

City of Carnation
2015 Comprehensive Plan
HOUSING ELEMENT

CHAPTER 5 – HOUSING ELEMENT

I. INTRODUCTION

A Housing Element is one of the required elements of a Comprehensive Plan that cities must prepare in accordance with the Growth Management Act (GMA), codified at RCW 36.70A. Goal 4 of the GMA is for communities to “encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock” (RCW 36.70A.020.4). The Housing Element is the basis for ensuring new housing is available to accommodate increases in the population over the next twenty years, including housing opportunities for the full range of households.

AFFORDABLE HOUSING

Housing is defined as *affordable* if its occupants pay no more than 30% of their income for rent or mortgage payments plus utility costs. Households that pay more than 30% of their income on housing are considered “cost-burdened”, and households that pay more than 50% are considered “severely cost-burdened”. In evaluating housing affordability, the cost of housing is compared to the Area Median Income (AMI) of three segments of the population:

1. Moderate income households – those earning from 50% to 80% of the AMI. Typically these households can afford rentals without cost burden, but may have difficulty purchasing a home.
2. Low income households – those households who earn up to 50% of the AMI. Even rental housing may create cost burden for these households.
3. Very low income households – these households earn up to 30% of the AMI, and may be severely cost burdened by the price of housing.

Providing housing at costs that do not burden these households is a great challenge to communities. New housing is often priced beyond the affordability of these households, for a variety of reasons, such as limited land availability, the cost of construction, expensive utility and land development costs, etc. Land use and building code regulations can also add to the cost of new housing. Jurisdictions have undertaken a wide range of actions to promote affordable housing, including increases in density, allowing innovative housing types, fee waivers, incentive zoning, etc.

Carnation has adopted various development regulations that are designed to lower the cost of housing and to provide for more housing options. Regulations that were adopted since 2005 Update included an increase in allowed density in various zones, a density bonus for affordable housing, and regulations permitting

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Accessory Dwelling Units (ADUs). Carnation’s flexible approach to zoning allows for a range of housing types in the high density residential land use designation, so that housing products can be developed to meet the demand from different segments of the population.

Perhaps the most significant action taken by the City was the installation of a public sewer system which allows development to achieve the densities identified in the Comprehensive Plan and Zoning Map. While economic downturn prevented the development that was expected once the sewer system was completed, in recent years significant residential development has occurred. The City has recently permitted 110 new lots through subdivision approvals, and another application is under review for 20 more lots. In addition, a docket request was made in 2015 that would change approximately 34 acres of commercial and industrial land to high density residential use. An estimated 150 to 200 new dwelling units could be developed as a result of this change.

Preservation of existing housing stock is another way to ensure that a range of housing types can be provided. This is especially true for Carnation, where much of the existing older housing stock has traditionally been a source of affordable housing for moderate and low income households. Strategies that preserve the affordability and safety of existing housing stock will be important to Carnation in meeting its housing affordability goals.

VITALITY AND CHARACTER OF EXISTING NEIGHBORHOODS

The requirements for the housing element as outlined in RCW 36.70A.070.2 include “ensuring the vitality and character of established residential neighborhoods”. The Carnation community takes great pride in its “small town” character, including the wealth of nearby open space and recreation opportunities, the scale and walkability of the community, views of the rural areas which surround the City, and the residential design characteristic of the original historic plat of the City. In addition to the Housing Element, other elements of the Comprehensive Plan identify and seek to preserve the desired qualities of Carnation while allowing for future growth consistent with this Plan. Goals and policies of the Housing Element will incorporate actions that preserve the community by:

- Providing for open spaces and natural landscapes that enhance the built environment;
- Minimizing conversion of undeveloped land into sprawling, low density housing
- Providing residential development at a scale that promotes non-vehicular access between neighborhoods and the commercial center;
- Preserving vistas;
- Maintaining compatibility between wildlife habitat and residential development.

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While Carnation will grow and is, in fact, an “urban” area, the City’s adopted vision is a rural scale “small town” community that integrates residential neighborhoods with the city’s commercial area and civic institutions. The City will encourage infill housing development that is compatible with the older parts of town and that seeks to preserve Carnation’s identity. Carnation’s housing goals seek to maintain and strengthen its neighborhoods as closely-knit places where people can know their neighbors and feel that they have a degree of control over their surroundings.

At present there is a small supply of vacant land within the city limits available for residential development. Future growth within the City will consist of infill development, relatively small residential subdivisions, and the redevelopment of parcels not built currently to capacity. The requested change in the land use designation of three large parcels totaling approximately 34 acres to allow high density residential development would add considerably to the availability of land for residential development.

This section addresses the requirements of the Growth Management Act as they pertain to the Housing Element of the Comprehensive Plan. The Growth Management Act (RCW 36.70A.070) states that the housing element of the Comprehensive Plan must recognize "the vitality and character of established neighborhoods that:

- (a) includes an inventory and analysis of existing and projected housing needs;
- (b) includes a statement of goals, policies, and objectives for the preservation, improvement, and development of housing;
- (c) identifies sufficient land for housing, including, but not limited to government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and
- (d) makes adequate provisions for existing and projected needs of all economic segments of the community.”

CONSISTENCY WITH MULTI-COUNTY AND COUNTY PLANNING POLICIES

The Growth Management Act requires counties to create planning policies in cooperation with the cities located within them, and the cities’ comprehensive plans are required to be consistent with the adopted Countywide Planning Policies (CPPs). Similarly, Multi-county Planning Policies (MPPs) are required to be developed by two or more counties with contiguous urban populations. In our region, the Puget Sound Regional Council (PSRC) created VISION 2040, the MPPs for the Puget Sound region, in cooperation with the counties and cities. Both

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the King County CPPs and the PSRC MPPs have policies related to housing, especially affordable housing.

VISION 2040, in its chapter on housing, identifies the responsibilities of local jurisdictions to "...plan for housing that meets the varied needs of their diverse communities and residents to ensure they are providing sufficient zoned land capacity for housing to accommodate 20-year growth targets." As they possess the regulatory control over new housing development, local jurisdictions can also promote affordable housing by allowing for a wider array of housing densities and types, by streamlining permitting processes and reducing the costs of development as much as possible, by providing for adequate infrastructure, and "...by encouraging the use of emerging best practices in the areas of green building and universal design." 'Universal design' is a term used to describe housing design that is usable to the greatest extent possible by everyone, regardless of their age, ability or status in life.

In its Comprehensive Plan and Development Regulations, Carnation is complying with these policies by increasing lands zoned for a variety of housing densities and types, by working to reduce the costs of development through efficient infrastructure provision and permitting processes, and by providing density bonuses and subsidizing impact fees for housing that meets the definition of "affordable" over the long term for low and moderate income households. Carnation's zoning provides increased densities and various housing types within close proximity to the identified center and to transit service on SR203.

In terms of jobs/housing balance, a key concept in VISION 2040, Carnation is "housing rich" as opposed to "jobs rich". Economic development strategies on the part of the City seek to expand local economic opportunities; however, proximity to regional job centers in Redmond, Issaquah and elsewhere in east King County may make provision of improved transit service a more efficient way to provide for employment opportunities. Transit service to Carnation and within the Snoqualmie Valley is somewhat limited, but Carnation is committed to working with other Valley cities, the Snoqualmie Tribe, and King County Metro to improve transit service for the Snoqualmie Valley as a whole.

While Carnation does not have specific programs to require green building, re-use of re-cycled materials or universal design, city policies allow permit applicants maximum flexibility within the regulatory framework of the adopted technical codes (International Building, Fire codes, etc.) and the 2012 Department of Ecology Stormwater Manual. As on-site infiltration is required due to the lack of a public stormwater system, stormwater management in Carnation is low impact. One way to promote green practices as well as provide affordable housing is to maintain existing housing stock where possible. Carnation's existing housing stock is aging, and can benefit from regional providers of assistance to home-owners. The City

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provides information to citizens on such programs as the King County Housing Repair Programs and the Home Repair Program provided by Habitat for Humanity. However, individual property owners will make the decision whether to remodel or retrofit existing housing, and in many cases the condition of the existing housing may not lend itself to preservation.

The King County chapter on housing in the CPPs identifies an unmet need in the County for housing that is affordable to households earning less than 80% of the Area Median Income (AMI). Cities within King County are encouraged to develop strategies to increase the amount of affordable housing provided in the future, as well as to preserve existing affordable housing.

Policy H-1 of the CPPs calls for the cities within King County to work together to address the countywide need for affordable housing by percentage of AMI, as reflected in the following projected housing needs:

50 – 80% AMI (moderate)	16% of total housing supply
30 – 50% AMI (low)	12% of total housing supply
30% and below AMI (very low)	12% of total housing supply

As stated in the CPP’s, “[m]eeting the county’s affordable housing needs will require actions by a wide range of private for profit, non-profit and government entities, including substantial resources from federal, state and local levels.” In concert with the CPPs, local jurisdictions are required to provide zoning capacity for a range of housing types and densities, to meet housing targets and to promote housing development within designated centers and within proximity to employment opportunities, and to preserve existing affordable housing units, .The CPPs call for cities to “plan for residential neighborhoods that protect and promote the health and well-being of residents by supporting active living and healthy eating, and by reducing exposure to harmful environments”. As stated above, Carnation’s zoning provides for a range of zoning densities and housing types. The Parks and Trails plan, the scale of the City, and adopted policies that promote non-motorized access in the Transportation Element provide excellent opportunities for residents to walk and bicycle. Carnation’s location within an agriculturally rich valley also provides access to healthy eating, and a very active local Farmer’s Market is held weekly in an open air shelter built in cooperation with the Sno-Valley Tilth on city owned land.

II. INVENTORY AND ANALYSIS

HOUSING SUPPLY

The existing housing stock in Carnation consists predominantly of single-family homes. Mobile homes, multi-family duplexes and apartments make up the

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remaining portion of the housing stock in Carnation. Within the current city limits, there are approximately 660 dwelling units, of which 60 are multifamily and 42 are mobile homes. Most of the multi-family units are in smaller buildings, primarily 3 to 4 units per building. Single-family homes account for almost 91% of the housing in the city, while multi-family housing accounts for 9% of the total stock. The multi-family dwellings are located primarily within the older neighborhoods that are within a few blocks of SR203 (Tolt Avenue). The Mobile Home Park is located in the northeastern portion of the City, just east of the Snoqualmie Valley Trail. The rest of the City’s neighborhoods are exclusively single family, especially east of the Snoqualmie Valley Trail.

Carnation’s home ownership rate is relatively high; 73.5% of the homes in the city are owner-occupied, as compared to a King County average of 59.1% owner occupied housing.

Table H-1
Owner Occupied vs. Renter Occupied in City Limits

Housing Type	Units	% of Total
Owner Occupied	464	73.5%
Renter Occupied	167	26.5%

Source: U.S. Bureau of the Census, 2010.

Carnation’s housing stock is aging, with half of Carnation’s existing housing stock at least 30 years in age. Approximately 28% of Carnation’s housing was built prior to 1960, and another 22% between 1960 and 1980. The remaining 50% was built in the 1990s, including the Swiftwater and River’s Edge subdivisions, as well as several smaller developments such as Cascade View, Carnation Meadows, and the Tallman subdivision. Development since 2000 has been limited to very few new homes, due to lack of infrastructure until 2008 when the sewer system became operational, and then as a result of the significant downturn in the economy that left little demand for new housing. In general, conditions of existing housing vary, with many of the older houses in the original plat in poor shape. Conditions of foreclosed homes were especially poor while vacant in recent years, but many were repaired once they were purchased and the number of vacant houses has been reduced as the economy has picked up. Recent residential subdivision activity will result in more house construction in the coming years, which will change the statistics on the age of the housing stock.

Carnation housing stock has an average of 6.2 rooms. Less than 20% of the housing stock has 4 or fewer rooms, while 65% have 6 or more rooms. King County housing stock has an average of 5.3 rooms. While Carnations’ homes tend to be larger than the King County average, housing size varies within the city. The older neighborhoods tend to have smaller homes, especially the original plat near SR203. Homes in that neighborhood were built over a one hundred year period,

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and are quite varied as to size, design, etc. The newer neighborhoods were platted in the 1980s through early 2000, with the houses built at the same time, and these newer homes tend to be larger and to have more modern amenities.

The vacancy rate provided by the Selected Housing Characteristics table from the 2010 Census is 5.1%. King County vacancy rate is given as 6.4% in the same table. Vacancy rates have likely varied over the past few years, with higher vacancy rates in evidence during the recent economic downturn while many homes were in foreclosure. Currently, there appear to be a few homes for sale and/or rent within city limits, so it can be assumed that the vacancy rate is low at this time.

Housing prices in Carnation are less expensive than is typical for northeast King County. The majority of Carnation's owner occupied houses are valued between \$300,000 and \$499,000 according to the 2010 US Census, as shown by Table H-2 below. Approximately 20% are valued between \$200,000 and \$299,000. The median value of an owner-occupied home in Carnation is estimated at \$354,000. For purposes of comparison, the King County median value for an owner-occupied house is \$402,300.

**Figure H-2
Value of Owner-Occupied Housing - 2010**

VALUE OF OWNER- OCCUPIED UNITS		% OF TOTAL
less than \$50,000	30	5.3%
\$50,000 - \$99,999	0	0.0%
\$100,000 - \$149,999	9	1.6%
\$150,000 - \$199,999	2	0.4%
\$200,000 - \$299,999	113	20.1%
\$300,000 - \$499,999	325	57.8%
\$500,000 - \$999,999	83	14.8%
\$1,000,000 or More	0	0.0%
TOTAL	562	
MEDIAN VALUE		\$354,000

Source: U.S. Bureau of the Census, 2010. Selected Housing Characteristics 2007-2011

Housing values vary within the city due to size, age and amenities of the housing stock. In general, housing in the older neighborhood nearer to SR203 tends to be older, smaller homes on smaller lots. Actual housing prices depend of course on the condition and amenities of individual homes. The selling price for several recently constructed homes in Carnation's older neighborhood was in the low \$400,000 range. New construction of the subdivisions is expected to sell in the \$500,000 to \$600,000 price range. These new houses and their values will not be reflected until the 2020 Census.

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Table H-3 shows the distribution of rental prices in the City according to the 2010 Census. The median monthly cash rent in Carnation is shown as \$979. King County median monthly cash rental is \$1,060.

**Table H-3
Monthly Cash Rent for Rental Units - 2000**

CASH RENT	# OF UNITS	% OF TOTAL
\$500 - \$749	14	9.1%
\$750 - \$999	76	49.4%
\$1,000 - \$1,499	32	20.8%
\$1,500 or more	32	20.8%
Total Occupied Units	154	
MEDIAN RENT		\$979

Source: U.S. Bureau of the Census, 2010. Selected Housing Characteristics 2007-2011

HOUSING NEEDS

As described above, Carnation’s 2010 population of 1,786 represents a reduction from the 2000 population, due most likely from the economic downturn and the lack of new housing starts within that decade. The average household size is 2.83 persons per household according to the 2010 Census. This is significantly higher than the King County average household size of 2.40 and is likely due to the prevalence of families with young children. There are no data available on overcrowding of housing within Carnation, as 98.2% of occupied housing units have one person per room or less, and no households are reported as having more than 1.51 persons per room.

In general, Carnation neighborhoods are great places for families with children. Of Carnation’s households, 32.1% have household members 19 years or younger. For all households in King County, 23.9% have household members 19 or younger.

The US Census collects statistics on race. Within Carnation, 87.5% identify as white, 1.2% as black or African American, 1.2% as American Indian or Alaskan Native, 4.3% as Asian, 0.2% as Native Hawaiian and 7.8% as “some other race”.

At this time there are no group housing facilities in Carnation.

Table H-4 shows the King County Income levels by household size as used by the federal Housing and Urban Development (H.U.D.) to determine what is affordable

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to households of different income levels. Low income households are identified as households with income at the 50% of Area Median Income (AMI). Moderate income households are above 50% but less than 80% of the AMI. According to Table H-4, the average King County household consists of 2.4 persons. A household income of \$35,970 is 50% of the median County income. Households with incomes of \$54,130 are at the moderate level. The median household income is \$71,940.

Table H-4

2010 H.U.D. Income Levels by Household Size							
Percent of Median Income	One Person Household	Two Person Household	Average Household (2.4 Persons)*	Three Person Household	Four Person Household	Five Person Household	Six Person Household
30%	\$ 18,000	\$ 20,500	\$ 21,620	\$ 23,150	\$ 25,700	\$ 27,800	\$ 29,850
Affordable Hsg Payment***	\$ 375	\$ 429	\$ 450	\$ 482	\$ 535	\$ 579	\$ 622
Affordable House Price***	\$77,600	\$88,800	\$93,200	\$99,800	\$110,800	\$119,900	\$128,700
40%	\$ 24,000	\$ 27,400	\$ 28,776	\$ 30,840	\$ 34,240	\$ 37,000	\$ 39,120
Affordable Hsg Payment	\$ 500	\$ 571	\$ 600	\$ 643	\$ 713	\$ 771	\$ 815
Affordable House Price	\$103,500	\$118,200	\$124,100	\$133,000	\$147,600	\$159,500	\$168,700
50%	\$ 30,000	\$ 34,250	\$ 35,970	\$ 38,550	\$ 42,800	\$ 46,250	\$ 49,650
Affordable Hsg Payment	\$ 625	\$ 714	\$ 749	\$ 803	\$ 892	\$ 964	\$ 1,034
Affordable House Price	\$129,400	\$147,700	\$155,100	\$166,200	\$184,600	\$199,400	\$214,100
60%	\$ 36,000	\$ 41,100	\$ 43,164	\$ 46,260	\$ 51,360	\$ 54,600	\$ 59,580
Affordable Hsg Payment	\$ 750	\$ 856	\$ 899	\$ 964	\$ 1,070	\$ 1,138	\$ 1,241
Affordable House Price	\$155,200	\$177,200	\$186,100	\$199,500	\$221,500	\$235,400	\$256,900
70%	\$ 42,000	\$ 47,950	\$ 50,358	\$ 53,970	\$ 59,920	\$ 64,750	\$ 69,510
Affordable Hsg Payment	\$ 875	\$ 999	\$ 1,049	\$ 1,124	\$ 1,248	\$ 1,349	\$ 1,448
Affordable House Price	\$181,100	\$206,800	\$217,100	\$232,700	\$258,400	\$279,200	\$299,700
80% (capped)**	\$ 48,000	\$ 51,550	\$ 54,130	\$ 58,000	\$ 64,400	\$ 69,600	\$ 74,750
Affordable Hsg Payment	\$ 940	\$ 1,074	\$ 1,128	\$ 1,208	\$ 1,342	\$ 1,450	\$ 1,557
Affordable House Price	\$194,500	\$222,300	\$233,400	\$250,100	\$277,700	\$300,100	\$322,300
80% (not capped)	\$ 48,000	\$ 54,800	\$ 57,552	\$ 61,680	\$ 68,480	\$ 74,000	\$ 79,440
Affordable Hsg Payment	\$ 1,000	\$ 1,142	\$ 1,199	\$ 1,285	\$ 1,427	\$ 1,542	\$ 1,655
Affordable House Price	\$207,000	\$236,300	\$248,200	\$266,000	\$295,300	\$319,100	\$342,600
100%	\$ 60,000	\$ 68,500	\$ 71,940	\$ 77,100	\$ 85,600	\$ 92,500	\$ 99,300
Affordable Hsg Payment	\$ 1,250	\$ 1,427	\$ 1,499	\$ 1,606	\$ 1,783	\$ 1,927	\$ 2,069
Affordable House Price	\$258,700	\$295,400	\$310,200	\$332,500	\$369,100	\$398,900	\$428,200
115%	\$ 69,000	\$ 78,725	\$ 82,731	\$ 88,665	\$ 98,440	\$ 106,375	\$ 114,195
Affordable Hsg Payment	\$ 1,438	\$ 1,641	\$ 1,724	\$ 1,847	\$ 2,051	\$ 2,216	\$ 2,379
Affordable House Price	\$297,500	\$339,700	\$356,700	\$382,300	\$424,500	\$458,700	\$492,400
120%	\$ 72,000	\$ 82,200	\$ 86,328	\$ 92,520	\$ 102,720	\$ 111,000	\$ 119,160
Affordable Hsg Payment	\$ 1,500	\$ 1,713	\$ 1,799	\$ 1,928	\$ 2,140	\$ 2,313	\$ 2,483
Affordable House Price	\$310,500	\$354,500	\$372,300	\$399,000	\$442,900	\$478,600	\$513,800

*Since the average KC household is about 2.4 persons, this column approximates the median for all households in the County.

***Affordable housing costs are based on 30% of monthly income. An affordable housing payment (principal and interest only) is calculated at 25% of monthly income. Taxes, utilities and/or condo fees are estimated to account for an additional 5%. Affordable rent is calculated at 30% of monthly income assuming the inclusion of utilities in the amount. The current affordable home price assumes a 30 year fixed mortgage at 5.00% interest with 10% down.

Census data on 2011 income (inflation adjusted) indicates that 17.6% of Carnation households have incomes of \$34,999 or less (close to the low income range) while 16.6% have incomes in the range between \$35,000 and \$49,999 which is just slightly lower than the average moderate income limit). According to this data, slightly more than one third of Carnation's households are at the moderate or less income level. Of the remaining households, 17% have incomes from \$50,000 to

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\$74,999, which is close to or slightly lower than the median income, and 48.7% have incomes above \$74,999. Median household income in Carnation is \$73,269 according to the 2010 Census, which is slightly higher than that of King County.

The Affordable Housing Gap: current housing costs compared with Income

Housing affordability is determined as 25% of monthly income for mortgages (the assumption is that taxes, condo fees and utilities will comprise the remaining 5%). Rents are calculated at 30% of income. At 50% of median income (low income threshold), a family of 3 would need to find housing that costs no more than \$803 per month, or a house that costs \$166,200. The 2010 Census data indicates that only approximately 7% of Carnation's current housing stock would be affordable for ownership to these households, and approximately 10% of rentals would be affordable.

For moderate income households (80% of median income), a family of three could afford to own a house that costs \$250,100, or could make a monthly payment of \$1,208 for rent or mortgage plus other expenses. The Census data for 2010 indicates 20% of houses in the \$200,000 to \$299,000 range. Median housing costs for households with a mortgage was calculated as \$2,189 per month, which is considerably higher than \$1,208. There is evidence of a gap of almost \$1,000 in Carnation between what is affordable for owner occupied housing and the price of available housing. Carnation's median housing costs for home ownership are slightly less than the King County median, which was calculated at \$2,262.

This evidence of an affordability gap for home ownership is consistent with data collected on the number of households that pay more than 30% of household income for housing. According to the 2010 Census, approximately 45% of Carnation's home owning households pay more than 30%, and are considered "cost burdened" for housing.

Housing sales within the older portion of the city do include several houses that sold for \$250,000 or less within the last few years, which is affordable or close to affordable for households in the moderate income percentile. However, most newer houses that are currently for sale are priced considerably higher.

Rentals in Carnation would appear to be at more affordable levels, at least for moderate income households. A three person moderate income household is calculated to be able to afford a rental of \$1,208 (see Table H-4). According to the 2010 Census data, Carnation's median rent is calculated at \$979, and approximately 60% of Carnation's rentals under \$1,000. Again, the Census data corroborates this finding as fewer households that rent were cost burdened. The 2010 Census calculates that 29.9% of renting households pay 30% or more of their household income for housing costs. While this is still a significant number of households, it is less than the percentage of home owning households that are

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cost burdened for housing.

With recent residential development, including both new subdivisions and infill development, the supply of housing is expected to be robust over the next few years. As of spring 2015, there are several new homes for sale in the older neighborhood that corresponds to the original plat, and over one hundred and thirty new homes will be constructed over the next few years on lots that are currently in the subdivision process.

III. FUTURE HOUSING NEEDS

POPULATION TRENDS

The population of Carnation from the 2010 Census represented a slight reduction from 2000, as noted above. However, this trend is not expected to continue for future years, as the housing market picks up and new development occurs in Carnation. The population projections contained in the Land Use Element form the basis for the projections Housing Element. Future population growth was projected by estimating the number of new dwelling units that can be built over the next twenty years based on the Zoning Map adopted by the City in 2011, multiplied by the average number of persons per household.

**Table H-5
Projected Housing Units in the Urban Growth Area**

	Existing Number of Dwelling Units	Projected Dwelling Units	Projected population
Year	2010	2035	2035
Carnation UGA	720	1,645	4,652

Carnation is an excellent place to raise a family. Seniors are another important demographic group in Carnation, although the percentage of households with individuals 65 years of age or older is less than that of King County: 13.9% of Carnation’s households as opposed to 19.5% of King County’s households. While future projections that are specific to Carnation are not available for specific demographic groups, it is safe to assume that Carnation will continue to attract families with young children. Similarly, given the general aging of the population, and Carnation’s attractive qualities of rural scale, walkability and the presence of the Sno-Valley Senior Center, households with seniors present will continue to be an important segment of Carnation’s population. The City will want to make sure that its policies encourage development of housing and neighborhoods that will be healthy and sustainable for young families and seniors.

Future growth within the City also depends upon economic conditions. While there are not that many employment opportunities within the City, a strong local

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economy and job centers within a close commute support future housing development within Carnation. Retirees who do not need to be within commuting distance to a job may also find Carnation an attractive location to live, given its amenities and services that are well suited to seniors.

RESIDENTIAL CAPACITY

Carnation has the capacity within its Urban Growth Area (UGA) for approximately 900 new homes, if approval is granted to the 2015 docket request to change the land use designation of approximately 34 acres from nonresidential uses to high density residential use. An estimated 46% of Carnation's new dwelling units would be in single family houses at typical suburban densities ranging from 3 to 6 units per acre as provided for in the low and medium density residential land use designation. An estimated 54% new dwellings would be in higher density residential land use designation. With the exception of the mobile home park zone, the high density residential designation zones allow single family, multi-family, townhouses or cottage housing developments, at densities ranging from 8 to 24 units per acre. Carnation's flexible approach to higher density residential development provides for a variety of housing products. This variety of housing types coupled with higher density will help meet a wide range of housing demand, in terms of cost, size and housing product.

The Growth Management Act requires that local jurisdictions' comprehensive plans be consistent with targets for new households developed by counties and adopted in countywide planning policies (CPPs). The King County CPPs include a target for new residential development that is assigned to each city. Carnation's target for new residential growth between 2006 and 2031 is 330 new dwelling units. Carnation has considerably more capacity for new residential development than required to meet the housing target.

AFFORDABLE HOUSING

The Growth Management Act, Vision 2040 (the Multi-county Planning Policies developed by the Puget Sound Regional Council), the King County Countywide Planning Policies and the City of Carnation housing policies all require the City to provide zoning for a range of housing to serve all segments of the future population. Carnation has taken action in a variety of ways to comply with this policy directive, including providing infrastructure to support future housing growth, providing zoning for a range of housing densities and types, reducing costs of infrastructure where possible, and providing incentives for affordable housing.

In 2008, Carnation was able to install a public sewer system to serve the City limits, thus allowing development at the densities identified in the city's Zoning Map. Carnation provides both water and sewer to its residents. Both water and sewer systems have adequate capacity to serve future growth. In recent years the City reduced its General Facilities Charges as well as its impact fees in order to

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encourage new housing development.

Currently the majority of Carnation's housing is provided in single family neighborhoods with allowed densities ranging from 2.5 units per acre to 6 units per acre. Future development allowed by the Zoning Map provides a significant increase in capacity in both non-single family housing types as well as single family development at higher densities. The R12 zone allows densities at approximately 12 units per acre, and would support cottage housing or townhouse development. The R24 zone allows housing at a maximum density of 24 units per acre, and allows apartments and townhouse development in addition to single family detached housing on small lots. Given the relatively inexpensive price of land in Carnation, even the R6 zone, which allows housing with a minimum lot size of 5,000 square feet, could provide housing affordable to those in the moderate income bracket. While there is no method of guaranteeing that housing at any of these densities will meet the definition of affordable to low or moderate income households, decreased land costs per dwelling units combined with Carnation's other strategies to reduce housing costs can be expected to result in housing that is more affordable to a range of households.

In addition to increased densities, Carnation also supports a variety of housing types. The city's development regulations allow for apartments, townhomes, small lot single family detached housing (similar to cottage housing) and accessory dwelling units, which are also allowed in all single family zones. A density bonus is available for housing that meets the definition of affordable to low and moderate income households.

Finally, Carnation has taken actions to reduce housing costs by waiving impact fees for housing that meets the definition of affordable for low and moderate income families, and by reducing impact fees and General Facilities Charges for all new housing, whether market rate or affordable. Infrastructure costs are significantly reduced for infill development, by not requiring frontage improvements.

The CPPs identify the countywide needs for affordable housing as follows: 16% of the City's housing capacity should be affordable for moderate income households; 12% for low income and another 12% for very low income households. Applied to Carnation's projected capacity for new housing units, 263 units should be affordable for moderate income families; 197 units for low and another 197 units for very low income households. Currently, some of Carnation's existing housing stock provides affordable housing. Affordable housing tends to be located in the R6 zone (the historic town plat) and in some of the older neighborhoods that are in the R4 zone. At 24 units per acre, new development in the R24 and Mixed Use zones may well be able to provide housing at rents that are affordable at the low income range; approximately 300 new dwelling units are projected for these zones.

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However, it is more likely that public or private providers of affordable housing will be needed to build housing affordable to low and very low income households; the density bonus for affordable housing makes this type of development more feasible.

In summary, Carnation's zoning, regulations and policies combined with localized housing market conditions may be effective at lowering housing costs. Given the relatively low prices for land when compared with other cities in northeast King County, it is likely that at least some of Carnation's new housing will be affordable or close to affordable to moderate income households. Housing for low and very low income households is more of a challenge, and Carnation will continue to work with public and private entities that develop housing for low income households.

IV. GOALS AND POLICIES

An analysis of existing housing and projected needs in the previous sections highlighted the areas of concern and opportunities for Carnation. The inventory and analysis contained in the Element provides information from which to develop goals and policies to achieve the City's housing needs.

GOAL H1

Ensure adequate housing for all current and future residents of Carnation by achieving and maintaining a high quality residential housing stock.

- Policy H1.1 Encourage a mixture of dwelling unit types in appropriate areas.
- Policy H1.2 Preserve the city's existing housing stock through code enforcement, appropriate zoning, and participation in rehabilitation programs.
- Policy H1.3 Encourage the installation of appropriate supporting infrastructure including transit service in areas that are designated for higher density housing.
- Policy H1.4 Endorse efforts by others such as the Senior Center to secure federal and/or state funds to provide housing for elderly and disabled citizens.
- Policy H1.5 Work with preservation partners for the protection of historically significant housing sites and structures, including structures that are significant examples of the architectural design of their period.

GOAL H2

Encourage the provision of housing in a wide range of costs, with primary emphasis on housing units provided to low and moderate-income

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households.

- Policy H2.1 Review residential development regulations and revise as necessary to encourage a variety of housing densities and types.
- Policy H2.2 Encourage new residential development in and near the downtown area.
- Policy H2.3 Encourage multi-family development where it can serve as a buffer between higher density uses and surrounding low-density residential development.
- Policy H2.4 Encourage Accessory Dwelling Units in single-family residential zones.
- Policy H2.5 Compile, and make available, housing and housing agency services information to assist both low- and moderate-income families in finding housing rehabilitation programs and to assist non-profit developers in locating suitable sites for affordable housing.
- Policy H2.7 Encourage public, private and non-profit associations and joint public-private partnerships to enter the low and moderate-income housing market.
- Policy H2.8 Enact local development standards and regulations which are in keeping with the city's vision, but do not unnecessarily add to housing costs.
- Policy H2.9 Encourage local participation in public and private programs that facilitate home ownership by low and moderate-income families.

GOAL H3

Encourage residential design and development that strengthens the Carnation community and its rural city identity.

- Policy H3.1 Encourage infill development that is consistent with traditional structural design and building materials.
- Policy H3.2 Encourage preservation of visual landscapes.
- Policy H3.3 Maintain compatibility between wildlife habitat and residential development.
- Policy H3.4 Encourage neighborhood design that promotes connectivity between neighborhoods and links residential development to the downtown in a walkable community.