Housing Element Technical Appendix

Chapter 1: Housing Needs Assessment Report

Chapter 2: Housing Capacity Memo

Chapter 3: Adequate Provisions Memo

Chapter 2: Housing Capacity Memo





MEMORANDUM

DATE: February 6, 2024

TO: Maple Valley Planning Commission

FROM: Ben Silver and Casey Bradfield, BERK Consulting

RE: Final Maple Valley 2024 Housing Capacity Update

Project Background

In 2021, the WA State Legislature passed House Bill 1220 (HB 1220), which amends the Growth Management Act (GMA) to require the housing element of comprehensive plans to include explicit consideration of capacity to meet housing needs for extremely-low to moderately low-income households, permanent supportive housing (PSH), emergency housing and shelters, and duplexes, triplexes and townhomes.¹ As part of Maple Valley's comprehensive planning process, BERK is updating the housing portion of Maple Valley's land capacity analysis in order to understand the City's ability to meet its 2019-2044 housing targets.

The goals of this analysis are to:

- Update Maple Valley's housing capacity data to reflect recent development and pipeline projects;
- Determine how much housing capacity there is under current zoning that could potentially be developed to serve different household income levels and meet emergency housing needs in the future;
- Summarize surplus or deficit housing capacity to serve different income levels and meet emergency housing needs.

Housing Capacity Update

BERK conducted initial housing capacity analysis in the spring of 2023 and summarized our findings in a draft memo. We made two key updates to this work in the summer of 2023. We updated our analysis to reflect the City's new Downtown design standards which were adopted on June 26, 2023. We also made recommendations for updating the City's code to accommodate PSH and emergency housing. In early 2024, we incorporated initial feedback from the Planning Commission and refined our capacity

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¹ HB 1220 Guidance for Evaluating Land Capacity to Meet All Housing Needs: https://deptofcommerce.app.box.com/s/k14gbqe7z8d7ek6z8ibui79zb7bo9vpa

calculations for emergency housing based on the latest guidance for Housing Elements published by the Washington State Department of Commerce.

The first step in our analysis was to update Maple Valley's housing capacity data. The recent 2021 King County Urban Growth Capacity (UGC) study provided the basis for our analysis. The UGC study provided the City's housing capacity for each zoning designation, based on 2019 data. BERK obtained the relevant tables and GIS data from the study. City staff provided permit data on residential development in Maple Valley from 2019 onward, and data on pipeline projects the City expects to move forward. BERK cross-referenced the UGC data with permit and pipeline data in order to update Maple Valley's net housing capacity by zone. We used the UGC methodology for our analysis, which considers deductions for critical areas, future rights of way, public purposes, and market factor reductions. The UGC methodology also assumes Maple Valley will generally build out at densities below the maximum allowed under zoning, based on past development trends.

The second step in our analysis was to determine how housing capacity in different zones could serve the different household income levels in the City's 2044 housing growth targets. To do this, we used the methodology in the Washington State Department of Commerce's Draft Guidance for Land Capacity Analysis. This guidance was developed to help jurisdictions conduct housing land capacity analysis as part of housing element updates implementing HB 1220. It provides direction on how to categorize zones, and default assumptions for moderate-cost communities like Maple Valley about which household income levels can feasibility be served by residential development in these zone categories.

Exhibit 1 shows the results of the first two steps of our analysis – except for new capacity added by pipeline and recently permitted development which is shown separately in Exhibit 2. In Exhibit 1, the net residential capacity column shows housing land capacity by zone. The far-right column shows the assumed income level each zone's capacity will serve, per the Commerce guidance.

Exhibit 2 shows new residential capacity created by development permitted since the UGC analysis or created by known pipeline developments. This exhibit also shows what share of recent and/or pipeline development supports which household income levels. For these developments, we know the housing types that are built and what income levels they serve. We do not need to use the default Commerce assumptions. For instance, the Commerce default assumption for R-24 is that it supports 0-80% AMI households, however, in Exhibit 2, all of the units in R-24 represent Bonaventure Senior Living, a higher-income development. Additionally, some units were built in zones that could accommodate higher density, but were built to lower density and as such, were subject to lower density zoning code. Meadowridge Park, for instance, is in R-24, but built to R-6 density and standards, therefore it is treated as R-6 for the purposes of this analysis. Similarly, while CB could in theory support 100% housing to accommodate 0-80% AMI households, the housing here is developing at market rate, and therefore is subject to inclusionary zoning that requires 10% of housing units to be affordable to 0-70% AMI households. The rest of the market rate units are affordable to moderate- and higher-income earning households.

Exhibit 1. Current Maple Valley Housing Capacity —Excluding New Capacity Created from Pipeline and Permitted Development Since UGC Study

Zone	Net Developable Land (acres)	Assumed Density (units/acre)	Gross Residential Capacity (units)	Existing Housing on Developable Land (units)	Net Residential Capacity (units)	Zone Classification	Income Classification
R-4	28.53	4.00*	114	27	87	Low Density	Higher Income (>120% AMI)
R-6	86.95	5.76	501	77	424	Low Density	Higher Income (>120% AMI)
R-8	0.00	5.36	0	0	0	Low Density	Higher Income (>120% AMI)
R-12	3.89	12.00	47	24	23	Moderate Density	Moderate Income (>80- 120% AMI)
R-18	0.00	18.00	0	0	0	Moderate Density	Moderate Income (>80- 120% AMI)
R-24	0.00	24.00	0	0	0	Low-Rise	Low Income (0- 80% AMI) and PSH
NB	0.43	0.00	0	0	0	Low-Rise	Low Income (0- 80% AMI) and PSH
TC	8.81	13.80	152	0	152	Low-Rise	Low Income (0- 80% AMI) and PSH
TC (Downtown Overlay)	12.26	36.00	441	0	441	Low-Rise	Low Income (0- 80% AMI) and PSH
СВ	23.30	24.00*	580	0	580	Low-Rise	Low Income (0- 80% AMI) and PSH
CB (Downtown Overlay)	4.44	36.00	160	0	160	Low-Rise	Low Income (0- 80% AMI) and PSH
ADUs (all zones)	-	2 units/year production^	-	-	42	ADU	Low Income (0- 80% AMI) and PSH
TOTAL:	171.66		1,995	128	1,909		

Notes: *All density assumptions are carried forward from the 2019-2021 King County Urban Growth Capacity analysis except in the R-4 and CB zones. Maple Valley staff indicated R-4 should use planned density of 4 du/acre, CB assumptions should be adjusted down to reflect recent downzoning.

Sources: Maple Valley, 2023; King County 2021; BERK, 2023.

[^]ADU production historically has been less than 1 unit per year. Given the impacts of 2023's HB 1110 and conversations with City staff, we are anticipating a modest increase in annual ADU production through the planning period.

Exhibit 2. Pipeline and Development From 2019 Onward

Zone	Developed SF Units	Developed MF Units	Pipeline Units	Total Pipeline & Development From 2019 Onward	Low Income Split	Moderate Income Split	Higher Income Split
R-4	36		0	36	0%	0%	100%
R-6	318			318	0%	0%	100%
R-8	19		•	19	0%	0%	100%
R-12							
R-18							
R-24			164	164	0%	0%	100%
NB							
TC	<i>7</i> 1		•	71	0%	0%	100%
СВ		72	291	363	10%	90%	0%
ADUs (all zones)	3	-	-	3	100%	0%	0%
TOTAL:				974			

Note: Pipeline projects are assumed to develop at densities allowed at the time of permitting.

Source: Maple Valley, 2023; BERK, 2023.

Capacity by Income Level

The next step in the analysis was to combine net capacity by zone from Exhibit 1 and recent development and pipeline capacity by zone from Exhibit 2, summarize total capacity by household income levels served, compare this with the city's 2044 housing growth targets, and determine surplus or deficit capacity for different income levels. This is presented below in Exhibit 3.

Exhibit 3. Capacity and Targets by Income Level, 2019-2044

Income Level	Net New Housing Need (2019-2044)	Zone Categories Serving These Needs	Aggregated Housing Needs	Total Capacity (Net New Capacity + Development 2019 Onward)	Capacity Surplus or Deficit
0-30% PSH	285	Low-Rise + ADUs			
0-30% Other	542	Low-Rise + ADUs	1,173	1,407	+234
>30-50%	320	Low-Rise + ADUs	1,173		
>50-80%	26	Low-Rise + ADUs			
>80-100%	72	Moderate Density	153	357	+204
>100-120%	81	Moderate Density	133	337	. 204
>120%	394	Low Density	394	1,119	+725
TOTAL:	1,720		1,720	2,883	

Sources: King County Growth Management Planning Council, 2023; Maple Valley, 2023; BERK, 2023.

Maple Valley has excess capacity to meet its 2019-2044 housing growth targets. There is surplus capacity to meet housing needs for extremely low-, low-, moderate- and higher-income earning households. The City may also add additional capacity for missing middle housing in the future via code updates for compliance with HB 1110 and HB 1337. Currently, no zoning changes are needed for Maple

Valley to accommodate its 2044 housing targets under GMA. BERK does however recommend updating the City's development code to clarify guidance for permanent supportive housing (PSH) uses and ensure the City can accommodate its PSH growth target of 285 units, as discussed in the following section.

Capacity with Possible Charlwood Rezone

Maple Valley is considering rezoning one area that is currently zoned TC to R-12. This area is the Charlwood neighborhood, located west of the new Overlook Ridge development and south of SE Kent Kangley Rd. There have been no development applications for the area since TC zoning was adopted during the last Comprehensive Plan update. Also, shortly after the TC zoning for the area was adopted, the land between the Charlwood neighborhood and the rest of Downtown developed with single family homes and townhomes. Given these factors, R-12 zoning may be a better fit for the area. The City is also exploring possible collaboration with the local sewer utility to expand sewer infrastructure to the Charlwood neighborhood. The area is currently on septic.

If the City makes this rezone, they would still have adequate land capacity to accommodate their housing targets. The surplus capacity in the low-rise zones would decrease to 181 units, while the surplus in the moderate density zones would increase to 230 units.

Recommended Code Updates for Permanent Supportive Housing

The City of Maple Valley's code does not address PSH as a specific use. In 2021, the City adopted Interim Ordinance O-21-726 to comply with requirements in HB 1220 including accommodating PSH. At this time, growth targets for PSH had not been established. The interim ordinance has not been codified because the City intends to finalize code changes needed for compliance with HB 1220 as part of the Comprehensive Plan update. The interim ordinance has been extended and is in effect today per Ordinance O-23-779.

The interim ordinance defines PSH and permits it as a conditional use in all residential and mixed-use zones in the City (R-4/6, R-8, R-12, R-18/24, NB, CB, TC) and in the Regional Employment Center (REC) zone which allows hotels. The conditions established in the ordinance for PSH include restrictions on density, occupancy, and location. The number of units on any PSH property is limited to 10 or less. Each unit may only be occupied by one family. Each PSH property must be located at least a half mile away from other PSH properties, transitional housing, emergency housing, or emergency shelters. PSH properties must also be within a quarter mile walk of a metro transit bus stop.

To meet the City's PSH target of 285 units and comply with current state law, it will be necessary to remove some of the use restrictions in the interim ordinance. Maple Valley has sufficient zoned land to accommodate PHS.

The Commerce guidance on land capacity analysis assumes low-rise zones will accommodate PSH. Exhibit 3 shows the City has available land capacity in low-rise zones to accommodate its PSH housing target of 285 units. This capacity comes from the CB and TC zones (Exhibit 1). Additionally, the City has about six acres of developable land in the REC zone that could accommodate either PSH, emergency housing, or employment uses. The CB, TC, and REC zones cover a limited area of the City. Within this area it would not be possible to meet the PSH targets if properties were limited to 10 units and were located half a mile apart.

BERK recommends incorporating the interim ordinance into Maple Valley's code, with the modifications listed below. These changes would ensure Maple Valley's allowed uses accommodate PSH growth

targets. BERK will work with City staff to prepare recommended edits to code language as part of the Comprehensive Plan update.

Recommended Changes to Interim Ordinance – Permanent Supportive Housing

- Change the limit on the number of units per PSH property. Limit PSH density based on the underlying zoning district.
 - Allow PSH under the same development standards as hotels in the REC and CB zones.
 - Allow PSH under the same development standards as the highest-intensity permitted residential uses in other zones (R-4/6, R-8, R-12, R-18/24, NB, TC).
- Change the family occupancy requirement for PSH units. Limit PSH occupancy consistent with requirements for hotel and residential uses in the underlying zoning district.
 - Per ESSHB 5235, which was adopted in 2021, cities may not regulate or limit the number of unrelated persons that may occupy a household or dwelling unit except as provided in state law, for short term rentals, or occupant load per square foot.
- Remove the requirement that PSH properties be half a mile from other PSH, transitional housing, emergency housing, or emergency shelter facilities. It would be challenging to meet growth targets for these housing types with this spacing requirement. Additio`nally, it is a best practice of providers to cluster services.
- Remove the requirement that PSH properties be within a quarter mile walk of transit. Community
 members who need emergency shelter may have cars and not require transit access, given the
 current auto-oriented development patterns in Maple Valley.

Capacity for New Emergency Housing

The last step in our analysis was to consider the capacity for new emergency housing in Maple Valley, in addition to the permanent types of housing discussed above. Emergency housing is temporary shelter for people who are homeless or at imminent risk of becoming homeless; it includes housing where people can stay overnight as well as day centers.² Furthermore, Commerce guidance for Housing Elements states that "emergency housing needs may be met through a number of different housing types. Emergency housing may include, but is not limited to, traditional shelter arrangements, hotel rooms, tiny home villages or short-term apartments. Regardless of the housing type...the facility must be indoors and allow for access to personal hygiene facilities (e.g., a restroom), meeting the requirements for shelter or other facility types based on current Washington Shelter Guidelines."³

Maple Valley Municipal Code 18.75 allows one temporary tent encampment of up to 30 people to operate within the city at a time. This provides an option for temporary emergency shelter in the City, but it cannot be counted as emergency housing capacity per the Commerce guidance listed above because it is outdoors.

² Per GMA definitions and King County Countywide Planning Policy H-3.

³ Commerce, Establishing Housing Targets for Your Community, August 2023, pg. 43.

The City's 2044 housing growth target for emergency housing is 329 net new units/beds. Under GMA, Maple Valley must adopt development regulations that provide sufficient capacity to meet its emergency housing growth target by the time the City's 2024 Comprehensive Plan is adopted.

Maple Valley has temporary regulations in place to allow for emergency housing uses (Interim Ordinance O-23-779). The interim ordinance has not been codified because the City intends to finalize code changes needed for compliance with HB 1220 as part of the Comprehensive Plan update. Under this ordinance, emergency shelters and emergency housing facilities are defined and permitted as conditional uses in the CB and REC zones. The conditions established in the ordinance for these uses include restrictions on occupancy, density, and location. Occupancy is limited to 10 families or 40 people, whichever is fewer. Density is limited to one continuously operating shelter and one continuously operating emergency housing facility in the city at a time, though exceptions are allowed for disaster situations. Each property must be located at least a half mile away from other emergency housing or emergency shelters, and from PSH and transitional housing properties.

It will be necessary to remove some of the use restrictions in the interim ordinance to accommodate the City's emergency housing target of 329 units. BERK recommends incorporating the interim ordinance into Maple Valley's code, with the modifications listed below. These changes would ensure Maple Valley's allowed uses accommodate emergency housing growth targets. BERK will work with City staff to prepare recommended edits to code language as part of the Comprehensive Plan update.

Recommended Changes to Interim Ordinance – Emergency Housing

- Change the limits on occupancy and density.
 - Allow emergency housing under the same development standards as hotels in the REC and CB zones. This code supports emergency housing in multistory buildings.
- Remove the requirement that properties must be located at least a half mile away from other
 emergency housing or emergency shelters, and from PSH and transitional housing properties. It
 would be challenging to meet growth targets for these housing types with this spacing
 requirement. Additionally, it is a best practice of providers to cluster services.

Updated Emergency Housing Capacity – With These Changes

With these changes, the City would have sufficient capacity to accommodate its emergency housing growth target. Exhibit 3 shows the City has surplus low-rise residential capacity of about 240 units. This equals about 10 acres of developable land in the CB zone that could accommodate emergency housing. There is also about 6 acres of developable land in the REC zone. As a conservative estimate, the City can develop at least 3 acres of REC as emergency housing without jeopardizing its employment targets.

The Commerce guidance for housing land capacity analysis provides examples of types of emergency housing that have been built by jurisdictions in nearby communities. The example emergency housing types range in density from 23-122 beds/units per acre. Based on these examples and the local context in Maple Valley, it is reasonable to assume the City could accommodate low-rise emergency housing development in the CB and REC zone at about 40 beds/units per acre.

Given these assumptions and the recommended code changes discussed above, Maple Valley would have more than enough land capacity to accommodate 329 beds/units of emergency housing.

Exhibit 4. Capacity for Emergency Housing with Recommended Code Changes, 2019-2044

Zone	Developable Land	Beds/Units per Acre	Capacity	Need	Capacity Surplus or Deficit
СВ	10	40	400	329	191
REC	3	40	120	329	
TOTAL:			520		

Source: BERK, 2024.

Next Steps

BERK will work with City staff and the Planning Commission to confirm direction on the recommendations in this memo for accommodating housing growth targets.