

City of Medina HOUSING ACTION PLAN

June 2023



AN ATWELL COMPANY

ACKNOWLEDGEMENTS

The Housing Action Plan results from many months of dedicated work by The Blueline Group and City of Medina staff. Stakeholders and other public members also provided their time and effort.

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Right, Construction in Medina.
Source: Medina City Staff





ACKNOWLEDGEMENTS

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Left, Medina Home. Source: Betty Padgett, Blueline

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Shown above is a Medina home originally built in 1954 on the market in May 2023 for \$3.2 million.

Source: 2023 Northwest Multiple Listing Service

PREFACE & DISCLAIMER

This Housing Action Plan (HAP) is made possible by a grant administered by the Washington State Department of Commerce through Engrossed Second Substitute House Bill 1923, commonly referred to as HB 1923. The bill, passed in 2019, was intended to encourage cities to increase residential building capacity for underserved populations.

The HAP is a study of local issues and possible alternatives that the City could consider. The strategies in this document were developed from the PRSC Housing Toolkit, the Washington State Department of Commerce recourses, and the Local Housing Solutions Toolkit. This HAP, and the broad, high-level, best practices and possible strategies outlined in this HAP are not directives; rather, they can serve as a framework for and can be used as a resource to help facilitate further discussion, analysis, and problem-solving for housing solutions. Next steps and final action would be directed by the City Council, in consultation with the community at-large and with advice from the Planning Commission. The City Council, at its option, could update the HAP from time to time, to reflect the changing needs of Medina residents.

Please note that this HAP was developed prior to the housing action bills that were passed by the Washington State legislature and signed by Governor Inslee on May 8, 2023, and, therefore, may not fully reflect the State's newest mandates.

CITY'S MESSAGE

The Housing Action Plan (HAP or Plan) is one of the City of Medina's tools for understanding some of the best practices for increasing housing options and affordability in our community, which could help achieve the vision of a more vibrant, inclusive, and equitable future. Meaningful changes in Medina's local development code could encourage the construction and reconstruction that addresses the broad range of Medina's housing needs; however, this will also take continued participation of Medina's housing and human services partners. Therefore, the Housing Action Plan complements and relies upon the City's collaborations, partnerships, commitments, and plans.

VISION STATEMENT

Medina is a family-friendly, diverse and inclusive community on the shores of Lake Washington. With parks and open spaces, Medina is a quiet and safe small city, with active and highly-engaged residents. Medina honors its heritage while preserving its natural environment and resources for current and future generations.



REPORT ORGANIZATION & PLANNING PROCESS

PURPOSE AND INTENT

In late 2021, the City of Medina had identified that some long-term residents (especially those on fixed incomes) were at risk of displacement, due in part to increased property taxes caused by increased property values, as well as the expense of repairing and maintaining older houses, and that smaller homes that could be affordable for a greater variety of incomes were not being built in Medina. In order to study the challenges and identify possible strategies and solutions, the City of Medina applied for grant funding allocated by the Washington State Department of Commerce and funded through the Engrossed Second Substitute House Bill (E2SHB) 1923. The bill was designed to grant funding for municipal research to increase the urban residential capacity in cities by evaluating local housing needs and determining actionable steps municipalities can take to improve housing stock, diversity, and affordability to proactively plan for housing that meets current and future needs.

The purpose of the HAP is to develop a single report that describes the current situation, defines community needs, analyzes projected needs, and identifies a menu of some strategies and implementation actions that promote greater housing opportunities at all income levels. The report does not evaluate or reach a conclusion about whether these possible strategies are appropriate for Medina. Next steps and any final action for the City of Medina would be directed by the City Council, in consultation with the community at-large with advice from the Planning Commission.

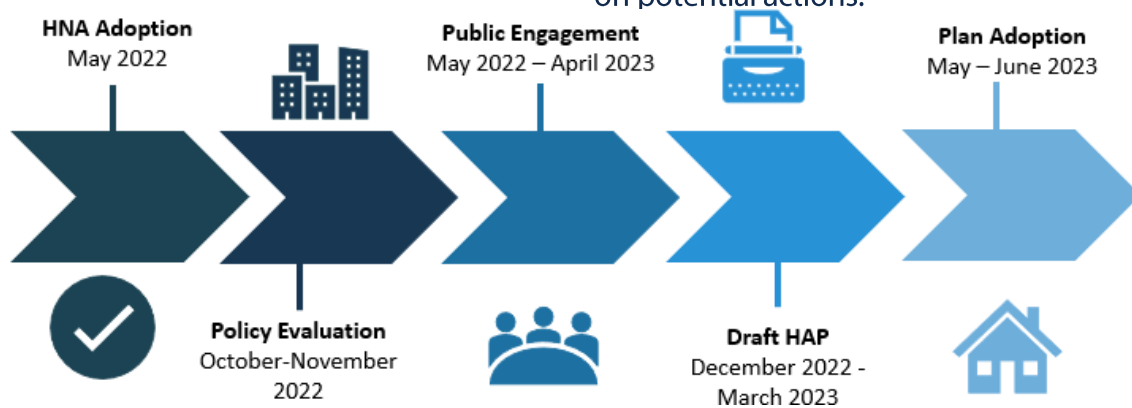
THE PLANNING PROCESS

The City of Medina worked with the community, local stakeholders, and consultants to gather data and understand different perspectives of housing needs, barriers, and concerns to prepare the HAP. Medina initially began the HAP process by conducting the Housing Needs Assessment (HNA) using valid data sources from government and private entities to evaluate (1) who lives in Medina, (2) how affordable is the housing, and (3) whether existing residents continue to afford to live here. Data was taken from sources such as the American Community Survey, Puget Sound Regional Council, Washington State Office of Financial Management, and Zillow. The HNA draft was completed and presented to City Council in April 2022. After the HNA was completed, the City initiated a public participation process to gain firsthand perspectives of how housing pressures are experienced by residents. A community survey was performed using SurveyMonkey, an online survey tool. Everyone in the City of Medina was invited to

participate between May 30th and July 25th, 2022. The community survey was available both electronically and via hard copies in Medina City Hall. Advertising occurred on the city’s website and social media pages. 154 respondents responded to 31 questions about housing in Medina.

Two groups of stakeholders were identified by City staff to give in-depth feedback on the HNA and provide their input on future housing development in Medina. Stakeholders were selected based on their history in Medina, and familiarity with the development and construction of housing in Medina, as well as current and past participants in local governance who self-identified as having an interest in the future of development in Medina. A group of community stakeholders attended virtual sessions with City staff in July and September 2022, and a group of technical stakeholders attended a separate virtual session with City staff in August. Finally, an open house was held in April 2023 encouraging anyone in the community to visit City Hall to ask questions, review data, and provide feedback on potential actions.

FIGURE 1: THE PLANNING PROCESS



ORGANIZATION OF THIS REPORT

This Housing Action Plan report is broken down into the following components:

Introduction (Part 01)

Investigations & Findings (Part 02)

- **Housing Needs Assessment (HNA):** A report summarizing key data points on community demographics, employment and income, housing conditions and affordability, and an analysis of the gaps in housing serving different income bands (Appendix C).
- **Public Engagement Summary:** A summary of the public engagement activities, efforts, and feedback generated from the public and stakeholders. The summary includes a description of each of the engagement events or activities and a synopsis of overarching themes (Appendix D).

Regulatory Review, Housing Toolkit & Strategies (Part 03)

A discussion of the possible HAP strategies and objectives, evaluated in the context of Medina’s existing regulations and its 2015 Comprehensive Plan policies, as well as incentive programs, and partnerships that support housing. This section includes an analysis of existing housing policies and tools in place that help support the development of housing in relationship to community needs.

This section (Part 03) also includes Housing Actions: A discussion of possible housing actions the City could consider. This section includes a list of potential policies, programs, regulations, and incentives specifically selected based on the community’s development pattern, demographics, affordability needs, and characteristics.

Implementation Plan (Part 04)

A discussion of implementation considerations, as well as proportionality and gaps in funding.

Monitoring Plan (Part 05)

A discussion of the ways the City could monitor and maintain the housing plan it adopts.



Medina's corner "green store" is the only grocery store in Medina. It has been a staple in the community since it opened in 1908, connecting and serving people from all walks of life for over 100 years.

Source: University of Washington Digital Libraries, A.J. Harding (1989).

PART
01
INTRODUCTION

As cities across the Puget Sound Region continue to grow at historic rates, they have also become less affordable, particularly for residents who have called the Pacific Northwest home for generations and lower-income populations. As cities have struggled to keep pace with growing populations, people have been priced out, or displaced, and some have experienced homelessness.

In addressing the housing crisis, the Washington State Legislature passed HB 1923 in 2019, a bill to increase the housing supply in cities across the state. Under this new legislation, cities have been encouraged to take action to increase residential building capacity and promote the development of new housing to address affordability issues and prepare for the periodic Comprehensive Plan Housing element update. One option for cities under this bill is to develop a *Housing Action Plan* (HAP). The Statute¹ states that the goal of any such housing plan must be to encourage the construction of additional affordable and market-rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes. It should also include strategies that address the for-profit single-family home market.

Medina is no exception in experiencing the impacts of the housing crisis, with nearly one-fifth of Medina households being cost-burdened,

meaning they spend over 30 percent of their household income on housing alone. Renter households are disproportionately affected. Half of Medina's renter households are cost burdened; and one-third third are severely cost-burdened or spending over 50 percent of their income on housing. Homeownership affordability is also a critical issue in Medina with median-priced homes costing approximately \$2,858,000 in 2019 requiring a monthly income of \$47,400 to be considered affordable. While about 99% of the city's housing stock is single-family homes, because the market forces continue to drive up the price of land, and because there is a consistent downtrend in the number of homes in the city, there are significant concerns that life-long residents cannot continue to afford to live in Medina. Seniors are especially vulnerable to displacement because their fixed retirement and social security incomes often do not allow them to keep pace with and meet the demands of inflation, increased property taxes, and the cost of maintaining and repairing older homes. This along with more information was discovered when the City produced its *Housing Needs Assessment* (HNA), which is contained in the appendix of this document.

With further population and housing growth in the region anticipated, and considering Medina's proximity to key transportation corridors, the unavailability of raw land, and an inability to annex new lands into the city's limits, Medina is at a critical point in planning for housing, for current and future residents, which is why the City has prioritized the creation of this *Housing Action Plan* (HAP).

1 See RCW 36.70A.040

With the baseline data of its current housing needs measured within the HNA and through input from the public, it will be important for the City to monitor the projected growth over the next few years and proactively ensure that the housing needs of current and future populations are met. The HAP identifies three possible strategies that could help guide decisions of current and future Council as they consider the future of housing in Medina:

1. PREVENT HOUSING INSTABILITY AND DISPLACEMENT
2. INCREASING THE HOUSING STOCK AND VARIETY
3. PROACTIVE HOUSING PLANNING FOR FUTURE RESIDENTS

The first strategy realizes the need to prevent housing instability and displacement for homeowners and renters. Results from the Public Engagement Summary (Appendix D) align with a primary reason why the City began the HAP process, which is a concern that resident seniors are experiencing the most hardship in housing costs.

Recommended actions are intended to encourage the preservation and rehabilitation of the existing housing stock, and to provide financial and educational resources for homeowners and renters with an emphasis on affordable rental units. Medina's renters are over twice as likely to experience cost burdens than homeowners and may need relief. Life-long or long-term homeowners may also need relief in order to remain in Medina. Outside funding would have to be identified to achieve some of these actions.

The intention of this strategy (prevent housing instability and displacement) would be to provide immediate support to existing residents with limited changes to the Municipal Code and regulatory process.

The second strategy (increasing the housing stock and variety) acknowledges that, through changes to the City's code, the City could help incentivize smaller, denser housing types and remove some barriers to building more affordable units below 80 percent Average Median Income (AMI). While market forces play a major role in determining the price of land and the affordability of a housing unit, there are other factors that also determine the final cost, such as construction, materials, permitting, and development fees. Additionally, smaller forms of housing units are less expensive to develop than larger forms, and developers could pass along their development saving to renters and buyers.

It is not necessary to incentivize the development of additional large, single-family homes: single family homes take up more land per unit and the reduction of available lands increases the cost of vacant or redevelopable lands.

Finally, the third strategy (proactive housing planning for future residents) is offered as a way to proactively plan for the population and housing growth projections anticipated in 2044 by Washington State and King County. The third strategy acknowledges that Medina may need to look and operate differently in the future to meet the requirements of the Growth Management Act, and Medina's codes may need to be updated accordingly. While the market will determine when and if properties are redeveloped, the City can, through its development code, help shape what, how, and where future housing units are developed and accommodate housing that is more affordable to different income bands. The City is encouraged to collaborate with the community, seek solutions from industry, and work with governmental agencies and other partners to

Identify sources of funding to and consider regulations for more affordable housing, incentives, and policies increasing investment by developers in developing and the availability of homes that are more affordable to different income bands.

To achieve these strategies, the City is encouraged to consider the recommended actions included in this report, see *Part 3*. Each action is prescribed to serve certain income level(s), intracity geographical area(s), and type(s) of households. The sections describing the actions are followed by an implementation plan and monitoring program that can lay the framework of the City's response to meeting its housing needs moving forward.



Medina once had primarily single-story homes that were attainable to those who wanted to become a Medina resident.

Source: King County Archives, 1944.

WHAT IS A HOUSING ACTION PLAN?

A housing action plan is an option tool, described in state law, for identifying strategies and actions a city can take to meet current and future housing needs. In particular, HB 1923: 1) encouraged cities planning under the GMA, like Medina, to undertake specific actions to increase residential building capacity¹ and 2) allocated grant funding to supplement the cost of creating a Housing Action Plan. The Washington State Department of Commerce is the administrator of these grants and helps municipalities navigate the requirements of the GMA and HB 1923. Medina received and has allocated some of these funds to develop this document.

As one of the first steps in the HAP process, Medina commissioned a Housing Needs Assessment (HNA) to understand and analyze the differences between the existing housing stock and the future housing needs in the city. Although Medina is wealthy – households in Medina have double the on-average income in King County – the cost of housing is also very high. 30% of Medina residents spend more than one-third of their income on housing. This cost burden is felt most heavily by extremely low-income Medina residents (or those who make 30% of the Area Median Income (AMI)² or less). The HNA data show Medina residents in the lowest income bands could benefit from policy changes that make housing more affordable.

1 See Appendix E

2 Income ranges in this document are based on Area Median Income (AMI): This term commonly refers to the area-wide median family income calculation provided by the federal Department of Housing and Urban Development (HUD) for a county or metropolitan region. Income limits to qualify for affordable housing are often set relative to AMI. In this report, unless otherwise indicated, AMI refers to the HUD Area Median Family Income (HAMFI). The lowest income range referred to here are those making below 30 percent of the area's median income

What the Housing Action Plan does:

Housing Action Plans are designed to contain a review of the community's housing needs and objectives, an evaluation of existing strategies to understand gaps, and recommendations for solutions to be evaluated for use in that city. HAPs also set a potential policy direction for the City's review of and updates to the comprehensive plan, programs, and regulations that set the stage for housing creation and preservation.

Medina's Housing Action Plan was developed by:

1. Evaluating housing needs
2. Engaging with the community and stakeholders
3. Reviewing existing policies
4. Developing strategies guided by principles directly drawn from Washington State legislation.

What the Housing Action Plan does not do:

The HAP does not change policy directly. Instead, the HAP identifies where policy changes and improvements can be made to alleviate the housing stresses residents feel in the community. In addition, Medina does not act as a developer of housing.



Source: Commerce, 2020.

FIGURE 2: HOUSING ACTION PLAN AND THE GMA



Source: Commerce, 2020;
BERK, 2020.

ENSURING HOUSING FOR THE FUTURE

As housing costs in Medina continue to rise, there will be fewer opportunities for young and aging residents, and residents who are usual wage earners, to have housing stability. Medina is presented with two alternate futures. If Medina does not address the needs predicted by the HNA, long-term community members and their children will be forced out to seek housing elsewhere (which would likely drive-up housing prices in nearby communities), and other will find it increasingly difficult to afford to move into Medina. This could eventually drain the neighborhood-oriented community that has existed since the late 1800s. On the other hand, with thoughtful policies, Medina can avoid creating a burdened and increasingly unaffordable housing market that does not serve its community.

If Medina plans for the long-term, Medina can be well-positioned to honor the city's existing character while enhancing a strong sense of community by ensuring all residents can maintain safe, affordable, and high-quality housing.

BRIEF HISTORY AND CONTEXT

Medina occupies a peninsula in Lake Washington, across from Seattle to the west and bordered by Clyde Hill, Hunt's Point, and Bellevue to the east.

Historically, the Stillaguamish, Duwamish, Cayuse, Umatilla, and Walla Walla inhabited the area where Medina now sits¹ for at least twelve thousand years. The tens of thousands of people living in the area were organized into villages that took advantage of the rich marine and terrestrial resources. The many tribes who inhabited Puget Sound all spoke dialects

of the Puget Sound Salish language, facilitating the development of extensive economic and cultural networks. After European colonization, the United States Homestead Act of 1862 permitted settlers to claim land throughout the Western United States, which brought settlers to the Northwest area throughout the second half of the 1800s. Disease and displacement brought by colonization heavily impacted the native tribes, but the traditional culture remains in the Northwest². The City of Medina acknowledges that it is built on native land.

1 Native Land Digital. (2022). <https://native-land.ca/>

2 Watson, K. G. (1999) Native Americans of Puget Sound- A Brief History of the First People and Their Cultures. History Link.org <https://www.historylink.org/File/1506>

The Point Elliot Treaty of 1855 forced all Native Americans to move to reservations, and thus the area was vacant when the first white settlers arrived in the Medina area in the 1870s. Fruit farmers and wealthy landowners purchased properties along the Lake Washington shorelands to develop agricultural and residential areas in the late 1800s¹. Following the development of a ferry dock and roads by 1900, a grocery store, post office, and a one-room school opened. The community continued to grow alongside access from the west side of Lake Washington. A ferry began service to Medina in 1914, and a bridge opened in 1941. Before incorporation in 1955, the Medina Improvement Club was formed to develop infrastructure in the increasingly popular residential suburb. Growth in Medina subsided in the 1970s as spatial limits set by the lake and adjoining city boundaries coupled with community resistance to higher density or commercial development².

Over the last 50 years, an influx of wealth brought new prosperity to Medina. New technology industry residents have redeveloped homes in the area, juxtaposed against historic, smaller homes. The population has hovered around three thousand residents since 2000, bound by the limited quantity of developable land and the preferred single-family residential character. While Medina has maintained its low-density development pattern, the surrounding Puget Sound has experienced significant population increases.

With a growing population comes a need for more housing. Among many priorities, the Growth Management Act (GMA) was implemented to regulate growth while protecting the environment. As a result, cities like Medina are required to plan for future population increases thoughtfully. This document offers a strategic plan that would accommodate anticipated population growth in the region. Implementing the strategies in this document could support Medina in meeting all current and future housing needs.

1 Blueline, City of Medina. (2022). City of Medina Housing Needs Assessment, Appendix A

2 Dougherty, P. (2015) Medina- Thumbnail History. History Link.org. <https://www.historylink.org/File/1059>



Source: State Library Photograph Collection, 1851-1990, Washington State Archives.
Original images held at the Washington State Archives, Olympia, WA.



PART 02 INVESTIGATION & FINDINGS

The HAP document was prepared through collecting and analyzing community input, public data, and existing policies about Medina housing. Quantitative and qualitative public feedback was collected, with an effort to collect opinion from a broad cross-section of the community. Data from state and national sources were analyzed to find trends in housing cost, tenure, job availability, and many other aspects of the housing market. Policy analysis revealed where current legislation is performing and where possible legal gaps might be. After integrating the results of the housing assessments, suggested actions have been developed for consideration on how the City could fill the gaps between the City of Medina's current housing state and future housing needs.

SUMMARY OF FINDINGS

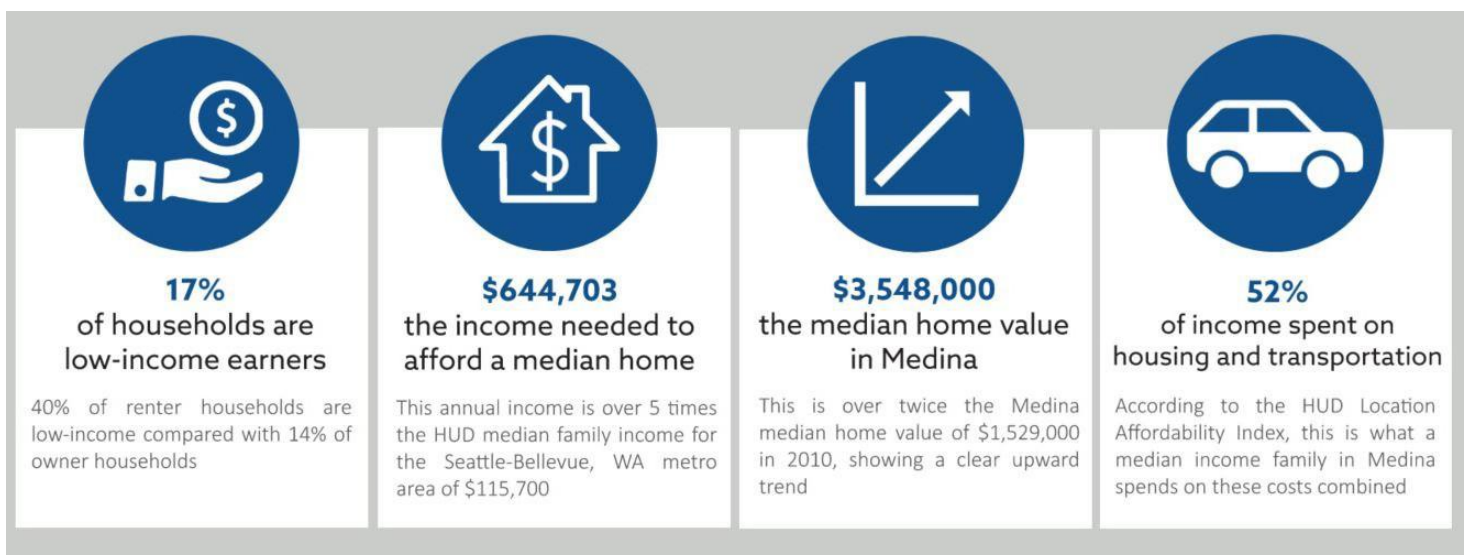
Housing Needs Assessment

The Housing Needs Assessment¹ showed that Medina's current development trend will not meet the city's needs in 2044. Compared to King County's demographics, there is a significant gap in the Medina population between 25 and 34 which could be due to the lack of housing affordable to this demographic. By comparing the size of households and the number of bedrooms per unit in Medina, there appears to be a lack of smaller units, those smaller units could provide more affordable housing

for smaller families. Perhaps most importantly, under Medina's current development regulations and because, as a fully developed and land-locked city, Medina does not have enough vacant or developable land to meet its 2044 growth targets. Medina must demonstrate zoned or planned capacity to meet these targets by the Comprehensive Plan update deadline of December 31, 2024. Although there are gaps between Medina's housing stock and what it will need to meet its 2044 housing target of 19, or 1,151 total new housing units, effective housing policies can create a housing market that meets community needs. The Housing Needs Assessment is included in the HAP under *Appendix C*.

¹ See Appendix A

FIGURE 3 HOUSING NEEDS SUMMARY



SUMMARY OF PUBLIC ENGAGEMENT

Connecting to People

Medina’s historical trends have encouraged a single-family residential development pattern, and community members feel that other types of residential development would disturb viewsheds, green spaces, and the current quality of life. The community recognizes the need for greater affordability but is not keen to change its housing character to meet affordability goals¹. The Public Engagement Summary is included in the HAP under *Appendix D*.

SHARING

Before public engagement began, a Housing Needs Assessment found gaps between current housing conditions and predicted future housing demand. The results of this assessment were presented at the Medina City Council and shared with stakeholder groups in the Summer of 2022. Engagement at community events, city staff communication, and Facebook page postings advertised survey efforts.

LISTENING

A series of meetings in Fall 2022 asked stakeholders to evaluate the recently issued Housing Needs Assessment and share how they thought more housing could be developed in Medina. These groups discussed current housing deficits and what aspects of Medina must be preserved in the future. A survey was distributed to community members over the summer of 2022 to collect community perspectives on housing issues and solutions.

1 See Appendix B

EXPLORATION

Housing policies that could help close future residential gaps in Medina were identified for further community discussion. Streamlining building and ADU permitting were explored to hasten infill development. Creating development incentives to increase the density in Medina through specific mixed-use areas, a multifamily area, and allowing more zero-lot-line developments were considered. A senior housing facility was explored as well.

STRATEGIZING

Strategies explored to alleviate pressure on Medina's housing market were shared with stakeholder groups. Technical stakeholders favored ADUs and streamlined permit processes and thought these strategies would face less community resistance than most other options to increase density. However, they advised that many lots already met lot coverage maximums. Creating new permitted uses and zones, such as multifamily and mixed-use areas, was seen as feasible, but stakeholders advised that implementation would be difficult. To fill the need for more affordable senior housing, a mixed-use senior facility and encouraging ADU development to provide passive income were both seen as ways to support the aging population. Stakeholder input was used to develop the housing policies proposed in this document.

Disclaimers

How Accurate is the Information?

A survey effort was undertaken to collect information on Medina's housing characteristics. The housing survey was designed to gather respondent profiles and their opinion on Medina's housing characteristics. Due to grant funding limitations and difficult access to underserved community members, this survey must be interpreted in the context of the sample it reached. A likely response, non-response bias, and several survey design issues, including rating sequence inconsistencies, lack of non-applicable options, and gaps in answer options, limited the survey. The significance of this survey is therefore limited to the sample it reached.



PART

03

HOUSING TOOLKIT & STRATEGIES

HOUSING STRATEGY DEVELOPMENT

This HAP is focused on three possible strategies: preventing housing instability, expanding housing supply and diversity, and improving affordability for future residents. Each strategy is anchored in a guiding principle inspired by lived experiences described in community engagement. Each strategy drives two primary goals, which serve as categorical parameters for subsequently recommended actions. As a part of the implementation, actions are ordered according to likely implementation.

Implementation is discussed further in *Part 4*.

STRATEGIES

The following is a summary of three strategies, each with goals and actions that have the most potential for success, given the community's unique needs, development pattern and history, and local perspectives. They strive to address housing supply, diversity, and affordability goals. The resulting actions are expected to work better when more than one is implemented; multiple actions can work together to encourage types of housing development with the greatest need.

STRATEGY A

Preventing Housing Instability and Displacement

Guiding Principle: *Retaining Our Existing Community While Opening Our Doors to Newcomers*

Due to dramatically rising housing costs, Medina must take action to minimize resident displacement if the city wishes to maintain its community. Although the city has a very high median household income—\$212,377 a year—a range of incomes exists within the city. Non-family households on average make \$53,571 per year. Lower-income people who have lived in Medina for a long time but can no longer afford to stay in their current home because of increased costs may be unable to find a housing alternative that allows them to remain in their communities. A variety of factors culminate in a risk of community displacement.

Although Medina households make significantly more money than the County at large, very high housing costs result in

cost-burdened households. Since 2013, home values in Medina have increased by more than 120%, with lower-tier homes outpacing the average home price increase. Although the median income in the County has increased significantly -- 35% over the same period -- this increase has not kept pace with the inflating cost of housing. These rising prices impact people acutely if they experience a loss of housing. A person who recently lost housing can find themselves without an option comparable to their old housing. This is especially true for those who earn less than 80% of the area's median income. Housing affordable to people in this group is likely very competitive: this group has significantly less housing available to them than those who earn more than the area median income. Seniors, for example, are on a fixed income and experience the brunt of increased property values and property tax rates. With property values in Medina consistently rising, seniors are especially vulnerable to displacement because they are unable to change their income.

Reasons beyond rising housing prices make preventing displacement a priority. Nearly two-thirds of the housing stock in Medina was built before 1989. Residents who live in these older structures face increasing repair and maintenance costs over time, accentuating cost burdens. The burden felt by renters in Medina is also significant, with 52% of renters being cost-burdened, and a third of all renters experiencing severe cost burdens. A renter who faces the loss of housing is likely to encounter obstacles in finding comparable housing.

Avoiding housing displacement will preserve the community, neighborly atmosphere that Medina residents have come to love. Only 56% of residents are satisfied with the costs of their housing, and nearly a third of residents are concerned about being able to live in Medina in the future. Residents recognize that housing costs are rising in their city, but they feel that measures to preserve affordability should not come at the expense of their current quality of life. Measures to prevent housing instability and minimize the displacement of vulnerable residents will help preserve the neighborhood character of Medina residents feel strongly about.

GOAL 1

Minimize Displacement of Vulnerable, Low-Income, Homeowners

- Action A.1.1 Preservation and Rehabilitation Incentives
- Action A.1.2 Foreclosure Resources
- Action A.1.3 Direct Household Assistance

GOAL 2

Support Low-Income Renters and Encourage Rental Developments

- Action A.2.1 Tenant Protections
- Action A.2.2 Fee Waivers or Reductions
- Action A.2.3 Direct Household Assistance
- Action A.2.4 Multifamily Tax Exemption
- Action A.2.5 Short-Term Rentals

STRATEGY B

Increasing Housing Stock and Variety

Guiding Principle: *Ensuring Different Kinds of Homes for Every Kind of Person.*

Based on the existing housing supply, 1,132 housing units, and the projected housing target of 1,151 units, an increase in density is a necessary consideration to meeting the 19 new housing units needed, especially considering that Medina does not have enough vacant or re-developable land to meet those 2044 growth targets under any of the existing Single Family Residential zones. Higher density housing forms that blend into existing low density residential developments, such as townhomes, duplexes, triplexes, and cottage homes, could provide a greater density of housing without compromising the existing feel of the city. Any opportunity for increased density and infill is a critical opportunity to provide more housing at potentially more affordable rates.

Creating affordable housing is critical to the region. In 2021, the median value of a home in Medina was \$3,548,000 and the bottom-tiered home values have increased by 147% since 2010, now valued at \$2,615,000. For these households, even home maintenance costs, let alone rent or mortgage payment costs – can be unaffordable.

Not only does an increase in density or “Middle Housing” have the potential to meet Medina’s housing growth target and provide more affordable units, but it can also meet the reported needs of older families and smaller households. Medina’s population skews older with an average age of 46.8 years old and over half of the older adults (62+) that are cost-burdened are low-income (<80% AMI). Additionally, Medina’s average household size is 2.73 persons. About 8% of the City’s

housing stock is a one- or two-bedroom unit even though over half of all households contain one or two people and small families make up the largest group of households that are cost-burdened.

Increasing the housing supply is a critical need for the city if it is to continue housing families and their children who have historically called it home. A wider variety of homes allow the people who have historically lived here to remain while accommodating the education and government workers that operate the city's municipal services. Increasing housing variety is necessary due to the limited buildable lands and high land values and is desirable because it can shape the future housing stock to naturally support people of different ages and incomes.

GOAL 1

Remove barriers in housing regulations to support a greater housing supply

- Action B.1.1 Infill Development
- Action B.1.2 Up-zoning
- Action B.1.3 Density Bonus
- Action B.1.4 Fee Waivers or Reductions
- Action B.1.5 Reduce Minimum Lot Sizes

GOAL 2

Legalize forms of Missing Middle Housing

- Action B.2.1 ADU
- Action B.2.2 Duplex
- Action B.2.3 Cottages
- Action B.2.4 Triplex
- Action B.2.5 Fourplex
- Action B.2.6 Townhome
- Action B.2.7 Live/Work Units

STRATEGY C

Proactively Plan for the Housing of Future Residents

Guiding Principle: *Meeting Housing Needs Now and Into the Future*

To meet the housing needs of all economic segments for current and future Medina residents, the City must ensure housing availability for those that are cost-burdened and in lower-income brackets. In Medina, renters experience the most financial strain, with 22% of renters being cost-burdened and 30% being severely cost-burdened. In 2019, the median rent in Medina was \$2,855 which was more than twice that of King County's median, \$1,606. About 71% of renters can afford the median rental cost, but consideration must be made to the households that struggle to afford rent.

As for extremely low- (earning less than 30% AMI) and very low-income (earning 30- 50% AMI) renter households, Medina lacks rental units to support existing residents within these income levels. There is a surplus of affordable units at the 50-80% AMI bracket which, if remained vacant for long enough, could potentially fill the need for rentals in lower brackets. However, King County's rental vacancy current sits at 3.3% and is

considered healthy but is trending towards scarcity and will lead to continued rental price inflation. Mixed-income housing may need to be introduced and codified in Medina to meet the needs of the various types of households that are low-income.

Another facet to consider is the combined costs of housing and transportation. Housing is considered affordable when no more than 30% of a household's income is spent on housing. In Medina, a very low-income individual spends 113% of their income on housing and transportation and a single-parent family spends 73% of their income on housing and transportation. Considering 96% of Medina's workforce lives outside the City, commuting is inevitable and an added cost of living. This leaves very little room for affording essentials like food let alone saving money for a down payment for a home.

The Growth Management Act requires Medina to plan for every economic segment existing within the city, and without additional regulations or programs supporting development of affordable housing the city will continue to struggle meeting the needs of residents earning below 50% of the household average median income (approximately \$106,000).

GOAL 1

Regulatory Support for Affordable Housing Development

- Action C.1.1 Affordability Covenants
- Action C.1.2 Inclusionary Zoning
- Action C.1.3 Down payment Assistance

GOAL 2

Encourage Affordable Housing through Incentives and Policies

- Action C.2.1 Credit Enhancement
- Action C.2.2 Local Programs to Help Build Missing Middle Housing
- Action C.2.3 Alternative Homeowners
- Action C.2.4 Strategic Marketing of Housing Incentives
- Action C.2.5 Permit Fee Waivers for Affordable Housing



Shown above is a duplex in southeast Portland, OR demonstrating that forms of middle housing can have a similar exterior appearance as a nominal single-family home.

Source: Sitaline Institutue, 2019.

ACTION SUMMARIES

Under these strategies, the City of Medina could continually build on resources, collaboration, and public understanding to improve the implementation of housing strategies. By establishing partnerships and collaborations with organizations that serve low-income households, the cities can ensure that they are directing their resources and enacting policies that best serve the people who need it most. The following section summarizes each of the potential actions with implementation and coordination considerations.

STRATEGY A: PREVENTING HOUSING INSTABILITY AND DISPLACEMENT

Action A.1.1 Preservation and Rehabilitation Incentives

Home rehabilitation assistance – City money, such as funds from the Sales and Use Tax, can be provided to low-income homeowners for critical repairs, weatherization, tree preservation services, and potential efficiency upgrades to keep homes habitable. These incentives preserve affordable homes in the community and help prevent displacement.

Action A.1.2 Foreclosure Resources

Foreclosure intervention counselors serve as intermediaries between homeowners and financial institutions to advocate for at-risk homeowners in need of budgeting assistance, refinanced loan terms or repaired credit scores. Cities can use a housing trust fund to support these programs, or community land trusts can step in to

purchase foreclosed property, helping to restore ownership for residents. The Washington State

Action A.1.1 Direct Household Assistance

Direct household assistance programs can be implemented through many different mechanisms, but they all provide monetary assistance directly to low-income renters, owners, first-time homebuyers, and any other vulnerable groups. Forms of assistance can include monthly rent and utility support, grants, or loans. This assistance can be distributed directly through the city or through partnerships with community-based organizations.

STRATEGY A: PREVENTING HOUSING INSTABILITY AND DISPLACEMENT

Action A.2.1 Tenant Protections

The City could adopt a comprehensive policy that expands the rights of tenants, especially as the number of renters in the city increases. A comprehensive policy to enhance tenants' protections should:

- Extend notice periods for rent increases; lease terminations; and the need to vacate due to renovations.
- Prohibit discrimination based on source of income.
- Require landlords to provide a summary of rights and past code violations to tenants.
- Create an option to pay security deposits and last month's rent in installments.
- Establish a relocation assistance program.

If this policy is adopted, the City could partner with community-based organizations to educate tenants and landlords of their rights and responsibilities. The City could also explore ways of providing funds to community-based organizations to serve as landlord-tenant liaisons that can enforce the policy. Money could be supplied from a housing trust fund. The trust fund could also be used to establish the relocation assistance program.

Action A.2.2 Fee Waivers or Reductions

Fee waivers reduce the up-front cost of construction for residential development, allowing the potential to increase housing supply in the City. Fees, such as impact, utility connection, and project review fees, can significantly increase the end cost of residential unit development. The City could establish a process to support fee waiver policies to increase housing supply and type. This could be done by creating standard guidelines that identify which housing type is eligible for fee waivers, a schedule to determine what portion of fees can be waived, and a formal application process for interested developers to request these funds. Outreach could be conducted to ensure developers are aware of these incentives.

STRATEGY A: PREVENTING HOUSING INSTABILITY AND DISPLACEMENT

Action A.2.3 Direct Household Assistance

Direct household assistance programs can be implemented through many different mechanisms, but they all provide monetary assistance directly to low-income renters, owners, first-time homebuyers, and any other vulnerable groups. Forms of assistance can include monthly rent and utility support, grants, or loans. This assistance can be distributed directly through the city or through partnerships with community-based organizations.

Action A.2.4 Multifamily Tax Exemption

A multifamily tax exemption (MFTE) is a waiver of property taxes to encourage affordable housing production and redevelopment in “residential targeted areas” designated by cities. The goal of MFTE programs is to address a financial feasibility gap for desired development types in the target areas, specifically to develop sufficient available, desirable, and convenient residential housing to meet the needs of the public. MFTE programs are designed to encourage denser growth in areas with the greatest capacity and significant challenges to development feasibility. The MFTE can be paired with inclusionary zoning to improve the financial feasibility of a project under affordability requirements. Cities can even limit MFTEs specifically to projects that solely contain income-restricted units to encourage affordability most effectively.

STRATEGY A: PREVENTING HOUSING INSTABILITY AND DISPLACEMENT

Action A.2.5 Short-Term Rentals

Short-term rentals are sometimes perceived to have a negative impact on the availability of housing for full-time residents, as investors may purchase properties to rent them to visitors and others with short-term needs. Transient rentals can create additional displacement risks within the community and facilitate related issues of housing supply. Some jurisdictions, particularly in places with higher levels of tourism and visitation, have taken steps to regulate or even ban short-term rentals in an effort to maintain existing housing stock to meet the needs of their residents.

While Medina's Municipal Code is currently silent on the matter, the city could start to regulate short-term rentals by requiring a permit to operate.

Additionally, city wide bans or a temporary moratorium could be issued to prohibit approval of short-term rental applications for large (4,000 square feet or more) single family residences. The intention of such actions is to discourage buyers from renting single family homes full time. Managing the percentage of rentals in the total housing stock will ensure single family housing will be available on the market for families seeking long-term homes.



A Detached Accessory Dwelling Unit (DADU) can often be used as a short term rental or a rental unit, however short term rentals do not support the workforce or renters, eliminating options for affordable, rental housing while still granting the property owner the ability to earn a supplemental income.

Source: Johnston Architects

STRATEGY B: INCREASING HOUSING STOCK AND VARIETY

Action B.1.1 Infill Development

Infill development is the process of developing vacant or underused parcels within existing urban areas that are mostly developed. This development process aims to combat urban sprawl by increasing housing supply and density near existing resources and infrastructure such as utilities and transportation services. Additionally, infill development works jointly with urban growth boundaries where designated growth limits of urban areas necessitate the infill. The city could encourage infill development by creating infill incentive programs or addressing barriers to development on small lots.

Action B.1.2 Up-zoning

Upzoning increases the allowable densities by relaxing the zoning code's bulk requirements or increasing floor area ratios². This reduces the cost per unit and increases supply, decreasing the pressure on rent or mortgages. The goals are to encourage denser development, increase housing supplies, and ultimately improve housing affordability and mobility for renters and homeowners. Upzoning would create more opportunities to increase housing supply and variety.

Action A.1.3 Density Bonus

Density bonuses are an incentive-based tool that allows developers to increase the maximum allowable development on a property, whether through increasing developed square footage or increasing the number of developed units to a greater amount than what is ordinarily allowed by the existing zoning code. In exchange for increasing density, the developer commits to help the City achieve public policy goals. Public policy goals can include a certain number of below-market or affordable units in the proposed development. The developer is then able to recoup some or all of the forfeited revenue associated with constructing affordable or below-market units. The City can provide density bonuses to encourage housing supply and housing types where existing amenities are within close proximity to the development.

² Medina does not presently use a floor area ratio model for structural coverage

STRATEGY B: INCREASING HOUSING STOCK AND VARIETY

Action B.1.4 Fee Waivers or Reductions

Fee waivers reduce the up-front cost of construction for residential development, allowing the potential to increase housing supply in the City. Fees, such as impact, utility connection, and project review fees, can significantly increase the end cost of residential unit development. The City could establish a process to support fee waiver policies to increase housing supply and type. This could be done by creating standard guidelines that identify which housing type is eligible for fee waivers, a schedule to determine what portion of fees can be waived, and a formal application process for interested developers to request these funds. Outreach could be conducted to ensure developers are aware of these incentives.

Action B.1.5 Reduce Minimum Lot Sizes

Minimum lot size refers to the minimum allowable portion of a parcel determined to be usable for the proposed structure, provided applicable development standards are met. Permitting development on small lots allow for a variety of housing types including townhomes, duplexes, or triplexes while increasing the overall housing supply in the City. Smaller lot sizes also promote affordability from requiring less land, fewer resources to build smaller homes, and drawing fewer municipal resources.

Action B.2.1 ADU

An ADU, or accessory dwelling unit, is a form of missing middle housing that is a small, self-contained residential unit located within, attached, or detached from an existing housing unit.

Action B.2.2 Duplex

A duplex is a stand-alone small form of missing middle housing with two dwelling units in a single structure on a single property. Often the two dwelling units have separate entrances. A duplex can vary in size, style, and form to blend in with the existing character and aesthetic of a neighborhood or community. This can be advantageous to increase housing supply and type without compromising the overall aesthetic of the community.

STRATEGY B: INCREASING HOUSING STOCK AND VARIETY

Action B.2.3 Cottages

Cottage Housing is a type of missing middle housing that generally allows for small 1 or 2 story houses that may be attached or detached and are recognizable are arranged around a common interior courtyard. Houses are small, generally 700-1,200sf. Those dimensions may naturally allow for moderate-income housing that is well suited to seniors and small families. They blend easily in single family neighborhoods, appear similar to two single family houses from the street, and fit well into large lots or assemblages of 2-3 small lots. These characteristics make cottage housing great for meeting both community character and housing supply goals.

Action B.2.4 Triplex

A triplex is a small to medium type of missing middle housing that includes three units in a horizontal row or stacked vertically on a parcel. These developments can vary in size, style, and form to match the existing character and aesthetic of a neighborhood or community.

Action B.2.5 Fourplex

A fourplex is a small to medium type of missing middle housing that includes four units in a horizontal row or stacked vertically on a parcel. These developments can vary in size, style, and form to match the existing character and aesthetic of a neighborhood or community.

Action B.2.6 Townhome

A townhome is a form of missing-middle housing that includes several units in a horizontal row or stacked vertically on a parcel. They can vary in size, shape, and form to be the most compatible to the existing character of a neighborhood or community. Many units share a wall with their neighbors. Like a single-family home, a townhome can provide both private living space and private yard space, yet it increases the housing supply of a city more than a single-family home.

Action B.2.7 Live/Work Units

Live/Work units are a type of missing middle housing designed to be used both as residential and commercial structures. Broadly, this can include any instance where people live and work in the same space, such as work from home offices. Often, live/work units are purpose built small to medium sized structures which consist of dwelling units above or behind a ground floor space that accommodates a range of commercial or office uses. This type of development is often specific to mixed use zones and allows an integration of economic and housing opportunities.

STRATEGY C: PROACTIVELY PLAN FOR THE HOUSING OF FUTURE RESIDENTS

Action C.1.1 Affordability Covenants

Affordability covenants are specific language in a property deed that restricts the sale of housing to a certain price and to a certain buyer group. These covenants can help ensure that housing is held in the same affordability bracket through multiple sales. Affordability covenants can take many forms, often catering to either the specific level of affordability which is to be preserved or the specific income group which is to be served. These covenants are often encouraged through partnerships between the city, non-profit organizations, and developers.

Action C.1.2 Inclusionary Zoning

Inclusionary zoning programs require developers to either provide affordable units within a development or provide an in-lieu fee. Projects with inclusionary requirements benefit from not having density limits, a 12-year Multifamily Tax Exemption (MFTE), reduced permit fees, and reduced impact fees. The policy directly creates affordable housing in a semi-standardized manner. The program could be improved

by tracking participation over time and adjusting incentives as needed. Finally, the requirements could be revised so that developers may offer fewer units in exchange for more 2- and 3-bedroom units suitable for families. Inclusionary zoning programs can also be tailored to target for-sale housing, requiring affordable for-sale units in larger developments. Affordable units provided through inclusionary zoning are deed restricted in perpetuity to preserve affordability.

Action C.1.3 Down payment Assistance

The Washington State Housing Finance Commission offers down payment assistance for income qualified people. The assistance typically involves a loan covering a portion of the down payment that is repaid when the house is next sold. Recipients are required to take a homebuyer education class in addition to meeting income requirements to qualify. The City can provide information on these programs to potential homeowners, especially low-income residents, and potential first-time homebuyers.

STRATEGY C: PROACTIVELY PLAN FOR THE HOUSING OF FUTURE RESIDENTS

Action C.2.1 Credit Enhancement

Credit enhancement programs make affordable housing projects more attractive for developer investment. The city could back loans or bonds for affordable housing projects, reducing the financing cost for the developer. In turn, the developer would place a form of affordability restriction on the housing units often for a limited period. This schema allows developers to maintain profit on affordable housing projects and provides more affordable housing to a community.

Action C.2.2 Local Programs to Help Build Missing Middle Housing

There are opportunities to encourage “missing middle” housing types in the City. The City could consider opportunities for both rental and home ownership, particularly smaller home ownership units that support young adults and seniors. Allowing smaller homes on the housing market lowers the barrier to homeownership, which allows people to build equity through ownership while maintaining the scale of the city. The City may also benefit from considering zoning adjustments to residential zones that regulate based on form and bulk, allowing greater flexibility for unit density. Regulation based on form allows the city to maintain the current character while increasing housing capacity.

Action C.2.3 Alternative Homeowners

The city could encourage the development of alternative homeowner models, specifically those which provide benefits that many traditional market mechanisms cannot. There are a variety of models the city could implement, such as community land trusts, limited equity cooperatives, and lease purchasing programs. The goal of these programs is to support low- and moderate-income families as they build equity. Community land trusts separate the ownership of the land from the buildings with the goal to hold the land in a state of affordability while allowing homeowners control and security of their property.

Limited equity cooperatives build resale price restrictions into developments which are derived from a formula that determines the price properties can be sold for. Limited equity cooperatives involve a group of residents who all have shares in the cooperative. This cooperative is often created as part of the development process. Lease purchasing programs allow potential buyers to lease a house for a period before they buy it. This allows the buyer to build credit and save enough money to purchase it. Implementing these alternative homeowner models could stabilize housing prices in the city.

STRATEGY C: PROACTIVELY PLAN FOR THE HOUSING OF FUTURE RESIDENTS

Action C.2.4 Strategic Marketing of Housing Incentives

Housing incentives work best when the development community is aware of their benefits. Due to the often-buried nature of municipal code, there may be a lack of awareness that the city offers these opportunities. The city may consider developing marketing materials for this and other affordable housing incentives, including a website dedicated to clearly demonstrating the incentives available and the benefits which they can confer to typical projects. This could include a publicly available framework showing a range of expected outcomes for projects with a given set of attributes.

Action C.2.5 Permit Fee Waivers for Affordable Housing

Waiving permit fees for affordable housing can reduce the cost of building affordable housing, which can in turn reduce costs for consumers. Fees, such as impact fees, utility connection fees and project review fees, can significantly increase the end cost of residential unit developments. This action allows affordable housing developers to apply for the city to waive permitting fees for projects serving renters at or below 60% of the AMI. The amount of money saved by the waived fees varies based on individual project specifics, and the city ultimately would have discretion over the applicable scenario and exact amount of the reduction.



FIGURE 4: MISSING MIDDLE HOUSING

What is the “Missing Middle”?

The term “Missing Middle” refers to a range of small to modest-scale housing types that bridge the gap between detached single family homes and urban-scaled multifamily development. This gap includes duplexes, triplexes, cottage housing, townhouses, courtyard apartments and other small-scale apartment buildings that provide diverse housing options to support walkable communities. They are called “missing” because they have either been illegal or discouraged by zoning ordinances and/or overlooked by the applicable development community.

These housing types, however, were much more common in neighborhoods developed before World War II. They are beloved by those who have lived in them and fit in seamlessly into the neighborhood context. They also represent a housing option that’s more affordable than detached single-family homes and fit within a walkable neighborhood context. Shifting demographics with smaller households also make these housing types a great option for the full range of communities in Washington.



Source: Opticos, 2005



PART
04
IMPLEMENTATION PLAN

It is essential to understand the steps necessary to implement the strategic recommendations. This Implementation Plan could guide budgeting and work planning for the City, coordination with partners, and ongoing efforts to update City policies.

The design, adoption, and implementation of a housing action plan require sophisticated, durable, and dedicated leadership from a diverse group of local stakeholders such as government officials, businesspeople, labor unions, clergy, educators, public safety employees, and low-income advocates. Moreover, the administration of the action plan and long-term compliance monitoring with affordability covenants can be labor-intensive and requires expertise. Often, small cities must design and adopt a housing action plan effectively and ensure professional implementation and administration over the long run. Implementation is also part of a cycle that involves the entire housing action plan. *Appendix B* includes the Implementation Plan which describes the following:

- HAP Action Number and Strategy
- Immediate next steps to take to prepare for implementation
- Timeline
 - Near Term: 0-2 years
 - Mid Term: 3-5 years
 - Long Term: Over 6 years
- Indicators of Success
- Challenges

IMPLEMENTATION CONSIDERATIONS

Although several actions described in this section are involved with implementing the Housing Action Plan, there are topic areas in the Plan that will require further coordination and guidelines for detailed tasks.

Land Use Study

The City could determine specific land-use changes and zoning districts to achieve increased creation and diversity of housing. In addition, this study could be coordinated with and inform the Comprehensive Plan updates and highlight opportunities for the following changes to the Code and Comprehensive Plan policies:

- Minimum density requirements across different zoning districts to reduce lower-density development.
- Targeted rezoning of specific locations to allow for increased development densities, especially in areas close to transit options.
- Allowances for new housing types in residential areas.

The Study could focus on identifying changes that would result in new capacity and diversity in the city's housing stock. To support this objective, it could examine the feasibility and likelihood of development under different land use changes and highlight options that

would help achieve a diversity of housing types and sizes across the city through development, redevelopment, and infill across the city. Ongoing efforts could be coordinated to monitor these changes' long-term effects and adjust these policies and provisions as needed.

Housing Funding Strategy

The City could develop a coordinated strategy to determine how these funding sources could be applied to maximize the yield of affordable housing and address critical gaps in the availability of local affordable housing.

Continued Partnerships

The City currently collaborates with A Regional Coalition for Housing (ARCH), a partnership between King County and East King County Cities. ARCH's goal is to preserve and increase the housing supply for low and moderate-income households in the region by developing housing policies, strategies and regulations, administering housing programs, coordinating city investments in affordable housing, and assisting people in the search for affordable rental and ownership housing.

The City of Medina has been a member of ARCH since 1999 and each year, the City allocates funds to the General Fund for

Affordable Housing. Funds are awarded to individual affordable housing projects through ARCH. A continued partnership between Medina and ARCH is imperative in achieving the strategies and actions outlined in the Housing Action Plan.

Ongoing Monitoring and Review

Ensuring that these programs have the intended effects and will meet the overall goals identified in this Housing Action Plan and the Comprehensive Plan will require long-term efforts to monitor the development of market-rate and affordable housing in the City. Because of this, the overall implementation of the HAP could be reviewed with a series of indicators and regular reviews within the next five years.

Comprehensive Plan Policy Integration

A substantial portion of the actions identified in this Housing Action Plan will either need to be implemented directly through changes to the Comprehensive Plan or will need to be supported through changes to policies in the Comprehensive Plan. Because of this, these revisions should be specifically identified and incorporated into the initial planning processes for the Comprehensive Plan update. Therefore, under the recommendations in this document,

the following steps would be necessary to coordinate potential revisions for the Comprehensive Plan update:

Policy Focus: Develop a series of clear policy statements based on recommendations from the HAP that reinforce the commitment of the City in specific topic areas related to housing, including racial equity in the real estate market, anti-displacement efforts, and the demand for diverse housing types.

Housing Goals: Amend the goals for housing development based on the projections included in this report. These may be adjusted to account for revisions to the Countywide Planning Policies but could consider the identified need for additional housing across income categories in the community.

Residential Land Use Study: Coordinate a detailed review of current zoning and development feasibility to determine potential areas where increased development densities and new housing types would result in more housing. This assessment establishes recommended places where zoning regulations could be changed through targeted rezones, minimum density requirements, and allowances for new housing types within these areas. These changes could be provided as revisions to the land use map and related policies in the Comprehensive Plan.

PROPORTIONALITY AND GAPS IN FUNDING

The Housing Action Plan identifies several barriers to housing that need to be addressed at the county, state, or federal level. Proportionality becomes evident when cities the size of Medina are not the best suited to leverage sufficient funding to meet the needs identified in this plan.

This plan's actions, implementation, and monitoring require funding. This is especially true of actions intended to create affordable housing for the most vulnerable and lowest-income households. While the measures adopted are designed to fill the gap in housing affordability, they need state and federal government relief to make the outcomes of those a reality. Loss of funding at either the state or federal level can have several impacts at the local level, and this is where proportionality becomes an important consideration.

Therefore, an essential part of implementation is not only the funding for the construction and maintenance of low-income housing but future legislation that enables small cities like Medina to control, monitor and maintain housing affordability and the outcomes of the actions once they are implemented.





PART
05
MONITORING PLAN

MONITORING

The City and Community Stewardship

The following section summarizes a monitoring plan that describes who is a part of measuring the performance of the actions and how they will do it. The monitoring plan includes a regular collection of data with a completed report and is offered to those determining budgets for city council review. One stated purpose of the Housing Action Plan is to assist the City in preparing for the next Comprehensive Plan update. Along these lines, several “strategies” do not directly result in housing creation. Instead, each of the three strategies contains a framework for systematically meeting the goals of each principle. For example, some of the actions include monitoring local efforts. They are an integral part of the city’s efforts to understand local needs, to help assess the effectiveness of overall efforts and specific actions, and to help inform future planning efforts. These often require ongoing efforts to monitor local conditions and evaluate the impact of different actions.

Recommended indicators are provided below and describe how progress toward goals can be evaluated. This would include assessing data for Medina and surrounding communities for comparison. However, one of the significant challenges with this complete suite of indicators is that information on Medina residents, including renters and homeowners, can take time for the City to collect promptly. While data from the State Office of Financial Management and Zillow are typically up-to-date, available sources of household-level information, such as the American Community Survey, often need to catch up due to the reliance on surveys. Because of this, the time scale of these indicators could be explicitly considered and explained in any reporting.

Guiding Principles

A. Preventing Housing Instability and Displacement

B. Increasing Housing Stock and Variety

C. Proactively Plan for the Housing of Future Residents

ACTION	INDICATOR	PURPOSE	SOURCES
<p>Action A.1.1 Preservation and Rehabilitation Incentives</p>	<p>Use of City funds and incentives to support income-limited households</p> <p>Create and monitor a housing preservation inventory</p>	<p>In addition to general targets for creating new rent-restricted housing for low-income households, it is also essential to understand how the City's funding and incentive programs are being used to support these goals.</p> <p>Monitoring a housing preservation inventory allows the City to have better information on the affordable housing that exists in their jurisdiction. The city can then create more targeted programs that address real needs.</p>	<p>City tracking of housing expenditures</p> <p>City tracking of existing affordable housing units. HUD CHAS.</p>
<p>Action A.1.2 Foreclosure Resources</p>	<p>Homeownership rates, total and by race/ethnicity</p> <p>Monitor the prevalence of foreclosures in Medina</p>	<p>Understand the access of households to homeownership in Medina, especially BIPOC and other groups that have often been challenged to access homeownership in the past. This could help the city understand how foreclosures impact the city's population.</p> <p>The success of the foreclosure resources program can be measured through the change in foreclosures before and after. Continued monitoring can show which resources and advertisements are the highest impact.</p>	<p>US Census Bureau, American Community Survey, 5-year estimates</p> <p>City tracking of foreclosures.</p>
<p>Action A.1.3 Direct Household Assistance</p>	<p>Use of City funds and incentives to support the development of income-restricted housing units</p>	<p>It is essential to understand how the City's funding and incentive programs are being used to support vulnerable and easily displaced households. To use these funds most effectively, tracking their expenditure and use allows adjustment to the program in the future.</p>	<p>City tracking of housing expenditures.</p>
<p>Action A.2.1 Tenant Protections</p>	<p>Eviction rates for renters in the City.</p>	<p>Tracking eviction rates in Medina can help show what effect tenant protections are having on protecting renters from evictions.</p>	<p>City tracking of renter evictions</p>

Guiding Principles

A. Preventing Housing Instability and Displacement

B. Increasing Housing Stock and Variety

C. Proactively Plan for the Housing of Future Residents

ACTION	INDICATOR	PURPOSE	SOURCES
<p>Action A.2.2 Fee Waivers or Reductions</p>	<p>Housing development completed, total and by housing type.</p> <p>Tracking increase in construction of fee-waived housing types.</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced</p> <p>By tracking the proliferation of the encouraged housing type, the city can see if developers are taking advantage of this program.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p> <p>Internal City construction permit tracking</p>
<p>Action A.2.3 Direct Household Assistance</p>	<p>Use of City funds and incentives to support income-limited households</p>	<p>It is essential to understand how the City's funding and incentive programs are being used to support vulnerable and easily displaced households. To use these funds most effectively, tracking their expenditure and use allows adjustment to the program in the future.</p>	<p>City tracking of housing expenditures</p>
<p>Action A.2.4 Multifamily Tax Exemption</p>	<p>Housing development completed, total and by housing type</p> <p>Monitor tenancy and rent per unit type.</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>There are a number of data points which state law requires cities with multifamily tax exemptions to report. This information may also be useful for the city to understand the dynamic state of affordable housing in the city. This information might be best collected</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p> <p>City tracking of affordable housing.</p>
<p>Action A.2.5 Short Term Rentals</p>	<p>Number of short term rentals available in the City</p> <p>Monitor the number of short-term rental permits annually distributed by the City</p>	<p>Regulate short term rentals by requiring a permit. This will ensure regulations are followed and is key to increasing housing available for city residents and limiting what is used for short-term rentals</p> <p>Short-term rental permits control the number of short-term rentals in the City and bring to compliance any short term rentals that have not sought permits.</p>	<p>Short term home rental websites such as Airbnb, Vrbo, and Perfectplaces.</p> <p>City tracking of short term rental permits</p>

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C. Proactively Plan for the Housing of Future Residents

ACTION	INDICATOR	PURPOSE	SOURCES
<p>Action B.1.1 Infill Development</p>	<p>Housing development completed, total and by housing type</p> <p>Monitoring underutilized buildable lands</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>After determining the total buildable capacity, the city can find how much buildable capacity remains. Infill development seeks to close this gap.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p>
<p>Action B.1.2 Up-zoning</p>	<p>Housing development completed, total and by housing type</p> <p>Monitoring total housing capacity</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>By tracking the total housing capacity, the city can see if up-zoning has resulted in more housing units or has continued to develop solely single-family residential units.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p>
<p>Action B.1.3 Density Bonus</p>	<p>Housing supply by income band</p> <p>Monitoring the proliferation of the public benefit identified.</p>	<p>Housing supplies for low- and moderate-income households can be essential to understand if there are shortfalls, specifically with lower-cost housing in the city, and whether new development and existing stocks can meet changing needs.</p> <p>The identified public benefit which may be exchanged for additional density in the density bonus schema could be tracked through time to analyze the success of the program</p>	<p>US Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS) data, 5-year estimates</p> <p>Zillow CoStar</p> <p>Internal City permit tracking.</p>
<p>Action B.1.4 Fee Waivers or Reductions</p>	<p>Housing development completed, total and by housing type</p> <p>Tracking increase in construction of fee-waived housing types.</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced</p> <p>By tracking the proliferation of the encouraged housing type, the city can see if developers are taking advantage of this program.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p> <p>Internal City construction permits tracking</p>

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ACTION	INDICATOR	PURPOSE	SOURCES
<p>Action B.1.5 Reduce Minimum Lot Sizes</p>	<p>Housing development completed, total and by housing type</p> <p>Track average lot size with improved structures</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced</p> <p>A decreasing average lot size associated with housing units indicates that developers are taking advantage of the reduced minimum lot size.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p>
<p>Action B.2.1 ADU</p>	<p>Housing development completed, total and by housing type</p> <p>Track the number of preapplication meetings related to Duplex development</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>Trends in preapplication meetings related to duplexes showcase developer interest in the duplex programs.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p> <p>Internal city meeting tracking.</p>
<p>Action B.2.2 Duplex</p>	<p>Housing development completed, total and by housing type</p> <p>Track the number of preapplication meetings related to the townhome development</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>Trends in preapplication meetings related to townhomes showcase developer interest in the townhome programs.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p> <p>Internal city meeting tracking.</p>
<p>Action B.2.3 Cottages</p>	<p>Housing development completed, total and by housing type</p> <p>Track the number of preapplication meetings related to triplex development</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>Trends in preapplication meetings related to triplex showcase developer interest in the triplex program.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p> <p>Internal city meeting tracking.</p>
<p>Action B.2.4 Triplex</p>	<p>Housing development completed, total and by housing type</p> <p>Track the number of preapplication meetings related to triplex development</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>Trends in preapplication meetings related to triplex showcase developer interest in the triplex program.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p> <p>Internal city meeting tracking.</p>

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ACTION	INDICATOR	PURPOSE	SOURCES
<p>Action B.2.5 Fourplex</p>	<p>Housing development completed, total and by housing type</p> <p>Track the number of preapplication meetings related to the Fourplex development</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>Trends in preapplication meetings related to the fourplex showcase developer interest in the fourplex program.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p> <p>Internal city meeting tracking.</p>
<p>Action B.2.6 Townhomes</p>	<p>Housing development completed, total and by housing type</p> <p>Track the number of preapplication meetings related to cottage development</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>Trends in preapplication meetings related to cottages showcase developer interest in the cottage programs.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p> <p>Internal city meeting tracking.</p>
<p>Action B.2.7 Live/Work Units</p>	<p>Housing development completed, total and by housing type</p> <p>Track the number of preapplication meetings related to living/work unit development</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>Trends in preapplication meetings related to living/work units showcase developer interest in living/work unit programs.</p>	<p>Internal City construction permit tracking King County Assessor's Office WA State Office of Financial Management Postcensal Estimates of Housing</p> <p>Internal city meeting tracking.</p>
<p>Action C.1.1 Affordability Covenants</p>	<p>Housing cost burden by household type and income category</p> <p>Monitor the number of deeds recorded with affordability covenants.</p>	<p>In addition to identifying the potential housing supply for low- and moderate-income households, it can also be essential to understand changes in the housing burden these households face in accessing appropriate housing.</p> <p>The change in number of deeds recorded in the city with affordability covenants provides a metric of success for any encouragement the city does of affordability covenants</p>	<p>US Department of Housing and Urban Development Comprehensive Housing Affordability Strategy (CHAS) data, 5-year estimates</p> <p>US Census Bureau Public Use Microdata Sample data, 5-year estimates</p> <p>City tracking of deeds with affordability covenants.</p>

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ACTION	INDICATOR	PURPOSE	SOURCES
<p>Action C.1.2 Inclusionary Zoning</p>	<p>Housing cost burden by household type and income category</p> <p>Number of affordable units</p> <p>Tracking incentive usage over time</p>	<p>In addition to identifying the potential housing supply for low- and moderate-income households, it can also be essential to understand changes in the housing burden these households face in accessing appropriate housing. Tracking incentive usage over time can help the city identify what the appropriate incentive level is to encourage incentive usage and maximize affordability benefits.</p>	<p>US Department of Housing and Urban Development Comprehensive Housing Affordability Strategy (CHAS) data, 5-year estimates</p> <p>US Census Bureau Public Use Microdata Sample data, 5-year estimates</p> <p>Internal City tracking</p>
<p>Action C.1.3 Down Payment Assistance</p>	<p>Homeownership rates, total and by race/ethnicity</p> <p>Track the number of applicants who successfully qualify for down payment assistance.</p>	<p>Understand the access of households to homeownership in Medina, especially BIPOC and other groups that have often been challenged to access homeownership in the past.</p> <p>The number of applicants that qualify for down payment assistance can provide the City with some understanding of the number of households that would benefit from these loans.</p>	<p>US Census Bureau, American Community Survey, 5-year estimates</p> <p>Washington State Housing Finance Commission</p>
<p>Action C.2.1 Credit Enhancement</p>	<p>Housing cost burden by household type and income category</p> <p>Track the number of permits for affordable housing that use credit enhancement.</p>	<p>In addition to identifying the potential housing supply for low- and moderate-income households, it can also be essential to understand changes in the housing burden these households face in accessing appropriate housing.</p> <p>The number of permitted projects that use credit enhancement can determine the successfulness of this bond or loan among developers.</p>	<p>US Department of Housing and Urban Development Comprehensive Housing Affordability Strategy (CHAS) data, 5-year estimates</p> <p>US Census Bureau Public Use Microdata Sample data, 5-year estimates</p>
<p>Action C.2.2 Local Programs to Help Build Missing Middle Housing</p>	<p>Housing development completed, total and by housing type</p> <p>Track the number of and successful application of programs created to help build missing middle housing.</p>	<p>Understanding whether the city is maintaining the creation of diverse housing types over time to meet needs will require monitoring the rate at which new housing units of different types are produced.</p> <p>Tracking the number and successful application of programs that address missing middle housing can help determine where the City's efforts could be placed in incorporating missing middle housing.</p>	<p>Internal City construction permit tracking</p> <p>King County Assessor's Office</p> <p>WA State Office of Financial Management</p> <p>Postcensal Estimates of Housing</p>

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ACTION	INDICATOR	PURPOSE	SOURCES
<p>Action C.2.3 Alternative Homeowners</p>	<p>Housing cost burden by household type and income category</p> <p>Track the number of permits approved for projects under alternative homeowners.</p>	<p>In addition to identifying the potential housing supply for low- and moderate-income households, it can also be essential to understand changes in the housing burden these households face in accessing appropriate housing.</p> <p>Tracking the number of alternative homeowner projects can measure the popularity of this process among developers and what improvements can be done to encourage these models</p>	<p>US Department of Housing and Urban Development Comprehensive Housing Affordability Strategy (CHAS) data, 5-year estimates</p> <p>US Census Bureau Public Use Microdata Sample data, 5-year estimates</p>
<p>Action C.2.4 Strategic Marketing of Housing Incentives</p>	<p>Tracking incentive usage over time</p>	<p>Tracking incentive usage over time can help the city identify what impact advertisement of housing incentives is having on their usage.</p>	<p>Internal City tracking Feedback with Active Developers</p>
<p>Action C.2.5 Permit Fee Waivers for Affordable Housing</p>	<p>Housing supply by income category</p> <p>The number of waivers issued for affordable housing permits.</p>	<p>Housing supplies for low- and moderate-income households can be essential to understand if there are shortfalls, specifically with lower-cost housing in the city, and whether new development and existing stocks can meet changing needs.</p> <p>Tracking the number of waivers for affordable housing permits can determine the successfulness or popularity of this process among developers. This can inform the City of its effectiveness in encouraging affordable housing.</p>	<p>US Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS) data, 5-year estimates</p> <p>Zillow CoStar</p>

MAINTAINING

Measurable Indicators of Success

To achieve success, small cities must follow many of the same steps and incorporate many of the same elements as programs in larger urban and better-financed cities. However, these jurisdictions also face various limitations unique to their location and size. With that in mind, several small cities that were successful in their action plans typically demonstrate the following characteristics:

Political Commitment

Political champions are essential in any community. However, in small cities where governance and politics can be deeply personal, courageous and proactive leadership is needed to negotiate with individuals who have entrenched beliefs and are unwilling to consider everyone's perspective.

City Specific Implementation

Small cities must carefully evaluate their housing needs and market dynamics and design and adopt programs best calibrated to local conditions while balancing financial limitations. For example, it may make sense to start with a relatively modest affordability percentage or consider one form of middle housing at a time. However, given the relatively small scale of existing residential development, it would be impractical to establish a high development-size threshold to trigger a requirement from the housing action plan or address multiple new regulatory actions at one time.

Likewise, many of the most successful programs offer property owners options rather than a rigid "take-it-or-leave-it" or "one-size-fits-all" approach. Typically, this involves negotiation and a menu of incentives to help offset the costs of producing the below-market-rate units. Such flexibility may include design concessions, such as smaller streets, sidewalks, set-backs, fewer parking stalls, and reduced or waived fees. Alternatives to on-site development by the developer may also be offered, including land dedications, credit transfers, and in-lieu fees.

Simple and Sustainable Administration

Finally, to overcome the capacity challenge, small cities must often depend on volunteers from the community to support a successful housing action plan. To achieve political support and simplify administration, some jurisdictions have adopted streamlined programs that provide limited or no alternatives to onsite development by market-rate developers to eliminate the possibilities that the jurisdiction will be burdened with fees or land that will require it to act as a de facto developer. However, this must be carefully weighed against the benefits of a more flexible menu of incentives and alternatives. Outsourcing the most complex and cumbersome components of implementation to capable contractors, such as nonprofit organizations, is another option to relieve administrative staff and increase program effectiveness.



APPENDICES

APPENDIX A

Glossary of Terms

Affordable housing

Housing is typically considered to be affordable if total housing costs (rent, mortgage payments, utilities, etc.) do not exceed 30 percent of a household's gross income.

AMI

Area Median Income. The benchmark of median income is that of the Seattle-Bellevue, WA HUD Metro Fair Market Rent Area median family income, also sometimes referred to as the HAMFI. The 2018 AMI, which was \$103,400, is used in this report. This measure is used by HUD in administering its federal housing programs in Snohomish County.

Cost-burdened household

A household that spends more than 30 percent of its gross income on housing costs.

Fair Market Rent

HUD determines what a reasonable rent level could be for a geographic area and sets this as the area's fair market rent. Section 8 (Housing Choice Voucher program) voucher holders are limited to selecting units that do not rent for more than fair market rent.

Housing Choice Vouchers

Also referred to as Section 8 Vouchers. A form of federal housing assistance that pays the difference between the Fair Market Rent and 30 percent of the tenant's income. HUD funds are administered by Public Housing Agencies (PHA).

Median income

The median income for a community is the annual income at which half the households earn less and half earn more.

Severely cost-burdened household

A household that spends more than 50 percent of its gross income on housing costs.

Subsidized housing

Public housing, rental assistance vouchers like Section 8, and developments that use Low-Income Housing Tax Credits are examples of subsidized housing. Subsidized housing lowers overall housing costs for people who live in it. Affordable housing and subsidized housing are different, even though they are sometimes used interchangeably.

APPENDIX B

Implementation Plan

Action		Timeline	Method of Accomplishing	Lead Party	Investment Level
STRATEGIC OBJECTIVE A: PREVENTING HOUSING INSTABILITY AND DISPLACEMENT					
1.1 Preservation and Rehabilitation Incentives	• Review existing preservation and rehabilitation programs and recommend improvements to better provide incentives to the community	Short Term	Administrative	Department of Development Services	Low
	• Identify potential non-profit partnerships that could better provide resources to community members from collaborative efforts	Medium Term	Partnership Development	A Regional Coalition for Housing	Low
	• Review current outreach practices to inform residents and identify potential improvements to increase opportunities of information sharing	Short Term	Administrative	Department of Development Services	Low
1.2 Foreclosure Resources	• Review current outreach practices to inform residents and identify potential improvements to increase opportunities of information sharing	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Identify potential non-profit partnerships that could better provide resources to community members from collaborative efforts	Short Term	Partnership Development	Department of Development Services	Low
1.3 Direct Household Assistance	• Review current outreach practices to inform residents and identify potential improvements to increase opportunities of information sharing	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Collaborate with Washington State Housing Finance Commission to market qualified residents in the community	Medium Term	Partnership Development	A Regional Coalition for Housing	Medium
2.1 Tenant Protections	• Review existing programs and suggest improvements to protect tenants	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Review current outreach practices to inform residents and identify potential improvements to increase opportunities of information sharing	Short Term	Administrative	A Regional Coalition for Housing	Low

Action		Timeline	Method of Accomplishing	Lead Party	Investment Level
2.2 Fee Waivers or Reductions	• City identification of preferred housing types for fee reduction	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Changes to zoning code fee schedule to waive fees for applicable housing type.	Medium Term	Legislative	City Council	High
	• Increase awareness of fee waivers and reductions among developers	Medium Term	Administrative	Department of Development Services	Medium
2.3 Direct Household Assistance	• Review current outreach practices to inform residents and identify potential improvements to increase opportunities of information sharing	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Collaborate with Washington State Housing Finance Commission to market to qualified residents in the community	Short Term	Partnership Development	A Regional Coalition for Housing	Medium
2.4 Multifamily Tax Exemption	• Discuss and develop proposed code amendments with community, Planning Commission, and City Council	Medium Term	Administrative	Department of Development Services	Medium
	• Amend code to include allowing multifamily tax exemptions for eligible multifamily housing development	Medium Term	Legislative	City Council	High
2.5 Short Term Rentals	• Facilitate neighborhood discussion on developing short term rental permits to limit the number of rentals in the community	Short Term	Administrative	Department of Development Services	Low
	• Develop proposed code amendments to community, Planning Commission, and City Council	Medium Term	Legislative	City Council	Medium

Action		Timeline	Method of Accomplishing	Lead Party	Investment Level
STRATEGIC OBJECTIVE B: INCREASING HOUSING STOCK AND VARIETY					
1.1 Infill Development	• Lower minimum lot sizes within all zones	Medium Term	Legislative	City Council	High
	• Create a program to flex zoning requirements or remove development fees for redevelopment of currently vacant lots	Long Term	Legislative	City Council	High
	• Create preapproved ADU designs	Short Term	Administrative	Department of Development Services	Low
	• Conduct an assessment of the areas of the City that would most benefit from infill development	Medium Term	Administrative	Department of Development Services	Medium
	• Facilitate neighborhood conversations on the benefits of infill development	Short Term	Administrative	Department of Development Services	Low
	• Assess land use or municipal code for opportunities to incorporate infill where appropriate	Short Term	Administrative	Department of Development Services	Low
1.2 Up-zoning	• Facilitate community-wide conversations regarding up-zoning	Short Term	Administrative	Department of Development Services	Low
	• Identify processes that could facilitate the re-classification of under-zoned residential parcels and consider changes to administrative procedures	Medium Term	Administrative	Department of Development Services	Medium
	• Medina could upzone through allowing larger bulk development standards for small scale multifamily structures, such as duplexes, triplexes, and fourplexes.	Long Term	Legislative	City Council	High

Action		Timeline	Method of Accomplishing	Lead Party	Investment Level
1.3 Density Bonus	• City identification of appropriate public benefit goal.	Short Term	Administrative	Department of Development Services	Low
	• Creation of zoning code program to allow larger bulk density in exchange for the public benefit goal.	Long Term	Administrative	Department of Development Services	High
	• Determine what areas of the city would be most successful from the application of density bonuses	Medium Term	Administrative	Department of Development Services	Medium
	• Review similar density bonus programs in neighboring cities	Short Term	Administrative	Department of Development Services	Low
1.4 Fee Waivers or Reductions	• City identification of preferred housing types for fee reduction	Short Term	Administrative	Department of Development Services	Low
	• Changes to zoning code fee schedule to waive fees for applicable housing type.	Medium Term	Legislative	City Council	Medium
	• Increase awareness of fee waivers and reductions among developers once developed	Medium Term	Administrative	Department of Development Services	Low
1.5 Reduce Minimum Lot Sizes	• Create a different set of development standards for small lot size development	Medium Term	Legislative	City Council	High
	• Permit development on small lots citywide	Medium Term	Legislative	City Council	Medium
	• Facilitate neighborhood conversations on the benefits of reducing minimum lot sizes	Short Term	Administrative	Department of Development Services	Low
	• Conduct additional studies to understand what the City's capacity is to reduce minimum lot sizes	Medium Term	Administrative	Department of Development Services	Medium

Action		Timeline	Method of Accomplishing	Lead Party	Investment Level
2.1 ADU	• Facilitate neighborhood conversations on the benefits of developing ADUs	Short Term	Administrative	Department of Development Services	Low
	• Review municipal code and develop code updates that would add more flexibility to the current standards.	Short Term	Administrative	Department of Development Services	Low
	• Propose code amendments that would make it easier to build ADU's, community, Planning Commission, and City Council discussion and review	Medium Term	Legislative	City Council	High
	• In tandem with new bulk standards, permit ADU development on all lots throughout the city.	Medium Term	Legislative	City Council	High
2.2 Duplex	• Facilitate neighborhood conversations on the benefits of developing duplexes	Short Term	Administrative	Department of Development Services	Low
	• Review municipal code and develop code updates that would add flexibility to the current standards.	Short Term	Administrative	Department of Development Services	Low
	• Propose code amendments that would make it easier to build duplexes for community, Planning Commission, and City Council discussion and review	Medium Term	Legislative	City Council	High
	• In tandem with new bulk standards, permit duplex development in all zones throughout the city.	Medium Term	Legislative	City Council	High
2.3 Cottages	• Facilitate neighborhood conversations on the benefits of developing cottages	Short Term	Administrative	Department of Development Services	Low
	• Review municipal code and develop code updates that would add flexibility to the current standards.	Short Term	Administrative	Department of Development Services	Low
	• Propose code amendments that would make it easier to build townhomes for community, Planning Commission, and City Council discussion and review	Medium Term	Legislative	City Council	High
2.4 Triplex	• Facilitate neighborhood conversations on the benefits of developing triplexes	Short Term	Administrative	Department of Development Services	Low
	• Review municipal code and develop code updates that would add flexibility to the current standards.	Short Term	Administrative	Department of Development Services	Low
	• Propose code amendments that would make it easier to build triplexes for community, Planning Commission, and City Council discussion and review	Medium Term	Legislative	City Council	High

Action		Timeline	Method of Accomplishing	Lead Party	Investment Level
2.5 Fourplex	• Facilitate neighborhood conversations on the benefits of developing fourplexes	Short Term	Administrative	Department of Development Services	Low
	• Review municipal code and develop code updates that would add flexibility to the current standards.	Short Term	Administrative	Department of Development Services	Low
	• Propose code amendments that would make it easier to build fourplexes for community, Planning Commission, and City Council discussion and review	Medium Term	Legislative	City Council	High
2.6 Townhome	• Facilitate neighborhood conversations on the benefits of developing townhomes	Short Term	Administrative	Department of Development Services	Low
	• Review municipal code and develop code updates that would add flexibility to the current standards.	Short Term	Administrative	Department of Development Services	Low
	• Propose code amendments that would make it easier to build cottages for community, Planning Commission, and City Council discussion and review	Medium Term	Legislative	City Council	High
2.7 Live/Work Units	• Determine feasibility of live/work units	Medium Term	Administrative	Department of Public Works	Medium
	• Facilitate neighborhood conversations on the benefits of developing live/work	Short Term	Administrative	Department of Development Services	Low
	• Review municipal code and develop code updates that would add flexibility to the current standards.	Short Term	Administrative	Department of Development Services	Low
	• Propose code amendments that would make it easier to build live/work units for community, Planning Commission, and City Council discussion and review	Medium Term	Legislative	City Council	High

Action		Timeline	Method of Accomplishing	Lead Party	Investment Level
STRATEGIC OBJECTIVE C: PROACTIVELY PLAN FOR THE HOUSING OF FUTURE RESIDENTS					
1.1 Affordability Covenants	• Conduct research on the feasibility and applicability of affordability covenants	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Facilitate discussions with community, Planning Commission, and City Council on affordability covenants	Medium Term	Administrative	A Regional Coalition for Housing	Medium
	• Develop proposed affordability covenant code amendments to community, Planning Commission, and City Council	Medium Term	Legislative	City Council	High
1.2 Inclusionary Zoning	• Review municipal code for opportunities to incorporate inclusionary zoning	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Facilitate discussion and develop proposed inclusionary zoning code amendments to community, Planning Commission, and City Council	Medium Term	Administrative	A Regional Coalition for Housing	Medium
1.3 Down Payment Assistance	• Review current outreach practices to residents and identify potential improvements to increase opportunities of information sharing	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Identify funding streams that can support a down payment assistance program	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Identify potential partnerships that can foster a down payment assistance program and make improvements	Short Term	Partnership Development	A Regional Coalition for Housing	Low
2.1 Credit Enhancement	• Research and inventory credit enhancement programs that developers can utilize in creating affordable housing units	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Facilitate discussion with developers to assess the effectiveness of credit enhancement	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Streamline the permitting process to encourage the use of credit enhancement incentives	Short Term	Administrative	Department of Development Services	Low

Action		Timeline	Method of Accomplishing	Lead Party	Investment Level
2.2 Local Programs to Help Build Missing Middle Housing	• Facilitate discussion with the community, Planning Commission, and City Council to build local programs that encourage the development of missing middle housing	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Identify and inventory existing parcels that can accommodate missing middle housing with current code	Short Term	Administrative	Department of Development Services	Low
	• Develop local programs that fund, incentivize, create code change, educate the public, and streamline the process to build missing middle housing	Medium Term	Administrative	A Regional Coalition for Housing	Medium
2.3 Alternative Homeowners	• Review code to determine code changes that encourage or inform the development of alternative homeowner models	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Facilitate discussions and propose code amendments with the community, Planning Commission, and City Council on allowing and streamlining review for alternative home models	Short Term	Administrative	A Regional Coalition for Housing	Medium
2.4 Strategic Marketing of Housing Incentives	• Review existing marketing efforts of housing incentives for developers and for residents	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Recommend improvements to marketing efforts for housing incentives	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Facilitate discussions or workshops for residents and developers to increase opportunities of information sharing	Short Term	Administrative	A Regional Coalition for Housing	Low
2.5 Permit Fee Waivers for Affordable Housing	• City identification of preferred housing types for fee reduction	Short Term	Administrative	A Regional Coalition for Housing	Low
	• Changes to zoning code fee schedule to waive fees for applicable housing type.	Medium Term	Legislative	City Council	High
	• Increase awareness of fee waivers and reductions among developers	Medium Term	Administrative	A Regional Coalition for Housing	Medium

APPENDIX C

Housing Needs Assessment

[Separate Enclosure]

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HOUSING NEEDS ASSESSMENT

CITY OF MEDINA

MAY 2022

Prepared by:



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Glossary

Affordable housing: The United States Department of Housing and Urban Development (HUD) considers housing to be affordable if the household is spending no more than 30 percent of its income on housing costs (rent, mortgage payments, utilities, etc.). A healthy housing market includes a variety of housing types that are affordable to a range of different household income levels. However, the term “affordable housing” is often used to describe income restricted housing available only to qualifying low-income households. Income-restricted housing can be located in public, nonprofit, or for-profit housing developments. It can also include households using vouchers to help pay for market-rate housing (see “Vouchers” below for more details).

American Community Survey (ACS): This is an ongoing nationwide survey conducted by the U.S. Census Bureau. It is designed to provide communities with current data about how they are changing. The ACS collects information such as age, race, income, commute time to work, home value, veteran status, and other important data from U.S. households.

Area median income (AMI): This is a term that commonly refers to the area-wide median family income calculation provided by the federal Department of Housing and Urban Development (HUD) for a county or metropolitan region. Income limits to qualify for affordable housing are often set relative to AMI. In this report, unless otherwise indicated, AMI refers to the HUD Area Median Family Income (HAMFI).

Cost-burden: When a household that spends more than 30 percent of their gross income on housing costs, including utilities, they are cost-burdened. When a household pays more than 50 percent of their gross income on housing, including utilities, they are severely cost-burdened. Cost-burdened households have less money available for other essentials, like food, clothing, transportation, and medical care.

Fair market rent (FMR): HUD determines what a reasonable rent level should be for a geographic area and sets this as the area’s fair market rent. Housing choice voucher program voucher holders are limited to selecting units that do not rent for more than fair market rent.

Family: This census term refers to a household where two or more people are related by birth, marriage, or adoption.

Household: A household is a group of people living within the same housing unit. The people can be related, such as family. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit, is also counted as a household. Group quarters population, such as those living in a college dormitory, military barrack, or nursing home, are not considered to be living in households. The census sometimes refers to “occupied housing units” and considers all persons living in an occupied housing unit to be a single household. So, Census estimates of occupied housing units and households should be equivalent.

Household income: The census defines household income as the sum of the income of all people 15 years and older living together in a household.

Householder: This refers to the person (or one of the people) in whose name the housing unit is owned or rented.

Income-restricted housing: This term refers to housing units that are only available to households with incomes at or below a set income limit and are offered for rent or sale at a below-market rates. Some income-restricted rental housing is owned by a city or housing authority, while others may be privately owned. In the latter case the owners typically receive a subsidy in the form of a tax credit or property tax exemption. As a condition of their subsidy, these owners must offer a set percentage of all units as income-restricted and affordable to household at a designated income level.



Glossary

Low-income: Families that are designated as low-income may qualify for income-subsidized housing units. HUD categorizes families as low-income, very low-income, or extremely low-income relative to area median family incomes (MFI), with consideration for family size.

INCOME CATEGORY	HOUSEHOLD INCOME
Extremely low-income	30% of HAMFI or less
Very low-income	30-50% of HAMFI
Low-income	50-80% of HAMFI
Moderate income	80-100% of HAMFI
Above median income	>100% of HAMFI

Median family income (MFI): The median income of all family households in the metropolitan region or county. Analyses of housing affordability typically group all households by income level relative to area median family income. Median income of non-family households is typically lower than for family households. In this report, both MFI and AMI refer to the U.S. Department of Housing and Urban Development Area Median Family Income (HAMFI).

Subsidized housing: Public housing, rental assistance vouchers, and developments that use Low-income Housing Tax Credits (LIHTC) are examples of subsidized housing. Subsidized housing lowers overall housing costs for people who live in it. Affordable housing and subsidized housing are different, even though they are sometimes used interchangeably.

Tenure: Tenure references the ownership of a housing unit in relation to the household occupying the unit. According to the US Census Bureau, a housing unit is “owned” if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. A cooperative or condominium unit is “owned” only if the owner or co-owner lives in it. All other occupied units are classified as “rented,” including units rented for cash rent and those occupied without payment of cash rent.

Transportation: In context of the Location Affordability Index, this term refers to costs associated with auto ownership, auto use, and transit use.

Vouchers (Tenant-based and Project-based): HUD provides housing vouchers to qualifying low-income households. These are typically distributed by local housing authorities. Vouchers can be “tenant-based”, meaning the household can use the vouchers to help pay for market-rate housing in the location of their choice. They pay the difference between the fair market rent and 30 percent of the tenant’s income. Or the vouchers can be “project-based”, meaning they are assigned to a specific building.



Part 1: Introduction

1.1 BACKGROUND

In the fall of 2021, the City of Medina applied for grant funding allocated by the Washington State Department of Commerce and funded through E2SHB 1923. The grant funding is being used for the development of a Housing Action Plan (HAP) that will allow the City to recognize the housing needs of its current and future populations, as well as outline goals, policies, and strategies to meet those needs.

The City of Medina does not build or manage housing. However, the City can affect how much and what types of housing are produced in Medina through comprehensive plan policies, development codes, incentives, programs, and capital projects. The HAP will identify strategies to ensure the City's influence on housing production is in line with its overall housing goals.

The first step in the HAP development process is the creation of a housing needs assessment (HNA). Fundamentally, a HNA is a study to identify the current and future housing needs of all economic segments of the community. It attempts to answer the following types of questions:

- Who lives and works here and what are their socioeconomic characteristics?
- What types of housing are available?
- Are there any groups of people who are not able to find housing that is safe, affordable, and meets their household needs?
- How much housing, and what types of housing, are needed to meet current and future housing needs?
- Is there sufficient buildable land capacity to accommodate growth and diversity of housing choice?

The HNA is a baseline of data that explains the current conditions of housing in Medina and the greater region. The numbers and findings in this report are based on multiple data sources as explained in the methodology section. This report is a tool for decision-makers, residents, housing market professionals, and anyone else who may find it useful as a guide. The report highlights shortcomings or gaps regarding the current housing supply and demands of the residents now and in the future.

This document is divided into three main parts:

- **Community Overview:** This part details who lives in the city and the characteristics that shape their current and future needs related to housing.
- **Housing Conditions:** This part describes the current housing inventory of the city with a focus on characteristics such as size, location, cost, and tenure.
- **Gap Analysis:** This part evaluates the alignment between the two previous parts and how certain populations are not finding their needs met through the current housing market.

The data in this document will be combined and supplemented with information gathered through engagement with stakeholders and residents to form the HAP. The analysis conducted in this Housing Needs Assessment relies on available sociodemographic and housing data from multiple sources. This includes as much publicly available data as possible. Moreover, much of the data is not recent enough to reflect any trends that may have been caused by the COVID-19 pandemic, which likely intensified any housing affordability issues.



1.2 METHODOLOGY

The sources of data we used for this analysis include the following:

- **Puget Sound Regional Council (PSRC).** The PSRC provides overall regional housing targets through the VISION 2040 regional growth strategies, recently updated with the VISION 2050 plan, which informs the development of Countywide Planning Policies. Additionally, the PSRC coordinates housing and employment projections for the region.
- **Washington State Office of Financial Management (OFM).** The OFM is the state-level agency in charge of developing official population and housing counts for statutory and programmatic purposes, and compiles data from individual jurisdictions to further this goal. Publicly available counts for population and housing are available on their website. Additionally, small-area and more detailed custom data are also available to provide more detail on housing and population growth.
- **King County Urban Growth Capacity Report.** Coordinated on a periodic basis, the County coordinates a review and evaluation of development and land supply to determine whether its cities are meeting growth and density targets and if cities have enough land to meet future growth needs. As part of this work, cities survey their available lands for development, and compare this to growth targets established through the Countywide Planning Policies. This report relies on both the estimates of land capacity, as well as the assessment of future growth targets.
- **US Census Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES).** The US Census compiles information about the home and work locations of employees and provides information through a web-based interface on the characteristics of jobs and workers, such as economic sector, general length of commute, and wages. Additionally, LODES can also be used to indicate where people in a given location or jurisdiction work, and where workers in a community live, which can provide an understanding of commuting patterns. This data is partly “synthetic”, meaning that it is based on estimates from the original data to preserve anonymity while being representative of major characteristics or trends. OnTheMap is the web-based mapping and report application that provides an easy-to-use interface for viewing the LODES data; it was used to pull the data shown in this report.
- **American Community Survey (ACS).** The American Community Survey is an ongoing survey program coordinated by the US Census Bureau to provide detailed information about the population. Developed as an alternative to the Decennial Census long form, the ACS relies on a sample of households to collect more detailed data on topics such as education, transportation, Internet access, employment, and housing. The results from the ACS are reported on a yearly basis for larger cities, and on a 5-year average basis for all communities. This report relies on this information for some demographics data, and the ACS is also used as part of the CHAS dataset (below). At the time of writing, the most recent dataset available was 2019-2015.
- **Comprehensive Housing Affordability Strategy (CHAS).** The US Department of Housing and Urban Development (HUD) relies on custom tabulations from the ACS to develop the more detailed CHAS dataset. This information is intended to demonstrate the extent of housing needs and issues across communities, with a focus on low-income households. This information, available at a city level, provides detailed information about characteristics of the local housing stock, including the affordability of both rental and owner-occupied housing. The CHAS dataset also provides some household information, which can be cross-tabulated with housing information to link household characteristics with needs. Note that the most recent dataset, released in September 2021, relies on the 2014–2018 ACS dataset.
- **National Housing Preservation Database (NHPD).** The NHPD is an address-level inventory of federally assisted rental housing in the US. The data comes from HUD and the US Department of Agriculture (USDA). NHPD was created in 2011 in an effort to provide communities with the information they need to effectively preserve their stock of public and affordable housing.
- **Zillow.** The online real estate listings company Zillow provides some data on the real estate market free of charge. These datasets include information on rents, home values, inventory, and sales at the city, metro, and zip code levels. To address gaps in data, some of this information relies on information from the ACS to weight key values.

To the greatest extent possible, the latest data sources are used for this report. As datapoints become available at varied times, there may be differences in some stated numbers. While this may seem inconsistent, it is best practice to use the most up to date and available sources, leading to these differences. For example, housing unit totals from 2019 (ACS) and 2021 (OFM) are both in this report.



Part 2: Community Overview

2.1 LOCAL HISTORY AND SETTING

Medina occupies a large peninsula projecting into the central portion of Lake Washington on the lake's east side and contains approximately five miles of waterfront property. Seattle lies directly across the lake to the west and can be accessed via the SR 520 bridge. Medina is bordered on the northeast by the Town of Hunts Point, the east by the City of Clyde Hill, and on the southeast by the City of Bellevue.

Medina was initially settled by the Duwamish and Stillaguamish peoples until the Point Elliot Treaty of 1855, forcing all Native Americans to move to reservations to retain rights to natural resources and hunting lands. The Medina area was vacant when the first white settlers arrived in the 1870s. By the late 1880's, a handful of wealthy landowners purchased properties adjacent to Lake Washington and began developing residences and infrastructure. Residents were enabled to purchase and develop land as a result of the Homestead Act of 1862, which allowed settlers to purchase up to 160 acres of western land and gain ownership after the land was improved for living and farming.

Medina was platted in 1914 and officially incorporated over 39 years later, on August 19, 1955. Access to Seattle had improved by 1941 with the opening of a bridge crossing from the eastside, through Mercer Island, and ending in Seattle. Regional transportation and access improvements encouraged people to purchase property on the eastside of Lake Washington. The population between 1921 and 1955 boomed as the city began to develop services such as schools, churches, and roadways. Since then, the city's population has leveled out over time with no additional annexations possible and a majority of parcels having existing development.

Medina is primarily single-family residential development, with some limited non-residential development exists, such as the Wells Medina Nursery, gas station, Medina grocery store, the post office, Medina Elementary School, St. Thomas Church, St. Thomas School, Bellevue Christian School, and City Hall.



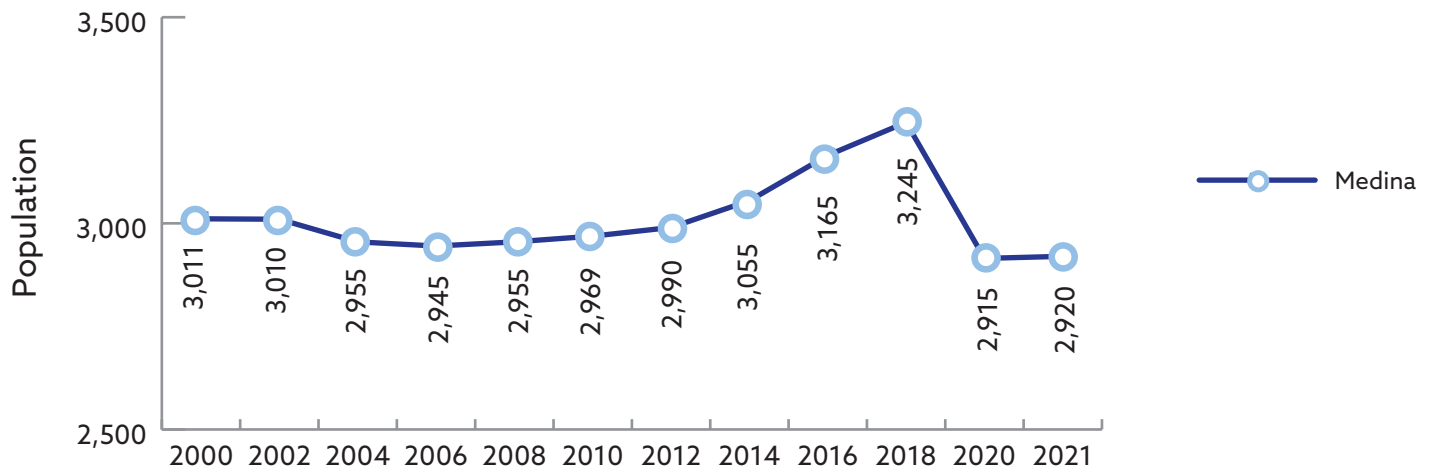
Photo 1: Medina, WA; King5 News.

2.2 POPULATIONS

According to the Office of Financial Management (OFM), Medina’s population of 3,245 in 2019 had fallen to 2,920 in 2021.¹ As shown in Exhibit 1, the population since 2000 has hovered around 3,000 people. The community is unique; there is limited land available to accommodate population growth. Medina is one of the smallest cities in King County, spanning approximately 1.44 square miles. Medina’s lands primarily consist of existing developed lands and uses and as such, there is limited developable lands available for growth. Between 2000 and 2021, the population had a growth rate of -3% indicating that the current city limits, land uses, and historical development pattern substantially limit population growth.

1 OFM has estimates of population to 2021, but 2019 is the year primarily used in this assessment due to 2019 being the most recently released American Community Survey (ACS) information at the time of writing.

Exhibit 1: Population Change (Medina)



Source: OFM, 2021.



According to the 2019 American Community Survey (ACS), the median age in Medina is around 47 years which is higher than King County's 37 years. Medina's population skews older, with over 40% of Medina's population being over the age of 50 while the County has approximately 33% of its population over 50. Additionally, Medina has a substantially larger youth population (under 20) at 28.5%, which is 6% more than the County.

Medina has a sharp decrease in the 29 to 40 age group. King County residents between ages 29 to 40 make up approximately 46% of the population. Medina is proportionally smaller with adult ages between 29 to 40 making up only 29.5% of the population.

Medina has proportionally a lower workforce population (20 to 64) than the County overall by a margin of 10%.

Exhibit 2: Population by Age Range (Medina & King County)

2019	Medina		King County	
Median Age	46.7	46.9	37.8	36.3
75 and over	8%	9%	6%	4%
65 to 74	10%	9%	8%	7%
55 to 64	12%	15%	12%	12%
45 to 54	23%	19%	13%	14%
35 to 44	13%	11%	15%	15%
25 to 34	4%	3%	17%	19%
15 to 24	11%	11%	11%	12%
5 to 14	15%	17%	11%	12%
Under 5	2%	5%	6%	6%
	Female	Male	Female	Male
Totals:	1,688	1,673	1,094,888	1,100,688
65 and over	301 (18%)	294 (18%)	158,164 (14%)	126,168 (11%)
50 to 64	370 (22%)	407 (24%)	203,590 (19%)	202,607 (18%)
18 to 49	511 (30%)	455 (27%)	489,965 (45%)	519,556 (47%)
Under 18	459 (27%)	470 (28%)	243,131 (22%)	252,321 (23%)

Source: 2015-2019 ACS 5-year estimates.

Ethnicity, Race, and Language Spoken at Home

Similarly to King County overall, Medina’s population is two-thirds white. Medina has a similar breakdown of demographics to King County with a couple of key differences. King County overall has a lower percentage of Asian residents (18%) compared to Medina’s Asian population (24%). The County has a greater percentage of Hispanics (10%) and Black or African-Americans (6%), while Medina’s population is 4% Hispanic and 1% Black or African-American.

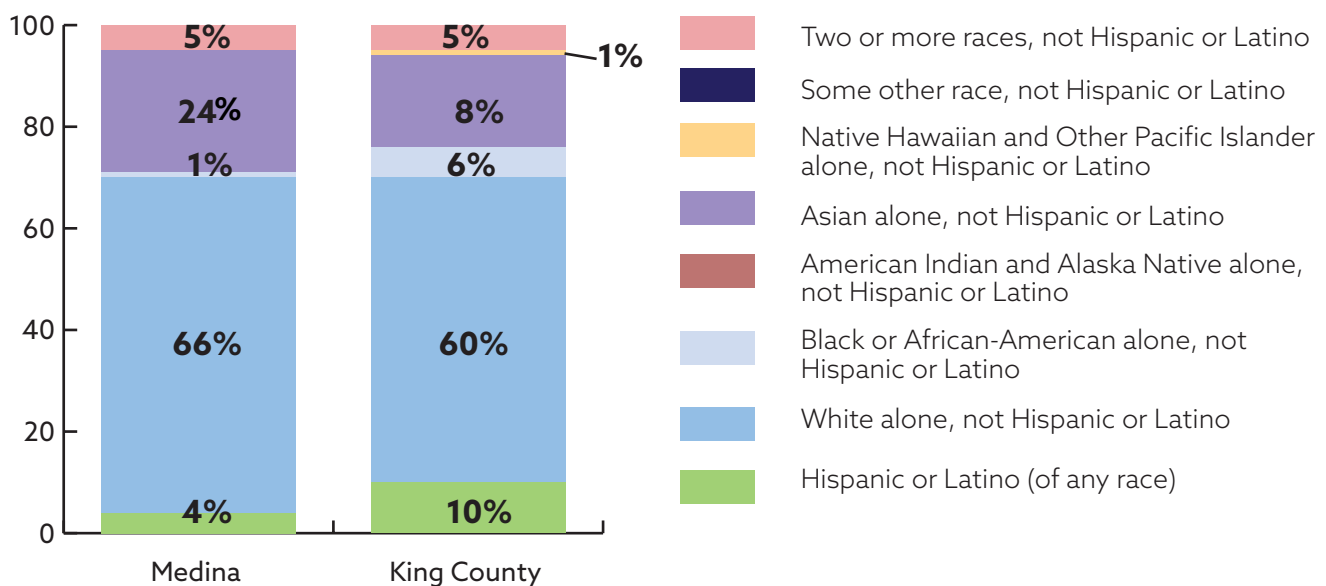
Approximately three fourths (74%) of residents only speak English at home, which is comparable to King County (72%), and 26% speak another language other than English at home. Medina has a higher frequency of Asian and Pacific Island language speakers (63%) compared to King County (43%).

There are some households with limited English proficiency meaning they may require access to language assistance services. All of Medina’s households with limited English proficiency speaking Asian or Pacific Island based languages make up about 3% of households in the city.

Of residents that speak a language other than English at home, Medina has a significantly lower frequency of Spanish speakers (11%) than King County (24%).²

2 2015-2019 ACS 5-Year Estimates.

Exhibit 3: Race and Ethnicity of Population (Medina & King County)



Source: 2015-2019 ACS 5-year estimates.



2.3 HOUSEHOLDS

A household is a single person or a group of people, related or unrelated, who live in a single dwelling unit. Understanding the make-up of households across age, race, and sizes helps us to better understand how to provide housing options for the diverse range of household types.

Exhibit 4: Households by Housing Tenure (Medina & King County)

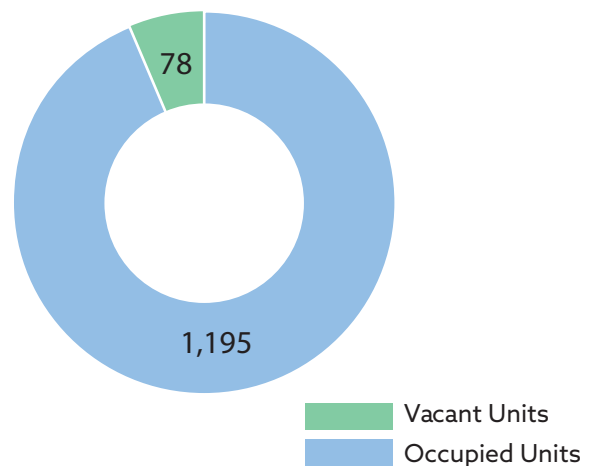
TYPE	MEDINA		KING COUNTY	
	COUNT	PERCENTAGE	COUNT	PERCENTAGE
Owner-occupied	1,032	86%	502,293	57%
Renter-occupied	163	14%	379,735	43%
Total	1,195		882,028	

Household Tenure and Size

In 2019, there were 1,273 housing units in Medina, 94% of which are occupied. This indicates a 6% vacancy rate for all housing units. An occupied housing unit and household have the same meaning in the census. In Medina, 86% of households are owner households, compared to 57% in King County. This means only 14% of households are renter households.

As of 2019, the average household has 2.73 residents. Medina’s typical household sizes have not significantly changed since 2000, which had an average of 2.71 residents. Owner-occupied households have historically had a higher number of residents per unit than renter-occupied units. As of 2019, owner-occupied households had an average of 2.81 persons and renter-occupied households had an average of 2.25 persons. Medina has a significant number of larger households, with 33% having four or more members. These larger households are primarily owner households, as 62% of renter households have only one or two people.³

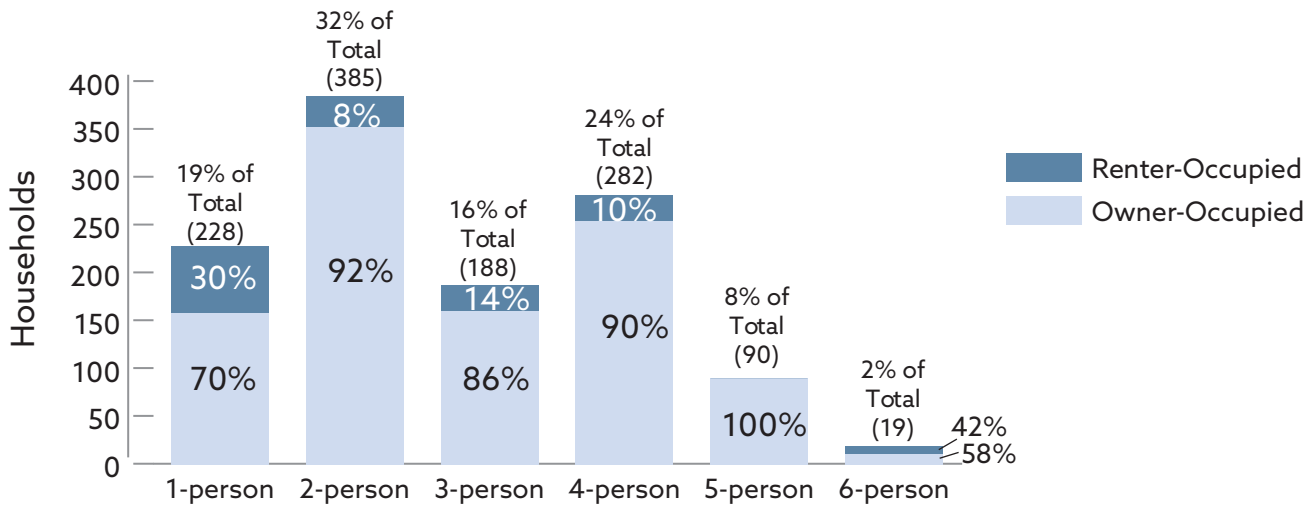
Exhibit 5: Occupied Housing Units (Medina)



Source: 2015-2019 ACS 5-year estimates.

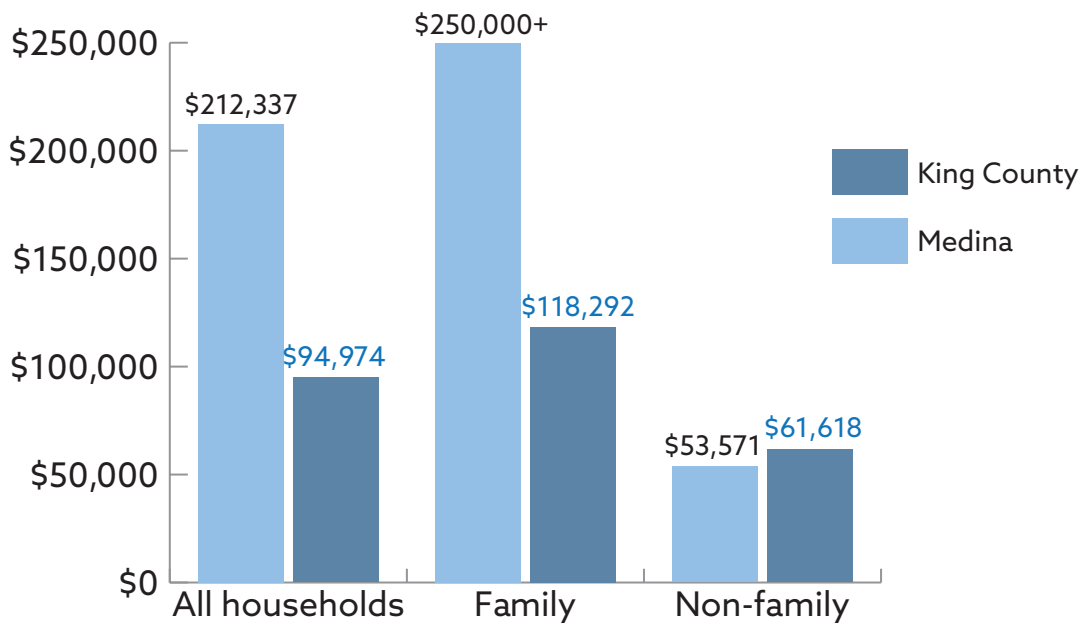
³ 2015-2019 ACS 5-Year Estimates.

Exhibit 6: Household Size by Tenure (Medina)



Source: 2015-2019 ACS 5-year estimates.

Exhibit 7: Median Household Income by Household Type (Medina & King County)



Source: 2015-2019 ACS 5-year estimates.



Household Income

Realizing the relationship and distribution of household income and housing prices is important to Medina’s efforts to fully understand its housing needs. Medina’s median household income is significantly greater than the income of a King County household. Medina households have a median income of \$212,377 which is over twice the \$94,974 that the King County median household makes. The 2019 ACS reports that Medina median family⁴ household income is greater \$250,000. Typically, this number would be a better estimate, but the 2019 ACS only breaks down income levels up to \$250,000. Regardless, the actual median family income is still likely two times or more greater than the King County median family income (\$118,292).

Non-family households in the City have a more comparable median income to King County differing by only \$8,000. Medina non-family households make 9% less than non-family households in King County.

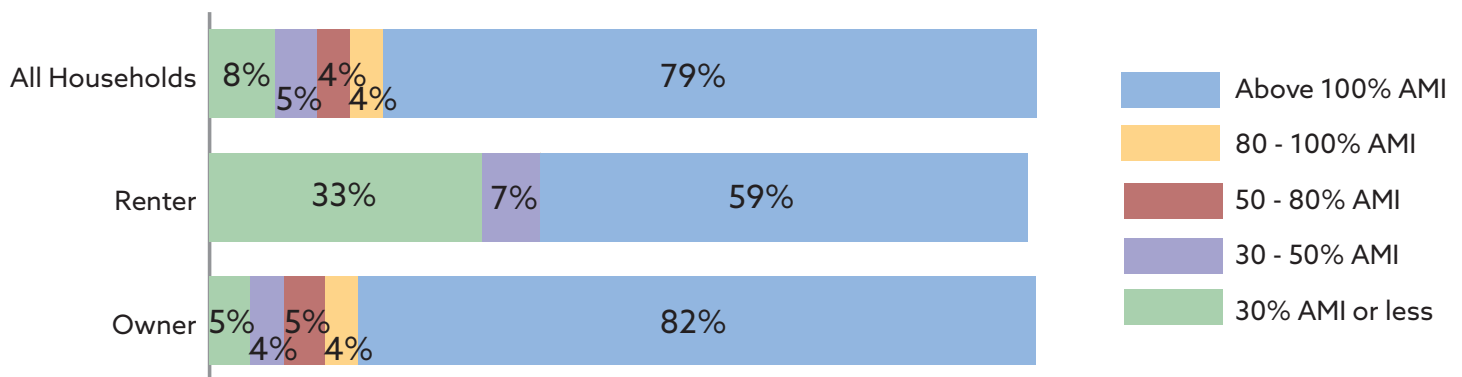
Another way to evaluate household income is to analyze the income distribution and its relationship to housing affordability through Area Median Family Income (AMI). The U.S. Department of Housing and Urban Development (HUD) defines AMI by the following income groups:

- Extremely Low-income: <30% AMI
- Very Low-income: 30-50 % AMI
- Low-income: 50-80% AMI
- Moderate Income: 80-100 % AMI
- Above Median Income: > 100% AMI

Exhibit 8: Percentage of Households by Income Level and Tenure (Medina) shows the distribution of household incomes for all Medina households and then for renters and owners. Seventeen percent (17%) of Medina households are considered low-income, earning 80% AMI or less. Over four-fifths of owner households and three-fifths of renter households generate an income greater than the AMI. Owner households have an even distribution of AMI ranges with approximately 4-5% in all other categories. Renters do not have as even of an AMI distribution with the remaining 40% of rented households falling in the very low or extremely low-income group. One third of Medina renters are in the extremely low-income group.

⁴ In the census, a “family” is a household where two or more people are related by birth, marriage, or adoption. Therefore, family incomes are typically higher than non-family and total household incomes due to the higher earnings from potential multi-income households.

Exhibit 8: Percentage of Households by Income Level and Tenure (Medina)



Source: HUD CHAS (based on 2014-2018 ACS 5-year estimates).

What is cost-burdened?

Cost-burdened is a metric that was developed as an amendment to the federal 1968 Fair Housing Act by Senator Edward Brooke. Senator Brooke initially drafted the proposed amendment as a response to country-wide rent increases and complaints about services in public housing complexes by capping public housing rent at 25% of a resident's income.¹ The amendment, thereafter named the Brooke Amendment, passed in 1969 and was amended again in 1981 increasing the affordability cap to 30%.

Cost-burdened households are defined as households that spend more than 30% and less than 50% of their income on housing, and severely cost-burdened households spend more than 50% of their income on housing. Households need remaining income to afford other essentials such as food, utilities, transportation, childcare, and clothing.

In recent years, the metric has been up for debate among economists, planners, and affordable housing advocates because 30% is arguably an arbitrary number that may not be adequately representing actual cost-burdens experienced in different household types. Incomes and cost of living factors vary greatly throughout the United States based on location and the robustness of the local and natural economies.

Or a household that spends greater than 30% on housing may live somewhere with better access to amenities or somewhere where they can take

public transportation to work, thereby reducing their transportation costs, which is normally a household's highest expense following housing. Additionally, cost-burden has the same metric for family and individual households, and owner and renter households. The economic burdens that a family may experience are vastly different than what an individual would experience, since families have additional members that require more essentials than an individual would have.

While a new metric for housing affordability is likely needed, the 30% approach still has some important uses cases. The severely cost-burdened measurement is still used by HUD in its Worst Case Housing Needs report to Congress of very low-income renting households that do not receive government housing assistance. The 30% cutoff for affordability also matches what assisted households are required to pay in HUD's Housing Choice Voucher program.

The history and flaws of the cost-burden metric are important to understanding the greater context of the metric purpose and how it should be critically considered in the overall Housing Needs Assessment. However, it is still widely agreed upon within the policy and advocacy community that households paying more than half of their income on housing is a serious issue that needs to be addressed.

¹ HUD, "Rental Burdens: Rethinking Affordability Measures," 2014.



Cost-Burdened Households

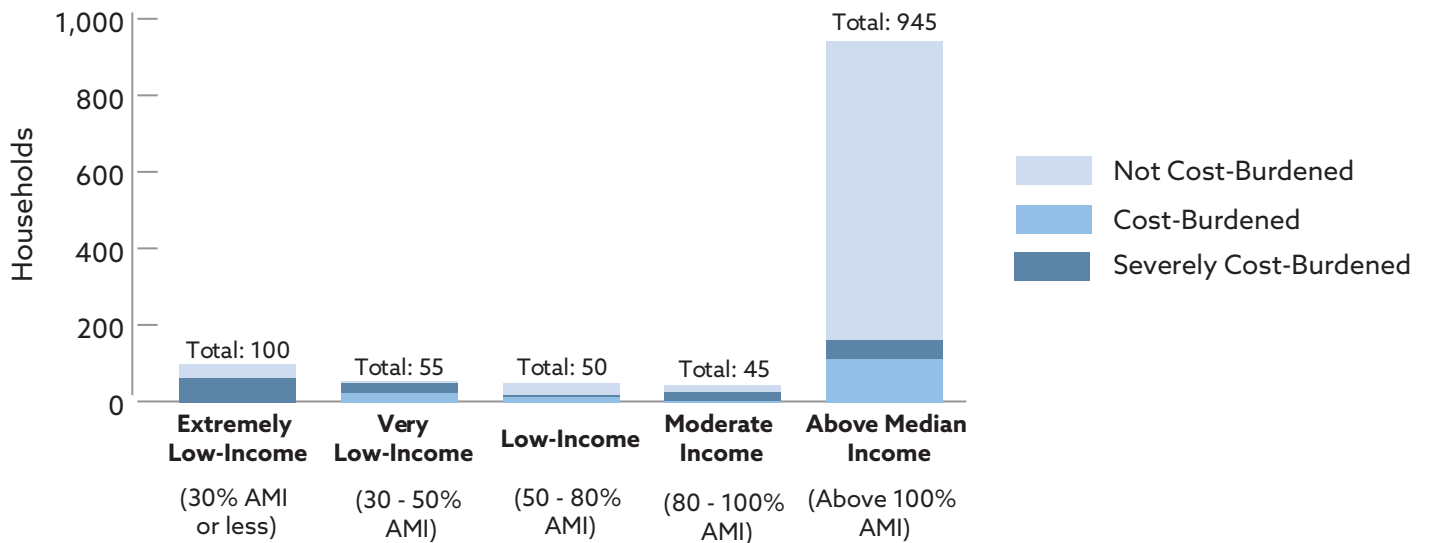
There are two primary income groups in Medina, those who earn above the median income and those who are extremely low-income. High rent and property ownership costs lead to a lack of affordable housing in Medina for families or individuals that fall under the extremely low-income groups. About 30% of households are cost-burdened or severely cost-burdened.

There are disparities in who is experiencing cost-burden between owners and renters. Of the 30% of households that are cost-burdened, 79% are owners compared to the 21% that are renters, but this is due to there being significantly more renters in the city compared to owners. When owner and renter households are separated, 52% of renters are cost-burdened or severely cost-burdened compared to 24% of owners. The majority of cost-burdened renter households are severely cost-burdened. Of cost-burdened owner households, half are cost-burdened, and half are severely cost-burdened.

There are some disparities in which racial groups are cost-burdened in Medina. Overall, the city’s Hispanic households are more cost-burdened than white or Asian families. Nearly three-fourths of white and Asian households are not cost-burdened compared to 40% of Hispanic families. Tenure plays a role in affordability for Hispanic families as 100% of Hispanic renters are cost-burdened compared to 25% of owners that are severely cost-burdened.

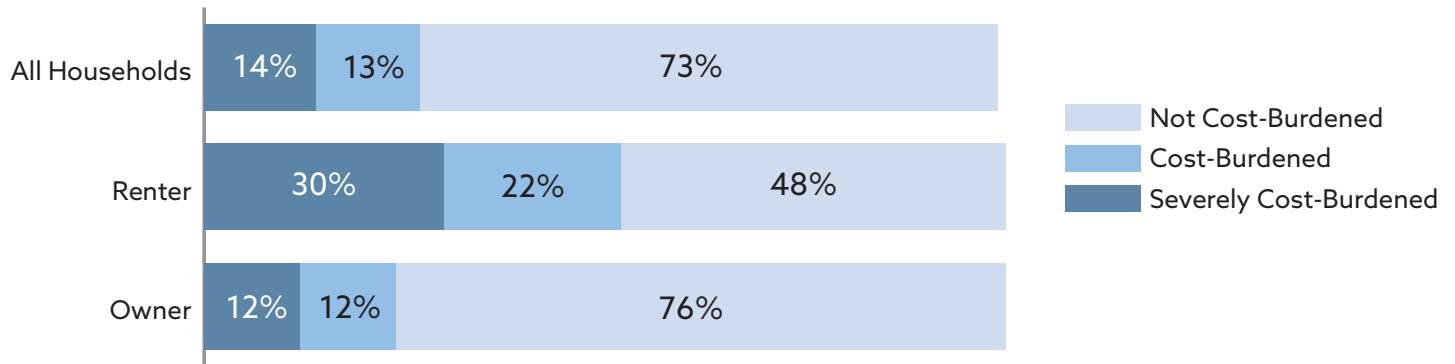
Some of Medina’s white population is cost-burdened, and it appears to be related to tenure status. Approximately 24% of white homeowners are cost-burdened to some degree, and 13% are severely cost-burdened. Comparatively, 59% of white renters are cost-burdened with 47% being severely cost-burdened. Within the Asian population, the same percentage of owner households are cost-burdened as renter households (40%). However, half of the cost-burdened owner households are severely cost-burdened compared with none of the cost-burdened renter households.

Exhibit 9: Households by Income Level and Cost-Burden Status (Medina)



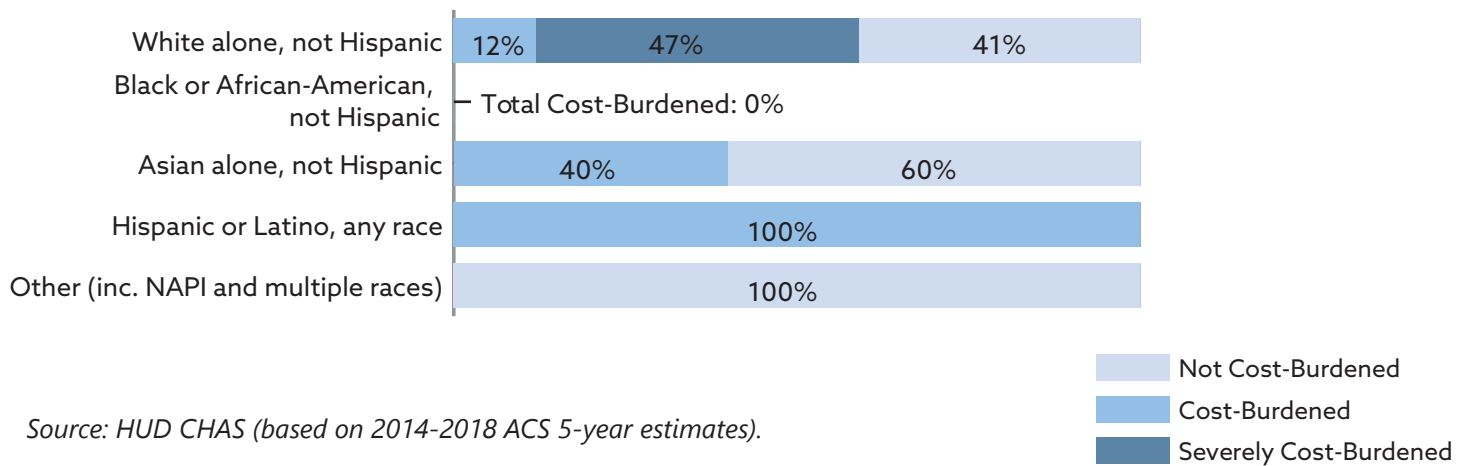
Source: HUD CHAS (based on 2014-2018 ACS 5-year estimates).

Exhibit 10: Proportional Cost-Burdened Households by Tenure (Medina)



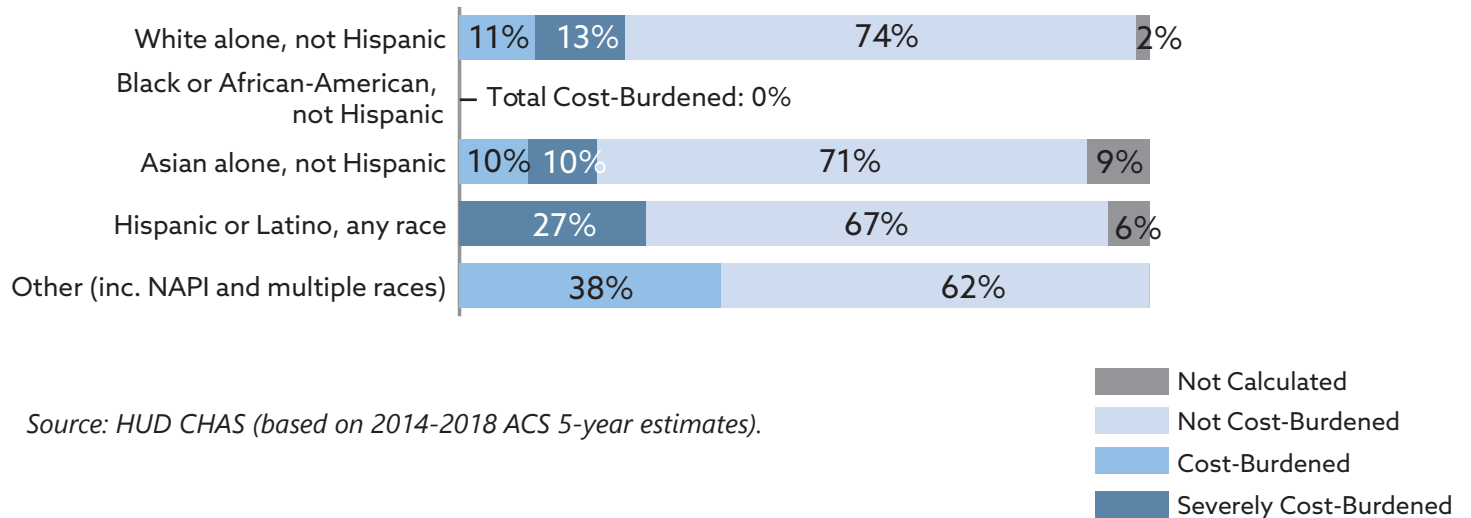
Source: HUD CHAS (based on 2014-2018 ACS 5-year estimates).

Exhibit 11: Owners: Proportional Cost-Burden by Race and Tenure (Medina)



Source: HUD CHAS (based on 2014-2018 ACS 5-year estimates).

Exhibit 12: Renters: Proportional Cost-Burden by Race and Tenure (Medina)



Source: HUD CHAS (based on 2014-2018 ACS 5-year estimates).



Displacement Risk

Displacement occurs when changing neighborhood conditions force residents to move and can create further financial pressures that impact job growth and housing distribution. Forecasting areas facing higher displacement risks can help cities be more aware of socioeconomic strains residents are coping with and prepare comprehensive policies that support racially and economically diverse communities.

The Puget Sound Regional Council (PSRC) issued a 2019 Displacement Risk Report⁵ identifying areas where residents and business are at the greatest risk of displacement. The PSRC uses the following five generalized categories to calculate a city's score determining their respective risk level:

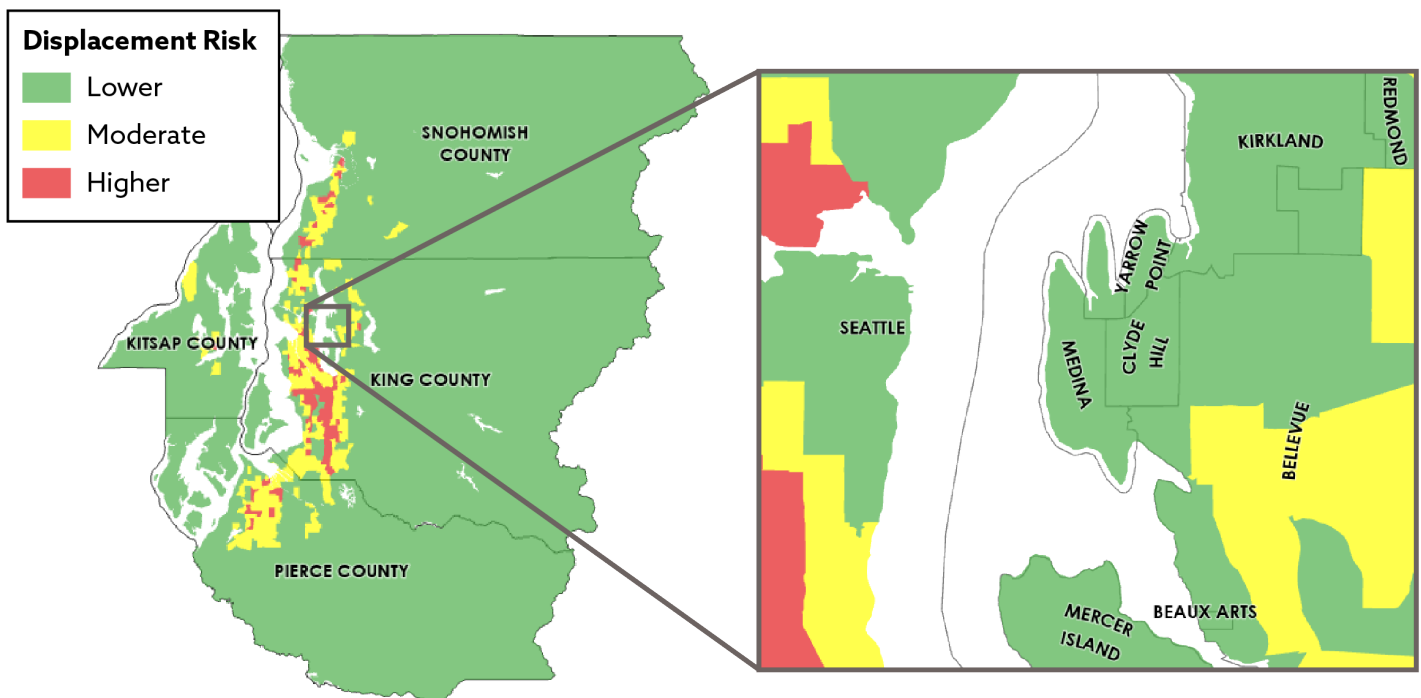
1. Socio-Demographics: Examines the race, ethnicity, linguistics, education, housing tenure and costs, and household income.
2. Transportation Qualities: Assesses access to jobs by car and transit and proximity to existing and/or future transit.
3. Neighborhood Characteristics: Analyzes the proximity of residents to services, retail, parks, schools, and high-income areas.
4. Housing: Reviews development capacity and median rental prices.
5. Civic Engagement: Measured by voter turnout.

Each category has multiple indicators that are standardized and weighted to determine an ultimate score. Each city's score is compiled into an overall index and risk level is determined by how the city fits in to the overall PSRC's data.

Scoring is broken down into three categories: high risk, moderate risk, and low risk. *Exhibit 13: PSRC Displacement Risk (Medina)* shows the PSRC's Displacement Risk Map describing Medina's risk as low risk, meaning that Medina scored lower than more than half of other cities in Pierce, King, and Snohomish County.

⁵ PSRC, "Displacement Risk Mapping," 2019.

Exhibit 13: PSRC Displacement Risk (Medina)



Source: PSRC, "Displacement Risk Mapping," 2019.

Residents with Special Housing Needs

While it is vital to understand which households are struggling with housing costs across all economic segments of the community, it is also important to analyze how different household types are affected because of their distinct characteristics. Residents who are disabled may have special housing needs or require supportive services. They may be on a limited budget and have higher medical costs than the average household.

Exhibit 15: Households by Disability Status shows Medina households with one or more housing problems and a disability status by income level. Housing problems are defined as the following: incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, or cost-burdened. About 7% of households with a housing problem also have a disability status. It is important to be aware of these populations as the City is planning how to address the housing needs of the city as a whole.

Exhibit 14: Households by Disability Status and Income Level (Medina)

DISABILITY STATUS	EXTREMELY LOW-INCOME	VERY LOW-INCOME	LOW-INCOME	MODERATE INCOME OR ABOVE	TOTAL HOUSEHOLDS WITH 1 OR MORE HOUSING PROBLEM
	(≤30% AMI)	(30-50% AMI)	(50-80% AMI)	(>80% AMI)	
Hearing or Vision Impairment	0	4	4	4	12
Ambulatory Limitation	0	0	0	0	0
Cognitive Limitation	0	0	0	0	0
Self-Care or Independent Living Limitation	0	10	0	0	10
None of the Above	65	35	15	185	300
Total	65	49	19	189	322

Source: HUD CHAS (based on ACS 2014-2018 5-year estimates).

Homelessness

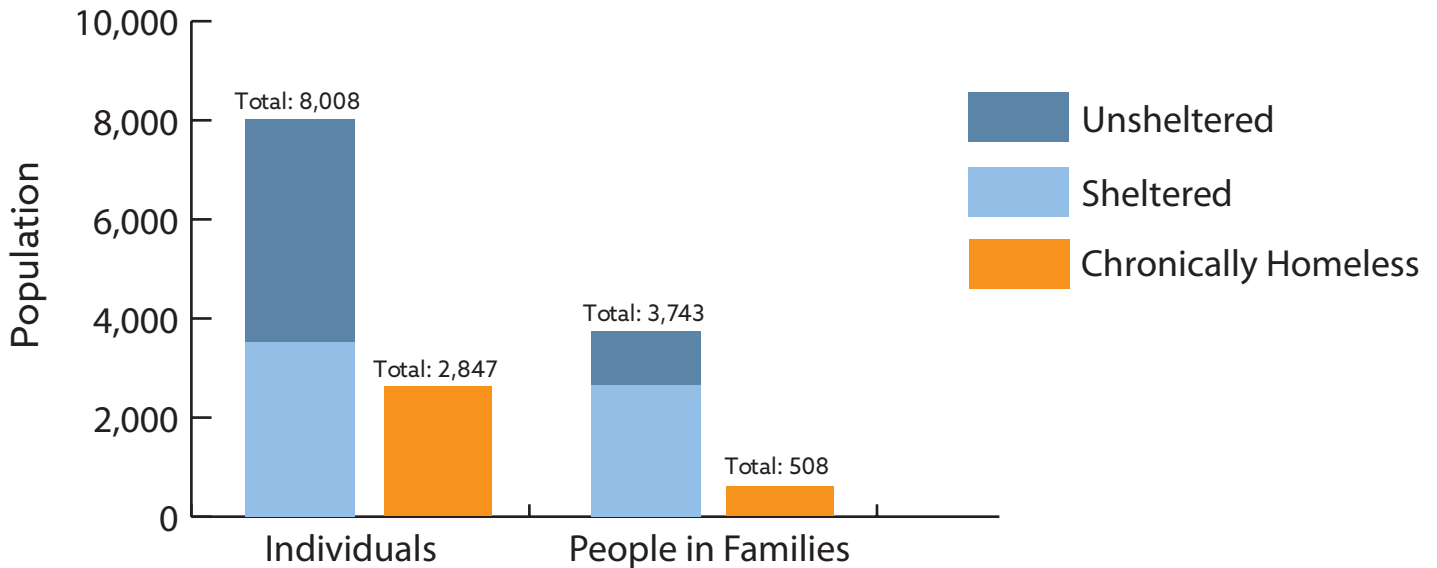
As of 2020, there has been a 5% increase in people experiencing homelessness in King County since 2019.⁶ HUD estimates the number of homeless individuals and counts people in shelters, soup kitchens, and identified outdoor locations by working with local service providers to record an accurate count of homeless individuals, but it is likely that the number is underreported since service providers range in location, availability, and staffing. According to the 2020 Point-in-Time (PIT) Count, approximately 11,750 individuals or people in families are experiencing homelessness in the County. Only about half are in shelters, and 29% are chronically homeless. A summary of the count results is shown in Exhibit 15: Point in Time Count 2020 (King County).

⁶ King County Regional Homelessness Authority, "Seattle/King County Point-in-Time Count of Individuals Experiencing Homelessness," 2020.



The intent of transitional housing is generally to house individuals or families for a limited time after a crisis, such as homelessness, job loss, or domestic violence, and stays can range from two weeks to two years. Transitional housing is a strategy in addressing the homeless crisis in longevity by setting people up for success by creating temporary housing security. Medina has no transitional housing. Medina also has no subsidized or income-restricted housing developments. Subsidized housing is important since it can potentially provide more permanent housing for homeless individuals or families that have little or no income. However, as a member city of A Regional Coalition for Housing (ARCH), it does contribute funding to the Housing Trust Fund. The fund invests local funding from ARCH member cities to create and preserve affordable homes for low- and moderate-income incomes and individuals in East King County. Between 1993 and 2012, a total of 4 moderate- and low-income units had been created through direct assistance from Medina.

Exhibit 15: Point in Time Count 2020 (King County)



Source: HUD, 2020.

How will the HNA and HAP address homelessness?

According to a report published by the Department of Commerce in 2017, the number of people experiencing homelessness has been increasing in Washington since 2013 following 8 years of steady improvement. Through an examination of the potential drivers of the upward trend, it was found that the increase is overwhelmingly caused by growing rents that have driven people at the margins into homelessness. It also looks at other perceived causes of homelessness such as family instability, overall alcohol and drug dependence, and lower educational attainment, all of which have been declining since 2013.

One factor that has intensified the problems caused by rent increases is very low vacancy rates. With low vacancy rates, people are priced out of one place and find it difficult to find another even when they have sufficient income or rental assistance to pay market rents. Vacancy rates below 3% are generally considered too low and can lead to housing price inflation.

In addressing the issue of homelessness, there has to be consideration given both to how to meet the needs of the people already experiencing homelessness and to how to prevent people from becoming homeless in the first place. As for the former, addressing the needs of the homeless population requires a multi-faceted systemic approach that includes housing, but also requires human services, health services, job trainings, and much more. Many of these factors are beyond the scope of what is covered in this Housing Needs Assessment and what can be confronted through a housing action plan. However, regarding the latter, considering the factors that may push people into homelessness and attempting to negate those is within the scope of the HNA and HAP. This proactive approach is still essential to addressing the issue at large.



2.4 WORKFORCE PROFILE

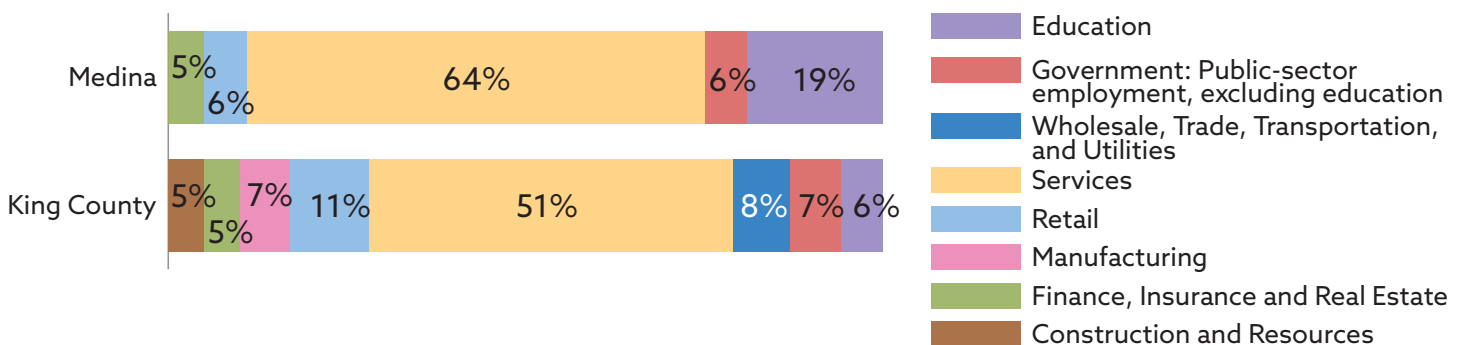
Citywide Employment

According to PSRC, the largest industry sectors available for employment in Medina are services (69%) followed by Education (19%) with a total of 463 jobs as of 2020. Services is also the major industry sector in King County at 51% followed by Retail (11%). The major industry sectors are compared proportionally in *Exhibit 16: Employment by Industry (Medina & King County)*.

Exhibit 18: Jobs Held by Residents by NAICS Industry Sector (Medina) is a table that displays within which industry sectors residents of Medina work compared with residents of the county. Most residents of Medina work in Information (17%) which is the third most worked in industry for the county (9%). Health Care and Social Assistance is largest employment sector for county residents at 13%. Professional, Scientific, and Technical Services is the second most worked in industry for both the city (13%) and county (10%).

The City has a far greater number of housing units compared to jobs, providing over twice as many housing units as jobs. King County has a jobs-to-housing ratio of about 1.48 (*Exhibit 17: Jobs-to-housing Ratio (Medina & King County)*). A jobs-to-housing ratio in the range of 0.75 to 1.5 is considered ideal for reducing vehicle miles traveled, meaning it is more likely people can live near where they work. Commuting is discussed further in the next section. The primary land use in Medina is single-family residential, and there are limited number of properties zoned and operating as commercial uses. *Exhibit 19: Job Density (Medina)* describes the concentration and density of jobs, demonstrating the City’s limited employment sector. Medina has no undeveloped parcels and does not anticipate job growth within the city limits.

Exhibit 16: Employment by Industry (Medina & King County)



Source: PSRC, 2020.

Exhibit 17: Jobs-to-housing Ratio (Medina & King County)

	MEDINA	KING COUNTY
Jobs	463	1,430,940
Housing Units	1,131	969,234
Jobs-to-Housing Ratio	0.41	1.48

Source: PSRC, 2020; OFM, 2020.



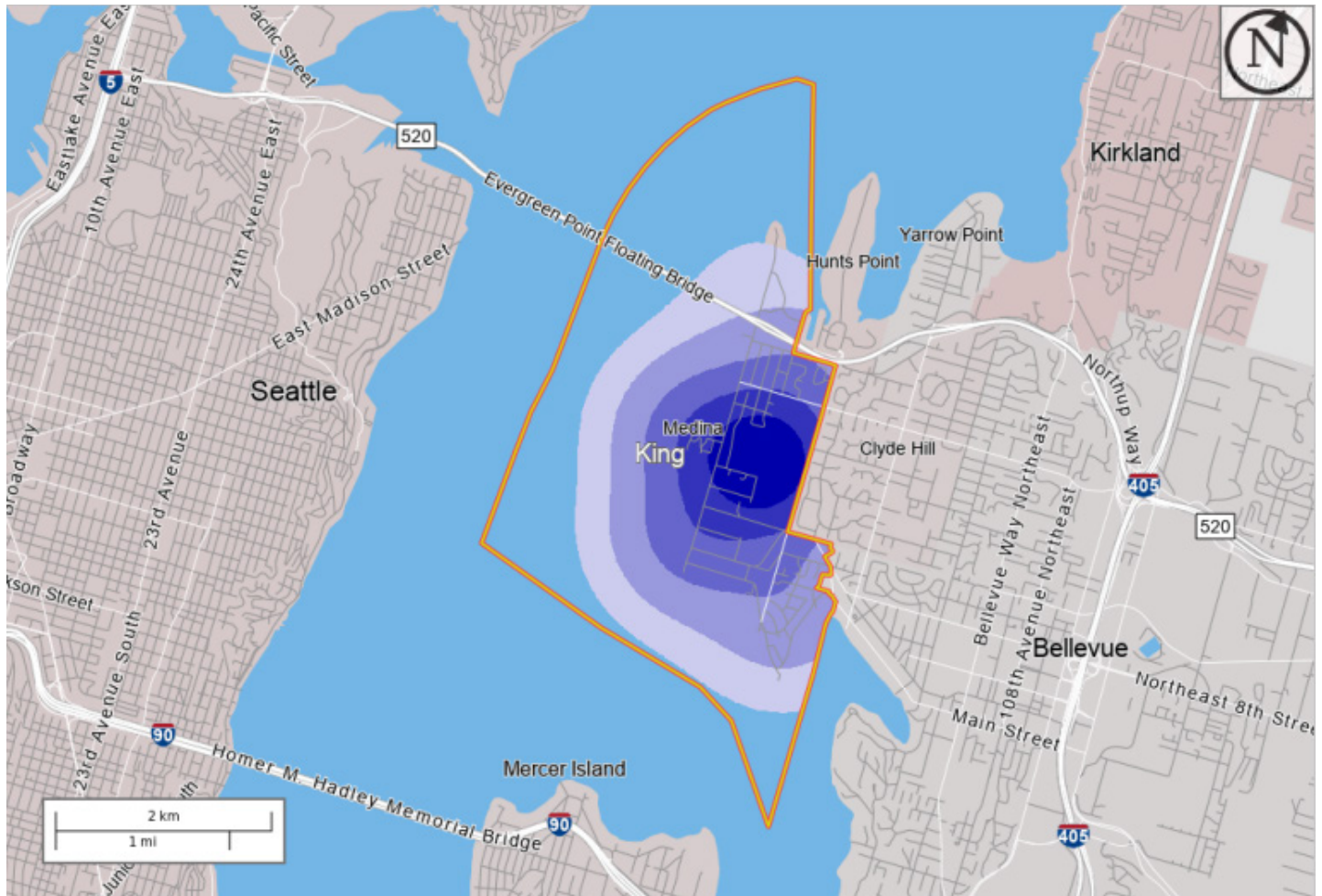
Exhibit 18: Jobs Held by Residents by NAICS Industry Sector (Medina)

JOBS HELD BY RESIDENTS	MEDINA		KING COUNTY	
	COUNT	PERCENTAGE	COUNT	PERCENTAGE
Agriculture, Forestry, Fishing and Hunting	3	0%	4,089	0%
Mining, Quarrying, and Oil & Gas Extraction	0	0%	342	0%
Utilities	1	0%	3,923	0%
Construction	39	4%	50,383	5%
Manufacturing	62	7%	80,341	8%
Wholesale Trade	37	4%	44,981	4%
Retail Trade	76	8%	89,992	8%
Transportation and Warehousing	27	3%	42,669	4%
Information	160	17%	98,152	9%
Finance and Insurance	53	6%	35,431	3%
Real Estate and Rental and Leasing	20	2%	22,636	2%
Professional, Scientific, and Technical Services	120	13%	105,916	10%
Management of Companies and Enterprises	20	2%	26,028	2%
Administration & Support, Waste Management and Remediation	51	5%	61,451	6%
Educational Services	46	5%	83,551	8%
Health Care and Social Assistance	75	8%	133,494	13%
Arts, Entertainment, and Recreation	19	2%	24,003	2%
Accommodation and Food Services	72	8%	90,940	9%
Other Services (excluding Public Administration)	36	4%	38,659	4%
Public Administration	14	2%	29,301	3%
Total	931		1,066,282	

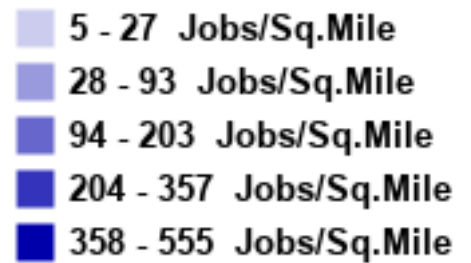
Source: OnTheMap, 2019.



Exhibit 19: Job Density (Medina)



Source: OnTheMap, 2019.



Commuting

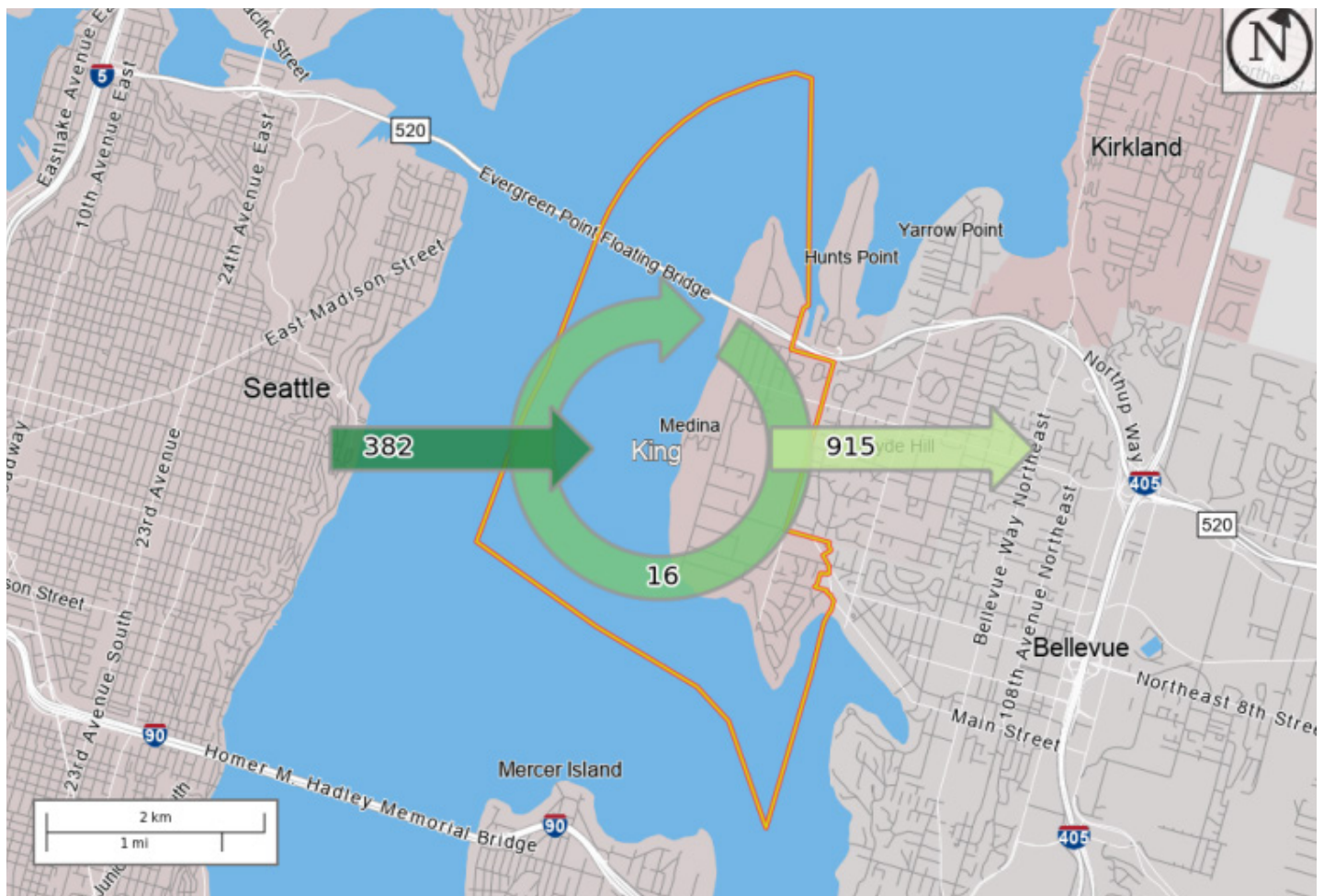
A factor to consider related to employment is the distance someone travels to and from work. Because a person’s job is often the place they travel to the most, the distance between home and their place of employment matters as it relates to what they spend on transportation costs. After housing costs, transportation costs are generally a household’s second largest expense. A picture of affordability is not complete without considering transportation.

Census OnTheMap data reveals only about 16 residents both live and work in Medina. Over 90% of Medina’s workforce and residents are traveling between 1 and 24 miles to their jobs. *Exhibit 20: Inflow/Outflow Counts of all Jobs (Medina)* shows the inflow and outflow of people commuting to work or who is entering and leaving the city for work. A vast majority of the workforce (96% or 382 people) lives outside the city’s limits with one in ten traveling 24 miles or less to Medina. Medina’s workforce primarily lives in Seattle (15%), Bellevue (15%), or Kirkland (7%).

Medina residents commute to Seattle (32%), Bellevue (18%), or Redmond (12%) for employment as shown in *Exhibit 21: Employment Locations of Residents (Medina)*. Similarly to people who commute to Medina for employment, nine in ten residents travel less than 24 miles to work.

It should be noted that this data is from 2019 and therefore from prior to the COVID-19 pandemic, which had a large effect on traditional commuting patterns. There was a period when most non-essential workers were working from home, thereby likely not incurring the transportation costs to which they had been accustomed. While many places of employment have shifted back to requiring employees to come back to the office full-time or allowing more of a hybrid approach, it is still too soon to exactly determine the lasting impacts the pandemic will have on the daily commute. Regardless, remote work in either a full-time or hybrid format seems like it will remain an option long-term for many employees. While transportation costs associated with a commute may not hold the same power as a factor when someone is choosing where they are going to live as it once did, it is still important to note when thinking about overall location affordability. Location affordability and the metrics that are considered are discussed later in this report.

Exhibit 20: Inflow/Outflow Counts of all Jobs (Medina)



Source: OnTheMap, 2019.



Exhibit 21: Employment Locations of Residents (Medina)

WHERE WORKERS WHO LIVE IN MEDINA ARE EMPLOYED	MEDINA	
	COUNT	PERCENTAGE
Seattle, WA	300	32%
Bellevue, WA	171	18%
Redmond, WA	109	12%
Kirkland, WA	43	5%
Everett, WA	31	3%
Renton, WA	26	3%
Medina, WA	16	2%
Issaquah, WA	15	2%
Kent, WA	14	2%
Tukwila, WA	14	2%
All Other Locations	192	21%
Total	931	

Source: OnTheMap, 2019.

Employment Projections

Long term employment projections are prepared by the Washington State Employment Security Department (ESD) based on estimates of average annual job openings and population growth. ESD breaks down anticipated employment projections by industry for counties or groups of counties. The 2021 ESD Projections Report contains estimates for a 5 and 10-year window in King County. The industries anticipating the largest growth between 2019 and 2029 are information, retail, and business/professional services with an average growth rate of 4.2%, 2.8%, and 1.2% respectively.



KEY TAKEAWAYS: COMMUNITY OVERVIEW

Populations

- The overall population is decreasing in the City, with the average growth rate between 2000-2021 at -3%. Medina is skewed towards having an older population with 46.8 years as the average resident age and is higher than King County's average of 37 years.
- The 20-62 age group makes up just under one third of the City's population and has a lower proportion of employment aged individuals than King County.
- Medina is predominately a white (64%) community with a higher ratio of Asian and Pacific Islanders (24%) and lower ratio of Hispanics (4%) and African-Americans (1%) compared to the overall County.
- Families primarily speak English at home (74%). Of the 26% that do not speak primarily speak English at home, two thirds speak an Asian and Pacific islander language and one fourth speak an Indo-European language.

Households

- Medina is primarily a home-owner community with 86% of dwelling units being owner-occupied and 14% being renter-occupied. There is a low vacancy rate (6%) indicating a high demand for housing.
- The average household size is 2.73 residents and has not significantly increased since 2000. Owner-occupied homes have a higher average family household size (2.81 persons) than renters (2.25 persons).
- Medina households have a median income of \$212,377 which is double what the median County household earns. Families had a median income beyond the highest recorded income brackets (\$250,000) for the 2019 ACS. Nonfamily households' average income was \$54,000.
- Seventeen percent (17%) of Medina households are considered low-income, earning 80% AMI or less.
- Renters experience the most financial strain, with 22% of renters being cost-burdened and 30% severely cost-burdened.
- PSRC determined the city as a whole falls under the low displacement risk category.

Workforce Profile

- Medina will have limited employment growth since all Medina properties are developed and primarily zoned exclusively for residential uses.
- The jobs-to-housing ratio is 0.41, and indicates there is over twice as many housing units than jobs.
- Nine out of ten residents commute less than 24 miles to work, and 62% work in Seattle, Bellevue, or Redmond.
- Ninety-six (96%) of Medina's workforce lives outside the City and are most likely living in Seattle, Bellevue, or Kirkland. The top two industry sectors for employment in Medina are Services (64%) and Education (19%).

Part 3: Housing Conditions

3.1 HOUSING INVENTORY

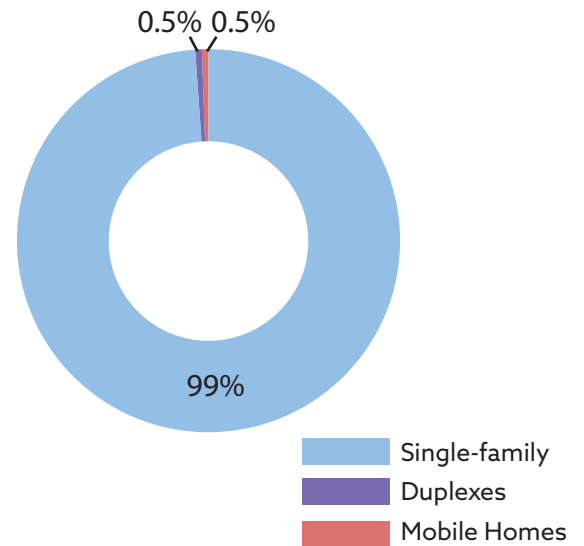
Housing Units by Type and Size

As of 2021, there are 1,132 housing units in Medina, representing a 2.8% decreased in supply since 2000. *Exhibit 23: Housing Inventory by Type (Medina)* describes the breakdown of housing units by type; 99% of the housing units are single-family detached homes and the remaining 1% are comprised of either duplexes or mobile homes. There are no single-family attached or multifamily developments in the city.

While over half of all households contain only one or two people, one-bedroom and two-bedroom units comprise just 8% of the city's housing stock. This means 92% of housing units in Medina have three or more bedrooms, with 20% having 5 or more. There is an oversupply of larger units compared to the distribution of household sizes.⁷

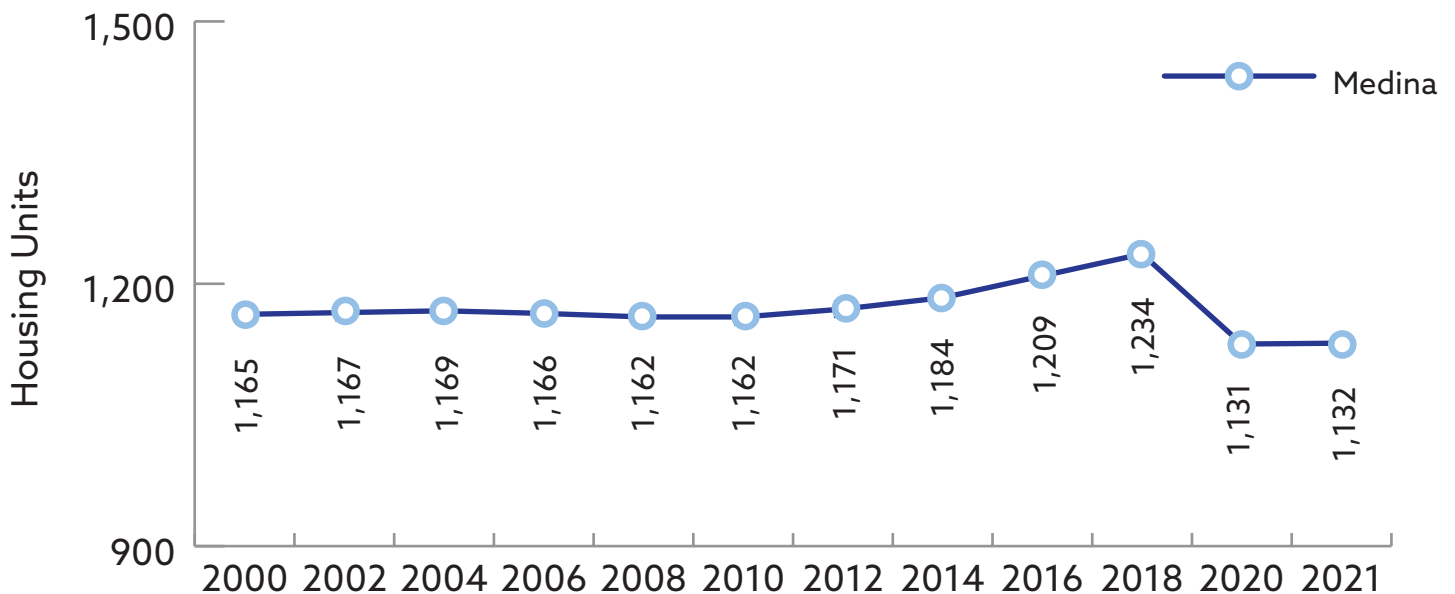
⁷ Source: 2015-2019 ACS 5-year estimates.

Exhibit 23: Housing Inventory by Type (Medina)



Source: 2015-2019 ACS 5-year estimates.

Exhibit 22: Housing Units, 2000 to 2021 (Medina)



Source: OFM, 2021.



Housing Age and Production

Exhibit 24: Age of Housing Stock (Medina) describes the age of housing units in Medina by when the structures were built. A third of the current housing stock was constructed before 1959, with 22% being built between 1950 and 1959, representing the post World War II housing boom. As these homes continue to age, there will be a greater need to repair, maintain, and rehabilitate older structures. Another third of the housing stock was developed between 1960 and 1989, with the largest growth happening between 1960 to 1969. The last third was constructed between 1990 and present-day, with 16% constructed in the decade between 2000 and 2009.

The PSRC records permit data on housing units and record net gains and losses by unit type, as shown in *Exhibit 24: Age of Housing Stock (Medina)*. Between 2010 and 2019, the City lost an average of four housing units and gained an average of four new units annually. As mentioned previously, the total number of housing units in Medina has actually decreased by nearly 3% since 2000, indicating that new construction is primarily occurring through redevelopment of existing properties. A major increase in permits occurred between 2012 and 2013 with 34 permits being issued, 100% of which went toward the construction of single-family units. No multifamily or mobile home units were permitted between 2010 and 2019.

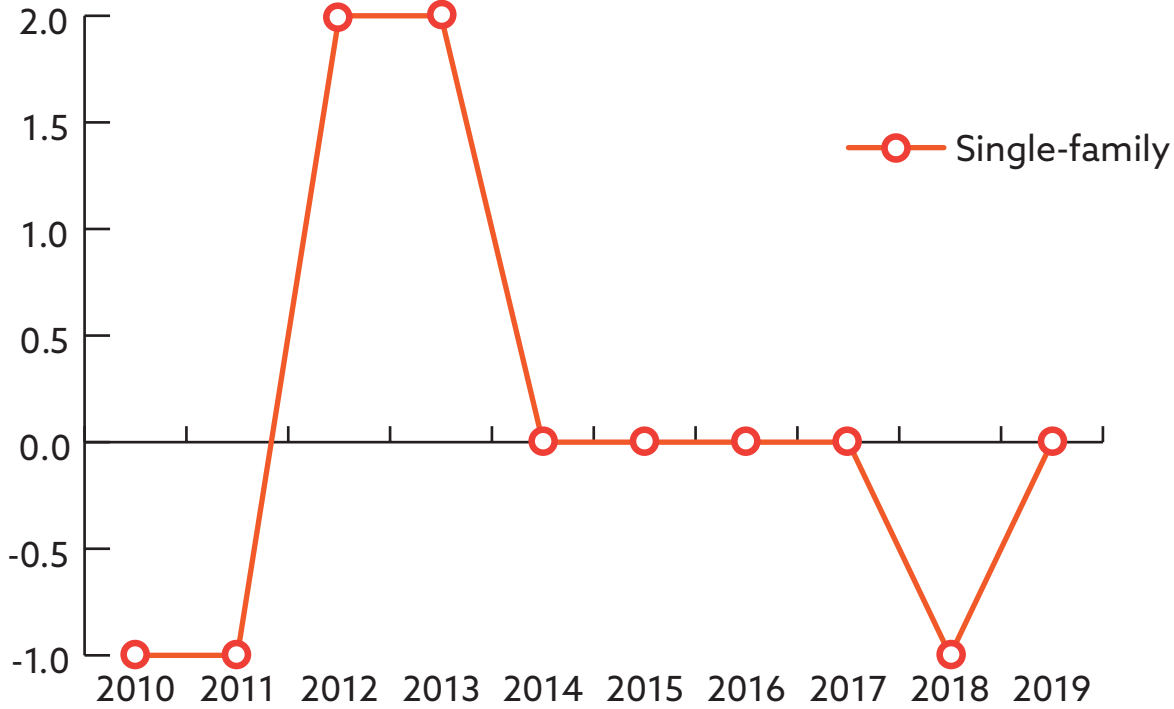
Exhibit 24: Age of Housing Stock (Medina)

BUILT DATE	PERCENTAGE
Built 2010 to 2019	4%
Built 2000 to 2009	16%
Built 1990 to 1999	12%
Built 1980 to 1989	8%
Built 1970 to 1979	11%
Built 1960 to 1969	16%
Built 1950 to 1959	22%
Built 1940 to 1949	4%
Built 1939 or earlier	7%

Source: 2015-2019 ACS 5-year estimates.

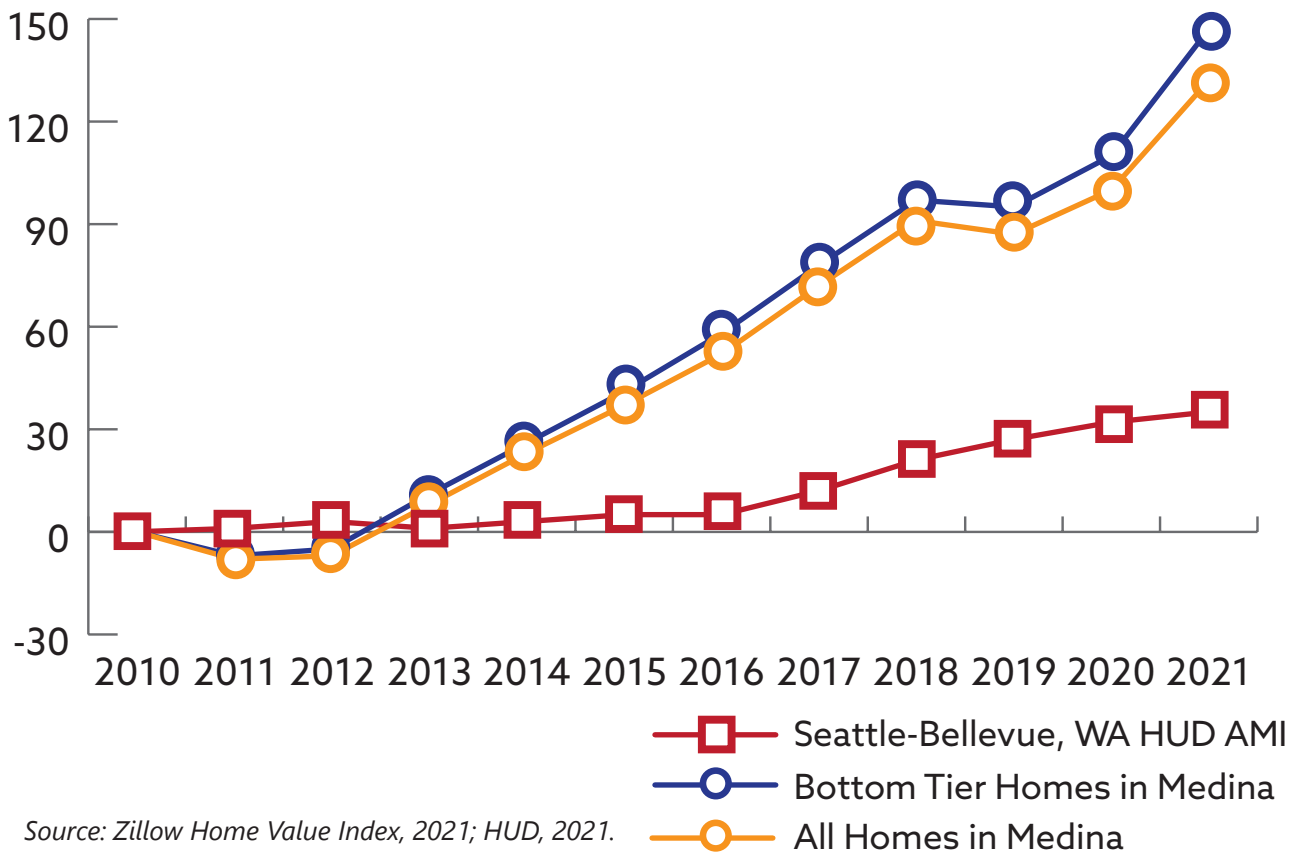


Exhibit 25: Permitted Units, 2010 - 2019 (Medina)



Source: PSRC, 2019.

Exhibit 26: Percent Change in Home Values and HUD AMI Since 2010 (Medina)



Source: Zillow Home Value Index, 2021; HUD, 2021.



3.2 HOME OWNERSHIP

Home ownership is an important topic to consider since it is the main way most American families accumulate generational wealth. There are also typically more home ownership opportunities compared with rental opportunities in advantaged neighborhoods, which provide access to higher performing school districts, amenities, and social capital that can lead to better opportunities. Approximately 81% of housing units in Medina are owner-occupied. Of households that are owner-occupied, approximately 73% are white, and 24% are Asian.

Exhibit 27: Age of Owners (Medina) shows the home ownership rate by age group. The represented age is that of the householder.⁸ The 65 to 74 and the 85 years and over age groups have the highest rates of ownership, at 100% each. Generally, as age increases so does the home ownership rate, and eight of ten households that are 45 or older are owner households. Households that are 35 years old and younger have the lowest ownership rate at just over half of households in that age group.

Low ownership rates are typical for this range and are due to lack of wealth accumulation from minimal years in the work force, high amounts of student loan debt, and the high cost of ownership.

Exhibit 26: Percent Change in Home Values and HUD AMI Since 2010 (Medina) shows the percent change in median home value and bottom tier home value from 2010 to 2021 in comparison to the percent change in HUD AMI. The data reflects the decrease in home value following the Great Recession at the end of the 2000s. However, median home values have been increasing since 2013. In 2021, the median home value in Medina was \$3,548,000 which is over twice the median home value of \$1,529,000 in 2010. This is reflective of the regional population boom and increasing housing shortage. Bottom tier homes in Medina, which are described by Zillow as those in the 5th to 35th percentile of all units by value, followed a similar trend and grew 147% since 2010 which is a higher percentage the median home value increase. In 2021, the average bottom tier home cost \$2,615,000.

Exhibit 27: Age of Owners (Medina)

AGE OF HOMEOWNERS	PERCENTAGE OF HOUSEHOLDS IN AGE GROUP
Under 35 years	54%
35 to 44 years	69%
45 to 54 years	86%
55 to 64 years	94%
65 to 74 years	100%
75 to 84 years	81%
85 years & up	100%

Source: 2015-2019 ACS 5-year estimates.

Over the same period, Seattle-Bellevue area median income has also grown but not at the same rate as housing values. Between 2010 and 2021, the Seattle-Bellevue AMI was fairly stagnant the first half of the decade but grew to \$115,700 by 2021, which is a 35% increase from 2010. In 2019, the household median income in Medina was \$212,337⁹, which is over double the Seattle-Bellevue, WA HUD AMI of the same year. The key takeaway here is that median housing costs have far outpaced regional wage growth, meaning that ownership affordability is getting further and further out of reach.

8 The householder refers to the person (or one of the people) in whose name the housing unit is owned or rented.

9 2015-2019 ACS 5-year estimates.



Home Ownership Affordability

Exhibit 28: Cost of Home Ownership (Medina) describes the approximate incomes needed to afford a median or bottom-tier home. It also estimates annual income needed for a first time homebuyer, which is explained further in the Home Ownership Affordability call-out. To afford a median priced home in Medina, a minimum annual income of \$569,131 is required, which is 524% of HUD AMI and 268% of the City’s median income. Even a bottom tier home requires a household income of \$411,773, or 194% of HUD AMI.

Exhibit 29: Percentage of All Households by Income Bracket (Medina) shows the percentages of households by income bracket. Because ACS data does not break out household income above \$200,000 and the minimum income to afford the median home is more than double that, it is difficult to have a more defined estimate of what percentage of households can potentially afford to own a home. However, at least 48% of households cannot afford a median home since that’s the percentage that have incomes below \$200,000. Furthermore, ACS data is also not available on household savings, so even if a household has a high enough income, it is impossible to estimate whether they have enough savings for a down payment.

Exhibit 28: Cost of Home Ownership (Medina)

MONTHLY MORTGAGE	MEDIAN HOME	BOTTOM TIER-HOME	FIRST TIME HOMEBUYER
Sales Price	\$2,858,012	\$2,067,806	\$2,429,310
Assumed down payment	\$571,602	\$413,561	\$242,931
Mortgage amount	\$2,286,409	\$1,654,245	\$2,186,379
Monthly mortgage payment	\$10,837	\$7,841	\$10,679
Monthly Income Needed	\$47,428	\$34,314	\$45,201
Annual Income Needed	\$569,131	\$411,773	\$542,415
% of HUD AMI	524%	379%	499%
% of City Median Income	268%	194%	255%

Source: Zillow Home Value Index, 2019; HUD, 2019; 2015-2019 ACS 5-year estimates.



How is home ownership affordability calculated?

Home ownership affordability was calculated using the Zillow Home Value Index (ZHVI) which provides median home values for all ownership homes (single-family residential and condos) as well as averages among “Bottom Tier” homes (those in the 5th to 35th percentile of all units by value) and “Top Tier” (those in the 65th to 95th percentile of all units by value). The ZHVI represents the whole housing stock and not just homes that list or sell in a given month.

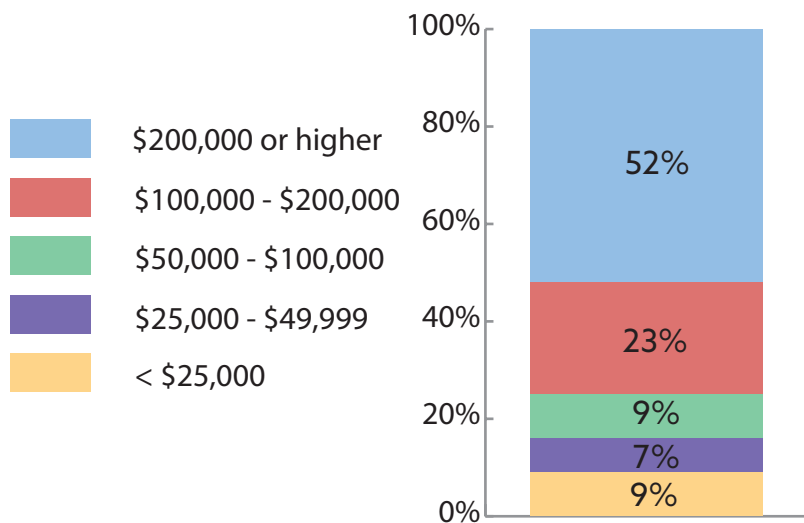
The monthly mortgage payment for these homes was calculated using several assumptions:

- The down payment is 20% for the Median Home and Bottom Tier Home calculations; therefore, the mortgage amount is 80% of the home value.
- Mortgage term is 30 years, so there are 360 payments over the course of the loan.
- Interest rate is the Freddie Mac national average for a 30-year fixed-rate mortgage from 2019.
- Monthly property taxes are assumed to be the county average.
- Monthly insurance payments are assumed to be 0.5% of the home’s value.

The First Time Homebuyer calculations are based on a metric used by the Washington Center for Real Estate Research to assess housing affordability for a given area given the assumptions for a first-time homebuyer. These assumptions differ from those listed by assuming the home value is 85% of the median and the down payment is 10% of the home value.

These assumptions provided the monthly costs expected to be paid for the three home value types. The monthly costs were divided by .3 and multiplied by 12 to determine the minimum annual income needed to afford them (i.e., not be cost-burdened). Note that monthly utility payments are not included because of lack of data for estimating these costs, so affordability may be overestimated.

Exhibit 29: Percentage of All Households by Income Bracket (Medina)



Source: 2015-2019 ACS 5-year estimates.



3.3 RENTAL HOUSING

About 14% of the city’s housing stock are rental units, or approximately 163 housing units total. Four out of five renter households identify as white, and the remaining identify as Asian. There are no other minorities identified as residing in a rental unit. *Exhibit 30: Age of Renters (Medina)* shows the number of renter households by age group, displaying the inverse percentages discussed previously in the Home Ownership section. The under 35 age group has the highest rate of renter households at 46% of all households within that age group. However, the highest overall amount of renter households is in the 35-44 years age group trailed closely by the 45-54 years age group.

Rental Housing Costs

As of 2019, the median rent in Medina was \$2,855, which is more than twice King County’s median rent of \$1,606. Approximately 71% of households can afford the median rental cost. Medina’s median income is \$212,337 and an annual income of \$114,086 is required to afford a rental unit.¹⁰ *Exhibit 31: Median Gross Rent by Number of Bedrooms (Medina)* shows the median gross rent by number of bedrooms in Medina compared with the rents in King County. The data on rent in Medina is limited due to the lower quantity of units and range of unit sizes. The median monthly rent of a 3-bedroom unit is at least \$3,500 which is less affordable than the median rent for 5-or-more bedroom rental in King County. *Exhibit 32: Affordability of Median Cost Rental Units (Medina)* takes the rental affordability analysis deeper by showing for which income ranges the median rents are affordable. The median rent for all units and a 3-bedroom unit is affordable for all household making 80% of the median income and above.

HUD provides data on rental units available by income bracket compared with the income levels of renter households as shown in *Exhibit 33: Rental Units Available by Income Bracket (Medina)*. For extremely low- and very low-income renter households (earning less than 50% AMI), there is an undersupply in units available at the affordability level compared to number of households. Some of these households must rent units that cause them to be cost-burdened. For the 60% of renter households that earn over 80% of the AMI, there is a slight surplus of units priced to meet these incomes.

Exhibit 30: Age of Renters (Medina)

AGE OF RENTERS	PERCENTAGE OF HOUSEHOLDS IN AGE GROUP
Under 35 years	46%
35 to 44 years	31%
45 to 54 years	14%
55 to 64 years	6%
65 to 74 years	0%
75 to 84 years	19%
85 years & up	0%

Source: 2015-2019 ACS 5-year estimates.

This means there is less competition for the lower cost rental units, but there will be cost-burdened households as long as enough rental units do not exist that are affordable to households at all income levels.

While the ACS does not have rental vacancy information available at the city level, we can use the data for King County to gain an understanding of what renters in Medina may experience. The rental vacancy rate for King County is 3.3%, which is considered to be healthy but is verging on being too low. A healthy housing market has a vacancy rate around 5%; rates below 3% are generally considered too low and can lead to housing price inflation.

¹⁰ 2015-2019 ACS 5-year estimates.



Exhibit 31: Median Gross Rent by Number of Bedrooms (Medina)

BEDROOMS	MEDINA	KING COUNTY
No bedroom	-	\$ 1,307
1 bedroom	-	\$ 1,420
2 bedrooms	-	\$ 1,671
3 bedrooms	\$ 3,500+	\$ 2,030
4 bedrooms	-	\$ 2,350
5 or more bedrooms	-	\$ 2,291
Median Gross	\$ 2,855	\$ 1,606

Note: These median rent prices are based on data from the most recent community survey. A limited supply of rentals, age of units, and location influence prices. Furthermore, some units are difficult to classify as they may have amenities not seen in this data. Things like communal spaces, fitness areas, or a convenient setting. Finally, modern studios often have more square footage than a traditional one-bedroom unit.

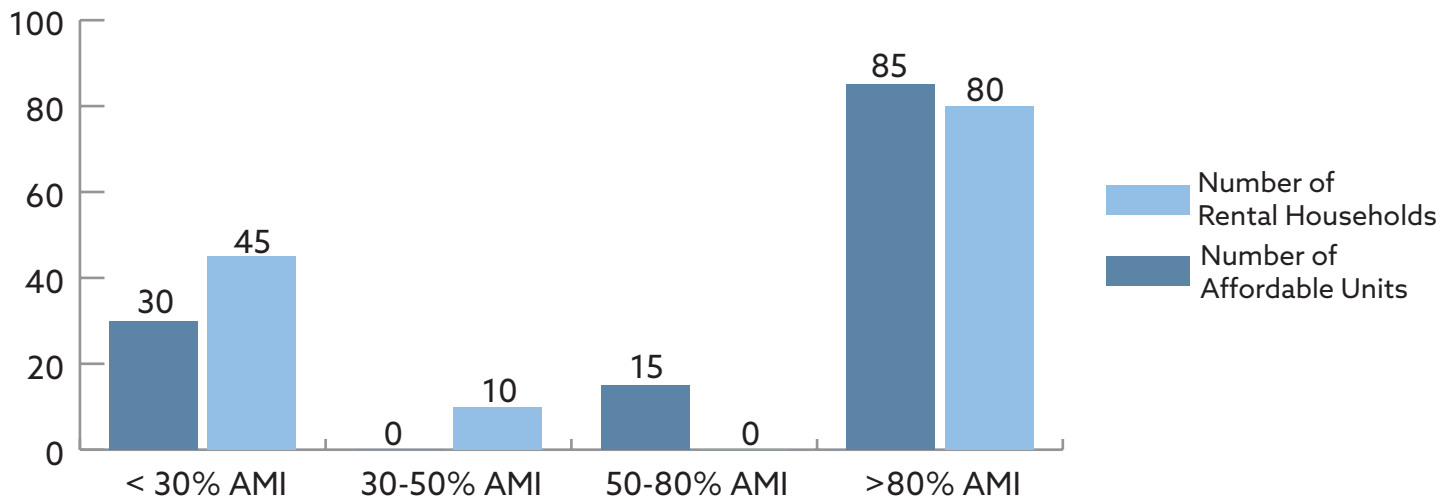
Source: 2015-2019 ACS 5-year estimates.

Exhibit 32: Affordability of Median Cost Rental Units (Medina)

HOUSEHOLD INCOME (% OF MEDINA MEDIAN INCOME OF \$212,337)	AFFORDABILITY OF MEDIAN COST RENTAL UNITS	
	ALL UNITS	3-BEDROOM
120%	YES	YES
100%	YES	YES
80%	YES	YES
60%	NO	NO
50% or less	NO	NO

Source: 2015-2019 ACS 5-year estimates.

Exhibit 33: Rental Units Available by Income Bracket (Medina)



Source: HUD CHAS (based on ACS 2014-2018 5-year estimates).



3.4 SUBSIDIZED HOUSING

As mentioned previously, Medina has no subsidized housing units available to those households who qualify for income-restricted housing. However, as a member city of A Regional Coalition for Housing (ARCH), Medina does contribute funding to its Housing Trust Fund. The fund invests local funding from ARCH member cities to create and preserve affordable homes for low- and moderate-income incomes and individuals in East King County, but not necessarily within the jurisdiction from which the funds were contributed. Between 1993 and 2012, a total of 4 moderate- and low-income units had been created through direct assistance from Medina.¹¹

¹¹ ARCH, 2014.



KEY TAKEAWAYS: HOUSING CONDITIONS

Housing Inventory

- There are 1,132 housing units, of which more than 99% are single-family homes.
- Eight percent of the City's housing stock is a one- or two-bedroom unit, even though over half of all households contain only one or two people, meaning there is a shortage of smaller units.
- A third of the housing stock was built before 1959. As these homes continue to age, there will be a greater need to repair, maintain, and rehabilitate older structures. Another third was developed between 1960 and 1989. Sixteen percent was constructed between 2000 and 2009.
- All of the residential permits issued since 2010 have been for single-family homes. The total number of housing units in Medina has actually decreased by nearly 3% since 2000, indicating that new construction is primarily occurring through redevelopment of existing properties.

Housing Ownership

- Eighty-one percent (81%) of the city's housing units are owner-occupied.
- Homeowners are primarily white (73%) and Asian (24%).
- Households in the 65 to 74 and the 85 years and over age groups have the highest rates of ownership, at 100% each. Households that are 35 years old and younger have the lowest ownership rate at just over half of households in that age group.
- As of 2021, the median home value is \$3,548,000 which has more than doubled since 2010. This steady increase in home values began in 2013.
- Bottom-tiered home values have increased by 147% since 2010 to a value of \$2,615,000 as of 2021.
- The Seattle-Bellevue, WA HUD AMI has increased by 35% since 2010 to \$115,700 in 2021 but has not kept pace with increasing home ownership costs in the region.
- To afford a median priced home in Medina, a minimum annual income of \$569,131 is required, which is 524% of HUD AMI and 268% of the City's median income. This assumes the household has enough savings to afford the down payment.

Rental Housing

- Eighty percent (80%) of Medina's renter households are white, and the rest are Asian.
- The under 35 age group has the highest rate of renter households at 46% of all households within that age group, but the highest overall amount of renter households is in the 35-44 years age group.
- As of 2019, the median rent in Medina was \$2,855, which is more than twice King County's median rent of \$1,606. Approximately 71% of households can afford the median rental cost.
- The median rent for all units and a 3-bedroom unit is affordable for all household making 80% of the median income and above.
- For extremely low- and very low-income renter households (earning less than 50% AMI), there is an undersupply in units available at the affordability level compared to number of households. For the 60% of renter households that earn over 80% of the AMI, there is a slight surplus of units priced to meet these incomes.
- The rental vacancy rate for King County is 3.3% indicating that the rental housing market is healthy but trending towards scarcity which can lead to housing price inflation.

Subsidized Housing

- Medina has no subsidized housing units.
- Between 1993 and 2012, a total of 4 moderate- and low-income units had been created in East King County through Medina's contributions into the ARCH Housing Trust Fund.

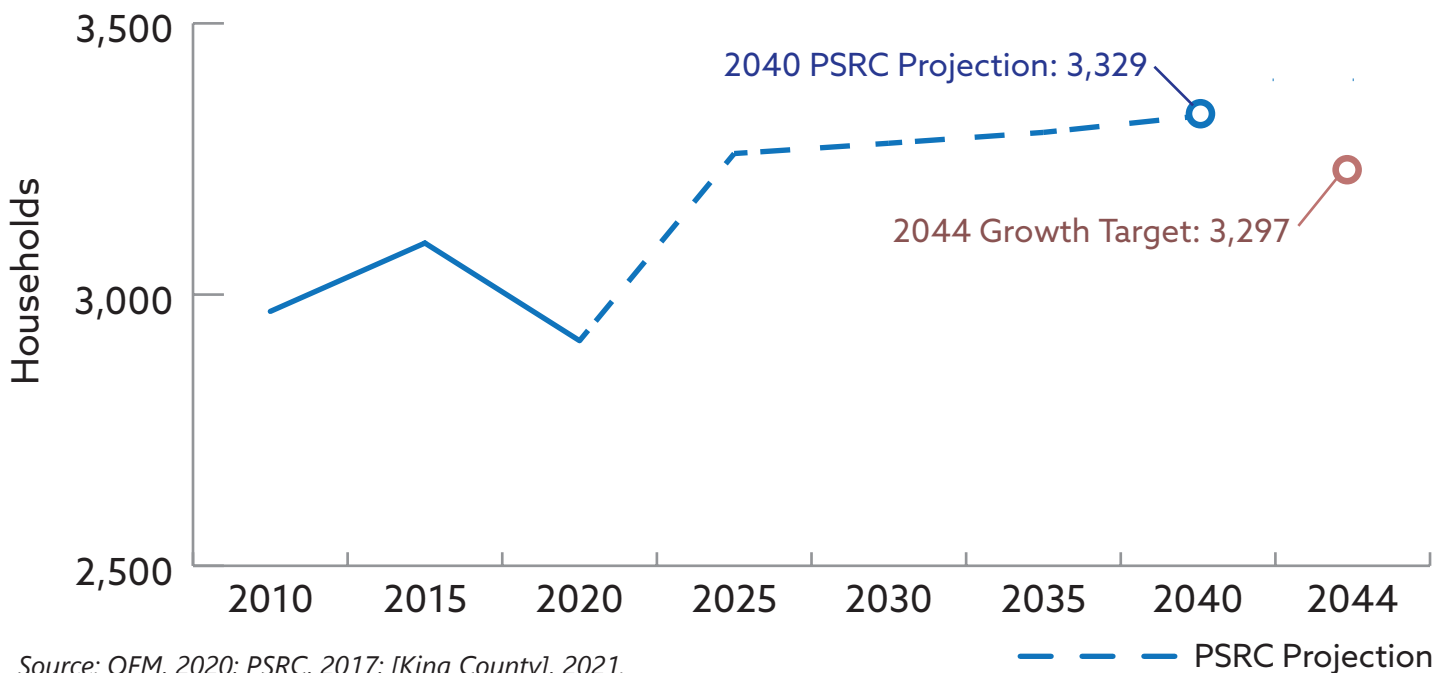
Part 4: Gap Analysis

4.1 HOUSING NEEDED TO ACCOMMODATE FUTURE GROWTH

Every eight years, the Growth Management Act (GMA) requires counties to coordinate a review and evaluation of development and land supply. To meet this requirement, counties review cities and their respective growth targets, density goals, and available lands. This work aims to determine if cities have enough capacity to meet future growth needs. As population growth and housing needs are a regional matter, countywide targets are developed through a collaborative process. This process aims to ensure that all jurisdictions are accommodating a fair share of growth.

The 2021 King County Urban Growth Capacity Report provided Medina with a 2044 housing growth target of 1,253, or an additional 19 units from its 2018 total unit count of 1,234. Assuming a similar average household size, the population target is an additional 52 people, or a total population of 3,297 by 2044. The population growth target requires an average annual growth of approximately 2 people from the 2019 population of 3,245. The 2044 housing target requires an average annual increase of only one housing unit from the 2019 total. In 2017, PSRC produced projections to support the VISION 2040 regional growth plan. *Exhibit 34: Housing Demand Projections (Medina)* shows that Medina’s projected population for 2040 was 3,329. This is higher but does not differ significantly from the more recently set growth target. Vision 2050 passed in October 2020. PSRC has not yet released their updated projections dataset.

Exhibit 34: Housing Demand Projections (Medina)



Affordability Gap by Income Level

As housing supply and affordability elicit a regional focus, the analysis in the next few sections shows how the current and future housing supply in Medina can meet the needs of King County as a whole. To ensure the housing needs of all economic segments of the population are addressed and housing-related burdens are not simply transferred between jurisdictions, each community should attempt to take on its fair share of affordable housing. Policy H-1 of the 2021 King County Countywide Planning Policies sets a countywide need for housing in 2044 by percentage of AMI. The percentages are as shown in the table below.

Policy H-4 requires cities to conduct create an inventory that shows the affordability gap of the jurisdiction’s housing supply as compared to the countywide need. These percentages are applied to Medina’s current total household number in *Exhibit 35: Housing Needs, Existing Supply, and Gaps/Surplus by Income Level (Medina)* and *Exhibit 36: Housing Needs, Existing Supply, and Gaps/Surplus by Income Level (Medina)*.

Based on the percentages shown in the table below, the Medina housing stock does not meet the countywide need for those households earning 80% AMI and below. In other words, the current housing stock only meets the demand for those in the moderate income and above category. Ninety-three percent (93%) of Medina’s housing is only affordable to households in the moderate income and above range. *Exhibit 36: Housing Needs, Existing Supply, and Gaps/Surplus by Income Level (Medina)* breaks the existing need into owners and renters, assuming the County’s current owners versus renters ratio within each income category. The highest need exists among renter households across all low-income categories.

COUNTYWIDE NEED FOR KING COUNTY IN 2044		
INCOME CATEGORY	HOUSEHOLD INCOME	SHARE OF TOTAL UNITS
Extremely Low-Income	30% and below AMI	15%
Very Low-Income	31 - 50% of AMI	15%
Low-Income	51 - 80% of AMI	19%
Moderate Income and above	>80% of AMI	51%

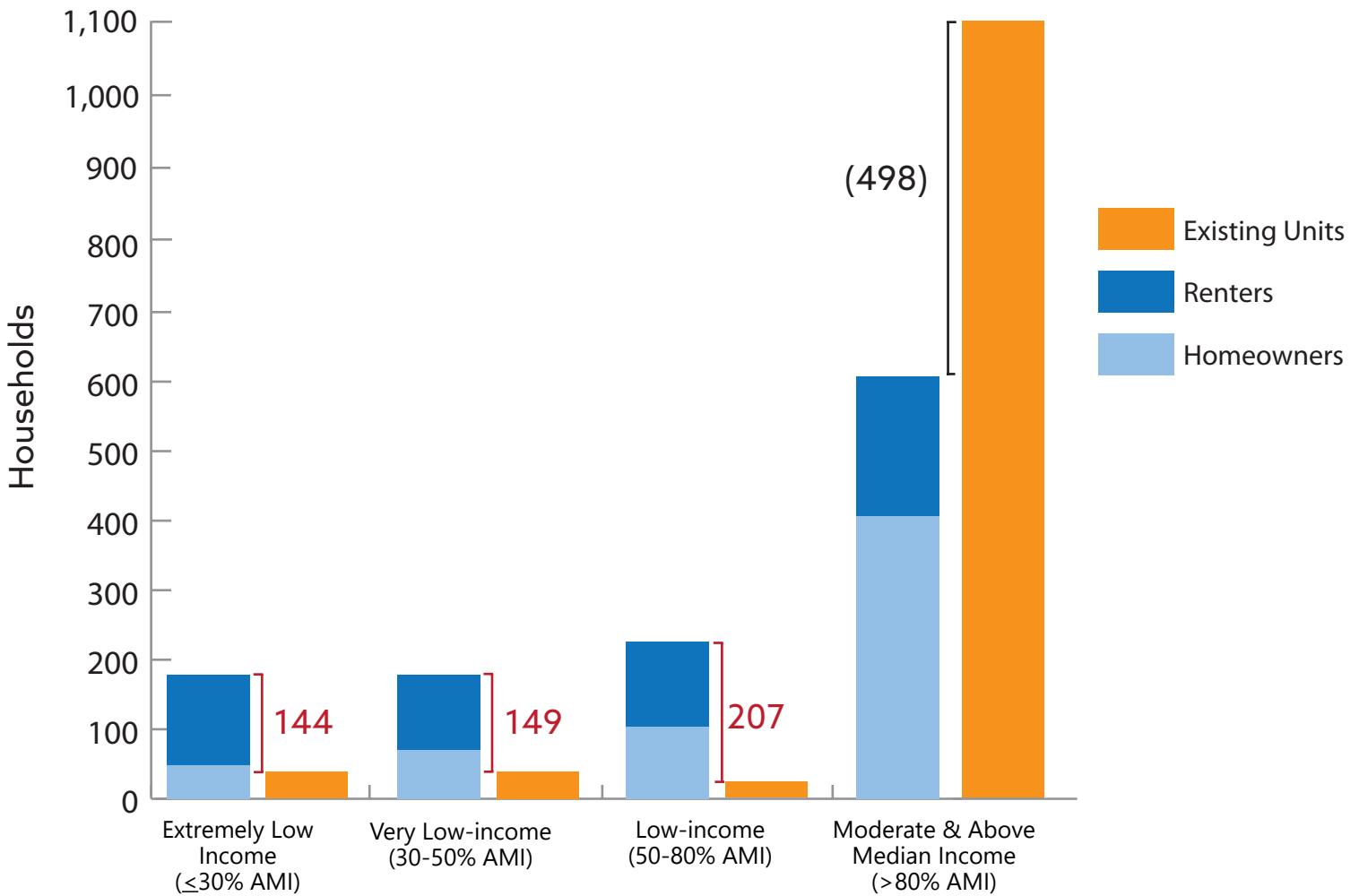
Exhibit 35: Housing Needs, Existing Supply, and Gaps/Surplus by Income Level (Medina)

INCOME LEVEL	EXTREMELY LOW	VERY LOW-INCOME	LOW-INCOME	MODERATE & ABOVE INCOME
	(<30% AMI)	(30-50% AMI)	(50-80% AMI)	(>80% AMI)
Existing Need	179	179	226	607
Existing Housing	35	30	19	1,105
Existing Gap	144	149	207	498

Source: OFM, 2020; 2014-2018 ACS 5-year estimates; 2016-2020 ACS 5-year estimates; PSRC, 2019; HUD CHAS (based on ACS 2014-2018 5-year estimates); [King County], 2021.



Exhibit 36: Housing Needs, Existing Supply, and Gaps/Surplus by Income Level (Medina)



Source: OFM, 2020; 2014-2018 ACS 5-year estimates; 2016-2020 ACS 5-year estimates; PSRC, 2019; HUD CHAS (based on ACS 2014-2018 5-year estimates); [King County], 2021.

Future Housing Need by Income Level

Exhibit 37: Projected Housing Needs and Gaps by Income Level (Medina) and Exhibit 38: Projected Housing Needs and Gaps by Income Level (Medina) compare existing housing supply with the projected need based on the 2044 growth targets. This comparison assumes that the county income distribution will remain the same as the housing supply grows. For this analysis, owners and renters are grouped together. The 2044 gap numbers represent the largest housing supply needs. In other words, these numbers indicate where supply increases should be encouraged and does not explicitly define a lack of supply if growth targets are achieved. In 2044, it appears the gaps are projected to remain among the low-income ranges due to growth in households at those ranges. This also assumes the preservation of the small existing supply of more moderately priced units. To address the gaps, it will be necessary for the City to consider how to increase the supply of housing at those income levels through incentives for affordable housing developments or by encouraging nonprofits to provide rent-subsidized housing in the city.

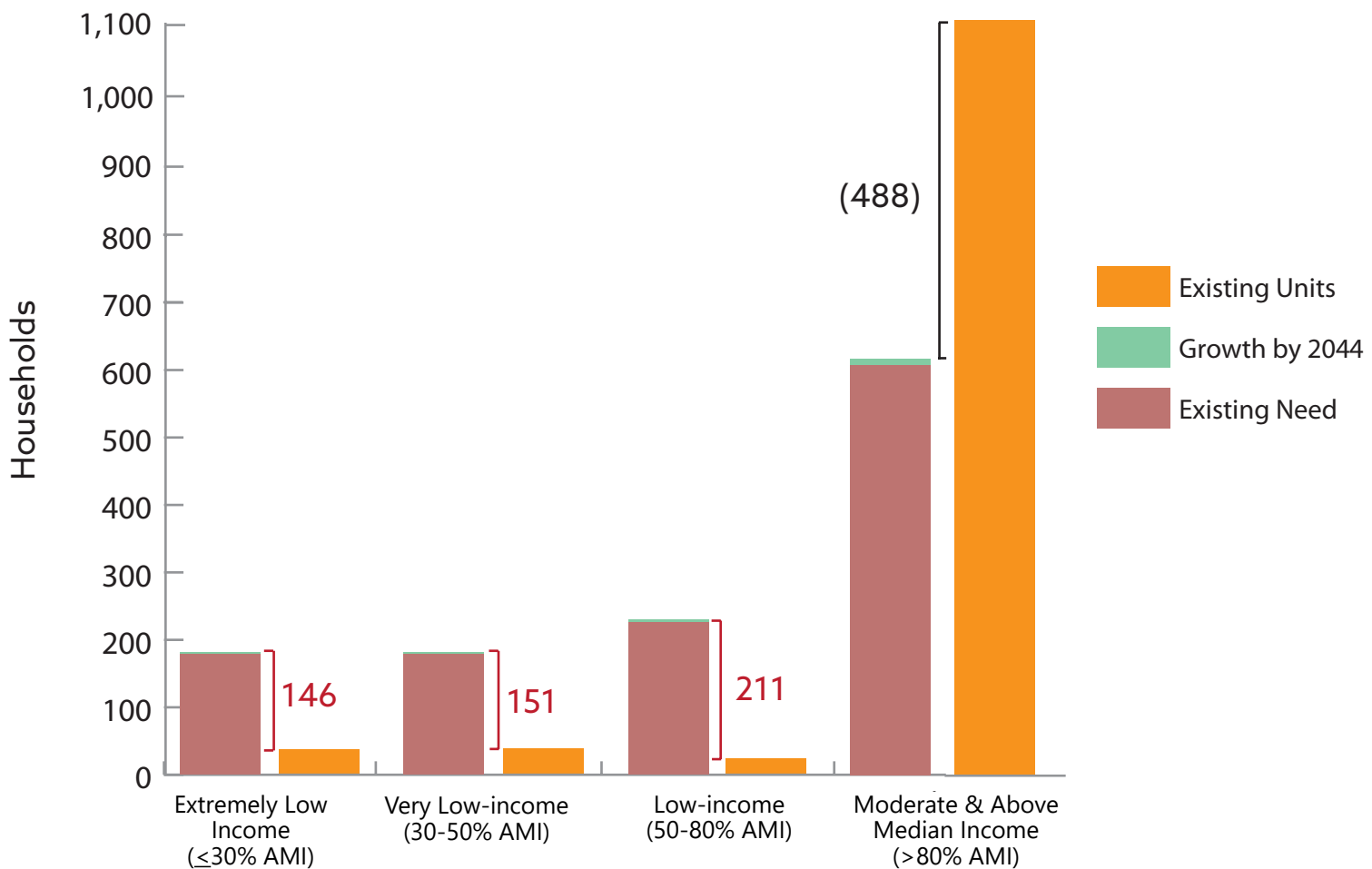


Exhibit 37: Projected Housing Needs and Gaps by Income Level (Medina)

INCOME LEVEL	EXTREMELY LOW	VERY LOW-INCOME	LOW-INCOME	MODERATE & ABOVE INCOME
	(≤30% AMI)	(30-50% AMI)	(50-80% AMI)	(>80% AMI)
Existing Need	179	179	226	607
Existing Housing	35	30	19	1,105
2044 Need	181	181	230	617
2044 Gap	146	151	211	488

Source: OFM, 2020; 2014-2018 ACS 5-year estimates; 2016-2020 ACS 5-year estimates; PSRC, 2019; HUD CHAS (based on ACS 2014-2018 5-year estimates); [King County], 2021.

Exhibit 38: Projected Housing Needs and Gaps by Income Level (Medina)



Source: OFM, 2020; 2014-2018 ACS 5-year estimates; 2016-2020 ACS 5-year estimates; PSRC, 2019; HUD CHAS (based on ACS 2014-2018 5-year estimates); [King County], 2021.

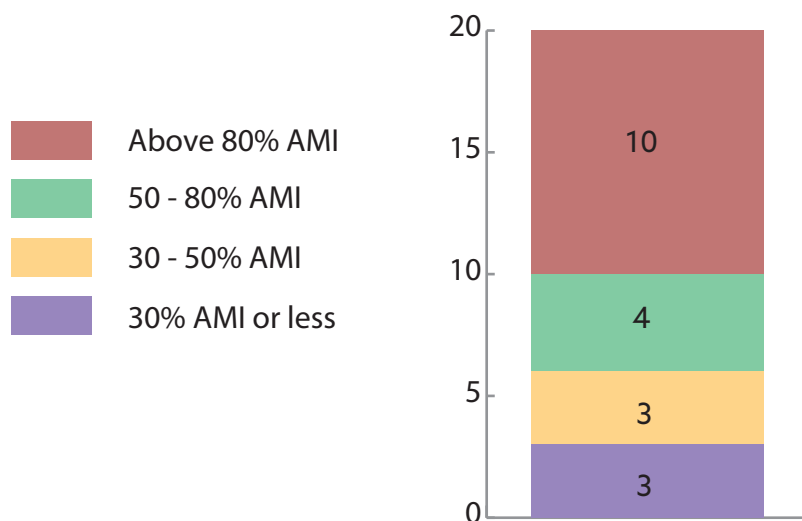
Exhibit 39: Current Gaps versus Projected Gaps Based on Existing Housing (Medina) gives a more in-depth look at how the existing supply gap is projected to change by 2044 by dividing the totals into owner versus renter-occupied units. This analysis extrapolates the existing county percentages of owner and renter households and applies them to the 2044 growth targets. As stated previously, the 2044 gaps are meant to show at which income levels and for which types of units production should be prioritized to meet the countywide needs based on the city’s future population. More units available for ownership are needed across the low-income ranges, and the sizable surplus in the moderate income and above range is not expected to get much smaller. By 2044, more rental units will be necessary for all economic segments of the population. Special attention will be needed to fill the gap in rental units for extremely low- and very low-income households through the provision of income-restricted units as mentioned above.

Exhibit 39: Current Gaps versus Projected Gaps Based on Existing Housing (Medina)

	ALL UNITS		UNITS TO OWN		UNITS TO RENT	
	EXISTING GAP	2044 GAP	EXISTING GAP	2044 GAP	EXISTING GAP	2044 GAP
Extremely Low-Income (≤30% AMI)	144	146	48	49	95	97
Very Low-Income (30-50% AMI)	149	151	40	41	108	110
Low-Income (50-80% AMI)	207	211	100	101	107	109
Moderate & Above Median Income (>80% AMI)	498	488	614	608	116	119

Source: OFM, 2020; 2014-2018 ACS 5-year estimates; 2016-2020 ACS 5-year estimates; PSRC, 2019; HUD CHAS (based on ACS 2014-2018 5-year estimates); [King County], 2021.

Exhibit 40: Housing Units Needed by 2044 to Accommodate Growth (Medina)



Source: OFM, 2020; 2014-2018 ACS 5-year estimates; 2016-2020 ACS 5-year estimates; PSRC, 2019; HUD CHAS (based on ACS 2014-2018 5-year estimates); [King County], 2021.



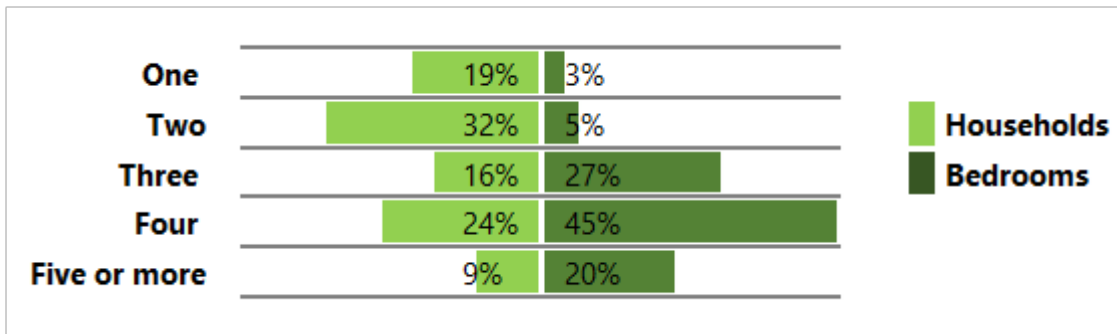
Exhibit 40: Housing Units Needed by 2044 to Accommodate Growth (Medina) summarizes the estimated new housing units needed by income level relative to HUD AMI to meet the 2044 growth target. Estimates are based on the countywide need levels discussed earlier.

4.2 DIVERSITY OF HOUSING CHOICES

Having a variety of housing choices is important for a city to meet the diverse needs of its population. Medina’s housing supply is composed almost entirely of single-family detached units (99%).¹² While 51% of households in Medina have only one or two members, just 4% of units have one or fewer bedrooms, and all of these are rental units. A lack of smaller units compared to the percentage of one or two person households is noteworthy since smaller units are typically more affordable especially for smaller households that may be living off one income. It also means there is a lack of ownership options for younger families that may be looking to buy their first home and upsize later as their family grows. There is an oversupply of larger units in comparison to the distribution of household sizes, with 63% of all units having 4 or more bedrooms and only 10% of households having 5 or more people.

¹² 2015-2019 ACS 5-year estimates.

Exhibit 41: Comparison of Household Size versus Number of Bedrooms (Medina)



Source: 2015-2019 ACS 5-year estimates.

Older Adults and Families with Children

Exhibit 41: Comparison of Household Size versus Number of Bedrooms (Medina) shows a few different household types that are cost-burdened in the city. Small families, which are families with 2 to 4 members (excluding older adults), make up the largest group of cost-burdened households. It is important to note that 70% of these households make above the median income yet are still cost-burdened. Many families likely have children since 42% of households in Medina have one or more people that are under 18. Housing concerns for families with children include sufficiently large housing units and proximity to schools, childcare facilities, and other amenities.

About 45% of households in Medina have one or more people that are 60 and over. Over half of older adults that are cost-burdened are low-income, earning less than 80% AMI. Older adults primarily consist of retired or retirement age individuals who rely on a variety of income sources, such as retirement benefits, social security, and accrued wealth. The ACS does not capture who is retired but does include data on who has retirement pensions and incomes. Retired individuals have a limited budget that must sustain them for the remainder of their lives, which ranges greatly based on health, location, and lifestyle. Older adults have higher medical costs that may also contribute to financial insecurity. Those living in families may experience financial constraints as a result of more people living in the household that also require financial assistance or resources. Older adults choosing to age in place may require additional support services such as home modification, transportation, recreation and socialization, yard care, or care management and counseling.

Exhibit 42: Cost-Burdened Households by Type and Income Level (Medina)

HOUSEHOLD TYPE	EXTREMELY LOW-INCOME	VERY LOW-INCOME	LOW-INCOME	MODERATE INCOME	ABOVE MEDIAN INCOME	ALL COST-BURDENED HOUSEHOLDS
	(≤30% AMI)	(30-50% AMI)	(50-80% AMI)	(80-100% AMI)	(>100% AMI)	
Older Adult Family	0	25	10	4	28	67
Older Adults Living Alone	19	15	4	15	0	53
Large Family	0	0	0	0	20	20
Small Family	10	14	4	10	90	128
Other	35	0	0	0	24	59
Total	64	54	18	29	162	327

Source: HUD CHAS (based on ACS 2014-2018 5-year estimates).

Older Adult Family: Two persons, either or both age 62 or older

Older Adults Living Alone: A person 62+ living alone

Large Family: Families with 5 or more members

Small Family: Families with 2-4 members (excluding older adult families)

Other: Non-family, non-elderly adult households (including those living alone or with housemates)

Subsidized and Income-Restricted Units

As discussed earlier, subsidized or income-restricted units are one of the most important types of housing a city requires to ensure all housing needs are met. Without such units, it is difficult for many low-income households to avoid being cost-burdened. Furthermore, among these units, variety is necessary for the diversity of household types. No subsidized or income-restricted units currently exist in Medina.



4.3 LAND CAPACITY ANALYSIS

In addition to preparing the 2044 growth targets, the King County Urban Growth Capacity analysis determined the remaining capacity within the city based upon developable land. This was done for both employment and housing capacity. Although both are important for planning growth and development within the city over the next couple of decades, this report is mainly concerned with the latter. A land capacity analysis calculates the amount of vacant, partially used, and underutilized lands as well as land that has potential for redevelopment. This process identifies the potential for land within a community’s boundaries to accommodate anticipated housing growth given the current zoning restrictions. As of the beginning of 2019, Medina has a remaining net capacity of 8 units. To meet the 2044 housing growth target, Medina needs 19 new units, which means there is a capacity deficit of 11 units. The report notes that this is appropriate for now since the report is primarily concerned with confirming available capacity to accommodate remaining growth under the 2035 growth target, which Medina has already met. However, jurisdictions shall demonstrate zoned or planned capacity for their 2044 growth targets in the upcoming periodic update of the comprehensive plan in 2024.

Zoning Considerations

Another component of the land capacity analysis estimates the expected types of housing that will be built with the remaining capacity based on the zoning of the land where the capacity lies. This relies on the assumption that land zoned for lower densities will be developed with single-family units and that land zoned for higher densities will be developed with multifamily units. Another assumption used for the analysis is that single-family units will likely provide opportunities for homeownership while multifamily units will likely be occupied by renters. Although these are just assumptions, the exercise allows for a comparison between the current mix of owners versus renters in the city with the type of opportunities the remaining capacity may provide.

Exhibit 43: Zoning of Land Capacity Compared with Current Tenure (Medina) shows that 100% of the remaining vacant or developable land in Medina is zoned for lower density residential uses. This land will most likely be developed as single-family residential. While most households in Medina are owners, 14% of households are renters. Rentals of single-family detached residences do occur, but higher density rental developments tend to be more affordable.

Exhibit 43: Zoning of Land Capacity Compared with Current Tenure (Medina)

ZONING CAPACITY	PERCENTAGE OF LAND WITH REMAINING CAPACITY ZONED FOR:	HOUSEHOLD TENURE PERCENTAGES, 2019	CURRENT TENURE
Single-family	100%	86%	Owner
Multifamily	0%	14%	Renter

Source: ([King County], 2021; 2015-2019 ACS 5-year estimates.)

Another interesting comparison from the land capacity analysis compares the anticipated number of units, divided by type, with the projected need. The projected need is based on the 2044 growth targets, and it has already been shown that there is currently a capacity deficit in terms of total units. *Exhibit 44: Zoning of Land Capacity Compared with Projected Need (Medina)* displays the approximate totals of the remaining capacity broken down into single-family versus multifamily. This is evaluated against the projected 2044 need of owner-occupied and renter-occupied units as taken from the gap analysis. Not only is there insufficient capacity for total units needed, but insufficient capacity also results when comparing the number of owner-occupied units with the projected need. Medina may consider zoning changes to allow additional capacity for all unit types, including multifamily residential development to generate additional rental opportunities.

Exhibit 44: Zoning of Land Capacity Compared with Projected Need (Medina)

ZONING CAPACITY	CAPACITY REMAINING IN UNIT TYPE PER ZONING:	2044 PROJECTED NEED	CURRENT TENURE
Single-family	8	10	Units to Own
Multifamily	0	9	Units to Rent

Source: OFM, 2020; 2014-2018 ACS 5-year estimates; 2016-2020 ACS 5-year estimates; PSRC, 2019; HUD CHAS (based on ACS 2014-2018 5-year estimates); [King County], 2021.)



4.4 HUD LOCATION AFFORDABILITY INDEX

As a last glimpse at overall affordability of Medina and how different household types may be experiencing financial difficulties, *Exhibit 45: HUD Location Affordability Index (Medina)* shows the results of the Location Affordability Index (LAI) for the city. The LAI was developed by HUD and the US Department of Transportation (DOT) in 2013 to better understand housing and transportation costs for specific geographies. This joint effort of HUD and the DOT stems from the reality that, aside from housing, transportation is the largest expense for most households. The index models eight different household profiles, shown in the table below, that vary by percent of area median income, number of people, and number of commuters. The calculations account for twenty-four measures such as monthly housing costs, average number of rooms per housing unit, average vehicle miles traveled per year, walkability, street connectivity, and others. These eight model households are not meant to represent specific groups but are rather useful for relative comparison to the digester’s particular situation. Broken down to the neighborhood (census tract) level, the LAI offers what percentage of their income each household profile would typically spend on housing and transportation costs. This information can be useful to the general public, policymakers, and developers in determining where to live, work, and invest.









Version 3, the most recent version of the LAI, was published in March 2019. Its data sources include the 2016-2012 5-year American Community Survey, 2014 Longitudinal Employer-Household Dynamics, and a few others. The eight household profiles modeled for the LAI are displayed. Please see the accompanying table for descriptions of each of the household types. Five out of eight of the household profiles (Very Low-Income Individual, Working Individual, Retired Couple, Single-Parent Family, and Moderate Income Family) are shown to be cost-burdened, or paying 30% or more of their income on housing costs. If this were the only measure of affordability under consideration, as it has been treated in this report thus far, Medina would still appear unaffordable to most households. Still, no household profiles are shown to be severely cost-burdened, or paying 50% or more of their income on housing costs. However, once transportation costs are brought into the conversation, the lack of affordability in Medina becomes even more concerning. All profiles spend over 30% of their income on housing and transportation costs combined, and all but two profiles spend over 45%, which is the maximum portion of income that should be spent on both types of costs. If this maximum is exceeded, HUD deems the location as unaffordable for the household profile in question. The most shocking number is the 64% of income spent on transportation costs by the Very Low-Income Individual profile, which brings their total spent on housing and transportation to 113% of their income.

The LAI shows how accessibility to work and amenities cannot be overlooked when addressing a city’s affordability issues, especially when accessibility itself is one of the determinants of housing costs. The high accessibility of a walkable, well-located neighborhood is normally added into the price of the rental and for sale housing there. Conversely, housing in a more automobile centric area with lower access to work opportunities and amenities will be priced at a discount. If a household living in a more suburban area is paying only 20% of their income on housing but also 20% of their income on transportation and their urban counterpart is paying 30% of their income housing but only 10% on transportation, the more suburban household should not be considered to have a more affordable living situation. The LAI shows that Medina should contemplate both housing and transportation costs if attempting to increase overall affordability for residents.

HOUSEHOLD TYPE	INCOME	SIZE	NUMBER OF COMMUTERS
Median Income Family	100% AMI	4	2
Very Low-Income Individual	National poverty line (\$11,880 for a single person household in 2016)	1	1
Working Individual	50% AMI	1	1
Single Professional	135% AMI	1	1
Retired Couple	80% AMI	2	0
Single-Parent Family	50% AMI	3	1
Moderate Income Family	80% AMI	3	1
Dual-Professional Family	150% AMI	4	2



Exhibit 45: HUD Location Affordability Index (Medina)

HOUSEHOLD PROFILE	SHARE OF INCOME SPENT ON	PERCENTAGE	HOUSEHOLD PROFILE	SHARE OF INCOME SPENT ON	PERCENTAGE
Median-Income Family 	Transportation	23%	Retired Couple 	Transportation	15%
	Housing	29%		Housing	39%
	Housing + Transportation	52%		Housing + Transportation	54%
Very Low-Income Individual 	Transportation	64%	Single-Parent Family 	Transportation	31%
	Housing	49%		Housing	42%
	Housing + Transportation	113%		Housing + Transportation	73%
Working Individual 	Transportation	27%	Moderate-Income Family 	Transportation	21%
	Housing	31%		Housing	35%
	Housing + Transportation	58%		Housing + Transportation	56%
Single Professional 	Transportation	12%	Dual-Professional Family 	Transportation	15%
	Housing	22%		Housing	25%
	Housing + Transportation	33%		Housing + Transportation	41%

Source: (HUD (based on ACS 2012-2016 5-year estimates).



KEY TAKEAWAYS: GAP ANALYSIS

Housing Needed to Accommodate Future Growth

- Medina has a 2044 housing growth target of 1,253 or a population target of around 3,297 people.
- Based on countywide need, the Medina housing stock has an insufficient supply of low-income housing, for those households earning 80% AMI and below.
- To address these gaps by 2044, Medina will likely need to consider how to increase the supply housing at those levels through incentives for affordable housing developments or by encouraging the provision of rent-subsidized housing.

Diversity of Housing Choices

- By comparing the household sizes and number of bedrooms provided in units in Medina, there do not appear to be enough smaller units, which could provide sufficiently sized, more affordable housing options for smaller households.
- Small families are currently experiencing proportionally higher rates of cost-burden.
- Subsidized housing may need to be introduced in Medina to meet the needs of the various types of households that are low-income.

Land Capacity Analysis

- As of 2019, Medina does not have enough vacant or redevelopable land to meet its 2044 growth targets. It will need to demonstrate zoned or planned capacity sufficient to meet the growth targets in the 2024 comprehensive plan update.
- All the remaining vacant or redevelopable land is zoned for lower density or single-family development.
- The gap analysis projects that the capacity deficit exists for both owner and renter-occupied units, meaning Medina may consider zoning changes to allow additional capacity for all unit types, including multifamily residential development to generate additional rental opportunities.

HUD Location Affordability Index

- According to the LAI, five household profiles (Very Low-Income Individual, Working Individual, Retired Couple, Single-Parent Family, and Moderate-Income Family) are shown to be cost-burdened. Furthermore, once transportation costs are estimated, only two profiles (Single Professional and Dual-Professional Family) do not spend more than 45% of their household income on housing and transportation costs combined.
- The Very Low-Income Individual profile is estimated to typically spend more than their annual income (119%) on housing and transportation costs.

NEXT STEPS

This Housing Needs Assessment identifies Medina’s current and future housing needs. In addition to the HNA, the Housing Action Plan will be informed by a public engagement effort and an assessment of existing city policies and regulations. Housing Action Plan strategies will address identified needs and policy changes and will be presented to Council for review and adoption in 2023.



Housing is absolutely essential to human flourishing. Without stable shelter, it all falls apart.

**-Matthew Desmond
American Sociologist**

APPENDIX D

Public Outreach Summary

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Housing Action Plan Public Outreach Summary

Medina, WA



Prepared for
City of Medina
Planning Commission
501 Evergreen Point Road,
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Introduction and Methods

Outreach Purpose

The city of Medina has received grant funding from the Department of Commerce to create a Housing Action Plan. A city's Housing Action Plan (HAP) is developed after conducting a housing needs assessment, which determines the current and future state of housing within the jurisdiction. This housing needs assessment (HNA) seeks to evaluate service for all income levels, establish population and employment trends, and consider what the land capacity is within the jurisdiction. Some topics in the HNA and HAP are required, such as evaluating population trends, while others are optional, such as a land capacity analysis. To receive grant funding, there are some required community and stakeholder engagement actions that must be met, such as participation and input from community groups, local realtors, and nonprofit housing advocates. This document outlines the process by which the Medina community was engaged, as well as analysis of the feedback received.

The HAP should be used to inform the comprehensive plan housing element. The Washington State 1990 Growth Management Act (GMA) requires all incorporated municipalities within King County to develop a comprehensive plan addressing population growth impact to government facilities and services. The GMA implements land use planning strategies to evaluate the predicted level of service needs associated with population growth and assess existing facilities and services. The City's Housing Action Plan which will go into more depth than the housing element of the Comprehensive Plan.

The purpose of the HAP Public Outreach Survey and Stakeholder Input Process is to gather community input to inform the construction of the HAP document. The public outreach allows residents to participate in the long-range planning of their housing conditions and helps determine what strategies will be used in the HAP. The community desires, derived from the outreach survey and stakeholder input groups, will be addressed in the HAP.

Importance of Housing

Ensuring access to housing is one of the fundamental functions of effective planning. In Medina, twenty-seven percent of households are currently cost-burdened, and by 2044 there is a projected deficit of 297 housing units for very or extremely low-income people. Creating policies that encourage development to meet current and projected community needs is paramount.

Stakeholder Methods

Two groups of stakeholders were identified to give in-depth feedback on the Housing Needs Assessment and provide direction for future housing development in Medina. A group of community stakeholders attended virtual sessions in July and September 2022, and a group of technical stakeholders attended a separate virtual session in August. The first community stakeholder meeting group answered a series of questions about the perceived accuracy of the Housing Needs Assessment together before breaking into smaller groups to discuss how Medina should accommodate the needs identified in the HNA. The second community stakeholder meeting was one facilitated group discussion about housing conditions and needs. The technical stakeholder group also started by discussing the accuracy of the Housing Needs Assessment before moving on to more specific aspects of the future housing development strategy. These more specific aspects included accessory dwelling units, streamlined permit processes, development initiatives, and senior housing.



Survey Methods

Surveying was performed using SurveyMonkey, an online survey tool. Everyone in the city of Medina was invited to participate between May 30th and July 25th, 2022. The community survey was available both electronically and via hard copies in Medina City Hall. Advertising occurred on the city's website and social media pages. One hundred fifty-four respondents responded to thirty-one questions about housing in Medina.

Open House

The City hosted an open house available to the public on April 20, 2023. The event was noticed through the City's website and social media pages and was hosted at Medina City Hall. The open house included a presentation on the overall project and recommended strategies and four different participation activities to help engage the community. Activities included the hard copy of the draft Housing Action Plan, a word bubble, a housing game board, and an open discussion with City staff.

Technical Stakeholder Results

The technical stakeholder group felt that the housing needs assessment was accurate and reflected genuine community conditions. Members noted that finding solutions to increase density in Medina can be problematic due to local politics. The analysis below describes the results of the technical stakeholder engagement process regarding different housing related topics.

Accessory Dwelling Units

Technical stakeholders generally gave more reasons in favor of Accessory Dwelling Unit (ADU) development than reasons against. ADUs were noted as an affordable way to meet density needs which were feasible given the current conditions in Medina. Homes with existing secondary structures which can accommodate ADUs could ease the further development of ADUs. However, the politics of Medina are not agreeable to their development, many lots are already at max coverage, and owners with the large lots conducive to ADU development may not want to develop one. Feasibility research into benefits and obstacles should be done before any changes to zoning code to incentivize ADUs are made.

Streamlined Permit Process

Stakeholders were in favor of creating a streamlined permit process. Special exemption processes for ADUs serving specific populations, such as seniors and teachers, and special permissions or joint programs for adjacent owners were specifically identified as two use cases for permit streamlining.

Development Incentives

Development incentives to increase the density in Medina were considered by the group. Allowing mixed use in Medina Circle, increasing commercial uses, considering a multifamily zone, and allowing more permitted zero lot line developments were considered favorable strategies to increase both density and city tax revenue. A lack of undeveloped lands for new housing types and lack of public support for smaller lot rezoning were identified as obstacles to creating development incentives. Creating these incentives may result from further research, such as considering ADU unit size and fiscal analysis on current affordable housing development. Obstacles, such as high property values, would have to be overcome.



Senior Housing Strategy

The need for a senior housing facility was identified by the technical stakeholder group. Need could be served through the development of a mixed-use facility with community areas on the ground floor and senior housing above, as could a support program for ADU development on seniors' lots as a means of creating passive income. Zoning density bonuses and land donations may be necessary to incentivize senior and low-income housing. Concerns about senior affordability due to fixed incomes and high property costs/taxes were raised.

Technical Stakeholder concerns

Concerns were largely related to the politics of the community and the developed nature of Medina. Technical stakeholders were not aware of any undeveloped lots in Medina, and indicated many lots are already at max coverage. Community opposition to smaller lot rezoning and lack of incentives for property owners to build ADUs on their properties were noted as obstacles to development.

Community Stakeholder Results

The analysis below describes the results of the community stakeholder engagement process. The topics discussed with the whole group pertained to community perceptions of the Housing Needs Assessment such as accuracy, completeness, and consistency. In the first meeting, the group then split into two breakout rooms and discussed local housing character preservation in the context of the greater region, the community context from which the HNA arises, how to increase housing options, and what development styles the city should encourage in the future.

Perceptions

There was disbelief in the data validity among some members of the community stakeholder group. There was high interest in how the data was procured, as well as some distrust in the consultant analysis methodology. Stakeholders expressed disbelief in the income estimate figures, and community consensus was that no housing issues existed in Medina. The group did not feel that there was any physical space for additional developments and was not interested in increased density through the encouragement of multifamily buildings, affordable developments, or subdivisions.

The main housing issue identified was vacant or unoccupied homes causing higher living costs. The group would have liked more information on the demographics vacant and rental homeowners and did not think the existing infrastructure in the city could support increased density. The community stakeholder groups did not feel there was a need to change development patterns within the City of Medina.

Takeaways

The community stakeholder group expressed a high priority for preserving the character and aesthetic of Medina. Preservation of shared open spaces, parks, docks, style of homes, and high quality of life was paramount to residents. Residents needed to be more interested in encouraging the development of higher-density housing units such as apartments or multi-unit zones. The community felt like housing availability was not a local issue and is staunchly opposed to additional development within the City. Members felt that more efficient use of unused properties, such as vacant houses or vacation homes, and lowering property tax rates are the primary method by which Medina should rectify the high housing burden costs.



Community Concerns

The community stakeholder group was very concerned about potential changes to the types of housing available in Medina. Similarly, changing the visual appearance of the neighborhoods either through new developments or unattended vacant properties was very concerning to residents. The group also repeatedly expressed concerns for the process of updating Medina housing policy. Doubt about the need to consider changing the types of housing available in Medina was brought up several times.

Survey Results

The analysis below describes the current perceptions and future aspirations of respondents as they pertain to the Medina housing stock. Due to rounding, percentages may not add to 100. Complete tabulation of data is given in *Appendix A*, *Appendix B*, and *Appendix C*.

Respondent Profile

The majority (53%) of respondents were between the ages of 55 and 74, followed by 29% of respondents between 35 and 54, 17% above 75, and finally less than 1% under 34. This is an older demographic than the Medina population, which is roughly a third under 34, a third 35-54, and the final third over 55. The survey sample was slightly whiter than Medina, which is two thirds white, a quarter Asian or Pacific Islander, five percent Multiracial, four percent Hispanic, and one percent Black. Respondents were 80% white, 13% Asian or Pacific Islander, and 4% Multiracial. Homeowners were disproportionately represented in the survey, with less than 3 percent of respondents renting- compared to 14% of renters in the population. Most respondents have lived in their current homes for more than ten years and travel between 1-10 away from home per day.

All respondents live in single family homes, which roughly mirrors the 99% of Medina that lives in single family homes. Respondent household size roughly mirrored the population, with 90% of both groups living in houses of four or less. The survey sample had more two person houses, where the population has more one person houses. Twenty three percent of respondents indicated housing costs as a serious financial burden, like the 27% of Medina households which are cost burdened.

Significance

This survey received 154 responses, 5% of the 2021 population of Medina. This sample size can be considered a significant amount, which may represent the overall population accurately. When drawing conclusions from this sample, the respondent profile should be considered.



Housing Quality

Survey respondents are very satisfied with the quality of their current housing. Eighty-five percent of respondents were at least satisfied with the distance from their house to their work or school, like the 93% of respondents who were satisfied with their home’s proximity to amenities. Eighty five percent of respondents were satisfied with the size of their homes, like the 82% of respondents who were satisfied with the condition of their homes. All metrics had less than an 11% dissatisfaction rate, except for cost, where 15% of respondents were dissatisfied or extremely dissatisfied. Twelve out of 82 respondents who wrote additional comments on the survey (all written responses are listed in *Appendix D*) noted that Medina is an expensive or costly place to live, although only five of those noted this unaffordability as a negative aspect of Medina. The full breakdown of housing quality is given in fig. 1.

How satisfied are you with your current housing in regard to...

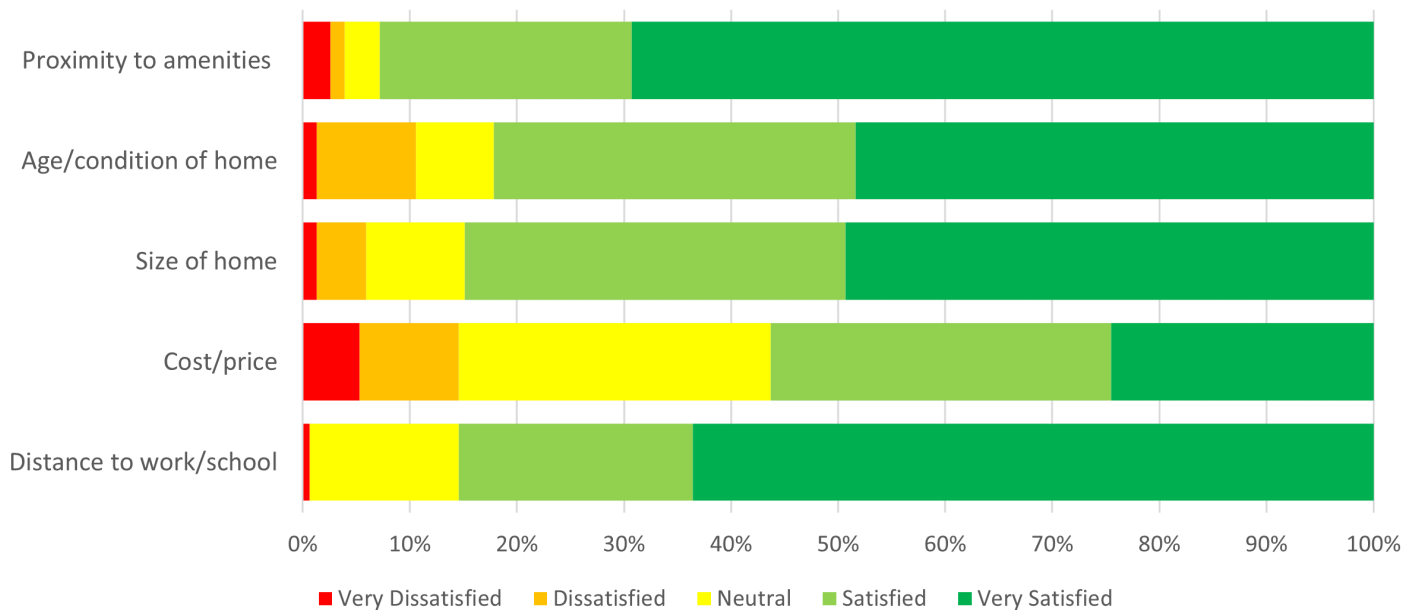


Figure 1: Survey respondent opinions on current housing quality.

Community Profile

Survey respondents agreed that Medina is a good place to live if you can live there. Ninety-eight percent of respondents believed that Medina is a great place to live in general and that Medina is a good place for families to live. About eighty percent of the full sample found that Medina is a good place for older people to live, and 96% of respondents older than 75 agreed. Eighty two percent of respondents agreed that Medina has services and amenities that improve quality of life. People overall agreed that Medina is a nice place to live, but the group was more split about the accessibility of housing in Medina. Two thirds of the sample didn't think that young people can find comfortable, adequate, and affordable housing in Medina, and only 12% thought that young people could (22% had no opinion). Thirty percent of the sample expressed concern about being unable to live in Medina within the near future. In the open response section, some respondents noted concern for a future where they cannot afford to live in Medina, often citing property tax as a reason. The full breakdown of perceptions on the community served in Medina is given in fig. 2.

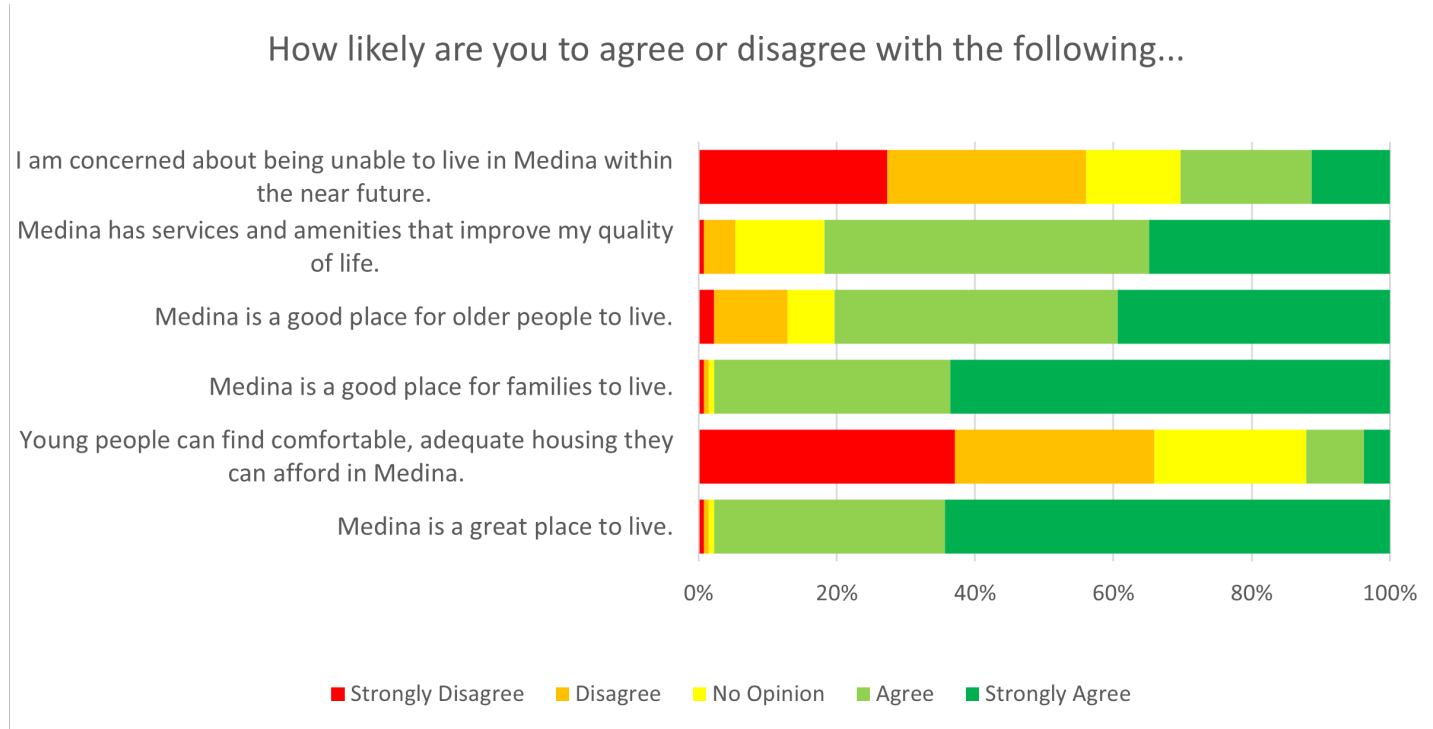


Figure 2: Survey respondent opinions on various aspects related to communities currently best served in Medina.

Needed Housing

Respondents generally do not believe that housing options in Medina should change. Eighty eight percent of respondents disagreed that Medina needs more apartments, other rental housing options, or emergency housing options and services. Seventy percent of the sample found there should not be more affordable housing in Medina. In the open response section, some respondents write that it isn't Medina's role to provide affordable housing. As one individual wrote, "It should not allow for multiple housing developments, lower income housing or multiple family dwellings. There are many areas outside of Medina that provide that." Another wrote, "I feel very strongly that Medina should remain SFR [single family residential] only – no multifamily housing of any type". Some (31%) thought that housing should be available for those who work in the community, but more (51%) felt it should not. Two thirds of respondents disagreed that larger homes should be available for large families, and a similar amount (55%) thought smaller housing should be available for smaller families. Respondents overall did not feel that the housing stock in Medina should change. The full breakdown of perceptions on types of housing needed is given in fig. 3.

Medina needs more...

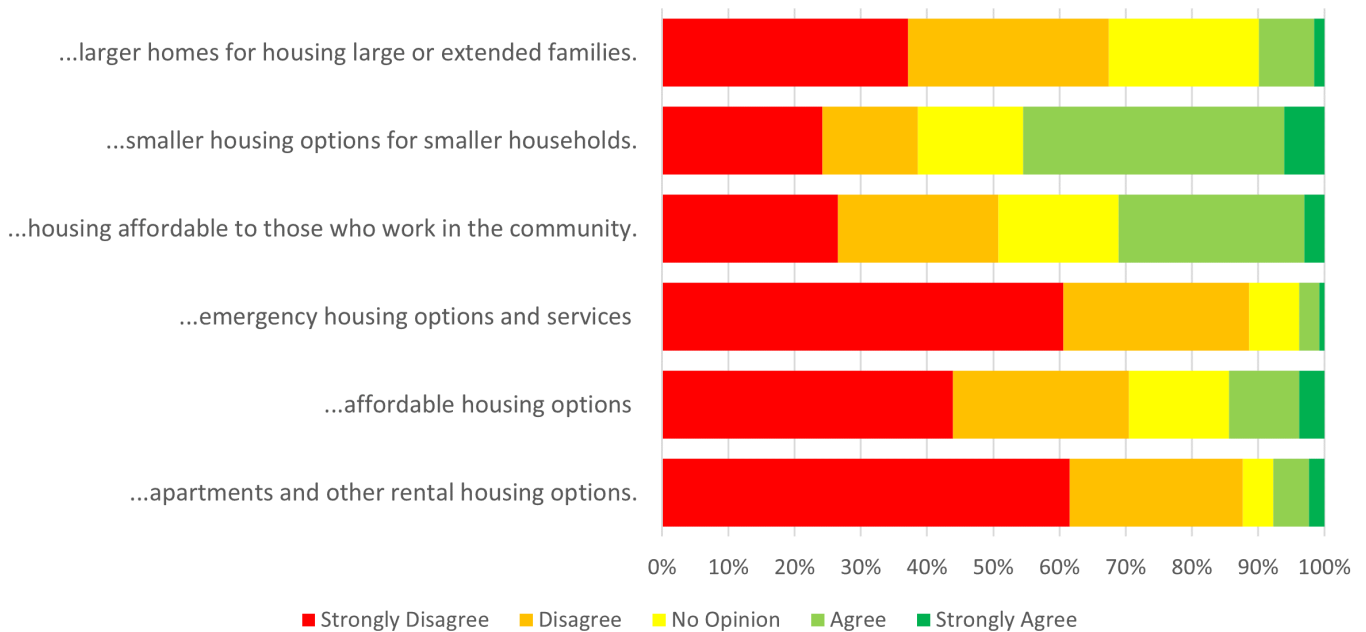


Figure 3: survey respondent opinions on housing needs.

Potential Housing Solutions

The sample agreed with some housing support measures. Sixty-one percent of respondents found that ensuring existing housing is in good condition and providing support for older community members are good ideas. Residents found that providing support for working families and fixed income households who spend a disproportionate amount on housing was not a good solution (50%, compared to 18% who thought it was a good solution), and did not support building dedicated affordable housing. The sample was slightly split between wanting to protect residents from being displaced or forced out of their housing (47%) and not (27%). The full breakdown of potential housing solution perceptions is given in fig. 4.

How do you feel about some of these housing solutions:

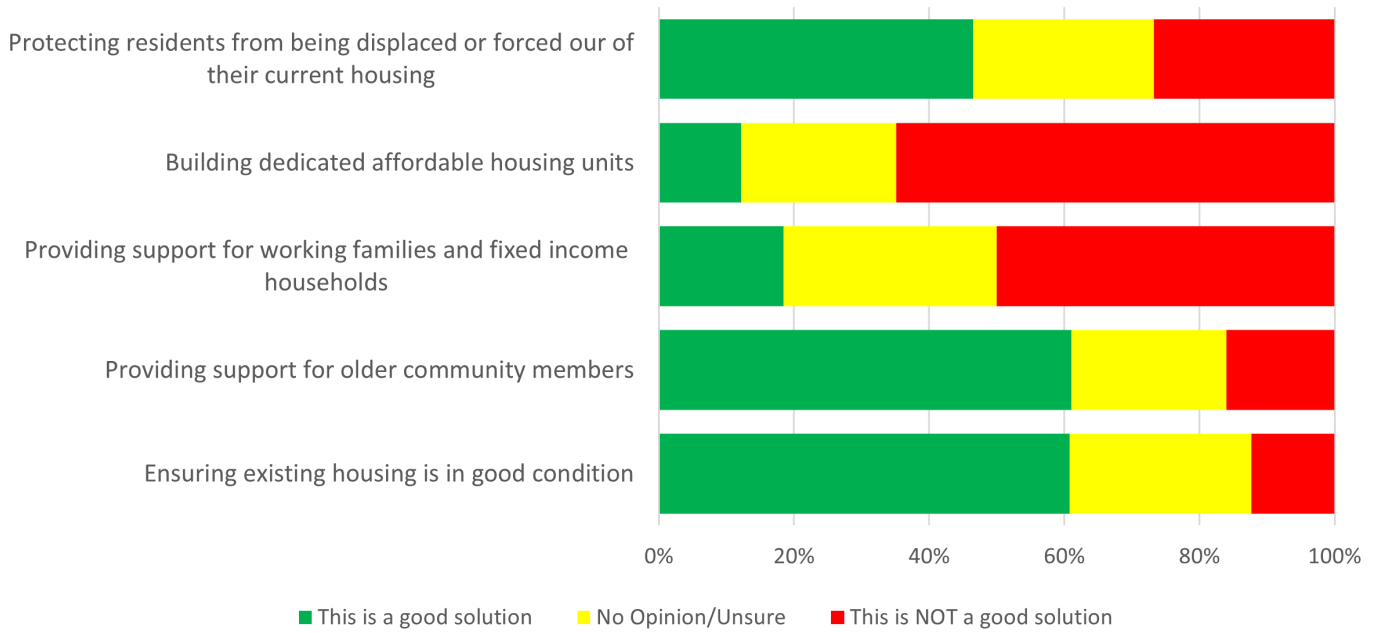


Figure 4: survey respondent opinions on potential future housing solutions.

When asked to rank specific types of housing, residents gave the strongest preference for accessory dwelling units, with more than two thirds (69%) ranking it is their first choice. Townhomes were ranked second, followed by senior/assisted living, multifamily housing, and finally manufactured housing (65% ranked this as their last choice). In the free response section, some residents made clear that none of these housing types are preferred. As one wrote, “By ranking these options it gives the survey askers / city an incorrect answer as to how you’d rank ... as opposed to the fact that NONE of the options would be acceptable.” The full breakdown of ranked housing types is given in fig. 5, and all free response answers are in *Appendix D*.

Outside of single family houses, what type of housing would you like to see to accomodate the growing need?

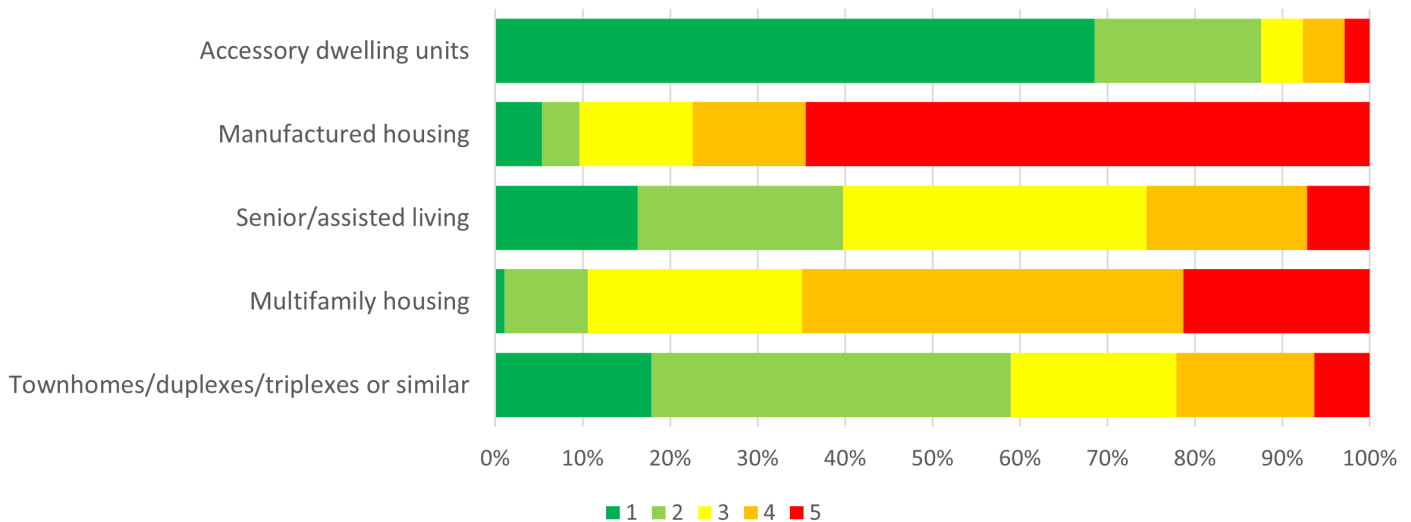


Figure 5: Respondent’s ranking of various housing types.

Open House Results

The summary below describes the results of the open house engagement process. The topics discussed with the whole group pertained to the Housing Action Plan community presentation and understanding how Washington State plans for housing. Approximately 16 residents attended the presentation which represents less than one percent of the community. Similarly, a lack of understanding of or guidance on recent State housing legislation (such as HB 1110) has created community concerns that extend beyond the scope of the Housing Action Plan. Greater attendance and input would’ve been beneficial in leading to a more community-oriented document and responding to misconceptions of the impact of State legislation on Medina.

Participants attended the event and came with a number of thoughtful questions on the impact of State legislation. While the presentation and open discussion with City staff was useful in describing the Housing Action Plan planning process, methodology, and drafted strategies, the community was fixated on the recent passage of HB 1110 and housing requirements from the Growth Management Act. The community was interested in understanding how housing growth targets are determined, how the City is expected to address growth targets, and what the impact on homeowners would be. One homeowner was specifically concerned that HB1110 would require single family homeowners to redevelop their properties to construct duplexes. Another homeowner was very concerned about whether duplexes developed in Medina would be considered affordable to households earning less than the Area Median Income (AMI). Other participants were vocally supportive of the City pushing back on requiring other forms of housing to be permitted in low-density residential, or single family residential, exclusive zones.

Residents believe that expanding the types of housing allowed in the City would not result in a more economically diverse population. People were concerned about the capacity and levels of service of infrastructure needed to support

higher density housing, such as the need for traffic control and upsizing sewers. Other concerns described during the meeting included tree removal, degradation of private property values, community aesthetics, and crime.

Blueline prepared a game board to help participants understand how Medina must plan for housing under the Growth Management Act. The scaled game board was prepared to emulate a typical neighborhood in Medina. A variety of parcel sizes and areas were developed using parcel width, depth, and area data sourced from King County IMAP. Lego pieces were used to represent different forms of housing – such as a single family home or a fourplex – to describe how the City is required to plan for capacity and identify the techniques that received the greatest consensus. The activity was highly appreciated by residents who could visualize different housing forms using Legos and use the activity as a method of asking questions on planning for housing requirements. Participants primarily supported placing duplex and townhome units to meet the housing growth targets. Residents primarily wanted to see duplex and townhome units along primary or arterial roadways and along the City’s limits. A copy of the game board is included in *Appendix F*.

A word cloud activity was also available at the event. The intent of the activity was to collect thoughts from residents and summarize the thoughts into a word cloud. There were not enough participants in the activity to generate a meaningful or representational word cloud.

Limitations

The community stakeholder activity was not attended by all the planned attendees. As with most community stakeholder processes, more input may have been advantageous. Similarly, a lack of belief in income estimates and lack of overall project buy in may have caused a misrepresentation of community opinions during the process.

The survey sample was slightly more white, older, and owned their homes more than the population of Medina. However, the conclusions of the survey generally agree with the take-aways from the stakeholder meetings, and the sample size (5% of the population) was sufficient. It is reasonable to use the results of the survey to inform the further construction of the Housing Action Plan.

Conclusion

The Medina community values their existing housing stock and acknowledges that housing costs are high. However, they do not see changes in housing options available as a good solution. The nuances in community opinions of housing type will be considered with the creation of the Housing Action Plan.

Public Perceptions of Existing Housing Stock

The community in Medina is largely satisfied with their existing housing stock. The people living there see little reason to change the current policies, as they currently enjoy quality housing in a good location. Residents appreciate the single-family residential character in Medina, as one survey respondent said, “maintain the status quo, basically single-family dwellings. Multi-family dwellings would change the nature of the city”. The technical stakeholder group recognized strong public opinion, noting that rezoning to smaller lots will not be supported by the public.

Housing Cost

Community members were aware of high housing costs and attributed this high cost primarily to empty or vacant units within the city or high property taxes. Multiple survey respondents noted that property taxes are increasing so much that long term residents cannot afford to live in Medina anymore. While community stakeholders and survey



respondents recognized the high housing cost in Medina, they were split on what that meant. As evidenced by the 30% of survey respondents who are concerned about being unable to live in Medina within the near future, and numerous answers in the open response section anticipating future personal housing burden, some survey respondents were concerned about high housing costs. However, many were not. As one respondent put it, “If you can’t afford to live here—then don’t! There are plenty of places elsewhere. Fact of life—some people have more money than others. It’s not wrong and doesn’t need to be changed.”

Housing Solutions

Survey and community stakeholder participants feel that there is little space, demand, or support for any sort of higher density housing. Survey respondents were in favor of smaller houses, but perhaps with the intention of preserving the character of the city and not with the goal of increasing density. While the technical stakeholder group saw ADUs and a senior housing facility as feasible ways to solve some of the present housing problems, the community stakeholder group and survey respondents gave little latitude for any changes to housing options. Residents believe that the preservation of existing housing options, common spaces, quality of life, and population should be the priority when determining future housing policy.

People in Medina recognize that it is an expensive place to live, however their preference for the existing single-family character supersedes any desire to increase housing accessibility. While some people surveyed agreed that more housing should be available for people working in Medina, and there is some concern about individuals’ future inability to live in the city, multiple comments in stakeholder meetings and survey items qualified multi-unit housing of any sort as unacceptable. People agree that housing problems are present in some capacity, but they do not see additional development within the city of Medina as the solution. As one survey respondent said, “There are sufficient social service options in area, including low-income housing... high valuations and onerous property taxes the real problem.”

Community Take Aways

Community preferences around housing solutions must be considered when creating the Housing Action Plan. The stakeholder group expressed that the existing residential character in Medina is extremely important to the community, and that Medina will likely remain extremely residential for the foreseeable future. Survey responses and the technical stakeholder group made clear that there would be community resistance to any large apartment, intentionally affordable, or emergency housing. One survey respondent wrote, “I RESIST, and want my city to RESIST the mandates from outsiders demanding that the character of my town be changed.” However, looking forward there may be room to increase housing access through methods which preserve the character of small single family residential units and support the existing residents.



Appendix A: Respondent Demographics

The below graphs and charts describe the reported demographics of adult survey participants. Color formatting shades higher percentages blue.

Table 1:

Select your age range.

Answer Choices	Responses	
Under 34	0.66%	
35 to 54	28.95%	
55 to 74	53.29%	
75+	17.11%	
	Answered	152
	Skipped	2

Table 2:

Which of the following best describes you?

Answer Choices	Responses	
Asian or Pacific Islander	13.16%	
Black or African American	0.66%	
Hispanic or Latino	0.00%	
Native American or Alaskan Native	0.00%	
White	79.61%	
Multiracial or Biracial	3.95%	
A race/ethnicity not listed here	2.63%	
	Answered	152
	Skipped	2

Appendix B: Housing Demographics

The following tables describe the complete set of responses to multiple-choice questions related to respondent’s housing situation. Color formatting shades higher percentages blue.

Table 3:

How many people are in your household (including yourself)?

Answer Choices	Responses	
1 person	9.80%	
2 people	39.87%	
3 people	13.07%	
4 people	26.14%	
5 people	7.19%	
6 people	3.92%	
7 people or more	0.00%	
	Answered	153
	Skipped	1

Table 4:

Do you own or rent your residence?

Answer Choices	Responses	
Own	97.39%	
Rent	2.61%	
N/A	0.00%	
	Answered	153
	Skipped	1

Table 5:

Are your housing costs a serious financial burden?

Answer Choices	Responses	
Yes	22.52%	
No	77.48%	
	Answered	151
	Skipped	3

Table 6:

When did you move to your current home?

Answer Choices	Responses	
Less than a year ago	2.61%	
1-5 years ago	16.34%	
6-10 years ago	13.73%	
11 or more years ago	67.32%	
	Answered	153
	Skipped	1

Table 7:

On an average day, how far (in miles) do you travel from your home?

Answer Choices	Responses	
Less than 1 mile	6.58%	
1-5 miles	37.50%	
5-10 miles	40.79%	
10-20 miles	9.21%	
20+ miles	5.92%	
	Answered	152
	Skipped	2

Table 8:

Which of the following housing types best describes where you live?

Answer Choices	Responses	
Single-family home	100.00%	
Townhome/duplex/triplex or similar	0.00%	
Unit in multiunit building	0.00%	
Accessory dwelling unit (e.g., in-law suite or granny flat)	0.00%	
Mobile or manufactured home	0.00%	
Senior/assisted living	0.00%	
	Answered	152
	Skipped	2

Appendix C: Housing Survey

The following tables describe the complete set of responses to multiple-choice questions related to respondent’s perspective of housing in Medina. Color formatting shades higher values blue.

Table 9: How satisfied are you with your current housing in regard to the following criteria?

	Very Dissatisfied	Dissatisfied	Neutral	Satisfied	Very Satisfied
Distance to work/school	0.7%	0.0%	13.9%	21.9%	63.6%
Cost/price	5.3%	9.3%	29.1%	31.8%	24.5%
Size of home	1.3%	4.6%	9.2%	35.5%	49.3%
Age/condition of home	1.3%	9.3%	7.3%	33.8%	48.3%
Proximity to amenities (e.g., parks, retail stores, bus routes, etc.)	2.6%	1.3%	3.3%	23.5%	69.3%

Answered 153

Skipped 1

Table 10: Outside of the most common type of housing in Medina (single-family homes), what type of housing would you like to see to accommodate the growing need? (Rank the choices by order of preference)

	1	2	3	4	5
Townhomes/duplexes/triplexes or similar	17.89%	41.05%	18.95%	15.79%	6.32%
Multifamily housing	1.06%	9.57%	24.47%	43.62%	21.28%
Senior/assisted living	16.33%	23.47%	34.69%	18.37%	7.14%
Manufactured housing	5.38%	4.30%	12.90%	12.90%	64.52%
Accessory dwelling units (e.g., in-law suites or granny flats)	68.57%	19.05%	4.76%	4.76%	2.86%

Answered 116

Skipped 38

Table 11: How likely are you to agree or disagree with the following statements?

	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree
Medina is a great place to live.	0.76%	0.76%	0.76%	33.33%	64.39%
Young people can find comfortable, adequate housing they can afford in Medina.	37.12%	28.79%	21.97%	8.33%	3.79%
Medina is a good place for families to live.	0.76%	0.76%	0.76%	34.09%	63.64%
Medina is a good place for older people to live.	2.27%	10.61%	6.82%	40.91%	39.39%
Medina has services and amenities that improve my quality of life.	0.76%	4.55%	12.88%	46.97%	34.85%
I am concerned about being unable to live in Medina within the near future.	27.27%	28.79%	13.64%	18.94%	11.36%

Answered 133
Skipped 21

Table 12: Indicate how much you agree or disagree with the following statements. Medina needs more...

	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree
...apartments and other rental housing options.	61.54%	26.15%	4.62%	5.38%	2.31%
...affordable housing options (i.e., housing reserved for households earning 80% or less of the area median income or \$95,300 annually).	43.94%	26.52%	15.15%	10.61%	3.79%
...emergency housing options and services (e.g., shelters, transitional housing, day centers, assistance for victims of domestic violence, etc.).	60.61%	28.03%	7.58%	3.03%	0.76%
...housing affordable to those who work in the community.	26.52%	24.24%	18.18%	28.03%	3.03%
...smaller housing options for smaller households.	24.24%	14.39%	15.91%	39.39%	6.06%
...larger homes for housing large or extended families.	37.12%	30.30%	22.73%	8.33%	1.52%

Answered 133
Skipped 21



Table 13: Indicate how you feel about some of these potential housing solutions.

	This is a good solution	No Opinion/Unsure	This is NOT a good solution
Ensuring existing housing is in good condition	60.77%	26.92%	12.31%
Providing support for older community members	61.07%	22.90%	16.03%
Providing support for working families and fixed income households who are paying a large share of their incomes on housing	18.46%	31.54%	50.00%
Building dedicated affordable housing units	12.21%	22.90%	64.89%
Protecting residents from being displaced or forced out of their current housing	46.56%	26.72%	26.72%

Answered 131

Skipped 23



Appendix D: Write-In responses

The following are verbatim write-in responses submitted. Responses include any typographical, grammar, or other mistakes.

Do you have any additional comments, questions, or concerns related to Medina’s housing needs you would like to share?

Answered: 82. Skipped: 72

Too many tall trees require us to clean non-stop all year around. Not ideal for aged individuals, especially potential fallen branches/trees when storms come.
One problem I see is rental homes or absent ownership and lack of property maintenance by property owners. Lack of investment in “community” by absent ownership. We need to keep our community store. Many young people cannot afford to live here.
Medina is a great place to live for young families and on into grand parenting.
This is an odd survey. Medina is definitely not a “typical” community, more like an exclusive destination neighborhood.
there is o need for the city to tinker with the present housing. It is a lovely residential place. there are too few places where single family homes are required.
This is an interesting and complicated survey addressing the general Medina community. The complexity of our community as well as the broad age range and socioeconomic elements makes averaging Medina extremely difficult.
Property taxes far too high. Town spending growing far too much, making work and development where not needed and not appreciably benefitting quality of life. Police and fire are the only services we really need kept at the level they are now; the rest of the town is beautiful as is and the high levels of spending are just making the town more expensive. Almost no middle-income families are in the town anymore.
Stop allowing buyers to leave empty unkept properties. Hines sits empty. Too many renters who take no ownership responsibilities. Too many international buyers. charge a surtax like Vancouver BC
Create more flexibility/allowance for homeowners who want to remove trees on their property
Sure, wish that trees were not indiscriminately bulldozed all the time to build mc mansions. Keep older homes maintained instead of constantly building new ones. Don’t put houses immediately next to others.
Property taxes are really high for retired senior citizens.
I feel very strongly that Medina should remain SFR only—no multifamily housing of any type
Thank you
No
I have been in the same house for 57 years. House is 4000 sq ft and has need remodeled once. Am widowed and live on SS and teacher retirement income. House is in good repair, but county classifies it as a tear down. Land valuation has gone up every year. With the construction of a 5.5 mil. House next door, tax now nearly 20000 per year. I must live very frugally to continue to live here and pay for reasonable yard and house maintenance. Medina zoning encourages large houses and wealthy families who can afford them. There is no relief for the elderly or longtime residents who have incomes above approx. 60 M. I am only slightly above. Complaints are met with "you can sell and make a profit" but then where



do I go?
Medina needs to find a way to support longtime residents. I am sure i am not the only one who thinks the city is indifferent to our needs and desires to be a place for only the most affluent.
I would like to know the origin of the survey, the reason for the survey & the author of the questions. Mary Saad
No
Keep Medina as it is.
I am personally concerned about property taxes getting so high that people like myself Who have lived here for 30+ years may be forced out.
Why are we addressing this?
Item 10. None of the proposals are acceptable.
No
Medina is unique and offers the community and excellent experience. It should not allow for multiple housing developments, lower income housing or multiple family dwellings. There are many areas outside of Medina that provide that. Medina should remain a calm and secure place to live in a crowded and complex world.
Stop allowing huge houses to be built that take up a large portion of the lot size. Don't allow lots to be subdivided below half an acre.
Highway noise ... still an issue
It isn't clear how Medina can be made compatible with affordable housing.
No shelters. Please leave the community intact
I did not like or appreciate the ranked preference question. It infers an acceptance or preference for the 5 options... I tried to skip the question - as none of these are acceptable. By ranking these options, it gives the survey askers / city an incorrect answer as to how you'd rank ... as opposed to the fact that NONE of the options would be acceptable.
Medina's housing prices were so significantly impacted by the number of foreign (primarily Chinese) absentee purchasers - throwing money at houses — causing rapid increases in pricing. Then leaving the homes empty - creating eyesores and habitats for rodents - it has been so sad to see the degrading of many areas - as purchasers don't care or have pride in their homes — they view these purchases as investments - and have zero sense of community. As a very long-term Medina resident and taxpayer - I am so saddened to see this decline.
Trees and lots are cut down and decimated And then allowed to be so overgrown I don't know this town anymore.

Having lower income housing in this neighborhood is completely absurd! If you can't afford to live here—then don't! There are plenty of places elsewhere. Fact of life—some people have more money than others. It's not wrong and doesn't need to be changed.

Medina is a unique community with a special environment. We do not need to change the character of our neighborhood with housing ideas that have nothing in common with our existing livability. Stop this discussion now!!

When we can't afford it anymore, we will move but nothing in the area is what I would call affordable.

A missing link in Medina's walkability is Overlake Drive East. Please recognize this is a path to Clyde Beach Park, Meydenbauer Beach Park, and downtown Bellevue for residents of Medina which needs considerable safety improvements. Fixing that will improve Medina's "access to amenities" rating.

Not just allowing, but actually building affordable housing, transitional housing, senior housing, multi-family housing, will make Medina stand out as living its values and leading the Points in addressing the income inequality plaguing our nation and region.

Medina is an executive community. As such, when people from other executive communities visit, they often comment on how ugly Medina is. They notice wires hanging from telephone poles, junk cars in front yards, dilapidated houses, crab grass filled parks, crumbling sidewalks, houses with unkept landscaping, painted traffic lines, that you would find on high speed streets, on residential streets. Commuter cars parked on residential streets. And generally a poor hillbilly looking neighborhood. I think if city leaders had grown up in places like Palo Alto or La Jolla or Westminster NY or Kalorama DC, they would understand how shabby Medina looks. This survey only illustrates how detached the city is from acknowledging that Medina is for high earners (executives). I would suggest accepting this fact and working to build the best looking Medina possible to reflect the incredible high real estate taxes the residents pay relative to other cities in WA state.

There is no need for any low income housing or multi family. I will actively campaign against any public official that suggests these changes.

We need to keep Medina the close bedroom community that it is.

The current character of Medina should be preserved. Multi-unit housing would undermine that. There are more affordable alternative housing options in close proximity elsewhere in Bellevue and other Eastside communities.

Lower the property taxes so retirees can stay in their homes if they desire!

Medina is thriving because people get to choose what kind of housing they live in and not because the city has been awarded a grant for planning and policy creation regarding housing. Keep the city government taking care of the current residents and the services that we have such as Medina Market, Post Office, and our park and schools. Do not add any item except possibly extra units if someone wants to add them to their house. No affordable housing, no townhomes, no senior assisted living facilities, not necessary as we are backed up to a very large metropolitan city with all of those needs. Keep Medina simple! That is why we moved here.

I did not answer questions 13 on because there was no detail on who would be providing the support. Given the affluence of this community it's hard to envision apartments and manufactured homes. I also don't think the assembling of large estates has improved the



community. We have lost great neighbors that moved because of property tax increases and skyrocketing revenue from selling their homes. The Green Store is a great amenity but I wish it had fewer restrictions on operating hours and expanded food and take out services and drinks.
Question 10: I would not like to see any of the housing choices listed in the city of Medina. The question did not allow me to rank all choices with a zero.
No
Ensuring rental property or unoccupied houses are maintained. Ensure yards are well maintained. We have too many where the grass isn't cut and bushes cover the sidewalks
I believe Medina building guidelines are antiquated and should be updated to current residents wants and more in line with national building guidelines.
The property taxes are exorbitant and are forcing long time residents to sell their homes.
There are also too many empty, unkempt homes on some streets, most likely foreign investors parking money in the land. Not a great place to live anymore. Resident since 1965.
No
It seems like the author of these questions has a social and political agenda which is inappropriate when attempting to conduct an honest and unbiased survey.
Make sure peo
I would support more flexibility to have ADUs limited to less that 1,000 sf with mandatory off street parking as a solution to provide more housing options in the community
I support requiring ADU's on larger properties as a form of private extra housing opportunities for people working for Medina families
These are tough questions especially for a community like Medina that has limited buildable land
The most acceptable way to add to housing in Medina is to allow ADUs. Seems least impactful on the nature of our small town.
Medina City Government should focus on maintaining and improving public safety including roadways, powerlines, and landscape. We need to support our police. We need to make sure that residents do not have onerous rules placed on them in regard to their property as long as the natural beauty and charm of our town is preserved. We need to maintain the local gathering places for all ages, including the park, post office, and green store. And the landlord of the green store should not be "holding hostage" any of her tenants, ever by taking advantage of them and placing unfair burdens upon them. The green store has a legacy and tradition of being a local favorite, that makes every resident feel welcomed, provides a place for local workers to eat, local school children to gather with friends, and provides a local place to buy necessities. The current tenants "saved" our community during Covid by providing the consistency, kindness, and care that our older residents need. Medina is a town that is kind and welcoming to everyone who lives there. It is a great place to live and one that we have called home for over 25 years.
Keep Medina as it is. No need to build affordable housing, shelter, or others
The number of homes that are bought but not occupied
Please do not change this wonderful community.



<p>There are sufficient social service options in area, including low income housing, shelter, etc. Multi family options will mean even bigger houses, already an issue. High valuations and onerous property taxes the real problem</p>
<p>Maintain the status quo (basically single-family dwellings). Multi-family dwellings would change the nature of the city. Town-houses are OK if they are in the high-end price range such as the development abutting the golf course on NE 12th.</p>
<p>There is no place like Medina to live and raise a family. I appreciate looking at making it more affordable inc for families. Thank you.</p>
<p>Property taxes are the biggest issue increasing unaffordable housing.</p>
<p>There are lots of places to live. Medina may not be a fit for everyone.</p>
<p>Stronger ordinance to dissuade cutting down of older firs.</p>
<p>Ordinance as to approval of style of home for new construction.</p>
<p>The current modern homes are not traditional NW homes and eye sore.</p>
<p>Medina is a small community, and does not need to support the services appropriate for a larger city. Residents of Medina accept a high barrier to entry, in exchange for a secure environment. Plans for Medina should respect the existing culture of the town, rather than try to adjust its environment toward area medians.</p>
<p>Not concerned about housing for people who want to move into Medina but can't afford to live here. I'm more concerned about older people who have lived in the city for decades but the property taxes are causing them financial hardship.</p>
<p>Taxes are too high and there appears to be waste in spending. Rebate or reduce taxes!</p>
<p>1. Sidewalks along all streets.</p>
<p>2. Proper street lighting for safe walking and to discourage illegal activity.</p>
<p>I don't have a problem with more affordable housing, but I am not a fan of providing housing for people with drug addictions or emotional problems, like a halfway house.</p>
<p>I am strongly opposed to changes in zoning and density in medina.</p>
<p>Medina is not for everyone, this is what market decides and this is why people moves here. To make worse is not the solution. However, taking care of existing house senior owners are something we should do, just like any community. It is different from making medina everyone can afford or come. Good goal but not by making medina worse - against the reason why people move here.</p>
<p>Supportive housing if required by WA State should be at least 600 feet from schools.</p>
<p>Please also for subdivision of lots so we can build up more in Medina. The time for change is now.</p>
<p>Make sure people live here is safe. Exclude homeless from Medina.</p>
<p>No</p>
<p>The thought of turning Medina Clyde Hill or the east side west of 405 into a low income neighborhood it's just about one of the worst ideas I've heard. Many people worked hard and smart to get to where they are today or maybe it was just an accident but whatever it is it is their prerogative to live in an upscale neighborhood w/out Converting the area into low income housing. Ridiculous. How much is Val is Dell Constantine buying the Quinta twice</p>

<p>it's worth and making it to a homeless shelter along with numerous other locations. Very bad decisions and making people pay they shouldn't have to.</p>
<p>no</p>
<p>Should update city code limit to allow bigger houses that can host bigger or multi-families. The current limit of height and distance to boundary lines are very tough.</p>
<p>What really makes Medina unaffordable is the property taxes. This includes all the frivolous levies that King County slips by us, as well as, the school district levies. Property taxes are onerous!</p>
<p>I we allow multifamily units I would like to see them added in a way that maintains the "wooded" feel. I really dislike some of the recent concrete monsters with no vegetation between the house and the street</p>
<p>The town should consider rules to limit the size of houses. Current rules allow houses that are way too big and developers build to the absolute maximum to extract maximum profits.</p>
<p>Not at this time</p>
<p>Needs & solutions should not be considered in a city vacuum, we're next to 3 other small towns/city plus Bellevue services and should work together if there is a demonstrated need.</p>
<p>I RESIST, and want my city to RESIST the mandates from outsiders demanding that the character of my town be changed. Medina is a small town that is not right nor affordable for everybody. This is a normal phenomenon and is not suddenly an invented problem. The changes being proposed are practically guaranteed to degrade the quality of life for current residents, causing people to move out. Current residents are your constituents, and inventing a new high density market is not in your constituents interests. Downtown Bellevue is showing signs of adopting Seattle's insane problems, is Medina next? Not if you resist it from happening.</p>
<p>Question 10 did not give you an option of disagreeing with the statement that there exist a growing need for housing in Medina. Or that accommodation for housing needs is a given. The way that question is designed any one of the options given will appear to be a "like to see" from the survey respondent which may not be true.</p>
<p>Medina homes are becoming so large and so expensive that I couldnt even move to another home in the neighborhood. My children will not be able to live here either, unless they find an incredible job. We are being priced out by out of country buyers, buyers buying homes that are left empty or then rented, etc. The community feel is dwindling. This is extremely evident in Clyde Hill too.</p>
<p>Medina is such a small town, adjacent to the larger bellevue where there are many housing options at varying price points. I'm not sure putting in apartments or multi-family housing is a great solution given our city is tiny. We aren't large enough to make a meaningful impact on the housing issues effecting most of bellevue right now. There just isn't enough space to really impact housing prices with affordable housing options. We would need a lot of apartments to offset the high cost of housing here.</p>

Appendix E: Survey Questionnaire



Medina - Housing Survey

The goal of the Housing Action Plan (HAP) is to create an actionable policy document, supported by data and public input, that outlines how to meet Medina's housing needs. Before drafting the full HAP, we would like your help in recognizing housing needs and potential solutions within Medina. We know your input is critical in creating a successful plan.

The questions that follow are designed to give the City a better understanding of survey participants.

1. Select your age range.

- Under 34
- 35 to 54
- 55 to 74
- 75+

2. Which of the following best describes you?

- Asian or Pacific Islander
- Black or African American
- Hispanic or Latino
- Native American or Alaskan Native
- White
- Multiracial or Biracial
- A race/ethnicity not listed here

3. How many people are in your household (including yourself)?

- 1 person
- 2 people
- 3 people
- 4 people
- 5 people
- 6 people
- 7 people or more

4. Do you own or rent your residence?

- Own
- Rent

5. Are your housing costs a serious financial burden?

- Yes
- No

6. When did you move to your current home?

- Less than a year ago
- 1-5 years ago
- 6-10 years ago
- 11 or more years ago

7. On an average day, how far (in miles) do you travel from your home?

- Less than 1 mile
- 1-5 miles
- 5-10 miles
- 10-20 miles
- 20+ miles

8. Which of the following housing types best describes where you live?

- Single-family home
- Townhome/duplex/triplex or similar
- Unit in multiunit building
- Accessory dwelling unit (e.g., in-law suite or granny flat)
- Mobile or manufactured home
- Senior/assisted living

9. How satisfied are you with your current housing in regard to the following criteria?

	Very Dissatisfied	Dissatisfied	Neutral	Satisfied	Very Satisfied
Distance to work/school	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cost/price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Size of home	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Age/condition of home	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Proximity to amenities (e.g., parks, retail stores, bus routes, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Medina - Housing Survey

Housing Supply and Development Questions

The purpose of the following questions is to help the City understand how respondents feel about the housing supply and housing development in Medina.

10. Outside of the most common type of housing in Medina (single-family homes), what type of housing would you like to see to accommodate the growing need? (Rank the choices by order of preference)

- Townhomes/duplexes/triplexes or similar
- Multifamily housing
- Senior/assisted living
- Manufactured housing
- Accessory dwelling units (e.g., in-law suites or granny flats)

11. How likely are you to agree or disagree with the following statements?

	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree
Medina is a great place to live.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Young people can find comfortable, adequate housing they can afford in Medina.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Medina is a good place for families to live.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Medina is a good place for older people to live.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Medina has services and amenities that improve my quality of life.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am concerned about being unable to live in Medina within the near future.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

12. Indicate how much you agree or disagree with the following statements.

Medina needs more...

	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree
...apartments and other rental housing options.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
...affordable housing options (i.e., housing reserved for households earning 80% or less of the area median income or \$95,300 annually).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
...emergency housing options and services (e.g., shelters, transitional housing, day centers, assistance for victims of domestic violence, etc.).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
...housing affordable to those who work in the community.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
...smaller housing options for smaller households.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
...larger homes for housing large or extended families.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

13. Indicate how you feel about some of these potential housing solutions.

	This is a good solution that should be considered.	No Opinion/Unsure	This is NOT a good solution and should NOT be considered.
Ensuring existing housing is in good condition	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing support for older community members	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing support for working families and fixed income households who are paying a large share of their incomes on housing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Building dedicated affordable housing units	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Protecting residents from being displaced or forced out of their current housing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

14. Do you have any additional comments, questions, or concerns related to Medina's housing needs you would like to share?

Appendix F: Open House Game Board



Designing Medina 2044



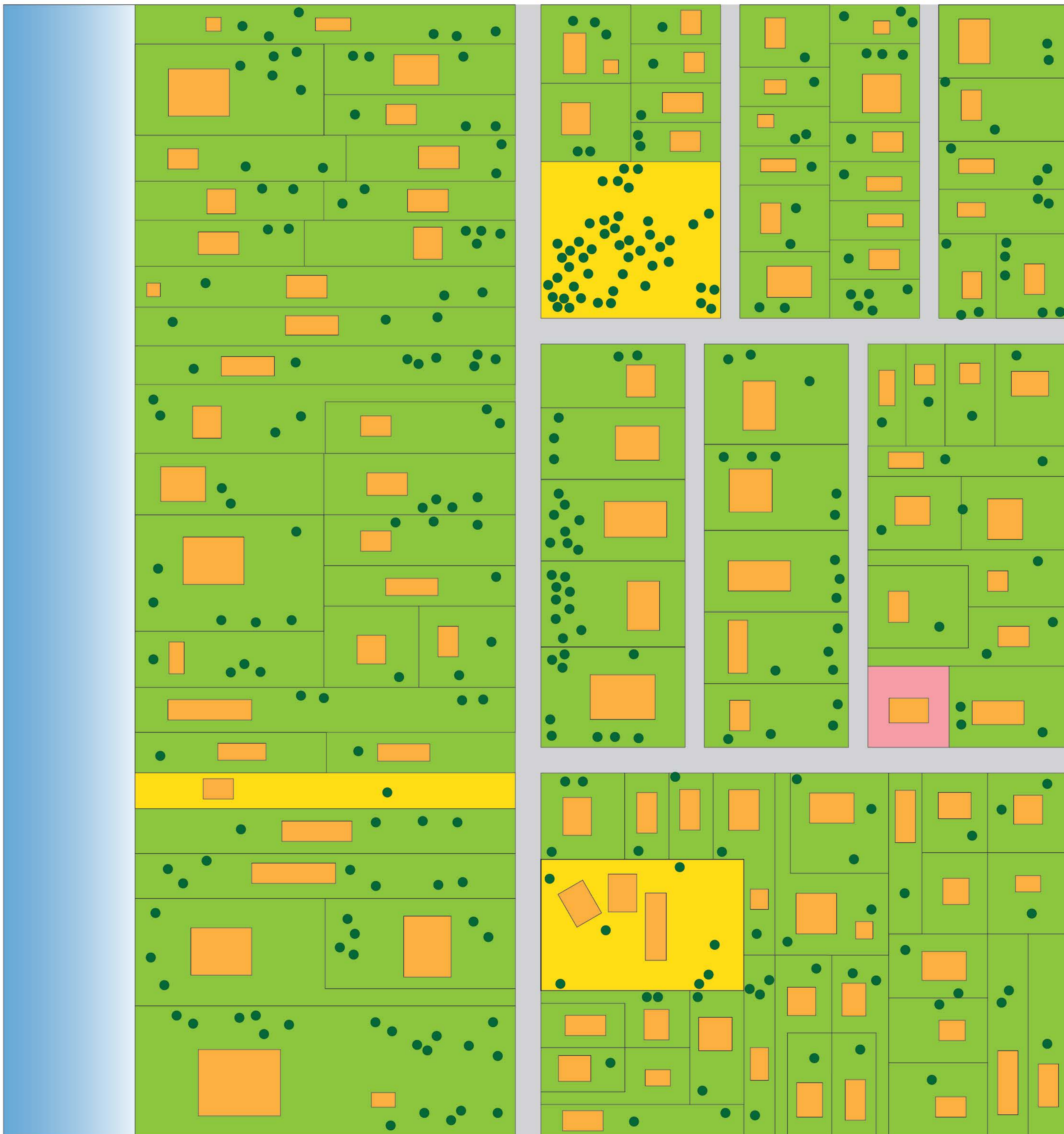
Using the housing options provided, place new housing on the residential parcels. Each housing option is worth a different number of points.

Your final design must add up to at least 19 points.

- Duplex = 2 pts
- Triplex = 3 pts
- Fourplex = 4 pts
- 3-story apartment building = 18 pts
- 4-story apartment building = 30 points

Legend

- Residential
- Public
- Commercial
- Existing Building



Appendix G: Open House Poll Results

Poll 1:

What kind of housing have you lived in within your lifetime?

Answer Choices	Responses	
Single-family home	73.68%	14
Townhome	42.1%	8
Duplex	0.05%	1
Triplex or Fourplex	0.00%	0
Live/Work Unit	0.11%	2
Apartment or multifamily housing (5+)	78.95%	15
	Answered	18
	Skipped	1

Poll 2:

Could you echo back the requirements to plan for housing and how the Housing Needs Assessment data was gathered?

Answer Choices	Responses	
Yes	36.84%	7
No	15.78%	3
Unsure	26.32%	5
	Answered	15
	Skipped	4



APPENDIX E

Final Bill Report
E2SHB 1923

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Appendix E: Final Bill Report for E2SHB 1923

FINAL BILL REPORT E2SHB 1923

C 348 L 19
Synopsis as
Enacted

Brief Description: Increasing urban residential building capacity.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Fitzgibbon, Macri, Appleton, Doglio, Dolan, Santos and Frame).

House Committee on Environment & Energy
House Committee on Appropriations
Senate Committee on Housing Stability & Affordability
Senate Committee on Ways & Means

Background:

Growth Management Act.

The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. Originally enacted in 1990 and 1991, the GMA establishes land use designation and environmental protection requirements for all Washington counties and cities. The GMA also establishes a significantly wider array of planning duties for 29 counties, and the cities within those counties, that are obligated to satisfy all planning requirements of the GMA. These jurisdictions are sometimes said to be "fully planning" under the GMA.

The GMA directs fully planning jurisdictions to adopt internally consistent comprehensive land use plans. Comprehensive plans are implemented through locally adopted development regulations, and both the plans and the local regulations are subject to review and revision requirements prescribed in the GMA. In developing their comprehensive plans, counties and cities must consider various goals set forth in statute. These goals include:

- *Urban Growth.* Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.

- *Housing.* Encourage the availability of affordable housing to all economic segments of the population of Washington, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
- *Public Facilities and Services.* Ensure that those public facilities and services necessary to support development are adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Counties that fully plan under the GMA must include a plan, scheme, or design for different types of land use areas, including Urban Growth Areas (UGAs)—areas within which urban growth must be encouraged and outside of which growth can occur only if it is not urban in nature. Planning jurisdictions must include within their UGAs sufficient areas and densities to accommodate projected urban growth for the succeeding 20-year period. In addition, cities must include sufficient areas to accommodate the broad range of needs and uses that will accompany the projected urban growth, including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses.

State Environmental Policy Act.

The SEPA establishes a review process for state and local governments to identify environmental impacts that may result from governmental decisions, such as the issuance of permits or the adoption of land use plans. The SEPA environmental review process involves a project proponent or the lead agency completing an environmental checklist to identify and evaluate probable environmental impacts. Government decisions that the SEPA-checklist process identifies as having significant adverse environmental impacts must then undergo a more comprehensive environmental analysis in the form of an Environmental Impact Statement (EIS). Decisions made under SEPA may generally, although not always, be appealed, first at the administrative level, and then at the judicial level.

State Environmental Policy Act—Subarea Plans.

A city with a population greater than 5,000 may adopt optional elements of its comprehensive plans and optional development regulations that apply within specified subareas of the cities that are either: areas designated as mixed-use or urban centers in a land use or transportation plan adopted by a regional transportation planning organization; or areas within 0.5 miles of a major transit stop that are zoned to have an average minimum density of 15 dwelling units or more per gross acre.

State Environmental Policy Act—Categorical Exemptions.

Under SEPA, certain nonproject actions are categorically exempted from the requirements of SEPA. Examples of categorically exempt nonproject actions include certain amendments to development regulations and certain amendments to technical codes.

State Environmental Policy Act—Categorical Exemptions—Infill Development.

Counties and cities planning fully under GMA may establish categorical exemptions from the requirements of SEPA to accommodate infill development. Locally authorized categorical exemptions may differ from the categorical exemptions established by the Department of Ecology by rule. Under the infill development categorical exemption, cities and counties may adopt categorical exemptions to exempt government action related to development that is new residential development, mixed-use development, or commercial development up to 65,000 square feet, under certain circumstances.

Summary:

Increased Residential Building Capacity and Housing Affordability.

Cities planning fully under the Growth Management Act (GMA) are encouraged to take two or more of the following actions in order to increase residential building capacity:

- authorize development of at least 50 residential units per acre in one or more areas of not fewer than 500 acres that include one or more train stations served by commuter rail or light rail;
- authorize development of an average of at least 25 residential units per acre in one or more areas of not fewer than 500 acres in cities with a population greater than 40,000, or areas of not fewer than 250 acres in cities with a population less than 40,000, that include one or more bus stops served by scheduled bus service of at least four times per hour for 12 or more hours per day;
- authorize at least one duplex, triplex, or courtyard apartment on each parcel in one or more zoning districts that permit single-family residences unless a city documents a specific infrastructure or physical constraint that would make this requirement unfeasible for a particular parcel;
- authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences;
- authorize accessory dwelling units on all lots located in zoning districts that permit single-family residences, subject to certain restrictions;
- adopt a subarea plan pursuant to the State Environmental Policy Act (SEPA);
- adopt a planned action pursuant to the planned action provisions of SEPA, except that an Environmental Impact Statement (EIS) need not be prepared for such a planned action;
- adopt increases in categorical exemptions pursuant to the infill development provisions of SEPA for single-family and multifamily development;
- adopt a form-based code in one or more zoning districts that permit residential uses;

- authorize a duplex on each corner lot within all zoning districts that permit single- family residences;
- allow for the division or redivision of land into the maximum number of lots through the short subdivision process; and
- authorize a minimum net density of six dwelling units per acre in all residential zones.

Cities planning fully under the GMA may adopt a housing action plan. The goal of the housing action plan must be to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes. The housing action plan should, among other things, quantify existing and projected housing needs for all income levels and develop strategies to increase the supply of housing, and should consider strategies to minimize displacement of low-income residents resulting from redevelopment and review and evaluate the current housing element.

If taken prior to April 1, 2021, the actions taken by a city to implement the residential building capacity elements described above, with the exception of the adoption of a sub-area plan, are exempt from administrative or judicial appeal under SEPA and the GMA.

A city with a population over 20,000 that is planning to take at least two actions to increase residential building capacity by April 1, 2021, is eligible to apply for a grant of up to \$100,000 from the Department of Commerce (Commerce) to support planning and outreach efforts. A city seeking to develop a housing action plan is also eligible to apply for a grant of up to \$100,000 from Commerce. Commerce must establish grant award amounts that take into consideration whether the proposed action will create a significant amount of housing capacity or regulatory streamlining.

Growth Management Act—Definitions.

The following terms are added to the definitions within the GMA:

- "affordable housing" means, unless the context clearly indicates otherwise, residential housing whose monthly costs, including utilities other than telephone, do not exceed 30 percent of the monthly income of a household whose income is, for rental housing 60 percent or for owner-occupied housing 80 percent, of the median family income adjusted for family size, for the county where the household is located, as reported by the United States Department of Housing and Urban Development (HUD);
- "extremely low-income household" means a single person, family, or unrelated persons living together, whose adjusted income is at or below 30 percent of the median family income adjusted for family size, for the county where the household is located, as reported by the HUD;
- "low-income household" means a single person, family, or unrelated persons living together, whose adjusted income is at or below 80 percent of the median

family income adjusted for family size, for the county where the household is located, as reported by the HUD; and

- "very low-income household" means a single person, family, or unrelated persons living together, whose adjusted income is at or below 50 percent of the median family income adjusted for family size, for the county where the household is located, as reported by the HUD; and
- "permanent supportive housing" means subsidized, leased housing with no limit on length of stay, paired with on-site or off-site voluntary services designed to support a person living with a disability to be a successful tenant in a housing arrangement, improve the resident's health status, and connect residents of the housing with community-based health care, treatment, and employment services.

Housing Supply and Affordability Report.

The University of Washington, through the Washington Center for Real Estate Research, must produce a report every two years that compiles housing supply and affordability metrics for each city planning under the GMA with a population of 10,000 or more. The report must be a compilation of objective criteria relating to development regulations, zoning, income, housing and rental prices, housing affordability programs, and other metrics relevant to assessing housing supply and affordability for all income segments. The Washington Center for Real Estate Research must collaborate with the Washington Housing Finance Commission and the Office of Financial Management to develop the metrics compiled in the report. The report must be submitted to the Legislature by October 15 of each even-numbered year beginning in 2020.

Growth Management Act—Minimum Residential Parking Requirements.

For affordable housing units that are affordable to very low-income or extremely low-income individuals and that are located within 0.25 miles of a transit stop that receives transit service at least four times per hour for 12 or more hours per day, minimum residential parking requirements may be no greater than one parking space per bedroom or 0.75 spaces per unit.

For housing units that are specifically for seniors or people with disabilities, that are located within 0.25 miles of a transit stop that receives transit service at least four times per hour for 12 or more hours per day, no minimum residential parking requirement may be imposed, with certain exceptions.

State Environmental Policy Act—Transportation Elements.

A project action evaluated under SEPA by a city, county, or town planning fully under the GMA is exempt from appeals under SEPA on the basis of the evaluation of or impacts to transportation elements of the environment, so long as the project does not present significant adverse impacts to state highways as determined by the Department of Transportation and the project is:

- consistent with either a locally adopted transportation plan or the transportation element of a comprehensive plan; and

- consistent with the transportation element of a comprehensive plan, and either a project for which traffic or parking impact fees are imposed pursuant to, or a project for which traffic or parking impacts are expressly mitigated by an ordinance adopted by the city, town, or county.

State Environmental Policy Act—Subarea Plans.

The requirement that cities with populations greater than 500,000 take certain actions regarding notice of scoping for a nonproject EIS related to subarea plans is eliminated. The requirement that cities with populations greater than 500,000 analyze whether an adopted subarea plan will result in displacement or fragmentation of certain populations is eliminated.

Until July 1, 2029, a proposed development that meets the criteria described below is exempt from appeal under SEPA as long as a complete application for such a development is submitted to the city within a time frame established by the city, not to exceed 19 years from the date of issuance of the final EIS for projects that are consistent with an optional element adopted by a city as of the effective date the act, or 10 years from the date of issuance of the final EIS for projects that are consistent with an optional element adopted by a city after the effective date the act.

The criteria that a proposed development must meet in order to qualify for the SEPA appeal exemption are:

- the development must be consistent with the optional comprehensive plan or subarea plan policies and development regulations adopted under the SEPA subarea plan provisions;
- the development must set aside or require the occupancy of at least 10 percent of the dwelling units, or a greater percentage as determined by city development regulations, within the development for low-income households at a sale price or rental amount that is considered affordable by a city's housing program, for projects that are consistent with an optional element of a subarea plan adopted after the effective date of the act; and
- the development must be environmentally reviewed through a nonproject EIS pursuant to the SEPA subarea plan provisions.

Growth Management Planning and Environmental Review Fund.

The scope of permissible uses of the GMA Planning and Environmental Review Fund is expanded to include planning grants, the biennial study prepared by Washington Center for Real Estate Research, and costs associated with the adoption of optional elements of comprehensive plans.

Permanent Supportive Housing.

A city may not prohibit permanent supportive housing in areas where multifamily housing is permitted.

Recording Fee.

A surcharge of \$2.50 must be charged by the county auditor for each document recorded. Each county auditor must remit the collected funds to the Washington State Treasurer. The funds must initially be deposited in the GMA Planning and Environmental Review Fund. Beginning in 2024, sufficient funds must be deposited in the GMA Planning and Environmental Review Fund for the costs associated with the biennial report on housing supply and affordability required by the act, and the remainder of the funds must be deposited into the Home Security Fund Account. The surcharge does not apply to certain documents, including, among others, documents recording a birth, marriage, divorce, or death.

Votes on Final Passage:

House	66	30	
Senate	33	12	(Senate amended)
House			(House refused to concur.)
Senate	33	16	(Senate receded/amended)
House	75	19	(House concurred)

Effective: July 28, 2019

APPENDIX F

Figures

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APPENDIX G

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