

Growth Management Unit

Housing Team

# Purpose

Middle Housing Staff Report Template

User Memo

This memo explains the purpose of the Commerce Middle Housing Grant Staff Report template ("Middle Housing Grant Staff Report") and how it may be used by middle housing grantees (i.e. those jurisdictions that received middle housing grants authorized by [Engrossed Substitute Senate Bill (ESSB) 5693](https://lawfilesext.leg.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/Senate/5693-S.SL.pdf?q=20220421095900)). The Middle Housing Grant Staff Report template is intended to facilitate, where applicable for a grantee, completion of a staff report deliverable summarizing findings of the middle housing grant work.

Use of the Middle Housing Grant Staff Report template is not a requirement of the middle housing grant. A grantee's use of the Middle Housing Grant Staff Report template, in whole or in part, is at the discretion of the grantee. Grantees may use their own staff report format. However, regardless of which format is used, the content must meet the applicable deliverable requirements of the grantee's middle housing agreement with Commerce.

The Middle Housing Grant Staff Report template only addresses the Middle Housing component of the Middle Housing Grant. A separate staff template has been prepared for the Grant's Racial Equity (i.e. racially disparate impact ("RDI")) component. Grantees may prepare separate staff reports or combine the Middle Housing Grant Staff Report template with the RDI Staff Report template.

## Table of Contents

[Purpose 1](#_Toc135748561)

[Background 3](#_Toc135748562)

[Middle Housing Grant Staff Report Template Use 5](#_Toc135748563)

# Background

In 2021 the State of Washington Legislature passed, and the Governor signed into law, [House Bill 1220](https://app.leg.wa.gov/billsummary?Year=2021&BillNumber=1220) amending certain Growth Management Act (“GMA”) provisions, including Housing Element requirements.

Included in the HB 1220 amendments were requirements that local jurisdictions planning under the GMA address moderate density housing in the housing element. [RCW 36.70A.070](https://apps.leg.wa.gov/rcw/default.aspx?cite=36.70a.070)(2) (Housing Element requirements) was amended to include reference to moderate density housing options that include common middle housing types such as, but not limited to, duplexes, triplexes and townhomes.

More specifically, with respect to moderate density housing, RCW 36.70.070(2)(b) and (c) state that local jurisdictions are to adopt a Housing Element that,

(2) A housing element ensuring the vitality and character of established residential neighborhoods that:

(a) …

(b) Includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences, and within an urban growth area boundary, moderate density housing options including, but not limited to, duplexes, triplexes, and townhomes;

(c) Identifies sufficient capacity of land for housing including, but not limited to, government-assisted housing, housing for moderate, low, very low, and extremely low-income households, manufactured housing, multifamily housing, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes;

Following the passage of HB 1220, [Engrossed Substitute Senate Bill (ESSB) 5693](https://lawfilesext.leg.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/Senate/5693-S.SL.pdf?q=20220421095900), the 2022 supplemental operating budget, was passed. Section 189 of [ESSB 5693](https://lawfilesext.leg.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/Senate/5693-S.SL.pdf?q=20220421095900) directed the Washington State Department of Commerce to develop a grant program to support the adoption of ordinances authorizing middle housing types, along with conducting a racial equity analysis. For the purposes of the grant, middle housing types include duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, courtyard apartments, cottage housing and stacked flats.

ESSB 5693 grant funding was made available to the eighty-two cities and towns in the central Puget Sound region (“Region”), which consists of King, Snohomish, Pierce and Kitsap counties. The grant funding was optional – jurisdictions could decide whether or not to make an application for receipt of grant funds.

The middle housing grant funding generally had two major work components, one related to middle housing and another related to a racially equity analysis, both of which are summarized as follows:

Middle Housing Component: Analyze comprehensive plan policies/development regulations to determine amendments required to meet the goal of authorizing middle housing types on at least 30 percent of lots currently zoned as single family residential, including drafting proposed amendments to zoning ordinances.

Racial Equity Component: Develop racial equity analysis addressing racial disparate impacts, exclusion and displacement and establish anti-displacement policies consistent with the GMA Housing Element requirements identified in RCW 36.70A.070(2)(e-h).

Both the Middle Housing component and Racial Equity component of the middle housing grant envision public involvement, including encouraging the involvement of Community Based Organizations (CBO's) and the preparation of informational materials for the public.

Twenty six (26) local governments and one consortium of governments (South Sound Housing Affordability Partners in Pierce County) received middle housing grant awards and are under contract with Commerce.

The middle housing grant period concludes June 30, 2023. The middle housing grant does not require adoption of policies, development regulations or holding public hearings on middle housing or racial equity analysis amendments by that time. However, as a deliverable, common to most middle housing grant agreements is a draft planning commission or city council staff report that addresses the findings of the overall middle housing grant work.

Finally, in May 2023, the Governor signed into law [E2SHB 1110](https://app.leg.wa.gov/billsummary?BillNumber=1110&Year=2023&Initiative=false) related to middle housing. E2SHB 1110 sets requirements for certain local jurisdictions to provide for middle housing. The Middle Housing Grant funds were made available to local jurisdictions in 2022 without knowing that middle housing legislation would be passed in 2023. Still, the work and outreach done as part of the Middle Housing grant funds should be useful for those grantees required to implement E2SHB 1110 requirements. Commerce will publish separate tools and guidance for the implementation of E2SHB 1110.

For more information on this document or support for middle housing grant work please contact:

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# Middle Housing Grant Staff Report Template Use

## Middle Housing Grant Staff Report Template Use

The structure of the Middle Housing Grant Staff Report template includes background summary information about the 2021 Growth Management Act (GMA) Housing Element amendments (HB 1220) related to moderate density (middle) housing and also [Engrossed Substitute Senate Bill (ESSB) 5693](https://lawfilesext.leg.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/Senate/5693-S.SL.pdf?q=20220421095900), which provided the middle housing grant funding.

Multi-County Planning Policies (MPP’s) from the Puget Sound Regional Council’s (“PSRC’s”) [VISION 2050](https://www.psrc.org/planning-2050/vision-2050) related to moderate density (middle) housing are identified, as well as moderate density (middle) housing countywide planning policies (“CPP’s") for Pierce, King and Snohomish counties. (Kitsap County CPP’s are absent given that there were no Kitsap County grantee cities.) Middle housing grantees may select those CPP’s applicable to their jurisdiction for inclusion in the Middle Housing Grant Staff Report template.

The Middle Housing Grant Staff Report template allows a grantee to insert summary information on key deliverables, as applicable. This includes the following topics:

* Analysis of comprehensive plan policies and needed amendments to authorize middle housing types on at least 30 percent of lots currently zoned as single family residential.
* Analysis of development regulations to determine the extent of the amendments needed to authorize middle housing types on at least 30 percent of lots currently zoned as single family residential. This includes preparing a draft ordinance or identifying necessary zoning code amendments in some other format.
* Review of policies and programs such as fee structures, charges, permitting processes and incentives that could be implemented to further support middle housing.
* Conducting public outreach and preparing middle housing information material for the public. If middle housing grant funding was awarded for subcontracting with Community Based Organizations (CBO’s), then coordination, activities and outcomes with the CBO’s should be summarized.

The full comprehensive plan analysis, development regulation analysis (including potential code amendments), public involvement summary/informational materials and review of current programs and incentives can be attached as exhibits to the Middle Housing Staff Report template.

Finally, during implementation of the middle housing grant, the Washington State legislature passed and the Governor signed into law Engrossed Second Substitute House Bill (E2SHB) 1110. E2SHB 1110 was signed into law in May 2023.

E2SHB 1110 established requirements for certain jurisdictions to allow for middle housing types in areas predominantly zoned for residential uses. The deadline for cities in the central Puget Sound region (King, Kitsap, Pierce, and Snohomish counties) to comply with applicable requirements of E2SHB 1110 is six months after December 31, 2024. While not specifically the middle housing grant’s original purpose, work on the middle housing grant will help support the work needed for grantees to comply with E2SHB 1110.