



CITY OF KIRKLAND

Planning and Community Development Department

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MEMORANDUM

Date: April 28, 2014

To: Planning Commission

From: Mike Stanger, ARCH Staff
Arthur Sullivan, ARCH Program Manager
Dawn Nelson, Planning Supervisor

Subject: Comprehensive Plan Update, File No. CAM13-00465, #5

This memo addresses the following Comprehensive Plan Update topics:

- Housing Element Updates

I. RECOMMENDATION

Review the list of key issues outlined below and provide preliminary direction to staff on potential revisions to the Housing Element of the Comprehensive Plan.

Based on Planning Commission direction, staff will report back with a draft of the Housing Element on July 10, 2014. Note, however, the Element will continue to be shaped by the following ongoing processes:

- Neighborhood Plan discussions
- Public input
- EIS analysis of growth alternatives

II. BACKGROUND DISCUSSION

Following is the "The Housing Concept" as set forth in the current Housing Element of the Comprehensive Plan. The Concept summarizes the Element and outlines the theme under which the goals and policies of the Element are crafted.

The central goal of the Housing Element is to preserve neighborhood quality while improving housing opportunities for all residents. To accomplish this, the Element:

- *Promotes neighborhood quality through the continuation of the existing residential land use pattern, and through the application of standards where infill development occurs to ensure compatibility.*
- *Provides for diversity in housing types and options to serve all economic segments and those with special housing needs.*
- *Supports the creative use of land where greater residential capacity can be achieved, while protecting environmentally sensitive areas.*

III. STATUTORY AND POLICY GUIDANCE FOR UPDATE

Staff has reviewed the Housing Element and identified key issues that should be considered as part of the Comprehensive Plan Update process. The following documents, goals and principles, and factors are being considered in reviewing the Element:

- [Department of Commerce's Update Comprehensive Checklist](#) for GMA statutory requirements adopted since 2003 and guide to the elements
- Puget Sound Regional Council's [Vision 2040](#)
- King County [Countywide Planning Policies](#)
- [Smart Growth Principles](#)
- Sustainable Communities Principles
- General themes from the fall Visioning Conversations
- City Council [goals](#)
- Annexation area considerations
- Potential growth alternatives to be addressed in the Draft Environmental Impact Statement
- List of potential issues, corrections and general edits that Staff has maintained over the past few years for this Plan Update

Attachment 1 contains a checklist of key State, regional and local requirements and guidance for the City's update. In general the existing Housing Element addresses State statutes and regional and local policies.

IV. KEY POLICY ISSUES FOR DISCUSSION

The following list of key issues has been identified for initial Planning Commission direction.

The key issues are indexed by issue number in the existing Housing Element contained in Attachment 2. Note that as staff drafts edits to the existing Housing Element we will seek to pare down the word count in order to create a more concise and usable document. Also, note that much of the background data and forecasts will be updated based on the Housing Analysis, Community Profile and capacity analysis.

Issue 1: Does the "Housing Concept" (see above) accurately reflect the draft Vision Statement and Guiding Principles (Attachment 3)?

Background: The Planning Commission has completed a draft Vision Statement and Guiding Principles.

Staff Recommendation: In general, the current Housing Element captures the livable, sustainable, and connected themes of the draft vision statement and guiding principles.

Staff anticipates some fine-tuning of the Housing Concept to support the draft vision — in particular, reflecting access to transit, work, and shopping and their important relationship to housing affordability.

Issue 2: Are any fundamental/large-scale changes to the housing goals and policies anticipated?

Background: Countywide Planning Policies (CPPs) on housing were updated in 2012 and, while they include some conceptual changes, they do not require significant changes to the City's goals or policies. All of the CPPs related to housing are listed in Attachment 1. Staff will give a more complete description at the meeting. Key policies that will need to be addressed in the update are:

- CPPs H-1 Address the countywide need for housing affordable to households with moderate, low and very-low incomes, including those with special needs.
- CPP H-5 Include policies and strategies that promote affordable housing for the City's proportionate share of countywide housing needs of various types. CPP H-8 encourages each jurisdiction to tailor their responses to their own strengths and local conditions, and CPPs H-14, H-15, and H-16 direct cities and King County to collaborate on this and other housing objectives.
- CPP H-9 Plan for housing that is accessible to major employment centers and affordable to the workforce in them....Encourage housing production at a level that improves the balance of housing to employment throughout the county.
- CPP H-10 Promote housing affordability in coordination with transit, bicycle, and pedestrian plans and investments and in proximity to transit hubs and corridors.
- CPP H-17 Review and amend, a minimum every five years, the countywide and local housing policies and strategies, especially where monitoring indicates that adopted strategies are not resulting in adequate affordable housing to meet the jurisdiction's share of the countywide needs.

Staff Recommendation: Incorporate the revised CPPs on housing in the updated Housing Element.

Issue 3: Should the Housing Element be reorganized so that rather than one section for "housing diversity" that encompasses variety, affordability, and special housing needs, there are separate sections – one for variety, and one for affordability and special housing needs?

Background: The Element establishes a goal to "Promote the creation of affordable housing and provide for a range of housing types and opportunities to meet the needs of all segments of the population." Some cities have found it useful to distinguish goals and policies for housing variety from those focused on affordability and people with special housing needs (such as seniors, people with disabilities, homelessness). Many of the existing policies in the Housing Diversity section, however, speak directly to affordable housing or special needs housing.

Staff Recommendation: Separate the goals and policies of housing type variety from those of affordability and special needs into individual sections.

Issue 4: Does the “Needs Analysis Supplement: Kirkland” sufficiently inform the Commission with respect to demographics and housing?

Background: This Supplement that is specific to Kirkland is provided as part of the East King County Housing Analysis, which was prepared and presented by A Regional Coalition for Housing (ARCH) staff to the [Planning Commission on January 9](#) of this year. A new draft of the Needs Analysis Supplement: Kirkland is included as Attachment 4 to this memo.

Staff Recommendation: The Commission may request additional information as needed.

Issue 5: Should the Element include policies to monitor and/or encourage housing in mixed-use areas?

Background: More than 50% of the City’s housing growth capacity (through 2031) exists in mixed-use zones. Cities have considered a range of approaches to help ensure that the anticipated mix of development occurs, especially housing. This can range from just monitoring development to help inform if more direct action is needed, to creating incentives to encourage housing or other uses, to explicit requirements for certain types of uses.

Staff Recommendation: Create a policy to monitor development to ensure adequate amounts of housing are created in mixed-use zones. Include a policy that allows for more direct action, such as providing incentives or requirements for housing in mixed-use zones, if it appears that housing targets will not be met.

Issue 6: Should the Element address different special needs more explicitly?

Background: Existing policies allude to housing needs of special populations such as seniors and the homeless through general policy language: “supporting providers of emergency, transitional, and permanent housing and services and support for special needs housing throughout the region.” Many cities have policies explicitly related to potential housing needs of seniors. Also, homelessness among individuals and families persists in Kirkland and across King County. Over the past 10 years there has been a more coordinated effort around the county to develop strategies to address homelessness and, based on the countywide guidance, there have been more direct efforts at the local level to address homelessness.

Staff Recommendation: Create policies that more explicitly address populations such as seniors and those that are homeless. For those that are homeless, address both cooperating with regional work to coordinate homeless efforts, and encouraging and supporting local efforts consistent with countywide systems.

Issue 7: Should the Element address sustainability explicitly?

Background: In recent years, more attention has been given to creating sustainable development. Some ARCH cities are considering adding policies that more explicitly address this issue. In some cases, that has included policies directly in the housing element, and in others the topic is addressed in land use, or even a separate section. Several of the CPPs (10, 12, 13) are related to this topic. They promote coordination of housing and transportation, health and well-being of residents, and fair housing.

Staff Recommendation: Add policies in the Housing Element if they are not sufficiently covered in other elements of the Comprehensive Plan.

Issue 8: Are there any additional housing goals the City should include in the Element? Are there any actions the City should take that the existing Element may inhibit?

Background: The comprehensive plan need not spell out every potentially desirable action that the city might take to accomplish its goals; but the goals should be clear and the policies flexible enough that amendments are not needed in order to allow the city to take appropriate action.

Staff Recommendation: Staff has identified gaps to be filled in this update process and will craft language to address them. The Planning Commission should provide input on any other gaps or barriers that they identify in the existing goals or policies.

V. NEXT MEETING

Staff will report back with a draft of the Housing Element on July 10, 2014 for further discussion. The Element will continue to be shaped by updates to the rest of the Comprehensive Plan.

Attachments

1. Housing Element Compliance Checklist
2. Existing Housing Element with mark-ups
3. Draft Vision Statement & Guiding Principles
4. Draft Needs Analysis Supplement: Kirkland

**Housing Element Compliance
Key Statutory & Policy Requirements/Guidance**

GMA Statutory Requirements Response	Response
Goals, policies, and objectives for the preservation, improvement, and development of housing. RCW 36.70A.070(2)(b)	Addressed
An inventory and analysis of existing and projected housing needs over the planning period. RCW 36.70A.070(2)(a)	Updated in new Housing Analysis
Identification of sufficient land for housing, including but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, group homes, and foster care facilities. RCW 36.70A.070(2)(c)	Will do in conjunction with Land Use Element
Adequate provisions for existing and projected housing needs for all economic segments of the population. RCW 36.70A.070(2)(d)	Update
Any city or county planning under RCW 36.70A.040 may enact or expand affordable housing incentive programs providing for the development of low-income housing units through development regulations or conditions on rezoning or permit decisions, or both, on one or more of the following types of development: Residential; commercial; industrial; or mixed-use. RCW 36.70A.540 , New in 2006	Update
If the city has a population of over 20,000: provisions for accessory dwelling units (ADUs) to be allowed in single-family residential areas. RCW 36.70A.400 , RCW 43.63A.215(3)	Addressed
Policies so that manufactured housing is not regulated differently than site-built housing. RCW 35.21.684 , 35.63.160 , 35A.21.312 , and 36.01.225 , Amended in 2004	Update
PSRC Vision 2040	Response
Include provisions to increase housing ¹ production opportunities, including diverse types and styles for all income levels and demographic groups (MPP-H-1 through 9).	Addressed

¹ Housing: Jurisdictions should describe provisions and actions for meeting regional and local housing goals and targets, including affordable housing. Information should also address implementation strategies and actions, as well as monitoring programs for addressing housing goals and targets.

<p>Include provisions to address affordable housing needs (MPP-H-1 through 9).</p>	<p>Addressed</p>
<p>State how regional housing objectives in VISION 2040 are being addressed, including housing diversity and affordability, jobs-housing balance, housing in centers, and flexible standards and innovative techniques (H-Action-1 and 2).</p>	<p>Addressed</p>
<p>Countywide Planning Policies</p>	<p>Response</p>
<p>H-1 Address the countywide need for housing affordable to households with moderate, low and very-low incomes, including those with special needs. The countywide need for housing by percentage of Area Median Income (AMI) is:</p> <p style="padding-left: 40px;">50-80% of AMI (moderate): 16% of total housing supply</p> <p style="padding-left: 40px;">30-50% of AMI (low): 12% of total housing supply</p> <p style="padding-left: 40px;">30% and below AMI (very-low): 12% of total housing supply</p>	<p>Update</p>
<p>H-2 Address the need for housing affordable to households at less than 30% AMI (very low income), recognizing that this is where the greatest need exists, and addressing this need will require funding, policies and collaborative actions by all jurisdictions working individually and collectively.</p>	<p>Update</p>
<p>H-3 Conduct an inventory and analysis of existing and projected housing needs of all economic and demographic segments of the population in each jurisdiction. The analysis and inventory shall include:</p> <ol style="list-style-type: none"> a. Characteristics of the existing housing stock, including supply, affordability and diversity of housing types. b. Characteristics of populations, including projected growth and demographic change. c. The housing needs of very-low, low, and moderate-income households. d. The housing needs of special needs populations. 	<p>Done with new Housing Analysis</p>

<p>H-4 Provide zoning capacity within each jurisdiction in the Urban Growth Area for a range of housing types and densities, sufficient to accommodate each jurisdiction’s overall housing targets and, where applicable, housing growth targets in designated Urban Centers.</p>	<p>Will do in conjunction with Land Use Element</p>
<p>H-5 Adopt policies, strategies, actions and regulations at the local and countywide levels that promote housing supply, affordability, and diversity, including those that address a significant share of the countywide need for housing affordable to very-low, low-, and moderate-income households. These strategies should address the following:</p> <ul style="list-style-type: none"> a. Overall supply and diversity of housing, including both rental and ownership. b. Housing suitable for a range of household types and sizes. c. Affordability to very-low, low-, and moderate-income households. d. Housing suitable and affordable for households with special needs. e. Universal design and sustainable development of housing. f. Housing supply, including affordable housing and special needs housing, within Urban Centers and in other areas planned for concentrations of mixed land uses. 	<p>Update</p>
<p>H-6 Preserve existing affordable housing units, where appropriate, including acquisition and rehabilitation of housing for long-term affordability.</p>	<p>Addressed</p>
<p>H-7 Identify barriers to housing affordability and implement strategies to overcome them.</p>	<p>Update</p>
<p>H-8 Tailor housing policies and strategies to local needs, conditions and opportunities, recognizing the unique strengths and challenges of different cities and sub-regions.</p>	<p>Addressed</p>
<p>H-9 Plan for housing that is accessible to major employment centers and affordable to the workforce in them so people of all incomes can live near or within reasonable commuting distance of their places of work. Encourage housing production at a level that improves the balance of housing to employment throughout the county.</p>	<p>Update</p>

<p>H-10 Promote housing affordability in coordination with transit, bicycle, and pedestrian plans and investments and in proximity to transit hubs and corridors, such as through transit-oriented development and planning for mixed uses in transit station areas.</p>	<p>Update</p>
<p>H-11 Encourage the maintenance of existing housing stock in order to ensure that the condition and quality of the housing is safe and livable.</p>	<p>Addressed</p>
<p>H-12 Plan for residential neighborhoods that protect and promote the health and well-being of residents by supporting active living and healthy eating and by reducing exposure to harmful environments.</p>	<p>Will do in conjunction with Land Use and Natural Environment Elements</p>
<p>H-13 Promote fair housing and plan for communities that include residents with a range of abilities, ages, races, incomes, and other diverse characteristics of the population of the county.</p>	<p>Update</p>
<p>H-14 Work cooperatively among jurisdictions to provide mutual support in meeting countywide housing growth targets and affordable housing needs.</p>	<p>Addressed</p>
<p>H-15 Collaborate in developing sub-regional and countywide housing resources and programs, including funding, to provide affordable housing for very-low, low-, and moderate-income households.</p>	<p>Addressed</p>
<p>H-16 Work cooperatively with the Puget Sound Regional Council and other agencies to identify ways to expand technical assistance to local jurisdictions in developing, implementing and monitoring the success of strategies that promote affordable housing that meets changing demographic needs. Collaborate in developing and implementing a housing strategy for the four-county central Puget Sound region.</p>	<p>Update</p>

<p>H-17 Monitor housing supply, affordability, and diversity, including progress toward meeting a significant share of the countywide need for affordable housing for very-low, low, and moderate income households. Monitoring should encompass:</p> <ul style="list-style-type: none"> a. Number and type of new housing units. b. Number of units lost to demolition, redevelopment, or conversion to non-residential use. c. Number of new units that are affordable to very-low, low-, and moderate-income households. d. Number of affordable units newly preserved and units acquired and rehabilitated with a regulatory agreement for long-term affordability for very-low, low-, and moderate-income households. e. Housing market trends including affordability of overall housing stock. f. Changes in zoned capacity for housing, including housing densities and types. g. The number and nature of fair housing complaints and violations. h. Housing development and market trends in Urban Centers. 	<p>Update</p>
<p>H-18 Review and amend, a minimum every five years, the countywide and local housing policies and strategies, especially where monitoring indicates that adopted strategies are not resulting in adequate affordable housing to meet the jurisdiction's share of the countywide need.</p>	<p>Update</p>
<p>Growing Transit Communities Compact (Council adopted R-5024)</p>	<p>GTC Compact primarily addresses high-capacity transit (rail or bus). Could focus primarily on Totem Lake Urban Center or could also include other centers.</p>
<p>11. Assess current and future housing needs in transit communities.</p>	
<p>12. Minimize displacement through preservation and replacement.</p>	
<p>13. Increase housing support transit-dependent populations.</p>	
<p>14. Implement a TOD property acquisition fund.</p>	
<p>15. Expand value capture financing as a tool for infrastructure and affordable housing.</p>	

16. Make surplus public lands available for affordable housing.	
17. Leverage market value through incentives.	
18. Implement regional fair housing assessment.	

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CHARTING A FUTURE COURSE

◆ **RELATIONSHIP TO THE FRAMEWORK GOALS** ◆

The **Housing Element** highlights the following Framework Goals:

- ✓ **FG-1 Maintain and enhance Kirkland’s unique character.**
- FG-2 Support a strong sense of community.
- ✓ **FG-3 Maintain vibrant and stable residential neighborhoods and mixed-use development, with housing for diverse incomes, ages, and lifestyles.**
- FG-4 Promote a strong and diverse economy.
- FG-5 Protect and preserve environmentally sensitive areas and reduce greenhouse gas emissions to ensure a healthy environment.
- FG-6 Identify, protect and preserve the City’s historic resources, and enhance the identity of those areas and neighborhoods in which they exist.
- FG-7 Encourage a sustainable community.
- FG-8 Maintain and enhance Kirkland’s strong physical, visual, and perceptual linkages to Lake Washington.
- FG-9 Provide safety and accessibility for those who use alternative modes of transportation within and between neighborhoods, public spaces, and business districts and to regional facilities.
- FG-10 Create a transportation system which allows the mobility of people and goods by providing a variety of transportation options.
- FG-11 Maintain existing park facilities, while seeking opportunities to expand and enhance the current range and quality of facilities.
- FG-12 Ensure public safety.
- FG-13 Maintain existing adopted levels of service for important public facilities.
- ✓ **FG-14 Plan for a fair share of regional growth, consistent with State and regional goals to minimize low-density sprawl and direct growth to urban areas.**
- ✓ **FG-15 Solve regional problems that affect Kirkland through regional coordination and partnerships.**
- FG-16 Promote active citizen involvement and outreach education in development decisions and planning for Kirkland’s future.
- ✓ **FG-17 Establish development regulations that are fair and predictable.**

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A. INTRODUCTION

EXISTING CONDITIONS

Kirkland is a largely residential community, as housing remains the City’s predominant land use. About 64 percent of the City’s land area is devoted to residential uses. In the early 1990s, about half of the housing in Kirkland was single-family homes. That has dropped to just 45 percent of the City’s housing over the past 10 years¹. We have also seen an increase in mixed-use developments that combine housing with other uses, such as office and retail. The City has a wide variety of other housing styles including zero lot line, townhomes, multifamily flats, and accessory dwelling units (also known as mother-in-law apartments). Neighborhoods are well established and are one of the City’s most desirable assets. Numerous neighborhood associations and homeowners’ associations contribute to the livability of the community.

Just as there are a variety of housing types in Kirkland, there are a range of housing densities – from large residential estates of close to one acre in size near Bridle Trails State Park to over 100 units per acre in some Downtown condominiums and apartments, where the number of units is limited only by the building envelope allowed on the site. The City’s most dense neighborhoods are Totem Lake and Moss Bay, which includes Downtown, where a high proportion of the housing is multifamily units.

FUTURE NEEDS

Critical housing needs facing Kirkland from 2004 to 2022 include the preservation of neighborhood quality, the creation and retention of housing that is affordable, and the provision of housing for residents with special needs.

Kirkland’s future will also include the need to accommodate additional growth. The challenge will be to find ways to develop additional housing that is com-

patible with existing neighborhoods and the environment. While much of the new housing will be located in existing areas of higher densities, other housing will occur in predominantly low-density residential neighborhoods as infill. The Housing Element contains goals and policies designed to promote and protect neighborhood quality as growth occurs.

The City’s role in ensuring neighborhood quality will be to provide a compatible mix of land uses in and around residential areas, and to ensure that the physical elements inherent in a well-designed neighborhood are maintained and established. The Land Use and Housing Elements work together to achieve these goals.

In addition to preserving the character of neighborhoods while providing for growth, Kirkland faces the weighty challenge of supplying housing affordable to all economic segments of the population. The issue of affordable housing reaches most people in a community, since the quality of life in a city is tied, to a large extent, to the ability of its residents to find the kind of housing they desire at a price they can afford.

Affordable housing is generally discussed in two contexts: that of “affordability” in general, or how well the general population can afford a home, and that of “affordable housing,” which is defined as housing affordable to all economic segments of the community. Housing is affordable if a household spends no more than 30 percent of monthly income for total housing cost (including costs such as taxes, insurance, and utilities).

In 2000, about one third of the City’s residents earned less than 80 percent of median income and faced considerable difficulty in affording housing. According to the 2003 Kirkland Housing Needs Analysis, prepared by A Regional Coalition for Housing (ARCH), Kirkland’s current housing market is most lacking in providing rental housing units priced appropriately for low-income households (those earning zero to 50 percent of median income) and ownership housing priced appropriately for median-income households (earning 80 – 120 percent of median income). Therefore, the Housing Element promotes policies designed to:

1. Housing data does not include the 2011 annexation of Finn Hill, North Juanita, and Kingsgate.

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- ◆ Increase the supply of rental units affordable to low-income households; and
- ◆ Increase first-time homeowner opportunities for moderate-income households.

In comparison to Countywide averages, Kirkland in 2003 is home to relatively few persons with special needs. While this may be true for a number of reasons, one reason is likely to be the lack of appropriate housing. A range of strategies to address this problem is contained in the Housing Element.

In the spring of 2000, the City Council appointed a Housing Task Force to examine and make strategy recommendations in five issue areas: market provision of affordable housing, innovative housing styles to increase housing supply and affordability, transit-oriented development, preservation of existing affordable housing, and subsidization of affordable housing. The Task Force's recommendations on these issues are incorporated in the goals and policies contained in the Housing Element. The goals and policies are interrelated to, and must be balanced with, those included in the other Comprehensive Plan Elements. The location, density, and design of housing is intended to serve community objectives such as affordable housing, housing affordability, environmental quality, support for transit, and the effective use of existing public facilities and utilities. Overarching all of these objectives is a need to increase awareness of housing issues in our community.

B. THE HOUSING CONCEPT

Issue
#1

The central goal of the Housing Element is to preserve neighborhood quality while improving housing opportunities for all residents. To accomplish this, the Element:

- ◆ Promotes neighborhood quality through the continuation of the existing residential land use pattern, and through the application of standards where infill development occurs to ensure compatibility;

- ◆ Provides for diversity in housing types and options to serve all economic segments and those with special housing needs; and
- ◆ Supports the creative use of land where greater residential capacity can be achieved, while protecting environmentally sensitive areas.

C. HOUSING GOALS

Issue
#2

Goal H-1: Maintain and enhance the unique residential character of each City neighborhood.

Goal H-2: Promote the creation of affordable housing and provide for a range of housing types and opportunities to meet the needs of all segments of the population.

Goal H-3: Provide for greater housing capacity and home ownership opportunities.

NEIGHBORHOOD QUALITY



North Kirkland Community Center Park

As the Vision Statement and Framework Goals describe, Kirkland's citizens consider the preservation and enhancement of neighborhoods to be strong community values.

Kirkland encompasses many distinct neighborhoods that can be differentiated on the basis of density, age of structures, size of detached homes or multifamily structures, and a variety of visible features. The City's

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neighborhoods, with their own unique residential characters, offer a choice of living environments. This diversity adds to the community's ability to meet a wide variety of residential needs.

The following goals and policies are designed to ensure that new development meets the high standards for livability of Kirkland neighborhoods, and that the preferred community character is preserved.

Goal H-1: Maintain and enhance the unique residential character of each City neighborhood.

Policy H-1.1: Retain the character of existing neighborhoods by incorporating neighborhood character and design principles into standards for new development.

Because change will take place in all neighborhoods between 2004 and 2022, design standards for new development to be incorporated into existing neighborhoods will be important to the preservation of neighborhood quality. Standards should address how new development, particularly when sited on smaller lots or at greater densities than surrounding development, can occur in a manner compatible with existing neighborhood character.

These standards can encourage structures to integrate sensitively with the surrounding area by addressing issues such as scale and bulk, setbacks which reinforce those of surrounding residences, as well as landscape buffers where appropriate.

Issue
#3

HOUSING DIVERSITY

This Element contains policies designed to address the housing needs of all Kirkland residents, who vary greatly in terms of income and personal need.

Housing Affordability

The policies strive to improve housing affordability at all income levels, and emphasize a combination of appropriately zoned land, regulatory incentives, finan-

cial subsidies, and innovative planning techniques, in order to ensure that the needs of moderate-income and low-income persons are adequately served. Housing for these groups is least likely to be provided by the private housing market.

Kirkland's population within each of the defined income groups (based on King County median income) in 2000 was as follows:

- ◆ Low-Income Households: Households making up to 50 percent of median income (\$26,500 or less annually)
 - Percent of Kirkland's population in 2000: 15 percent
- ◆ Moderate-Income Households: Households with incomes between 50 percent and 80 percent of median income (\$26,501 to \$42,500 annually)
 - Percent of Kirkland's population in 2000: 16 percent
- ◆ Median-Income Households: Households with incomes between 80 percent and 120 percent of median income (\$42,501 to \$63,800 annually)
 - Percent of Kirkland's population in 2000: 21 percent
- ◆ Above-Median-Income Households: Households with incomes above 120 percent of median income (above \$63,800 annually)
 - Percent of Kirkland's population in 2000: 48 percent

As these figures show, nearly one third of the City's residents fall within the low- and moderate-income categories. This is about the same proportion as in 1990, although there has been a shift in the upper-income categories. In 2000, about seven percent more households earned more than the median income and about five percent fewer households were in the median income category.

In 2000, 71 percent of Kirkland's lowest-income households, those earning \$20,000 per year or less, paid more than 35 percent of their income toward

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housing costs. It is known that as households overpay to this extent, they may be forced to forgo other necessities, or be unable to save to buy a home because their housing expenses consume such a large portion of their income.

Typically, the lower the household income, the greater percentage of income is paid to housing costs. The higher percentage of income paid toward housing, the more vulnerable a household is to actually losing their housing if someone in the household loses a job, suffers a medical emergency, or incurs some other major expense. As a result, these households may become homeless, displaced, or reside in overcrowded or substandard housing.

The vast majority of housing affordable to low- and moderate-income families in Kirkland, as in most communities, is rental housing. This housing is typically multifamily. In 2000, just over 60 percent of the City's rental housing was affordable to moderate-income families, including about 16 percent that was also affordable to low-income families.

While housing affordability does not appear to be as great a problem among Kirkland's higher-income residents, meeting the needs of the higher economic segments of the population with housing they can afford serves those at the lower levels as well.

For example, potential first-time home buyers earning incomes over 80 percent of median income but less than 100 percent of median find it difficult to purchase a home in Kirkland without some form of assistance. These groups may be forced to remain in rental housing and to delay home purchases. Increasing rents, in turn, make it even more difficult for them to save down payments, thus further delaying plans for home purchases.

These individuals or families may then displace the lower-income groups in the rental market, by paying higher rents than would otherwise be charged, if appropriate lower-cost housing were available for them in the ownership market. Consequently, the supply of rental housing is restricted and rents are inflated to a point out of reach for the lowest-income families.

The housing needs analysis identified moderate-income first-time home buyers as one of the groups least served by Kirkland's housing market. Greater housing choices and opportunities can be provided for this group.

Special Needs Housing

Issue
#6

Policies aimed at meeting the demand for special needs housing of residents are also included. These approaches generally include providing funding, research, and coordination assistance to social service agencies providing housing to these populations, as well as adding flexibility to the City's land use policies and regulations to provide a greater range of housing options that may meet the demands for special needs housing.

Short-term special needs housing is needed to provide shelters for victims of domestic violence, or transitional housing for homeless families, for example. Long-term housing with appropriate supportive services, such as single-family homes shared by adults with developmental disabilities, apartments adapted to serve the frail elderly, or efficiency units for the mentally ill, are also needed to prevent the cycle of homelessness.

Goal H-2: Promote the creation of affordable housing and provide for a range of housing types and opportunities to meet the needs of all segments of the population.

Policy H-2.1: Strive to meet the targets established and defined in the Countywide policies for low- and moderate-income housing as a percentage of projected net household growth.

The targets established by the Countywide Planning Policies maintain that housing plans for Kirkland must be designed to provide for:

- ◆ Seventeen percent of growth in new households affordable to moderate-income households; and
- ◆ Twenty-four percent of growth in new households affordable to low-income households.

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These targets have proven to be a challenge to meet. While market conditions and existing plans have been fairly successful in providing rental housing for moderate-income households, low-income households have not been well served by either the rental or home ownership markets. Policies contained in this Element are designed to provide more and a broader range of housing opportunities for these groups. The City should track its progress toward meeting these goals and consider additional tools or strategies if appropriate progress is not being made.

Policy H-2.2: Allow the development of accessory dwelling units on single-family lots. Regulatory guidelines should minimize procedural requirements, but should address neighborhood compatibility.

Accessory units are promoted as a means to achieve affordable housing and increased density in existing neighborhoods by more efficiently using the existing housing stock. Accessory units can help to meet the need for low- and moderate-income housing by opening up surplus space on single-family lots.

Income from these units can help residents in a variety of situations, as well as help to preserve the City's existing housing through supplementing upkeep costs, thereby extending the livability of a dwelling.

In 1995, Kirkland adopted regulations to allow accessory dwelling units on all single-family properties. Since that time, over 80 accessory units have been approved. These have included units built within existing houses, units built over detached garages, and separate structures.

Policy H-2.3: Promote the provision of affordable housing by private sector residential developments.

Special incentives for the development of low- and moderate-income housing should be used as a means to promote the provision of these units by private or nonprofit developers. Kirkland's existing programs which provide density bonuses for affordable housing could be expanded, and other types of incentives also should be explored. Approaches such as expedited permit processing, permit and impact fee waivers,

flexible site and development standards, tax exemptions, the allocation of Community Development Block Grant and general funds to write down project costs, inclusionary zoning, and other techniques should be evaluated.

Policy H-2.4: Provide affordable housing units when increases to development capacity are considered.

Many rezones and height increases result in increased development capacity. This can result in additional value to property owners and an opportunity to create affordable housing at little or no cost to the owner. The economic value of the increased capacity should be compared to the economic cost of providing affordable units when evaluating if affordable housing should be required.

Policy H-2.5: Ensure that affordable housing opportunities are not concentrated, but rather are dispersed throughout the City.

The bulk of housing affordable to low- and moderate-income households is multifamily. Nevertheless, opportunities for affordable housing, and special-needs housing, may occur in single-family neighborhoods through infill, accessory units, or group homes. These housing options should be dispersed throughout the community and integrated into neighborhoods. This distribution will ensure a wider range of housing options for Kirkland residents.

Policy H-2.6: Streamline the City's development review and approval processes, while ensuring that the integrity of the planning process is not compromised.

Since time is a critical factor in financing development projects, a reduction in the time needed to receive City approval can result in savings to housing providers. Adding certainty to the development review process will also help to promote residential development.

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Policy H-2.7: Create flexible site and development standards which balance the goals of reduced housing development costs with other community goals.

Site and development standards affect many direct development costs, such as infrastructure, land, and building costs. Street widths, setbacks, curb and sidewalk requirements, and parking standards are some of the residential standards that may affect costs. Standards that allow alternative approaches to site and building design may provide cost savings. Some combination of a prescriptive standard that is permitted outright and an optional performance standard may be desirable to balance the desire to minimize costs and maintain quality.

Policy H-2.8: Preserve, maintain, and improve existing affordable housing through assistance to residents and housing providers.

The City's Housing Repair program supports the preservation of both the owner-occupied and rental housing stock through grants and loans for housing repair and rehabilitation. Community Development Block Grant (CDBG) funds and City funds are also allocated to housing providers to acquire and rehabilitate emergency and transitional housing facilities, as well as permanent low- and moderate-income housing development and homeownership programs.

Due to the high land values prevailing in the City, and the resulting difficulty developers face in producing new housing that meets the needs of low- and moderate-income residents, assistance to enable rehabilitation of existing housing may be one of the most effective strategies to maintain and produce affordable housing in Kirkland. Another benefit of rehabilitation is that it is less likely to change the appearance of neighborhoods.

Policy H-2.9: Continue to support the acquisition and creation of housing by private or nonprofit organizations, housing authorities, or other social and health service agencies for low- and moderate-income tenants.

Local resources can be a critical part of developing or preserving affordable housing. Efforts to identify po-

tential opportunities and resources, such as inventorying and possibly donating surplus public property, acquiring land, contributing Community Development Block Grant (CDBG) funds or City funds, and paying or waiving impact and permit fees and utility and infrastructure costs, can improve the feasibility of affordable housing projects.

This is especially true of housing for individuals and families who cannot afford housing created through the private market. Local resources are often required as a match for other public (County, State, federal) and private funding sources, and therefore work to leverage a significant amount of funding into Kirkland and the region that would otherwise not be available.

The City can also support affordable housing acquisition and development in indirect ways by working with local lenders to coordinate financing for projects, encouraging private and other public donation of resources, inventorying multifamily residential properties and encouraging preservation of those that are affordable, and working with the State Legislature to provide additional tax relief.

Policy H-2.10: Ensure that zoning does not unduly restrict group homes or other housing options for persons with special needs.

Special-needs housing can be provided in a variety of structures, such as single-family homes, group homes, multifamily dwellings, congregate care facilities, or other institutional settings. Flexibility in land use regulations to allow group homes and home-based care represents a significant opportunity available to the City to meet the demand for special needs housing. Barriers to creating these housing options, including extensive special review processes, should be avoided.

Policy H-2.11: Encourage and support the development of emergency, transitional, and permanent housing with appropriate on-site services for persons with special needs.

Sources of emergency and transitional housing include shelters, single-room occupancy hotels (SROs), group homes, congregate care facilities, and many of

VII. HOUSING

the other housing options discussed in the Housing Element. The City should continue to make funding available to social service agencies serving these special-needs populations, to facilitate their development and operation.

The City should work cooperatively with nonprofit agencies or the private sector to site special-needs housing while helping neighbors to understand the role of special-needs housing in the community and the requirements of the Federal Fair Housing Law.

Policy H-2.12: Cooperate at a regional level to increase the base of both public and private support necessary to address local housing needs.

Communities within King County should work together to address shared housing needs, since housing needs and solutions cross jurisdictional boundaries. They should work cooperatively on a regional housing finance strategy that allows sharing resources to support affordable and special needs housing throughout east King County.

Similarly, efforts to reduce housing costs through streamlining and flexibility in regulation should be coordinated with neighboring jurisdictions. Kirkland lies within a regional housing market, and cost reductions in Kirkland alone will not affect affordability significantly elsewhere in the region. Proactive leadership by Kirkland can encourage participation and action by other cities, thus promoting greater affordability throughout the Eastside. Reducing the percentage of income devoted to housing costs will improve the quality of life for low- and moderate-income families, and enable residents to contribute to other regional goals, such as schools and transit.

Policy H-2.13: Support efforts to achieve a geographic balance in siting special-needs housing throughout the City and region, including support of housing in jurisdictions that serve residents from elsewhere on the Eastside.

Generally, special-needs housing should be dispersed throughout the region. Funds set aside by Kirkland to provide this type of housing should be considered for projects both in Kirkland and elsewhere on the East-

side. Similarly, projects serving special-needs populations from Bellevue, Redmond, and other Eastside communities should be sited in Kirkland when appropriate.

Some clustering of special-needs housing may be appropriate when proximity to public transportation, medical facilities, or other basic services is necessary.

HOUSING CAPACITY

At an average density of 6.5 dwelling units per residential acre citywide, Kirkland's residential densities are relatively high for a suburban community. Nevertheless, the City contains many neighborhoods developed at lower densities (three to five dwelling units per acre). In 2003, Kirkland had 22,100 housing units, capacity for a total of 28,000 units, and a 2022 Growth Target of 26,800 units.

As noted in the Housing Diversity section of this Element, greater opportunities for home ownership may be created through smaller lots and more varied housing types. In addition, cost savings are generally associated with smaller lots and revised development standards. The savings obtained through reducing the amount of street, sidewalk, water, sewer, and other utilities needed for each home may be reflected in the initial purchase price as well as ongoing maintenance and services costs to both the home owner and the public.

Goal H-3: Provide for greater housing capacity and home ownership opportunities.

Policy H-3.1: Provide additional capacity for single-family development through allowing reductions in lot sizes where surplus land exists on underdeveloped parcels.

As Kirkland has become more fully developed in recent years, residential development trends have included a shift away from large subdivisions to "infilling" of vacant and underdeveloped lots within existing neighborhoods.

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The City already allows slight reductions in the required lot size as one method to accommodate more housing on existing residential land while helping to avoid suburban sprawl. Further lot size reductions would increase capacity in areas already served by transit and other public utilities and services. This should only be considered where compatibility with surrounding neighborhoods can be ensured through site and building design.

Policy H-3.2: Allow a broad range of housing and site planning concepts in single-family areas to increase housing supply and choice, to reduce cost, and to ensure design quality and neighborhood compatibility.

Clustering and innovative housing types may include cottages, compact single-family, zero lot line, clustered and common wall housing. These development styles can allow for more environmentally sensitive site planning by concentrating development on the most buildable portion of a site while preserving natural drainage, vegetation, and other natural features. Similarly, allowing zero lot line or other design innovations in these areas can further help to lower land and development costs.

In addition to environmentally sensitive areas, innovative housing types may be appropriate on sites throughout the City's single-family neighborhoods. The demographics of our population are changing, with the average number of people living in each housing unit decreasing and the average age increasing. Cottage, compact single-family and common-wall housing can provide more housing on the same land area, in smaller structures that better match the needs of our population. In addition, housing affordability can be improved through reduced construction costs resulting from smaller or common-wall development.

In all cases, design standards are important to ensure that new development is integrated sensitively with its neighbors. Greater attention to building and site design, such as building bulk, roofline variation, garage and parking location, and landscaped buffers can enhance aesthetic appeal and neighborhood compatibility.



The Park at Forbes Creek Apartments

Policy H-3.3: Allow for the maintenance and redevelopment of existing developments that do not conform to current density standards in planned multifamily areas.

A number of multifamily structures exist within the City that are built at densities above those planned for their sites. These structures provide a valuable source of close-in and often affordable housing to Kirkland residents. In order to retain the housing capacity and affordability provided by these units, property owners should be allowed to maintain, remodel, or rebuild these structures, while retaining their existing densities. Restrictions on unit size should be considered as a means to maintain affordability.

Draft Vision Statement (As of 03/18/2014)

Kirkland

is one of the most livable cities in America. We are a vibrant, attractive, green and welcoming place to live, work and play. Civic engagement, innovation and diversity are highly valued. We are respectful, fair, and inclusive. We honor our rich heritage while embracing the future. Safe, walkable, bikeable and friendly neighborhoods are connected to each other and to thriving mixed use activity centers, schools, parks and our scenic waterfront. Convenient transit service provides a viable alternative to driving. Diverse and affordable housing is available throughout the city. Kirkland strives to be a model, sustainable city that values preserving and enhancing our natural environment for our enjoyment and future generations.

Draft Guiding Principles (to replace Framework Goals)

Livable

Quality of life: safe and well-maintained neighborhoods with convenient access to parks, recreational facilities, the waterfront, community gathering places, excellent schools, and nearby services.

Diverse and Affordable: neighborhoods containing homes and businesses for a variety of incomes, ages and life styles.

Community Design: High quality and attractive architectural design and landscaping, and preservation of historic buildings and sites.

Sustainable

Ecological: natural systems and built structures that protect and enhance habitats, create a healthy environment, address climate change and promote energy efficiency.

Economic: a vibrant economy offering choices in living wage jobs, businesses, services and entertainment throughout the community.

Social: health and human services that fulfill the basic needs of all people without regard to income, age, race, gender or ability.

Connected

Sense of Community: community involvement in government, schools, civic events and volunteer activities creating a sense of belonging through shared values.

Accessible: safe, well maintained and extensive systems of roads, bicycle routes, pedestrian paths, and transit corridors for all users that interconnect neighborhoods and connect to the region.

Technology: reliable, efficient and complete systems for residents and businesses to be connected, informed and involved.

II. NEEDS ANALYSIS SUPPLEMENT: KIRKLAND

This report supplements information provided in the *East King County Housing Analysis*. Its purposes are to: highlight demographic and housing data for Kirkland that varies from the material presented in the first part of the *Housing Analysis*; describe potential housing issues in different neighborhoods; and summarize housing programs utilized by the city.

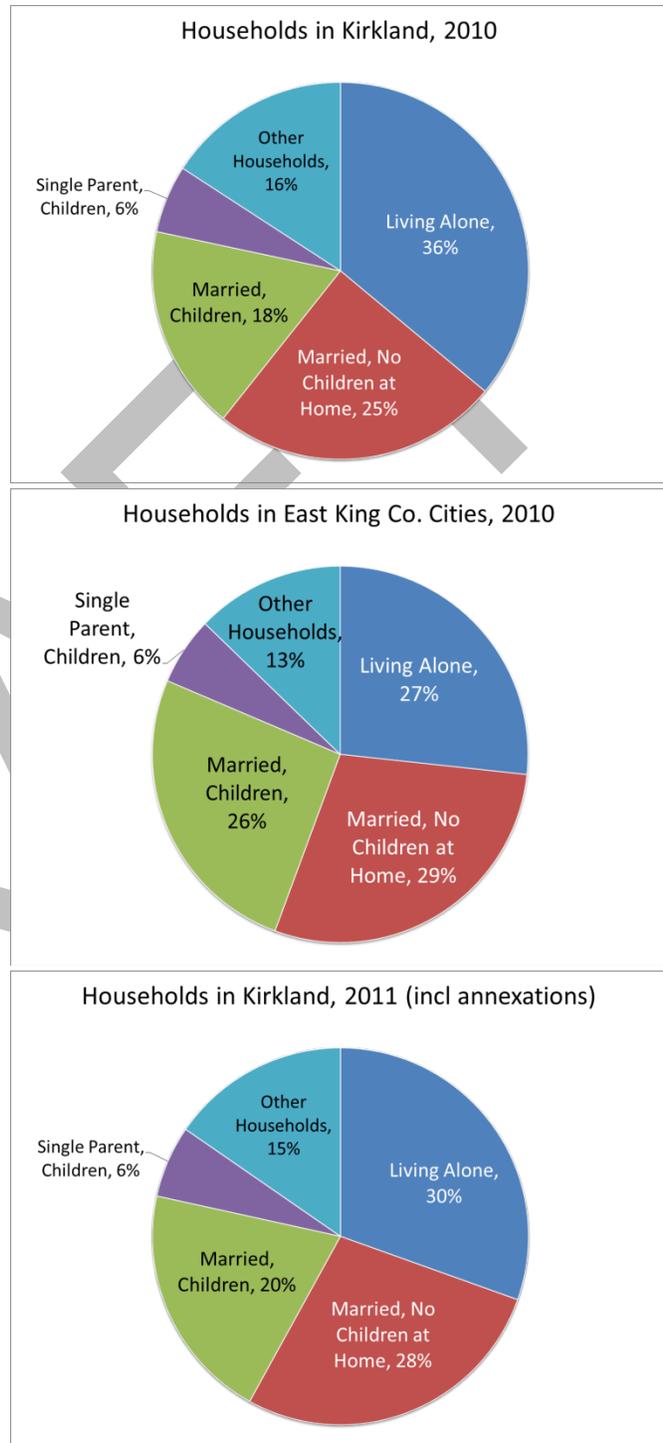
LOCAL DEMOGRAPHIC-HOUSING DATA

Housing Demand

Kirkland grew modestly from 2000 to 2010, a total of 8% in population change, compared to 15% growth across East King County (EKC) cities¹ (Appendix, **Exhibit A**). The big change, of course, occurred the following year when two large areas (Juanita-Finn Hill and Kingsgate, or “J/F/K”) were annexed, boosting the city an additional 73% (using 2010 figures). The city is now the second largest and has 19% of the total population of EKC cities.

An interesting phenomenon about the J/F/K annexations is that the *annexed areas brought Kirkland’s demographics more in line with those of East King County*. Household types provide a good example. Among EKC cities, *Kirkland before annexation had the highest proportion (36%) of people living alone and the lowest percentage of married*

CHART K-1 Household Types



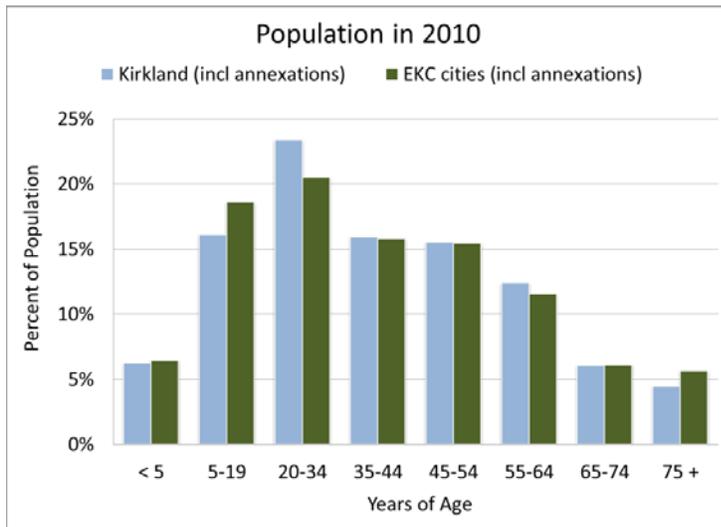
Source: U.S. Census Bureau (2010)

¹ In this section, “EKC cities” and “Eastside” are used interchangeably, and always refer to the same cities of the ARCH program. “EKC” is also used at times for brevity, although “EKC cities” would be more precise.

families (43%; Appendix, Exhibit B). After annexation, Kirkland is still distinctive in both categories, but much closer to the other cities (**Chart K-1**). Both the city and the Eastside overall have 58% of households either living alone or married with no children at home.

Population age data correspond to household types in Kirkland. Compared to other EKC cities, *Kirkland has the second largest percentage of younger (age 20 to 44) adults and, along with Redmond, the smallest percentage of school-age children (Chart K-2).* With respect to older adults, however, Kirkland is very similar to the rest of the Eastside. Those 55 or older increased

CHART K-2 Population Age



Source: 2010 U.S. Census

from 17% in 1990 to 19% in 2000, and 23% in 2010 (Appendix, **Exhibit D-2**). Ethnically, Kirkland is less diverse than the rest of the Eastside, but becoming more so. Kirkland’s white population dropped to 76% as EKC’s fell to 68%. Other Eastside communities gained more Asians, rising from 12% to 19% overall, while the city’s Asians increased from 8% to 11% (Appendix, **Exhibit E-1**). Likewise, foreign-born populations grew faster—from 17% to 25% across the Eastside—than Kirkland (14% to 19%). People of cultures other than our dominant culture may look for different types or patterns of housing, but the differences between Kirkland’s diversity and that of Redmond and Bellevue may be due more to the higher concentrations of tech-related jobs in those cities (more discussion below).

Curiously, 32% of the group quarters population of all EKC cities reside in Kirkland, twice the percentage Kirkland has of the overall Eastside population (Appendix, **Exhibit K-2**).

The city will also want to be aware of a significant increase in counts of homeless children in the Lake Washington School District. Whether because of better record-keeping or actual increases, LWSD reported 69% more homeless school children in the 2011-12 school year than five years earlier, and 43% more than just two years prior (Appendix, **Exhibit K-6**).

Following the pattern of similarities to EKC cities, 16% of households had incomes below 50% of the countywide household median (\$35,300 in 2011) and 52% had incomes greater than 120% of the median (\$84,700; Appendix, **Exhibit F-1**). The poverty rate (6%) is also the same as EKC overall (Appendix, **Exhibit G-3**). On the other hand, the city’s median income increased 47% since 2000, not adjusting for inflation, more than any EKC city except Issaquah (50%) and the Point Cities.

*“Housing cost-burden”² is also virtually the same (36%) for Kirkland renters as the rest of EKC cities (Appendix, **Exhibit H-1**). The rate is much lower, however, in pre-annexation Kirkland (33%) than in the annexed areas (41-42%).* The same holds true at the higher level of “severe cost burden” (Appendix, **Exhibit H-4**). Severe cost burden among renters was lower in the city before annexation, and the combined city has a rate (15%) closer to that of EKC cities (18%).

As mentioned in Section I (**Chart 5**), East King County’s jobs-housing ratio³ increased from well below 1.0 in 1970 to 1.3 in 2006, and Kirkland’s ratio increased along with it, achieving the 1.0 standard. Looking ahead to the year 2031, however, *the city’s expected employment growth would pull the jobs-housing ratio to about 1.25* (Appendix, **Exhibit I**).

As with many of the other factors mentioned here, Kirkland’s employment profile is similar to EKC as a whole (Appendix, **Exhibit J-1**). The two exceptions in 2011 were the Services sector—50% in Kirkland versus 60% in all EKC cities—and Government: 12% in Kirkland and 7% across EKC. Also with respect to wages, Kirkland appears to be typical for the Eastside (Appendix, **Exhibit J-2**) Redmond’s Services⁴ sector wages (\$122,529) are so high that they skew the averages, but Kirkland’s Services wage is the third highest after Yarrow Point and Bellevue.

Housing Supply

Kirkland’s housing stock had been majority multi-family since the 1980s; but the J/F/K areas (roughly three-quarters in single-family homes) brought the “new” city to 54% detached dwellings—exactly the same percentage as EKC overall (Appendix, **Exhibit L-1**). Similarly, homeownership before annexation was 57%, and after annexation 64%, compared to 65% across EKC cities (Appendix, **Exhibit L-3**). Note, however, that *multi-family housing has been gaining in the annexed areas as well as “old” Kirkland, while homeownership has been rather steady throughout*. Since 1992, 58% of the city’s housing permits went to multi-family homes, almost exactly the same as the EKC cities’ total (59%; Appendix, **Exhibit L-2**).

During the first period of Growth Management Act (GMA) growth targets (1992-2012) Kirkland’s growth exceeded its housing target (Appendix, **Exhibit R-2**). Likewise, the city’s growth outpaced the target rate for the first ten years of the 2001-2022 period. The city’s 2006-

² See Section I, page I-10 for definitions of cost-burdened and severely cost-burdened.

³ Jobs-housing balance is a figure developed to indicate the ratio of housing demand from local workforce to the local supply of housing. A ratio of 1.0 means there is an amount of housing equal to the demand for housing from the local workforce. A ratio higher than 1.0 means there is a greater demand for housing from the workforce than there is available housing. This analysis assumes that each household has 1.4 workers; or in the converse, each job creates demand for about .714 housing units.

⁴ The average does not include public-sector wages. The “services” sector includes jobs in Information, Professional, Scientific and Technical Services Management of Companies and Enterprises, Administrative and Support and Waste Management and Remediation Services, Educational Services (private-sector), Health Care and Social Assistance, Arts, Entertainment and Recreation, Accommodation and Food Services, and Other Services (except Public Administration).

2031 target, however, is much more aggressive (even before annexation), and *due in large part to the recession, permits have been slower than the target's annual average.*

Kirkland's housing is a little older than the rest of the Eastside. Fifty percent (50%) of the city's units were built before 1980, compared to 45% in all EKC cities (Appendix, **Exhibit O**).

The city has permitted its share of accessory dwelling units: 22% of those in EKC cities since 1994 (Appendix, **Exhibit Q-1**), compared to 23% of all housing units.

Average home sales prices in Kirkland dropped 25% from 2010 to 2012, compared to a 5% decline across East King County cities; and the average price in Kirkland was 82% of the countywide average in 2012, including condominiums (Appendix, **Exhibit P-1**). Eighty-eight percent (88%) of Kirkland homeowners in 2010 reported their home values to be higher than affordable for a median-income family; 4% were affordable for a moderate-income family (80% of median income; Appendix, **Exhibit M-2**).

Meanwhile, rent prices in the "Kirkland" market rose 25% since 2000, tying it with Mercer Island for the highest average rent on the Eastside. Rents also rose 16% in the "Juanita" market (Appendix, **Exhibit P-2**). *Sixteen percent (16%) of the city's rental units were affordable to a household making 50% of the median income* in 2010 (low-income, or \$42,800 for a family of four), and 59% affordable at 80% of median (moderate-income, \$68,500)—again, exactly the same as EKC cities as a whole (Appendix, **Exhibit M-2**). But *only 2% of the city's multi-family housing built since 1994 was affordable to low-income households* when new (Appendix, **Exhibit N-2**).

In summary, Kirkland was, before annexation, distinguishable by lots of one-person households and few married households, and many young adults and renters. After annexation, Kirkland is more like the rest of the Eastside on all these counts. Regardless of annexation, the city has notable signs of rising wages and housing prices, as well as housing cost burdens and homelessness.

SUMMARY OF LOCAL HOUSING STRATEGIES

The following categories come from the Housing Element in Kirkland's 2004 Comprehensive Plan.

Neighborhood Quality

The City and each neighborhood, save those annexed in 2011, have developed and adopted neighborhood plans that define neighborhood character and design standards.

Housing Diversity

This category of the Housing Element encompasses housing affordability and special needs housing as well as housing (structure) types for households of any kind.

- The City has permitted a variety of innovative developments in an attempt to maximize housing choices by:
 - Creating regulations for Cottage, Carriage and Two/Three Unit Homes.
 - Allowing Residential Suites in the Central Business District and Totem Lake,
- The zoning code provides that special needs housing is treated the same as similar single-family or multi-family structures, as per state law.

The City has taken aggressive steps since 2004 to expand affordable housing opportunities, especially in multifamily and mixed-use zones outside the CBD:

- Low-, moderate-, or middle-income housing is required as a portion of new multifamily developments in many neighborhoods, with density bonuses provided.
- Density bonuses are offered as incentives for voluntarily providing affordable housing in multifamily developments in the Houghton Community Council area, where the mandatory requirements do not apply.
- Multifamily property tax exemptions are offered in all areas where mandatory affordable housing is required
- Multifamily property tax exemptions are offered as an added incentive where affordable housing is not required, such as the CBD.
- The city also grants partial impact fee and permit fee waivers, as well as dimensional standard modifications, for affordable housing.

The City has also encouraged housing diversity through the following actions:

- Allowing Accessory Dwelling Units (attached and detached) in all residential neighborhoods, with over 120 ADUs permitted from 1996 through 2012.
- Donating a site to Habitat for Humanity to develop two homes affordable to moderate income households.
- Contributing to the ARCH Housing Trust Fund to help preserve or create over 2,900 units with over 1,900 of low-income affordable housing and close to 1,000 units of moderate-income housing. Almost 400 units have been funded within Kirkland. This has included housing for families, seniors, persons with special needs and homeless persons.

Housing Capacity

The City has undertaken several projects to increase housing capacity since 2004, including:

- Allowing housing on the site of the South Kirkland Park and Ride.
- Adopting new Rose Hill and Totem Lake Business District Zoning with affordable housing required in exchange for additional building height.
- Creating allowances for small lot single family development in residential zones and preservation of historic residences.

- Adopting Low Impact Development regulations to allow flexibility in site design and encourage more natural storm water control.

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