

March 9, 2021



Mukilteo Housing Action Plan

Discussion with Mukilteo Youth Advisory Committee

Agenda

- Why a Housing Action Plan?
- Housing Action Plan Process and Findings
- Questions and Discussion

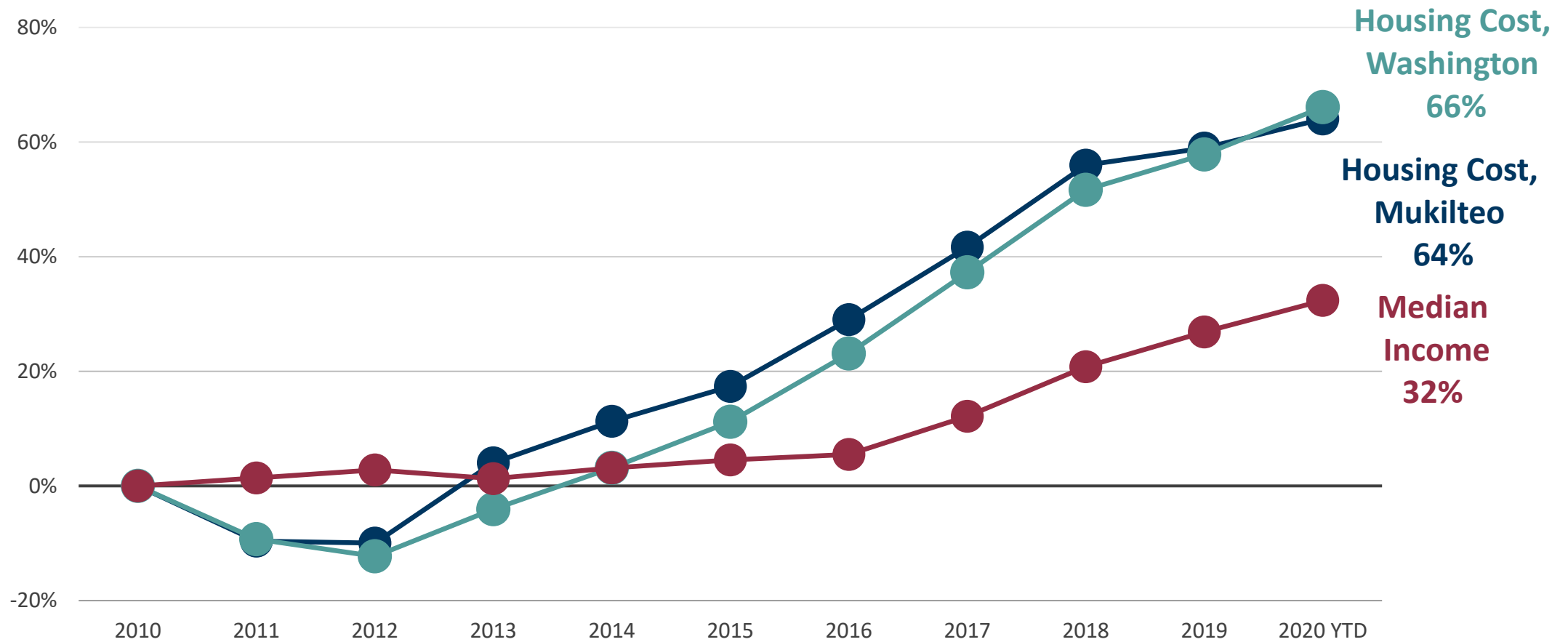


Why a Housing Action Plan?



The cost of housing is rising faster than household income.

PERCENT CHANGE SINCE 2010



In 2019, the
Washington State
Legislature took
action to address
the affordable
housing issues.



The 2019 Washington State Legislature called for...

- **More funding for housing subsidies.**

- [HB 1406](#) and [HB 1219](#) enabled the use of existing taxes to support affordable housing.

- **More tenant protections to safeguard those with the least housing security.**

- [HB 1440](#) increased the length of required notice for rent hikes.
- [SB 5600](#) extended the grace period before eviction processes begin.

- **More homes of all shapes and sizes.**

- [SB 5334](#) fixed liability laws to boost condo construction.
- [HB 1923](#) incentivized cities to accommodate a greater variety of housing types.
 - **Option A:** Commit to adopting at least two actions from a menu of options
 - **Option B:** Develop and adopt a Housing Action Plan (HAP) including data collection, assessing needs, working with stakeholders, and developing recommendations.



Why a Housing Action Plan?

- Mukilteo is required by State law to plan for housing that is attainable to all levels of income in the community.
- Mukilteo is also required by State law to plan for its share of regional growth.
- The community has a choice and decides how it wants to plan for that growth.




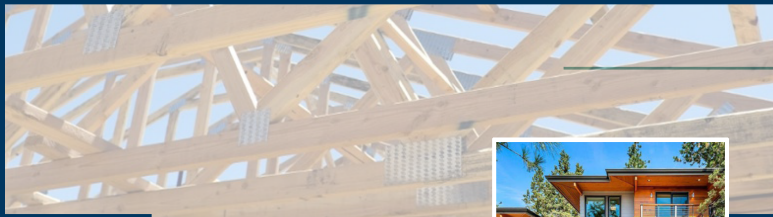
Housing Action Plan Process and Findings



Housing Action Plan

Framework

- Community Input
 - Interviews
 - Stakeholder Advisory Group
 - Community Meetings
 - On-going comments and questions
- Housing Needs Assessment
- Review of Existing Policies
- Strategies to Address Housing Needs
- Implementation Plan



Category

Accessory Dwelling Units

Accessory Dwelling Units (ADUs) are small units on the same lot as a primary dwelling unit. ADUs can be interior, attached, or detached and placed to the side or rear of the primary dwelling unit.

In Mukilteo, ADU regulations were first adopted in 1996 and most recently updated in 2009. There are several challenges to building ADUs in Mukilteo, including: size and bedroom limits, owner-occupancy requirements, parking requirements (4 off-street spaces total for each property), and minimum lot sizes. These challenges constrain design options, limit owner flexibility, and increase the costs of adding ADUs and required parking. The current regulations eliminate the option of building ADUs for many property owners.

Strategy: Review Accessory Dwelling Unit Regulations

Specific Areas for Additional Study:

- Proportion and unit size limits, bedroom limits, parking and/or lot size requirements
- Owner-occupancy requirement
- Noticing requirement

Needs Addressed

- Greater Variety of Rental Housing
- Greater Variety of Housing Sizes
- Housing Options for Older Adults
- Housing to Accommodate Future Growth

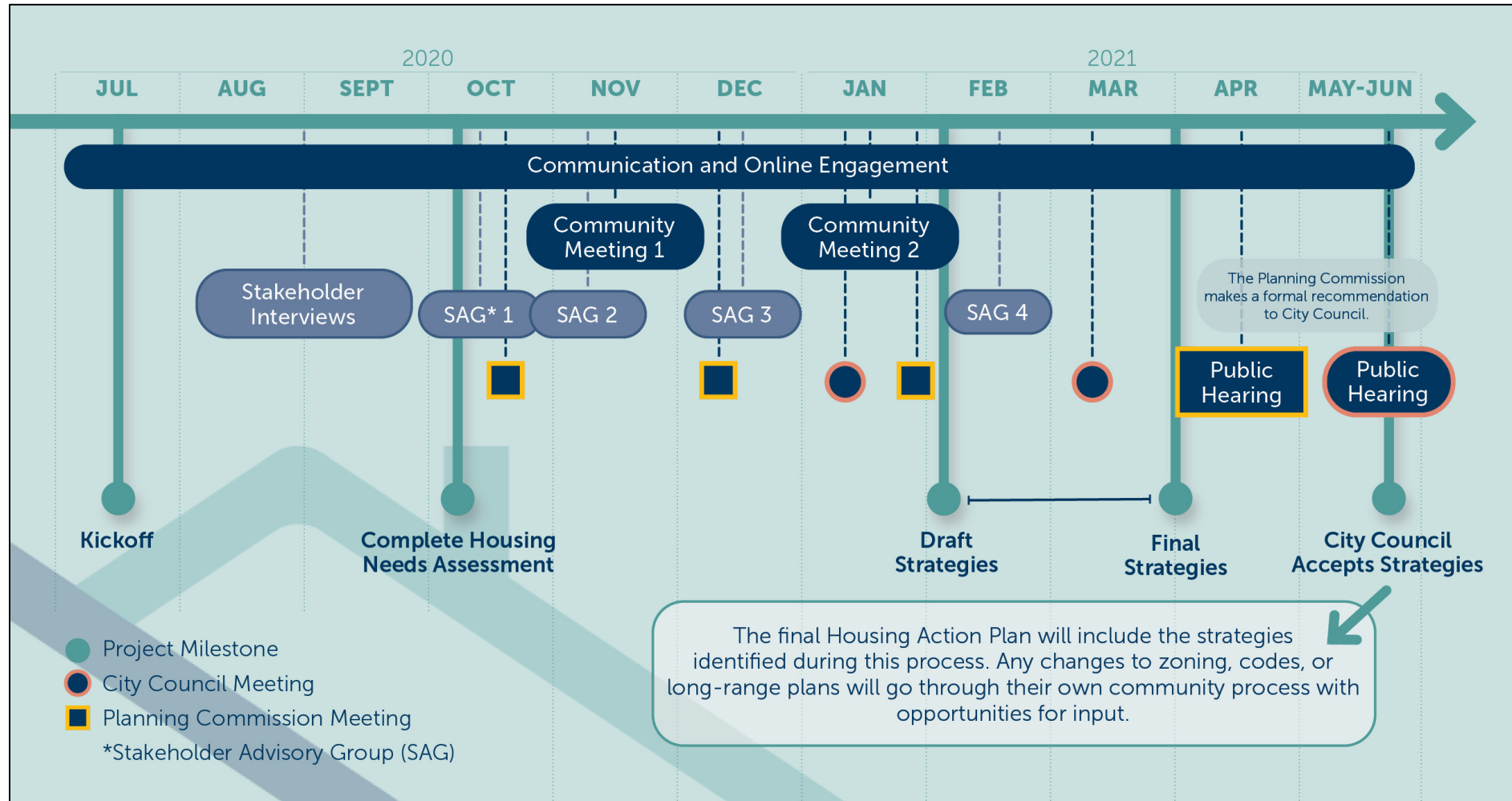
Community Feedback

Support <ul style="list-style-type: none">■ Owner-occupancy requirement■ Lot size requirement■ Noticing requirement	Mixed Support <ul style="list-style-type: none">■ Proportion and unit size requirements■ Bedroom limits
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Planning Process and Timeline



Housing Needs Assessment Findings

Current Needs in Mukilteo:

- Entry-level homeownership options
- A greater variety of options for moderate income households
- A greater variety of rental housing
- Housing attainable to Mukilteo's workforce
- A greater variety of housing sizes

Emerging Need:

- Housing options for older adults

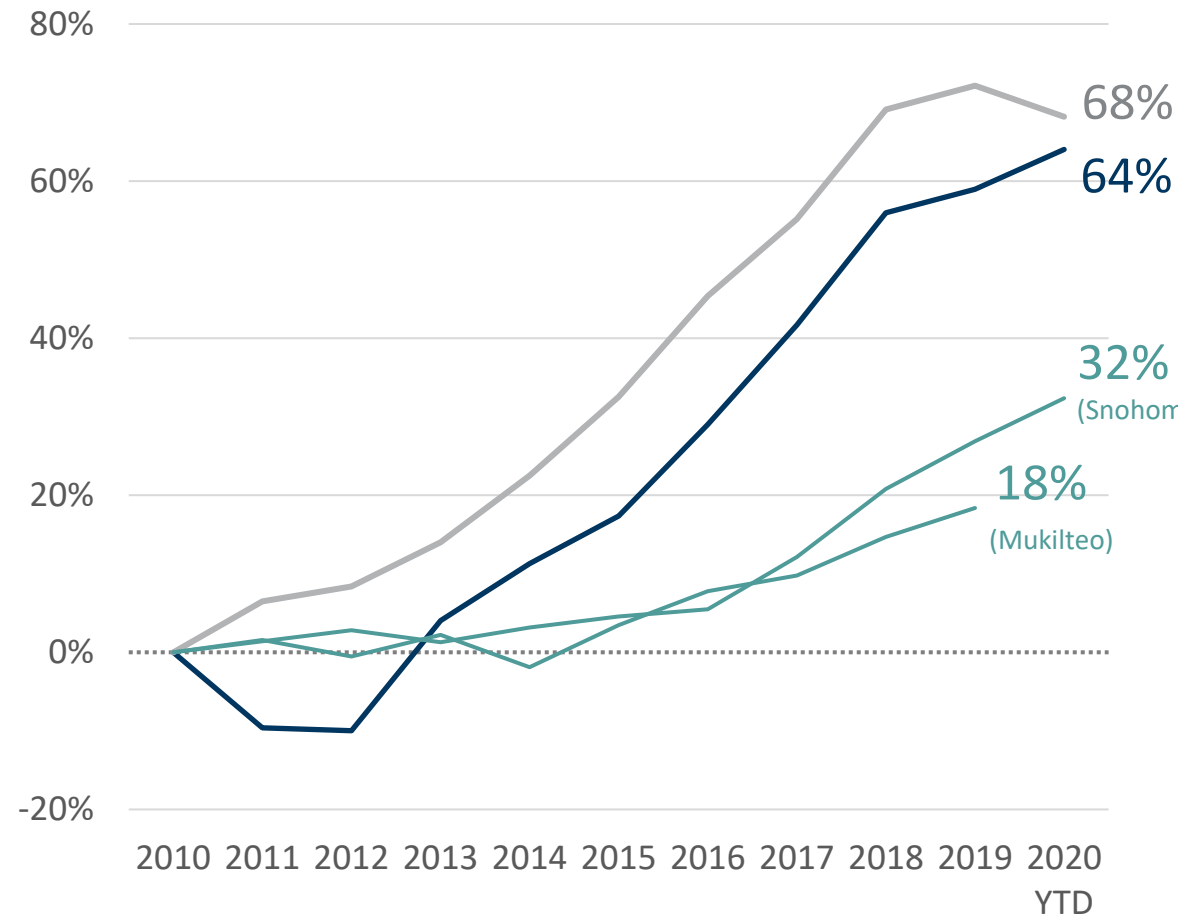


Current Need:

Entry-Level Homeownership Options

- Very low vacancy rates, leading to rising prices.
- Housing prices growing faster than median incomes.
- Moderate income households can afford housing in the \$350,000 - \$550,000 range, between 12% and 45% less than current market prices.

Percent Change since 2010



Average Rent

(Snohomish County)



Median Home Prices

(Mukilteo)



Median Family Income

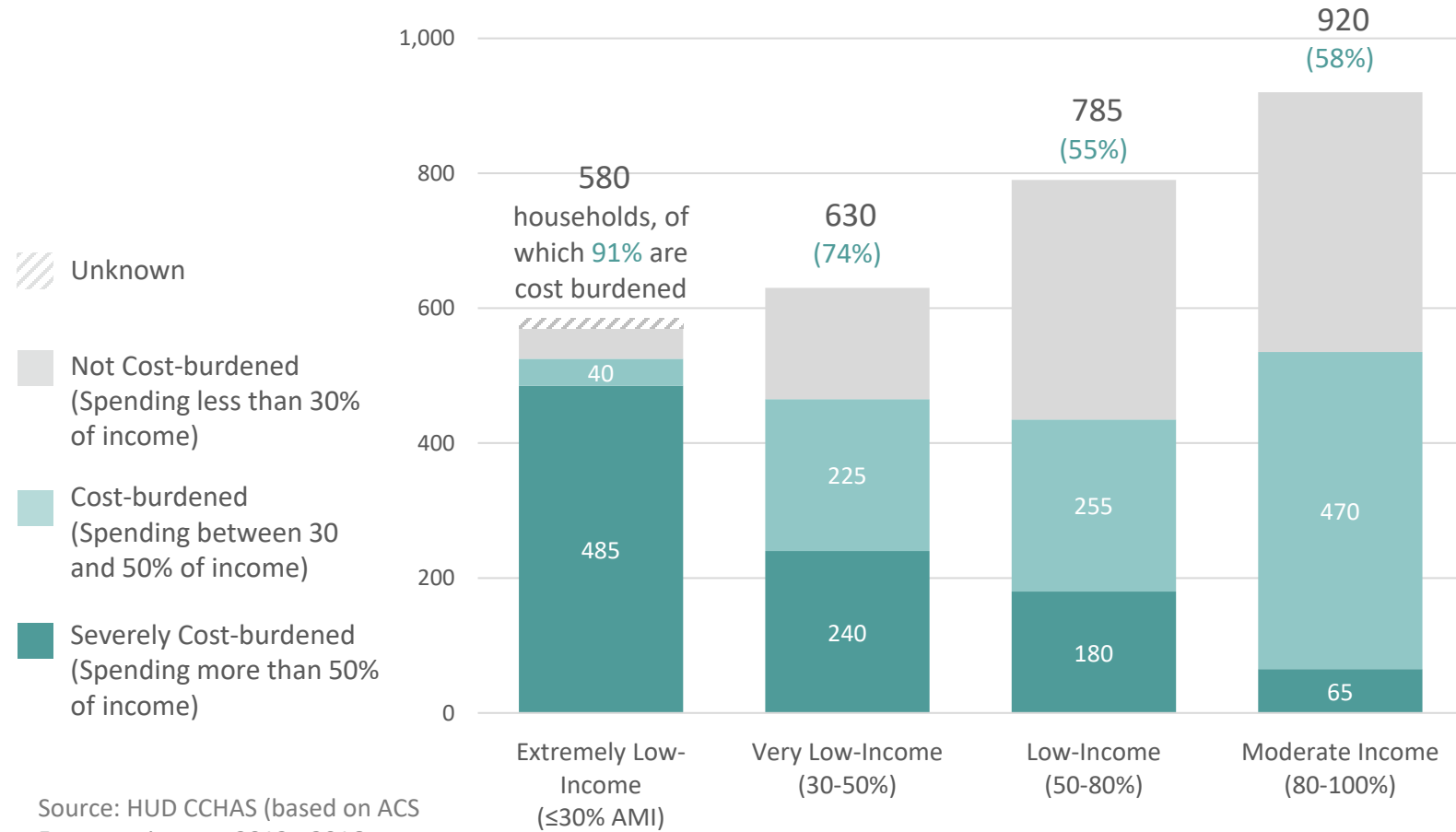
Source: Zillow, February 2020; HUD Income Limits, 2010 - 2019



Current Need:

Greater Variety of Options for Moderate-Income Households

- Despite high incomes, housing cost burden is prevalent in Mukilteo.
- Extremely low-income households are most likely to be severely cost-burdened.
- The most prevalent type of cost-burdened household earns between 80% and 100% of AMI and is a family with two to four people.



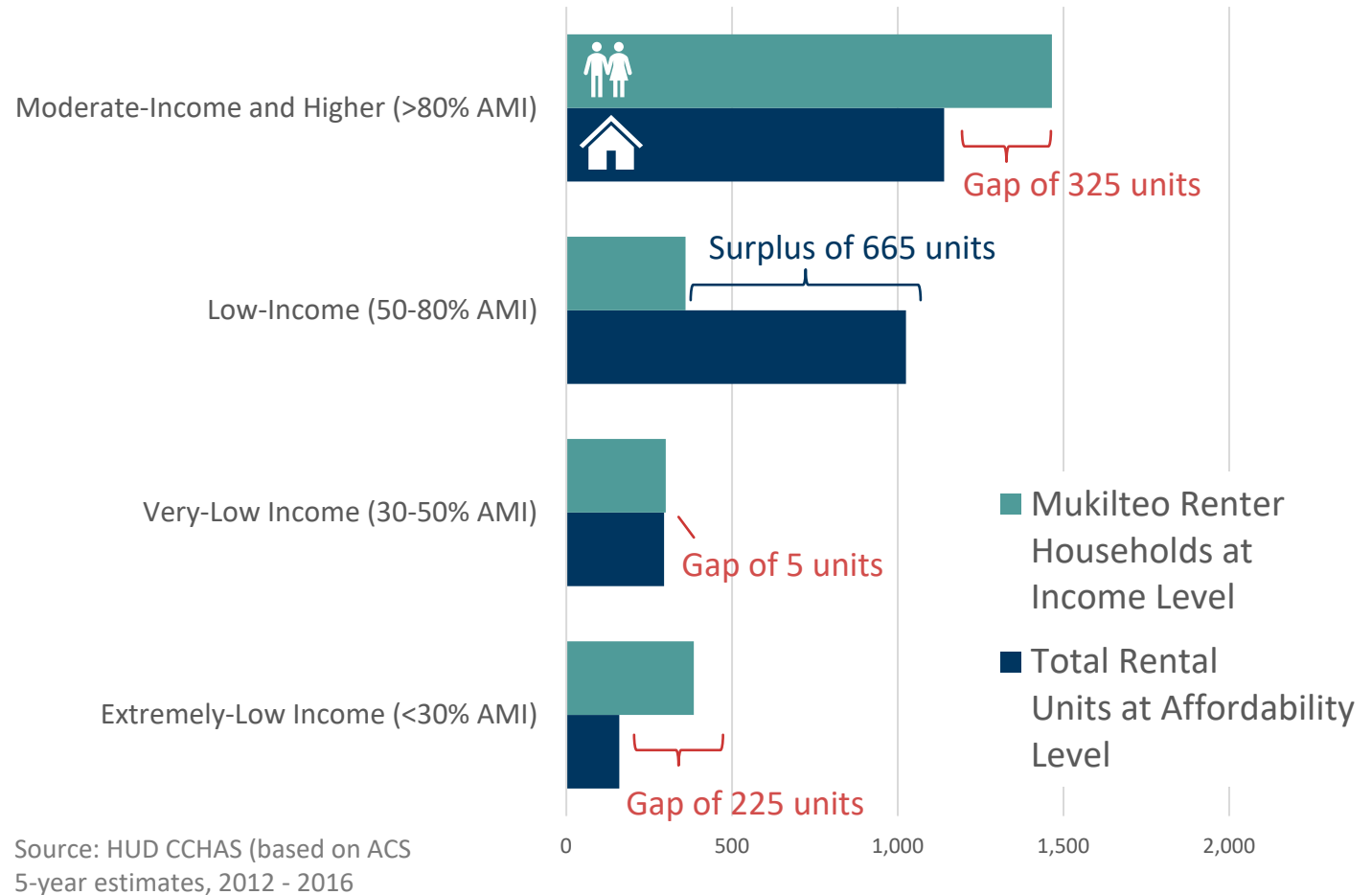
Source: HUD CCHAS (based on ACS 5-year estimates, 2012 - 2016)



Current Need:

A Greater Variety of Rental Housing

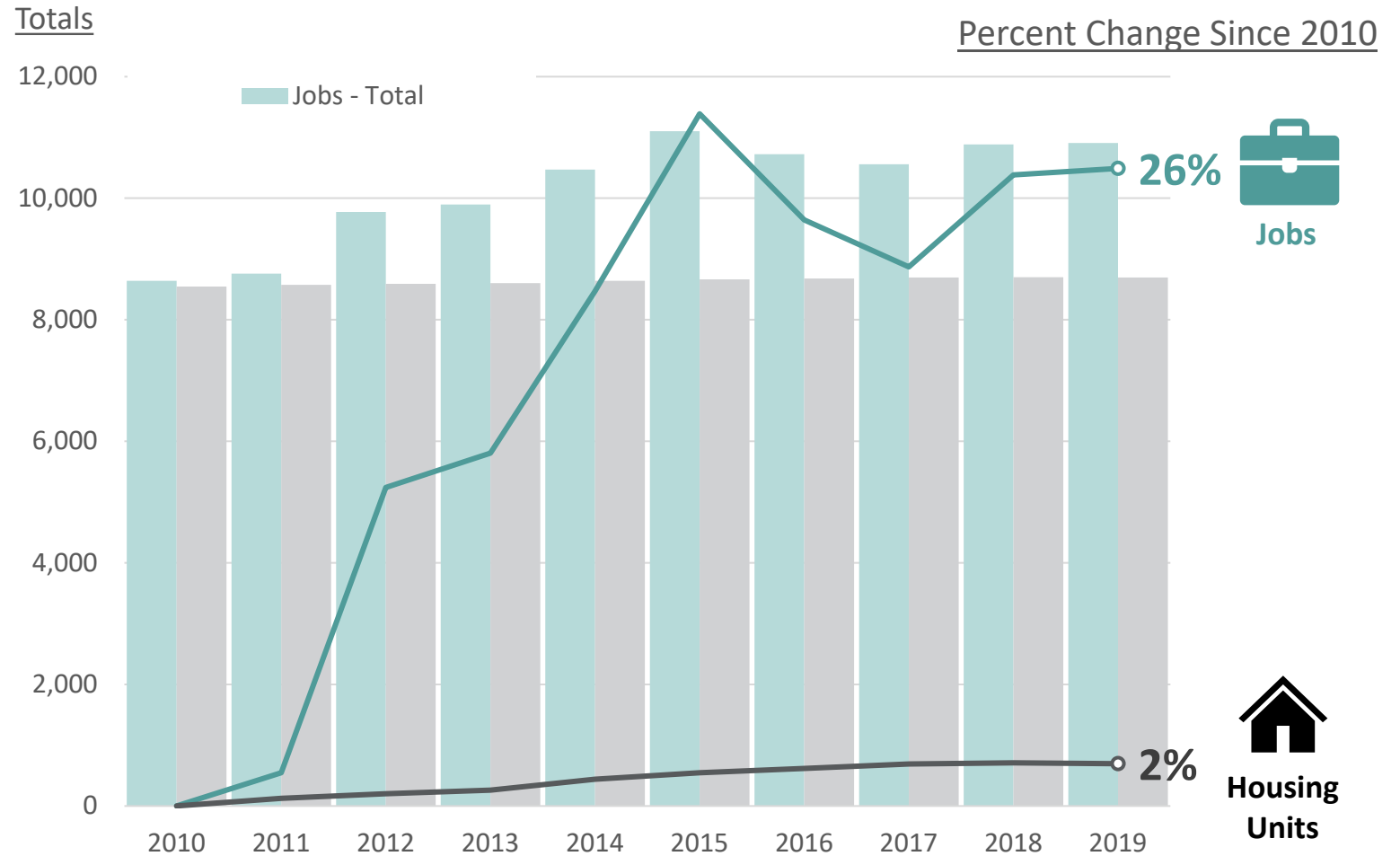
- About 31% of households rent their housing.
- Rental housing costs have increased faster than home prices.
- Too few rental units available for households in the lower income groups.
- Low-income households compete with moderate-income and higher income households for limited rental housing.



Current Need:

Housing Attainable to Mukilteo's Workforce

- 94% of Mukilteo's workers live outside the City.
- In 2010, Mukilteo had a balance of jobs and housing with a ratio of 1.01. In 2020, the jobs to housing ratio is now 1.25.
- About 40% of Mukilteo workers earn less than \$40,000 per year (2017 estimate).
- Wages for Mukilteo workers are expected to decline.

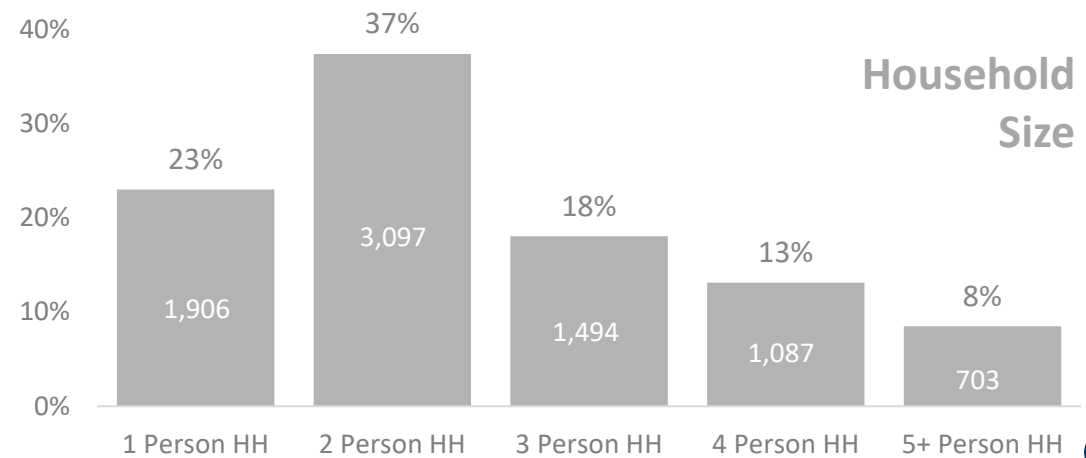
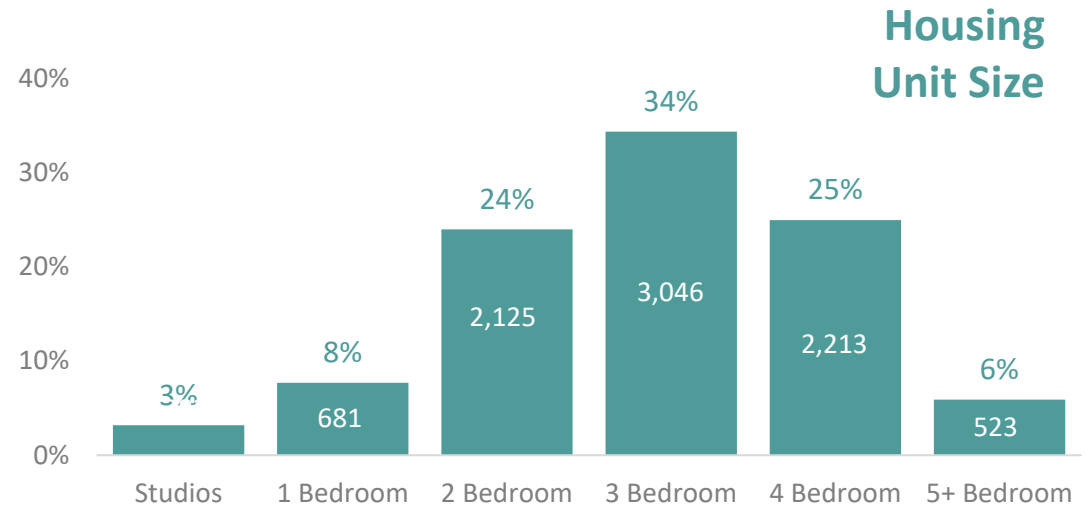


Source: OFM; PSRC Covered Employment Estimates 2010 – 2019

Current Need:

Greater Variety of Housing Sizes

- Most households in Mukilteo include 1 or 2 people.
- Most housing units have 3 or more bedrooms.

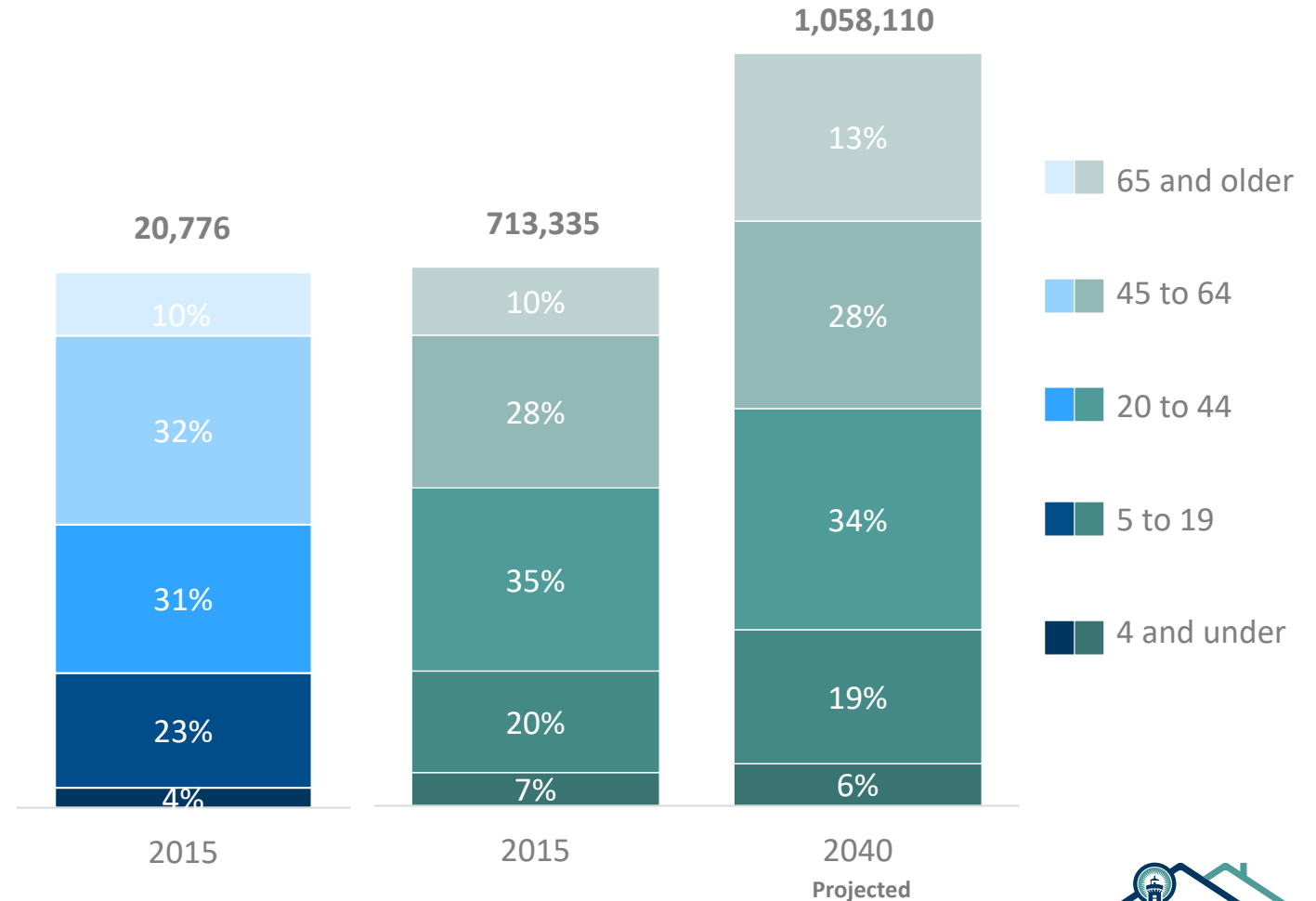


Source: ACS
DP04 & B25009,
2014- 2018

Emerging Need:

Housing Options for Older Adults

- About 15% of Mukilteo's residents are over the age of 65.
- About one third (36%) of today's older adult households are experiencing housing cost burden.
- 36% of older adults live in low-income households.



Overview of Staff-Recommended Strategies

General

- Review accessory dwelling unit regulations
- Review duplex regulations
- Review cottage housing regulations
- Review townhome regulations
- Review mixed-use development regulations

Process Improvements

- Improve permit processing
- Review subdivision procedures



Category

Cottage Housing

Cottage housing is smaller scale detached single-family residential housing with a central, common open space. This housing form is attractive to empty nesters, singles, couples, and even small families. They are compatible with low-density residential neighborhoods.

In Mukilteo, cottage housing was first adopted in 2004 and most recently updated in 2016. There are several challenges to building cottage housing in Mukilteo, including location (cottage housing is only allowed in alternate zones from townhomes), design standards (current regulations incentivize uninhabitable second stories and dictate specific architecture), ownership type (subdivision of lots is currently prohibited), and the review process (requires a public hearing for a conditional use permit).

Strategy: Review Cottage Housing Regulations

Specific Areas for Additional Study:

- Add cottage housing as a permitted use in zones where townhomes are allowed
- Allow for cottage housing subdivisions
- Consider eliminating the public hearing requirement
- Review cottage housing design standards

Needs Addressed

- Entry-Level Homeownership Options
- Greater Variety of Options for Moderate-Income Households
- Greater Variety of Housing Sizes
- Housing Options for Older Adults
- Housing to Accommodate Future Growth

Community Feedback

Support	Mixed Support	Less Support
<ul style="list-style-type: none">■ Cottage subdivisions	<ul style="list-style-type: none">■ Allowing cottage housing in more zones■ Increasing design flexibility	<ul style="list-style-type: none">■ Eliminating public hearing requirement for cottages

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What We're Hearing



Confusion About What the Housing Action Plan Is

- Ongoing need to address misunderstandings
- What the HAP is
- What the HAP is not



Common Concerns

- Crime
- Density
- Property Values
- Quality of Life
- Schools
- Taxes
- Traffic



What We're Hearing, cont'd



Acknowledgement That Housing in Mukilteo is Less Attainable

- People share that home values have risen so fast that they could not afford to buy their current home today



Regulations for Certain Housing Types Burdensome

- ADUs and Cottage Housing



Data Quality

- Concern that data does not reflect personal experience
- Impacts of COVID-19 and Boeing
- Lack of Mukilteo-specific data



Questions or Comments?



Discussion Items

- Do the findings in the Housing Needs Assessment reflect your experiences within the community (i.e. family, friends, classmates, etc.)?
- Are you surprised by any of the findings?
- Based on your experiences, what haven't we looked at or considered that maybe we should?
- Do you have any strategies you'd like to suggest that may help address current gaps and needs?

- Ideally, what will housing looking like in Mukilteo in 20 years? How do we achieve this?
- What are your expectations for housing as it relates to your future?

