

## VII. HOUSING ELEMENT

**DRAFT (last update August 21, 2024)**

### **Purpose**

Housing is recognized as a fundamental human need and plays a crucial role in the overall wellbeing of individuals and communities. It serves as a social determinant of health, influencing a wide array of health outcomes and quality of life. Quality housing can reduce the risk of chronic diseases, improve mental health, and enhance the sense of security and belonging. Moreover, stable housing can act as a platform for individuals to access education and employment opportunities, which are essential for economic stability and personal development. The benefits of adequate housing extend beyond the individual, contributing to the social fabric and economic vitality of communities.

In the Puget Sound Region, and across the state, the housing market has become increasingly unaffordable as demand has risen and supply continues to be constrained. Many residents are facing unprecedented challenges in finding and keeping housing they can afford. Housing availability is also a result of past and present public policies and private practices. Certain housing policies, such as exclusionary zoning, and private practices such as loan discrimination, restrictive covenants, and redlining have led to racial discrimination in the housing market, as these policies and practices have historically been used to segregate communities and limit opportunities and exacerbate economic disparities for people of color.

As Kirkland sits geographically in the heart of the region's economy, the city boasts a diverse suite of employers, and it enjoys the benefits of being in close proximity to many jobs in our neighboring cities. Together with our quality neighborhoods with their parks and open space, schools, and commercial amenities, the city provides an opportunity for current and future residents to thrive. Recognizing that housing access, affordability, equity, and choice are regional issues, Kirkland has a major role in locally addressing the many issues within the region's housing market.

The Housing Element ensures that Kirkland addresses the housing needs of current and future residents over the next 20 years. This chapter includes goals and policies intended to help the city to achieve its housing targets, meet the needs of current and future residents, and correct past wrongs for populations historically left out of the housing market and suffering from housing insecurity.

Under the Growth Management Act (GMA) described in RCW 36.70A.070(2) cities at minimum must:

- Analyze existing housing conditions;
- Plan for and accommodate the housing needs affordable to all economic segments of the population (moderate, low, very low and extremely low income, as well as emergency housing and permanent supportive housing);
- Provide for a variety of housing densities and options through preservation and development;
- Make adequate provisions for housing for current and future populations;
- Identify racially disparate impacts, displacement and exclusion in housing policies and regulations, and begin to undo those impacts; and
- Identify areas where households are at higher risk of displacement and establish anti-displacement policies.

### **Vision**

Kirkland recognizes that housing is the most basic of human needs. By 2044, our city has, and participates in, a robust housing market capable of meeting the demands of current and future residents. Housing is equitably accessed and dispersed throughout the city, is developed with sustainability in mind, is safe, and meets the needs of households regardless of income, configuration, ability, racial or ethnic makeup. Homelessness is rare and brief, and Kirkland together with its local and regional partners has developed sustainable support systems that continue to meet the needs of our unhoused population.

## **Existing Conditions**

The land that is now Kirkland has long been a place where people made their homes, beginning with Native people and their longhouses near Lake Washington. With settlement, Kirkland has a history of providing housing choices to meet the needs of its populations from homesteader cabins and farmhouses, to providing housing for an industrial workforce, to providing housing in suburban tracts served by automobiles. Today, Kirkland has grown into an urbanizing community of neighborhoods as the city and the region continues to gain population.

As of 2023, Kirkland's population estimate is 96,920 and ranks 6<sup>th</sup> in county by population. In 2011 the city experienced a significant population increase by annexing the last of its allocated unincorporated areas, the Finn Hill, North Juanita, and Kingsgate neighborhoods. With no more land annexation opportunities to incorporate future population, growth within the city will occur as infill urbanization.

### *Jobs and Housing*

The median household income in Kirkland stands at \$130,620, and the City has experienced a 23 percentage-point increase in professionals earning \$75,000 or more during that same period. These wage earners can afford higher rents or mortgages, leading to a focus on market-rate housing development for this group and exacerbating affordability issues for lower-income households. Kirkland offers limited housing options for households earning less than \$50,000 annually due to rising prices driven by demand. Additionally, Kirkland's job growth is starting to outpace housing development.

### *Tenure and Housing*

The city's housing supply is still majority homeownership, 60% as of 2020, although the number of rental housing units has steadily increase since 2010, its share of the total inventory has decreased from 43% (2010) to 40% (2020). Renters are more likely than homeowners to be moderately or severely burdened by housing costs, 23% of owner-occupied households are moderately or severely burdened, compared to 38% of renter-occupied households.

### *Unit Size and Regulated Housing*

There are currently more 3- to 4-bedroom units than the number of 3- to 4-person households in the city, while there is less inventory of 1- bedroom units compared to the number of 1-person households. Kirkland offers a relatively high number of income- and price-restricted units for its size, due to a combination of inclusionary zoning, city funding, and public housing, although many more affordable units are needed to meet demand. In addition, the city does not yet have a significant supply of permanent supportive or emergency housing units.

### *Race, Ethnicity and Housing*

The city has seen a population growth of 13.9% since 2015, with a notable increase in the non-white population, now constituting 30.7% of the residents. While this increase in racial and ethnic diversity is notable, it is also notable that Kirkland's white population is the highest among neighboring cities and the county. Housing is needed at all affordability levels, but in greatest numbers below 80% of the area median income (AMI) and especially by Black and Hispanic/Latino households, who are disproportionately housing-cost burdened. Kirkland has a history of racial exclusion that should be addressed through expansion of affordable housing and home ownership opportunities to peoples of color.

### *Age and Housing*

Most Kirkland residents are of "working age populations", ages between 20 and 64 (64 percent), but that percentage is declining as the population 65 and older grows in proportion. At the other end of the spectrum, the community's school-age population has grown in percentage, but only slightly. Based on aging trends, there is a critical need to address housing accommodations tailored to the needs of an older population.

### *Future Housing Trends*

Between 2024 and 2044, Kirkland is expected to accommodate a housing growth target of 13,200 new housing units. Under the Growth Management Act, planning policies must seek to direct growth to existing and emerging urban areas within the metropolitan region. The King County Growth Management Planning Council allocates housing growth targets to jurisdictions, and Kirkland is responsible for planning to meet its allocated needs for housing. Table H-1 shows Kirkland's allocated housing growth by income segment. In addition to these housing growth targets Kirkland must accommodate for 2,522 emergency housing by 2044. Emergency housing projections and allocation assumes jurisdictions will have limited progress in addressing permanent housing needs across all income segments. If Kirkland succeeds in providing enough housing to meet all permanent housing needs at all income segments and planned for enough additional capacity to accommodate its full allocation of emergency housing needs, then the city would be providing more than sufficient capacity to accommodate all projected housing needs. Permanent housing growth targets are calculated as Kirkland's percent share of the countywide housing growth.

*Table H-1: Housing Needs 2020-2044*

<b>Income Segment</b>	<b>Existing (2020)</b>	<b>Need</b>	<b>2044 Total</b>
≤30% AMI; PSH	12 <1%	<b>2,546</b>	2,558 5%
≤30% AMI; non-PSH	1,040 3%	<b>4,842</b>	5,882 11%
>30 – 50% AMI	1,784 4%	<b>3,052</b>	4,836 9%
>50 – 80% AMI	3,734 9%	<b>1,022</b>	4,756 9%
>80 – 100% AMI	8,141 20%	<b>228</b>	8,369 16%
>100 – 120% AMI	5,213 13%	<b>259</b>	5,472 10%
>120% AMI	20,094 50%	<b>1,251</b>	21,345 40%
<b>Total</b>	<b>40,018</b>	<b>13,200</b>	<b>53,218</b>

*Table H-1: King County, 2023, Countywide Planning Policies.*

As noted above, Kirkland has experienced significant growth and changes in its community demographics and housing conditions. As the city plans to accommodate future growth it will need to plan for a 33% increase in housing units by 2044 along with a 52% increase in employment with a large portion of this growth, and at least 8,916 housing units affordable to households with incomes ≤80% AMI. These demographic shifts and housing trends are crucial for understanding the city's needs and planning for its future. More information on housing trends can be found in the Housing Inventory and Analysis in Appendix [X] and the 2023 Community Profile in Appendix [X].

**Goals and Policies**

The following housing goals and policies help Kirkland address its role in meeting regional housing needs and local housing growth allocations and provide a framework for how the city will achieve its 2044 housing vision.

Housing goals and policies are organized into three sections: Housing Supply, Affordability, Equity, and Diversity; Fair and Equal Access to Housing; and Subsidy and Homelessness Prevention. These sections are aligned with Puget Sound Regional Council's Regional Housing Strategy. Policies are further divided into sections aligned with categories found in the Housing chapter of the King County Countywide Planning Policies.

[NOTE: Strikethrough and underline policies represent edits to the draft goals and policies since the City Council reviewed the draft goals and policies]

## ***Housing Supply, Affordability, Equity, and Diversity***

To meet Kirkland's vision of a robust housing market capable of meeting the housing needs of the city it will need housing of different types, costs, and with access to jobs, transit, and services.

**Goal H-1** – Achieve a full range of affordable, accessible, healthy, and safe housing choices for all residents throughout the city.

### ***Increase housing supply, particularly for households with greatest need.***

Kirkland shall adopt best practices and innovative techniques to meet the city's housing needs, prioritizing housing for households making 30% or less of AMI. To meet the city's housing needs, multiple tools will be needed, including regulatory and permitting reform and programs that support housing production from private for profit and non-profit housing developers, with an emphasis on the development of deeply affordable and supportive housing.

**Policy H-1.1** – Require affordable housing when increases to development capacity are considered.

**Policy H-1.2** – Enhance and periodically refine affordable housing incentives and requirements to provide additional affordable housing units to meet current and future housing needs citywide.

**Policy H-1.3** – Increase the amount of moderate- and high-intensity residential development in areas with infrastructure, services, and amenities to provide greater housing choice for people at all stages of life.

**Policy H-1.4** – Adopt development and environmental regulations that reduce the cost of building and stimulate the production of housing, both for market rate and affordable housing.

**Policy H-1.5** – Reduce the cost of building market rate and affordable housing by speeding up, simplifying, and making permitting housing more predictable and transparent to permit applicants with expected permit review timelines and revision cycles.

**Policy H-1.6** – Develop specialized standards that enable and encourage production of housing for extremely low-income households, such as: prioritizing lands for the production of Permanent Supportive Housing (PSH); increasing allowable densities to maximize production of PSH; reducing taxes and permit and utility hookup fees for PSH; and employing cost reduction strategies identified in other housing policies.

**Policy H-1.7** – Support housing for the unhoused by removing regulatory barriers that prevent or obstruct the creation and equitable distribution of transitional housing, emergency shelters, permanent supportive housing and similar facilities.

**Policy H-1.8** – Support the siting and development of housing for extremely low-income households and those experiencing chronic homelessness by prioritizing local and regional resources, developing specialized development standards; employing cost-reduction strategies, including reductions in fees and taxes; and reducing or removing regulatory barriers that prevent or obstruct the creation and equitable distribution of transitional housing, emergency shelters, permanent supportive housing, and similar facilities.

**Policy H-1.9** – Develop a program that allows housing intensity bonuses for faith-based, or other non-profit and community-based organizations seeking to develop affordable housing on-site, prioritizing developments with income-restricted units for households making 30% or less AMI and projects that provide on-site services for households most impacted by shortages of affordable housing.

### ***Expanded housing options and increased affordability accessible to transit and employment.***

To create healthy, equitable, vibrant communities well-served by infrastructure and services Kirkland will direct much of its housing growth into its designated urban centers and transit corridors.

**Policy H-1.10** – Maximize the efficient use of land near transit with transit-supportive residential diversity in housing types, bedroom count, land use intensity, and infrastructure improvements appropriate for more intense urban infill development patterns.

**Policy H-1.11** – Ensure that affordable housing opportunities at a variety of income levels are not concentrated but are available throughout the City and especially in walkable areas with good access to transit, employment, parks, and neighborhood-serving retail, especially grocery stores.

**Policy H-1.12** – Support a variety of regulatory and programmatic solutions for the preservation of affordable housing in areas near transit and employment and ensure no-net-loss in citywide residential capacity.

**Policy H-1.13** – Increase housing affordability and capacity in Kirkland's Urban Centers with regulations and programs that supports innovation in residential construction.

### ***Collaborate regionally to increase housing production and address housing needs.***

Housing markets are regional and do not respect jurisdictional boundaries. Housing affordability is important to both local and regional economic vitality and sustainability. Cities with similar housing characteristics tend to be clustered geographically and provide opportunities for efficiency and greater impact through interjurisdictional cooperation and diverse partnership. The following policies support interjurisdictional coordination, collaboration, and partnerships to identify and meet the housing needs of households with extremely low-, very low-, and low-incomes. These policies are further supported by the goals and policies related to subsidy and homelessness.

**Policy H-1.14** – Cooperate at a regional level to increase the base of both public and private support necessary to address local housing needs.

**Policy H-1.15** – Collaborate with diverse partners (e.g., employers, financial institutions, philanthropic, faith, and community-based organizations) on provision of resources (e.g., funding, surplus property) and programs to meet Kirkland's allocated housing need of households with extremely low-, very low-, and low-incomes.

**Policy H-1.16** – Cooperate with other jurisdictions, agencies, and housing organizations to increase regulatory consistency across jurisdictions and reduce regulatory and permitting complexity and reduce the cost of housing.

**Policy H-1.17** – Support the current and future building industry workforce by cooperating with other jurisdictions, agencies, trade organizations, and other public, private and non-profit partners to provide workforce training on new and emerging building technologies, regulatory requirements, and construction practices.

**Policy H-1.18** – Prioritize efforts to achieve a geographic balance in siting housing for those earning lower wages by collaborating with nearby jurisdictions in leveraging funding, supplying surplus public property, and maintaining and developing new partnerships and programs that aim to collectively meet housing needs and improve the jobs-housing balance.

### ***Fair and Equal Access to Housing***

As Kirkland is an expensive place to live, many households are at threat of being displaced. More housing options and strategies are needed to help people have the option to stay in their neighborhoods, with an emphasis on lower-income communities and BIPOC communities that have been systemically excluded from homeownership opportunities.

**Goal H-2** – Achieve racially and socially equitable outcomes in housing, meet the needs of all current and future residents and ensure people with the lowest incomes have quality housing that is accessible and affordable in the communities of their choice.

### ***Expand housing and neighborhood choice for all residents.***

Extremely low-, very low-, and low-income residents often have limited choices when seeking an affordable home and neighborhood. Many Black, Indigenous, and other People of Color communities and immigrant groups face disparities in access to opportunity areas with high quality schools, jobs, transit and access to parks, open space, and clean air, water, and soil.

Some of the same groups are significantly less likely to own their home as compared to the countywide average, cutting them off from an important tool for housing stability and wealth building. Further, inequities in housing and land use practices as well as cycles of public and private disinvestment and investment have also resulted in communities being vulnerable to displacement. Kirkland must adopt intentional actions to expand housing choices throughout its communities to help address these challenges.

**Policy H-2.1** – Plan for housing in areas that protect and promote the health and well-being of residents by supporting equitable access to parks and open space, safe pedestrian and bicycle routes, clean air, soil and water, fresh and healthy foods, high-quality education from early learning through K-12, affordable and high-quality transit options and living wage jobs and by avoiding or mitigating exposure to environmental hazards and pollutants.

**Policy H-2.2** – Provide access to affordable housing to rent and own throughout the city, with a focus on areas where the city is directing growth, in particular for those populations disproportionately impacted by past discriminatory land use and housing practices.

**Policy H-2.3** – Support affordable housing and mitigate residential displacement by implementing commercial linkage fees for the development of new affordable housing to the extent enabled by State law.

**Policy H-2.4** – Ensure that land use, zoning, and regulations support housing options and supportive services for older adults, disabled persons, people with medical conditions, unhoused individuals and families, and displaced people.

**Policy H-2.5** – Support equitable home ownership assistance to Black, Indigenous, and People of Color communities and to prioritize providing more housing ownership options for moderate- and low-income households.

**Policy H-2.6** – Support housing options, programs, and services that allow older and differently abled adults to stay in their homes or neighborhood. Encourage universal design improvements in renovation and new construction that increase housing accessibility throughout the city.

**Policy H-2.7** – Support alternative homeownership models that lower barriers to ownership and provide long-term affordability, such as community land trusts, and limited or shared equity co-ops.

**Policy H-2.8** – Support no net loss in residential capacity and prevent displacement through development incentives and flexible standards and programs that encourage preservation of existing homes while allowing for infill residential development.

**Policy H-2.9** – Increase residential capacity and housing choice in residential neighborhoods through promoting the redevelopment of public lands that accommodate affordable smaller/portable homes.

**Policy H-2.10** – Address displacement of low-income households with redevelopment by adopting regulations that require landlords to offer tenants relocation assistance, consistent with State and Federal law.

**Policy H-2.11** – Protect fair and equal access to housing for all persons and prohibit any activity that results in discrimination in housing.

**Policy H-2.12** – Adopt incentive-based development standards and implement programs (such as High Performing Affordable Housing) that will provide housing with healthy indoor air quality and lower operating and maintenance costs for low-income households.

**Policy H-2.13** – Develop healthy communities by supporting flexible development regulations, programs and development partnerships that open up opportunities to allow for housing and services for intergenerational communities, and affordable and mixed-income housing.

**Policy H-2.14** – Support the retention of existing unsubsidized affordable housing through home maintenance and retrofitting with the creation of and participation in weatherization programs, and energy efficiency retrofit programs and the adoption of regulations making it easier for property owners making these home improvements.

**Policy H-2.15** – Advocate amendments to the Washington State Building Code to assist in the rehabilitation of existing affordable housing, especially amendments that support healthy indoor air quality and non-carbon emitting energy upgrades with lower operating costs.

### *Equitable processes and outcomes*

Taking intentional action to overcome past and current discriminatory policies and practices helps to reduce disparities in access to housing and neighborhoods of choice. Kirkland will work together with households most impacted by the affordable housing crisis to tailor solutions to best meet their needs.

**Policy H-2.17** – Collaborate with community members most impacted by housing cost burden in co-developing, implementing, and monitoring strategies that achieve the goals and policies in the Housing Element and actions in the Housing Strategy Plan.

**Policy H-2.18** – Adopt intentional and targeted actions in the Housing Strategy Plan to repair harms to populations disproportionately impacted by past discriminatory land use and housing practices.

**Policy H-2.19** – Coordinate with other departments, providers, and other key stakeholders to foster comprehensive, appropriate, and proactive responses for individuals and households experiencing homelessness or housing instability.

**Policy H-2.20** – Ensure equitable distribution of more housing types by removing exclusionary regulations and review processes from the zoning code.

**Policy H-2.21** – Preserve, maintain, and improve existing affordable housing by developing anti-displacement strategies in the city's Housing Strategy Plan that will plan for and respond to displacement pressures from rising rents and home prices.

### *Measure results and provide accountability.*

Kirkland is responsible to plan for and accommodate its share of the countywide housing need. The city will actively monitor its progress towards meeting its housing needs and make the necessary adjustments if it falls short of meeting these needs.

**Policy H-2.22** – Monitor the city's progress towards eliminating disparities in access to housing and neighborhood choices and meeting the allocated housing targets by income segment through the city's housing dashboard, annually reporting the city's progress to the King County Growth Management Planning Council and making the necessary policy, program, or regulatory adjustments to achieve housing equity, access, and supply.

### *Subsidy and Homelessness Prevention*

At the lowest income levels, the market is not capable of building housing at a cost that is affordable. Eliminating cost burden for households will require a major increase in funding from a wide range of private for profit, non-profit, and government entities to subsidize housing costs and to build more housing affordable for households with extremely low-, very low-, and low-incomes.

**Goal H-3** – Achieve sustainable subsidy and collaboration with local, regional, and state partners to build and preserve affordable housing and provide services and subsidy for households experiencing housing insecurity or homelessness.

*Be an active partner in the regional effort to achieve housing security for those in the most need.*

Meeting the housing needs of the most vulnerable in our community will require actions, including a commitment of substantial financial resources, by a wide range of private for profit, non-profit, and government entities. The following policies support interjurisdictional coordination, collaboration, and partnerships to identify and meet the housing needs of households experiencing housing instability and homelessness. These policies are further supported by the goals and policies found in the Housing Supply, Affordability, Equity, and Diversity section of this chapter.

**Policy H-3.1** – Preserve, maintain, and improve existing affordable housing by developing anti-displacement strategies in the city’s Housing Strategy Plan that respond to displacement pressures from rising rents and home prices.

**Policy H-3.2** – Support housing acquisition and creation by private or nonprofit organizations, housing authorities, or other social and health service agencies for extremely low-, very low-, low- and moderate- income residents.

**Policy H-3.3** – Advocate for substantial federal and state funding to address affordability for very low- and extremely low-income households.

**Policy H-3.4** – Support a range of housing options and services to move people experiencing homelessness to long-term financial and housing stability. Support regional efforts to prevent homelessness.

**Policy H-3.5** – Identify and collaborate regionally and with diverse partners (e.g. employers, financial institutions, affordable housing providers, philanthropic, faith, and community-based organizations) on the provision of funding, use of surplus land, and programs to address local affordable housing needs.