Housing

GOAL

Ensure the construction and preservation of housing stock that meets a diverse range of incomes and needs.

<table>
<thead>
<tr>
<th>MEASURE</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>City contributions to ARCH (A Regional Coalition for Housing) Trust Fund*</td>
<td>$442,098</td>
<td>$424,108</td>
<td>$406,092</td>
<td>$478,476</td>
<td>$426,610</td>
<td>$280,000 to $350,000</td>
</tr>
<tr>
<td>Number of low income housing units produced</td>
<td>58</td>
<td>15</td>
<td>19</td>
<td>7**</td>
<td>12**</td>
<td>69 units per year</td>
</tr>
<tr>
<td>Number of moderate income housing units produced</td>
<td>26</td>
<td>23</td>
<td>8</td>
<td>0**</td>
<td>2**</td>
<td>49 units per year</td>
</tr>
<tr>
<td>Total number of low and moderate income units brought online</td>
<td>84</td>
<td>38</td>
<td>27</td>
<td>7**</td>
<td>14**</td>
<td>118 units per year</td>
</tr>
</tbody>
</table>

* Includes General Funds, Community Development Block Grant Funds, and reallocation of affordable housing loans that have been repaid.
** ADU and housing market survey units not included.

How do we measure affordable housing?

King County’s Countywide Planning Policies determine the affordable housing targets for cities based on a variety of factors, including the projected affordable housing needs of low and moderate income households, the existing stock of market rate and subsidized housing, and the number of jobs by wage level and location.

Kirkland’s progress towards meeting those targets include affordable housing units that have been built as a result of:

- Housing Trust Fund contributions
- Housing regulations that the City has adopted, such as affordable housing requirements, Accessory Dwelling Units, and tax exemptions
- Private housing development with market rents at affordable levels

So that...

City has a sufficient stock of affordable housing to meet the needs of the community.
Kirkland continues to take a multi-faceted approach to creating a diverse housing stock that meets a variety of income ranges and needs. Several multi-family and mixed use developments in areas where affordable housing will be required by zoning regulations are currently in the pipeline, according to conversations prior to permit submittal through actual construction. The City’s growing list of regulations to encourage and enable affordable and diverse housing include:

- Accessory Dwelling Units
- Small lot single family allowances
- Cottage and carriage housing regulations
- Affordable housing requirements with offsetting density bonuses
- Multi-family residential tax exemptions
- Standards for transit-oriented development at South Kirkland Park and Ride
- Impact fee exemptions for affordable housing

Planning staff and the Housing Strategy Advisory Group are in the process of preparing a new Housing Strategy Plan to provide direction for additional future initiatives that the City will undertake in support of affordable and diverse housing. In addition, the City sees a tremendous return on its annual investment in the ARCH Housing Trust Fund. All of the low income units and about 20% of the moderate income units that the City has been given credit for producing are a result of financial contributions made by the City to affordable housing projects within Kirkland and other ARCH cities through the ARCH Housing Trust Fund.

In 2010, the Kirkland City Council adopted regulations that replaced voluntary incentives to encourage the private housing market to include affordable housing in multifamily developments with a mandatory program that requires the inclusion of affordable housing units. Developments in many areas of the City are now required to set aside ten percent of their new units as affordable units. In exchange, some additional market rate units are allowed to be built on the property. (Note: the mandatory program is not applicable within the Houghton Community Council jurisdiction, nor in the majority of downtown Kirkland.)

Affordable housing units produced in new developments are required to be rented or sold to those who earn 50% of median income for rental units and 80% to 100% of median income for units that are for sale. That translates to a maximum of $52,000 annual income for a family of four or for rental units or $83,000 to $104,000 annual income, respectively, for a family of four for units that are for sale. The units are required to remain affordable in perpetuity for rental units and for at least 50 years for units that are for sale.

Production of affordable housing units under the mandatory requirements has been slow during the first six years. The result has been 11 actual affordable housing units and payments in lieu of construction for an additional 5.6 units. Payments in lieu have totaled $912,600, which will be available for construction of affordable housing in Kirkland. Current projects will produce an additional 280 affordable housing units and $658,000 in payments in lieu over the next several years.