types and densities of housing. Sumner has a strong employment base with a higher concentration of manufacturing jobs per capita than Pierce County overall.

Sumner's population density is greatest in the City Center, a Puget Sound Regional Council (PSRC)-designated urban service area/urban growth area of about 3.1 square miles. In 2017, Sumner's population was just over 10,000, an increase of almost 19 percent since 2000.

In 2016, the median age in Sumner was 36.4, with 24.9% of the population below the age of 18 and 15.2% above the age of 65.

The median household income in Sumner declined from \$60,068 in 2016 to \$56,991 in 2017, with 13% of the population below the poverty line. In Sumner, the average home value is \$265,974 and the average monthly rent is \$1,047.

Most Sumner residents, 91.76%, speak only English. Spanish is spoken at home by 5.83% of residents. The table shows the racial and ethnic breakdown of Sumner residents.

Race and Ethnicity	Percent of total population
White alone	84.4%
Black of African American alone	1.4%
American Indian and Alaska Native alone	1.5%
Asian alone	1.0%
Native Hawaiian and Other Pacific Islander alone	0.4%
Two or More Races	67.7%
Hispanic or Latino	8.6%
White alone, not Hispanic or Latino	80.0%

Risks and Opportunities

Risk	Opportunity
The residents of both cities may have concerns about additional affordable housing in their communities, especially if this includes other housing types in existing single-family zoned areas.	The project team will discuss the range of housing needs in each city and address public aversion to affordable housing and different housing types head on, working with community members to understand the values and vision they have for the community.
Some residents have general concerns about density.	The Cities will listen to community member concerns and communicate about the benefits of focused density in the city limits.
Some residents may be concerned about how increased density can increase risk for the spread of disease, like COVID-19.	The Cities will listen to community member concerns and share any plans to ensure public safety with increased density.
Some residents are concerned that gentrification will make their community less affordable for the current residents.	The Cities will listen to community member concerns and communicate about measures they will take to try to ensure increased costs are centralized in city centers and to support affordable options throughout the area.
COVID-19 may continuously disrupt the project schedule and prevent the team from using traditional community engagement techniques.	The project team will use alternative engagement methods, including social media, to reach community members. These new methods will also enrich future projects, adding diversity to the engagement tools in each City's toolbox.
The City of Bonney Lake does not have a strong history of public participation.	The City of Bonney Lake will meet people where they are and identify those topics that most engage their residents using this project to foster a stronger sense of civic involvement and community identity to begin a pattern of increased involvement in the community.

Key Audiences

- Community organizations and nonprofits
- Developers, including those who provide senior housing, workforce housing, market rate housing, and subsidized housing
- Elected officials
- Employers and potential employers
- Residents, including homeowners and renters
- Senior housing administrators
- Support services providers

Key Messages

Messaging will emphasize that the Housing Action Plan process is an opportunity for us to make sure there is a range of housing types to meet the needs of all Bonney Lake and Sumner residents.

- A Housing Action Plan will outline how to meet Sumner and Bonney Lake's diverse housing needs.
- We want to hear from the community and learn what we need to do to make housing work for everyone.
 - o It's your community and you deserve a voice!
- Our region needs more housing and we want to make sure that everyone has a place to live in their community.
 - o We need diverse housing options to meet the community's diverse housing needs.
 - o People need different housing at different times in their life.
 - o Our community needs housing options for young people just starting out, growing families, and older folks looking to downsize.
 - o More housing types means more options for everyone.

Residents of Bonney Lake and Sumner may initially have concerns about the introduction of affordable housing in their communities. Communication with the public will emphasize that we are looking at a range of housing types, and that affordable housing supports a healthy and active community. Further, project communication will include that affordable housing is about providing housing for people in all income groups.

Public Involvement Approach

Public Involvement Schedule

COVID-19 will likely pose unexpected scheduling challenges, which will require flexibility and continued adjustments. The following are the high-level assumptions as the project moves forward:

- The project is to be completed no later than June 30, 2021.
- Each project element must account for the time to move through each project step.
- As of the writing of this plan in May 2020, COVID-19 social distancing requirements do not allow in-person meetings. The project team is scheduling in-person meetings later in the summer in case in-person meetings are permitted then. If in-person meetings are still not permitted, the Cities will move forward with virtual meetings or otherwise adjust the stakeholder process to meet conditions.
- The schedule is designed to work around the Cities' budget processes. The project team's goal is to ensure important meetings and hearings do not fall during this time. The schedule is designed as much as possible to have key project milestones occur before and after the holiday season so stakeholders and citizens can participate.

Task / Milestone	Dates	Tactics
Housing Needs Assessment data collection	6/5/2020-8/6/2020	• Flyers • Website updates and email alerts through Bang the Table • Workshop-style community meetings • Stakeholder meeting
Preliminary Draft Housing Action Plan development	8/3/2020-12/18/2020	• Stakeholder meetings • Flyers • Community input through Bang the Table • Workshop style community meetings • High school leadership program engagement • Social media engagement • Fairs and festivals (depending on social distancing requirements)
Final Draft Housing Action Plan preparation	11/3/2020-3/5/2021	• Stakeholder meetings • Community input through Bang the Table • High school leadership program engagement • Social media engagement • Fairs and festivals (depending on social distancing requirements) • Flyers
Public hearing process	3/1/2021-6/1/2021	• Public meetings

Task/Milestone	Dates	Tactics
		• High school leadership program engagement • Social media engagement • Flyers

Public Involvement Tactics

Tool	Purpose	Description	Audiences	Additional Considerations
Informational flyers	• Provide community members with information in their established gathering places • Reach community members that are not actively seeking information about City actions.	Distribute flyers to share information and ask for community input and perspectives on housing in Bonney Lake and Sumner. Flyers may include information about the purpose of a Housing Action Plan and details on the public meeting. Flyer will generally encourage public meeting participation, enhance understanding of HAP process, and encourage thoughts on housing in the communities at hand. Flyer will encourage community members to engage via social media or Bang the Table.	• General public • Spanish-speaking community • Community members who do not typically engage in City affairs	Develop Spanish-language flyers to post at the laundromat and the Mexican market. Identify other places to post flyers to reach specific audiences, including foodbanks, libraries, coffee shops, and schools. Need to assess this list in an ongoing way based on changing stay at home conditions Cities must identify key gathering places and locations to post information, including food banks and churches.
Toolkit for stakeholders and other community leaders to share information and gather input	• Provide a toolkit of resources for stakeholders to use to have conversations about housing values beyond the formal engagement process and face-	Develop a toolkit that asks community members to consider their values around housing and reflect on housing in Bonney Lake and Sumner.	• Developers • Homeowners associations • Rental communities • Employers and potential employers • Non-profit groups	This can be connected to the folks who are part of the stakeholder advisory committee but can also include a wider group of community leaders and stakeholders.

Tool	Purpose	Description	Audiences	Additional Considerations
	to-face interactions with City staff. • Increase the understanding of housing issues among community members.		• Senior housing administrators	
Stakeholder meetings	• Get input and advice from vested community members. • Improve buy-in with key stakeholders. • Engage community members who have an established understanding of their community.	Convene a stakeholder committee to help the Cities gather information from a wide range of community groups and members. The Cities might want to invite the public to observe. The stakeholder committee will convene three or four times. The first meeting agenda may include: • Presentation on the housing needs assessment • Explanation of housing action plans • GAP analysis explanation	• Builders and contractors active in the area • Major employers • Active community groups	To ensure the content is available for all community members, the team will consider providing interpretation at the meetings and using headsets. This is not in the consultant budget and would need to be paid for externally from the consultant budget. The Cities will leverage existing relationships for membership. The committee work and relationships will help set the stage for upcoming comp plan amendments and other public engagement.
High school leadership programs engagement	• Get young people involved in the project. • Hear from community	Contact the administrator or teacher in charge of the leadership programs at Bonney Lake and Sumner High Schools and work to	• School-aged population • Parents of school-aged children	This will require a clear commitment of time from City staff to implement.

Tool	Purpose	Description	Audiences	Additional Considerations
	members who would otherwise be less likely to get involved in City affairs. • Make use of an established group within the community.	engage students. This might start with a conversation about their ideas for how to effectively engage the communities to which the students belong, including young people. Students may also support activities such as door-to-door information gathering with questions like, “how would you like to see housing develop in your community” or ask students to reflect on housing in their communities from a student perspective. Students could present their findings to their respective city councils.	• Broader community via door-to-door activities	
Workshop-style presentations with existing groups	• Leverage established community groups and take pressure off the public to attend more meetings as social distancing relaxes. • Gather information from the public in an	Attend established community group meetings and give a brief presentation on the purpose of the project and then engage the group in conversation through questions. Presenters will work with group members to learn more about perspectives on housing in the area.	• Active community groups	The Cities will determine the specific groups for outreach. This will be coordinated with the toolkits to ensure all community segments of the population are engaged.

Tool	Purpose	Description	Audiences	Additional Considerations
	informal face-to-face setting.			
Social media	• Quickly get information out through established channels. • Social media is not impacted by social distancing measures, unlike in-person outreach tools.	Use social media channels to quickly reach residents. Consider creating a hashtag or connecting to an existing hashtag, like #housingforall. Social media is an opportunity to conduct public engagement in the age of social distancing.	• General public • Younger population via Twitter • Older population via Facebook	Sumner is already active on social media and can use existing channels to communicate with the public. Bonney Lake uses Facebook minimally but has the opportunity develop their social media accounts throughout this project.
Email updates	• Quickly get information out through established channels. • Email is not impacted by social distancing measures, unlike in-person outreach tools.	Send emails to community members enrolled in existing City email lists.		Sumner has an E-news program with about 1500 people on the mailing list
Tabling	• Reach community members in a casual setting. • Reach community members who may not typically seek out information about City affairs.	Set up information booths at local events such as Bonney Lake's Kids Club and Tunes @ Tapps with project literature. Set up information booths at local businesses, like coffee shops and grocery stores.	• Community members who do not typically engage in City affairs	The availability of this tactic is heavily dependent on the COVID-19 situation. Cities will determine specific events and locations.

Tool	Purpose	Description	Audiences	Additional Considerations
Bang the Table	• Bang the Table can be used to gather meaningful input from the community.	Use Bang the Table to conduct public engagement. This includes posting draft plans for review, hosting discussion boards for comments, and sharing news about in person engagement opportunities.	• Active, digitally engaged community members	PRR will work with the City of Sumner to get everything on the Bang the Table platform, and then we can link over from the Bonney Lake website to the Sumner website so there is just one hub for everything.
Public meeting/hearing	• Gather community buy-in on the draft HAP • Directly engage with community members who feel invested in this process. • Answer questions and accept feedback in real time.	Conduct a public meeting to present the draft Housing Action Plan to the public and gauge public sentiment, collect comments, and answer questions.	• Active community members and community groups • Community members activated by outreach earlier in the project	Stay at home conditions may affect the public meetings. Suggest one public meeting per city.

Key Stakeholders

Business

- Bonney Lake Chamber Collective
- Puyallup-Sumner Chamber of Commerce
- South Sound Chambers of Commerce Legislative Coalition
- Sumner Downtown Promotions Association
- Tacoma-Pierce County Chamber of Commerce

Legislative

- State legislature
 - o Legislative District 25
 - Senator Hans Zeiger
 - Representative Kelly Chambers
 - Representative Chris Gildon
 - o Legislative District 31
 - Senator Phil Fortunado
 - Representative Drew Stokesbary
 - Representative Morgan Irwin
- Pierce County Council
 - o Pierce County District 1
 - Councilmember Dave Morell
 - o Pierce County district 2
 - Councilmember Pam Roach

Tribal

- Andrew Strobel, Puyallup Tribe of Indians

Agency partners

- Pierce County, Community Services Programs
- Pierce County Housing Authority
- Pierce County, Human Services
- Pierce County, Planning and Public Works, Director Dennis Hanberg
- Pierce Transit
- Puget Sound Regional Council
- Sound Transit
- Sumner-Bonney Lake School District
- Tacoma-Pierce County Health Department

Community organizations

- Bonney Lake Food Bank
- Calvary Community Church
- Communities for Families Coalition (CFF)
- Exodus Housing

- HOAs
- Metropolitan Development Center
- Multicultural Self-Sufficiency Movement
- Shared Housing Services
- St. Andrews Catholic Church
- Sumner Community Food Bank
- Tacoma/Pierce Affordable Housing Consortium
- YMCA

Stakeholders for Advisory Committee

Sector / Area of Interest	Organization	Representative
Developer / builder	Dobler	David Dearth
Affordable housing advocate	Tiny Homes	Todd McKellips
Community services	Sumner-Bonney Lake School District	Marilee Hill-Anderson
Community services	Exodus Housing	Executive Director, Tonya Tunnell-Thornhill
Community services	Sumner Food bank	Executive Director, Tiffany Rhyner
Community services	Bonney Lake Food bank	Executive Director, Stacey Crnich
Real estate / Rotary Club	Commercial Broker/Planning Commission	Sam Suznevich
City of Sumner / Real estate	Apartment Owner/Planning Commission	Andy Elfers
City of Bonney Lake	Planning Commission	To be determined
Business	Whispering Hills	Jeff Kreel
Business	Chamber of Commerce	To be determined
Seniors	Sumner Senior Center	Jenny Simoneaux
Seniors	Adult Family Homes	Seth Wagner
Faith community / Latinx community	Calvary/United Methodist/St. Andrews/First Covenant	Pastor Pam, United Methodist
Faith community	New Hope Community Church	Joseph Keith

Sources

<http://www.city-data.com/city/Sumner-Washington.html>

<https://datausa.io/profile/geo/sumner-wa>

<https://www.census.gov/quickfacts/bonneylakecitywashington>

<https://www.census.gov/quickfacts/fact/table/sumnercitywashington,bonneylakecitywashington/PST045219>

https://www.ci.bonney-lake.wa.us/UserFiles/Servers/Server_15292413/File/Planning/Comprehensive%20Plan/Chapter%204%20-%20Economic%20Vitality%20Element.pdf

<https://sumnerwa.gov/about/aboutsumner/statistics/>

May 2021

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1
3	4	5	6	7	8
6:00PM Regular Council Meeting (Virtual)	4:00 PM Public Works Committee (Virtual)		CANCELLED 6:00PM Planning Commission (Virtual)		
10	11	12	13	14	15
6:00PM Study Session (Virtual)		5:30PM Finance Committee (Virtual) 6:30PM - CANCELLED Design Commission (Virtual)	4:30PM Forestry/Parks Commission (Virtual)		
17	18	19	20	21	22
6:00PM Regular Council Meeting (Virtual)		5:00PM Public Safety (Virtual)			
24	25	26	27	28	
6:00PM Study Session (Virtual)		5:00PM CD Committee (Virtual)	5:30PM Arts Commission (Virtual)		
31					
Recognized Holiday City Hall Closed					

Meeting dates and times may change. Please contact City Hall to confirm this information prior to any meeting you plan to attend. **These meetings are accessible to persons with disabilities.** For individuals who require special accommodations, please contact City Hall at (253) 299-5500, 24 hours in advance.

Name: Michelle Converse, CMC
Title: City Clerk

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