



CITY OF KIRKLAND
Planning and Building Department
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MEMORANDUM

To: Kurt Triplett, City Manager

From: Adam Weinstein, Planning & Building Director
Dawn Nelson, Planning Manager
Mike Stanger, Senior Planner, A Regional Coalition for Housing (ARCH)

Date: September 20, 2021

Subject: Adopt Interim Affordable Housing Targets for Kirkland

RECOMMENDATION:

Adopt the attached Resolution, which would establish interim affordable housing targets for Kirkland based on the "City-wide Need" model presented at the September 7, 2021 City Council meeting.

BACKGROUND:

As discussed in the memorandum prepared for the [September 7, 2021 City Council meeting](#), the City's Housing Strategy Plan, adopted in 2018, identifies a number of monitoring activities to follow-up on policies identified in the plan, including: tracking general housing supply and costs; monitoring City regulations and policies that support affordable housing; and identifying new affordable housing best practices and trends in other communities. On September 7, Council expressed support for establishing an affordable housing target that would assist the City in tracking the production of affordable residential units over time, and identifying resource needs to meet the target. Such a target would also assist the City in planning efforts surrounding the 2044 Comprehensive Plan Update, and would further a goal adopted in the 2021-2022 City Work Program: "adopt and track affordable housing targets for low income and moderate income residents as determined by the Area Median Income (AMI) for the City to implement the Housing Strategy Plan."

Adopting an affordable housing target would also assist the City's efforts surrounding Resolution 5434, affirming Black lives matter and making Kirkland a more safe, inclusive, and welcoming community, as the lack of affordable housing disproportionately affects households of color. In 2017, of 36,126 households in the City, 10,641 households (29 percent of the total) were "housing cost burdened," spending more than 30 percent of their income on housing. At that time, 29 percent of white households in Kirkland were cost-burdened, while 59 percent of black households were cost-burdened. Please refer to Attachment 1 to the September 7 memorandum, the King County Regional Housing

Dashboard, for information on affordable housing indicators in Kirkland, along with demographic information and a summary of housing policies enacted by the City. At the September 7 meeting, City Council discussed three affordable housing target options:

1. Countywide Need model, which assumes provision of sufficient housing within different income brackets based on the distribution of households in those income brackets County-wide.
2. King County Affordable Housing Plan model, which assigns Kirkland a proportionate share of the County-wide affordable housing need of 244,000 net new affordable units, based on the County’s 5-Year Action Plan for affordable housing.
3. City-wide Need model, which ascertains the existing need for affordable housing among Kirkland’s cost-burdened households, and then assumes proportional cost burden (and need for affordable housing) in the future with an expanded population.

Council decided to pursue the third option, the City-wide Need model, under which there would be a unit of housing that is affordable for every cost-burdened household in 2044. The intended outcome of achieving this target would be to eliminate the cost-burden of all households expected to be cost-burdened in 2044. Council noted that this model best reflects local conditions in Kirkland and progress towards the targets could be updated annually based on data from the U.S. Department of Housing and Urban Development (HUD) and other sources. Adoption of the City-wide Need model (Table 1) with a target of 12,474 units would be accomplished by adopting the attached Resolution.

Table 1: City-wide Need

Household Income	Cost Burdened Households (spending 30-49% of gross income), 2017	Severely Cost Burdened Households (spending 50%+ gross income), 2017	Estimated Cost Burdened Households, 2017	Percent of Income Group	Estimated Cost Burdened Households Affordable Unit Deficit, 2044
<=30% AMI	274	2,735	3,009	91%	4,374
31% - 50% AMI	935	1,285	2,220	74%	3,227
51% - 80% AMI	1,584	615	2,199	64%	3,196
81% - 100% AMI	929	225	1,154	45%	1,677
Total	3,722	4,860	8,582		12,474
Total Units Needed (less than 100% AMI) Per Year, 2017-44					462

AMI = Area Median Income; Source: 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) 5 year Estimates; King County Proposed Housing Growth Targets; Office of Financial Management.

NEXT STEPS:

After the County Council adopts the Countywide Planning Policies (expected in December 2021), the King County Affordable Housing Committee will continue meeting in 2022 to identify affordable housing targets for cities and/or subregions within the County and unincorporated lands, taking into account the Regional Affordable Housing Task Force methodology and other approaches. If the County ultimately adopts affordable housing targets for cities, those targets for Kirkland could replace or supplement the ones selected by Council for interim use. The resolution also requires that the affordable housing target be revised during every major Comprehensive Plan update (or if new conditions warrant) if a King County target is not set.

Also, over the next several months, Staff will be working on two follow-up items related to affordable housing targets:

- Once the King County Affordable Housing Committee makes further progress on identifying affordable housing targets, and the Committee's recommendation advances to the Growth Management Planning Council, staff will prepare a letter for the consideration of City Council that would support the County's adoption of affordable housing targets on the subregional or jurisdictional level.
- Overseen by the Resilience and Technology Officer, the Planning & Building Department will be constructing a housing dashboard that will track the City's progress against the interim affordable housing targets adopted by the City Council and present other data, including on the construction of market-rate units and progress increasing the supply of Accessory Dwelling Units (ADUs), cottages, and other types of "missing middle" housing in the City.