

I think the report touched on a lot of good information, but I would like to offer some observations related to the recommendations in the report, and hope it is not too late to accommodate some of the points I offer, if appropriate.

On page 10 of the report, the paragraph about Unenforceable Housing Goals caught my attention. Terms like “hammer” and “teeth” and “fair share” for jurisdictions that do not meet affordable housing targets, or housing targets without reference to affordability, are particularly concerning for a jurisdiction like Everett for a number of reasons, which follow:

1. Our growth targets for population, and therefore housing, were established arbitrarily by the PSRC, and adopted by the Snohomish County Council in the Countywide Planning Policies, despite our multiple objections to both bodies over numbers which are proving to be as ridiculous as we predicted they would be. The “aspirational” population target set by PSRC and embraced by the County was set without asking Everett if we had the will, the land capacity, or the infrastructure capacity for 60,000 more people in a city that has virtually no vacant land left for housing.
2. Everett at present, while having only 14% of the population of Snohomish County has about 30% of the county’s low income households. Much of the housing for our lower income households is in the form of rental housing, to the extent that 56% of our housing stock is rental housing, the highest percentage of any city in the 4-county Puget Sound region. We used to have comp plan policies calling for an increase in the proportion of owner-occupied housing, in order to encourage more stability in our neighborhoods and community. We dropped that policy from the plan in our 2015 update, as 90% of our future housing stock is likely to be multi-family housing, and as the HART report points out, that is not likely to be in the form of condominiums that provide an option for owner occupancy. We feel like we have already done our “fair share” in providing housing for lower income households on a countywide basis.
3. It is impossible to “ensure” housing goals of any type will be met when the housing production is the role and responsibility of the for-profit and non-profit developers. A city has no control over how much housing of any kind is produced in any year or over a period of years. For reasons mentioned in the HART report, housing is produced based upon the opportunity for a for-profit builder to make a profit, or a non-profit developer to line up the complex financing arrangements to build anything. The cities have no control over profit margins, and unless the city puts money into affordable housing projects (and we do), it has little influence on the non-profit developer’s ability to secure funding.
4. We have implemented a wide variety of the measures identified in the HART report, to varying degrees of effectiveness as it relates to production of housing at any level of affordability, and especially with lower income households. We have established the MFTE program in designated centers, which have been the most effective tool the legislature has given us for stimulating housing development. We have permitted about 1,200 housing units with the program, and each developer has indicated they could not have built their project without it. A few developers have chosen to use the 12-year exemption with 20% of the units meeting the definition of “affordable.” We have also implemented a SEPA categorical exemption threshold for up to 100 units in areas close to the Bus Rapid Transit stations, which also coincide with the MFTE program, off-street parking reductions, and unlimited density zoning, yet we have not had one proposal since 2012 when we adopted the plan and incentives for this corridor.

5. We just amended our ADU regs to also allow detached ADU's, and it appears we will see a bump in applications this year. However, despite allowing attached ADU's for over 20 years, we have only permitted about 20 units over that time frame.
6. We have had high density zoning in the area surrounding our downtown since 1956, yet most of the single family homes in this large area remain, even with SEPA categorical exemption thresholds increased to 30 units. The HART report comments about the cost of acquiring land with buildings, tearing them down and hauling them away before even starting a project is proven here in Everett. As a result, despite allowing unlimited density and having lower parking standards than in other parts of town, the builders prefer to build on the green fields of other communities in our county, where it is cheaper, easier and more profitable. Until we run out of greenfields in our county, that is where the growth is going.
7. We have done a planned action EIS for our downtown, and along with low parking standards and the tax exemption, we have still permitted very few housing units in the area since it was adopted in 2009.
8. Under recommendation 1.b under land use planning, it is a misconception to think the State can make local jurisdictions "accountable" for growth targets and affordable housing targets. What would be the consequence of not meeting targets? Would the State withhold funding for infrastructure that would help support housing development? What penalty or accountability measure would make the targets more viable?
9. With respect to buildable lands reports and methodologies, more funding would be nice, but it seems the main interest in the development community is around the supply of undeveloped land for building single family detached housing. In Everett, with the multi-family zoned areas mentioned above that are covered with small, older houses, we have a lot of capacity, and therefore can demonstrate that we have the physical capacity to meet our overly optimistic housing targets. However, to utilize that capacity we need to have developers interested in building multi-family housing, which we are not seeing despite record low rental vacancy rates. And if we did have builders interested in converting these areas, we would not meet the GMA goal of preserving existing housing stock, which in our case happens to be some of the more affordable housing in town.
10. Our impact fees are fairly low for transportation, and we do not have a park impact fee. The school fees are fairly low for our multi-family housing because of the usually smaller number of bedrooms in comparison to single family detached (therefore fewer students creating an impact). This does not seem to be an impediment to housing but we are not seeing much building activity.
11. One thing not mentioned in the HART report is keeping low income people in their current homes. Everett has had a housing rehabilitation program for low income homeowners and rental housing in place for 40 years, which has rehabilitated over 1400 housing units and preserved affordable housing stock and improved neighborhoods. We fund this through a revolving loan program and CDBG funds. This has been a highly successful program, and another example of Everett doing its "fair share."

There are more details we could mention if you are interested about what we have done in Everett. No matter how much we do or have done, it will never be enough to meet the need.