



CARNATION CITY COUNCIL AGENDA Regular Meeting

Mayor Jim Ribail, Deputy Mayor Tim Harris, Ryan Burrell, Dustin Green, Adair Hawkins

DATE: June 6th, 2023

TIME: 6:00 PM

JOIN ONLINE VIA ZOOM: <http://bit.ly/3BbmBBu>

Meeting ID: 983 3856 5355

Passcode: 970731

Dial by location: (253) 215 - 8782

For inquiries and/or assistance regarding how to use the City's online meeting format please email clerk@carnationwa.gov, or call (425) 333-4192.

1. **CALL TO ORDER:** Mayor Jim Ribail
2. **PLEDGE OF ALLEGIANCE:** Mayor Jim Ribail
3. **ROLL CALL:** City Clerk Lora Wilmes
4. **APPROVAL OF AGENDA:** Mayor and Council

5. CONSENT AGENDA:

- a) Approval of Minutes for the following date(s):
 - i. Regular Session: May 16th, 2023 (P.3)
- b) Approval of Claims in the following amount(s):
 - i. \$330,884.81 (P.12)
 - ii. \$ 61,733.93 (Already Paid) (P.15)
- c) Proclamation: June Pride Month (P.16)

6. COUNCIL REPORTS AND REQUESTS

7. STAFF REPORTS:

- a) Community Economic Development Department Report - CED Principal Rhonda Ender
- b) Public Works Department Report - Community Economic Development Utility Manager Brandon Schell (P.17)

c) Capital Improvement Projects / Administrative Services Department Report -
Administrative Services Manager Lora Wilmes

8. PUBLIC HEARING: *Carnation City Council will hold a public hearing to receive and consider public comments regarding a recommended ordinance related to modification and revision of Carnation Municipal Code, Chapter 15.68.130 Temporary Signs. Consideration of amending location and time duration of temporary signs on Tolt Avenue. (P.27)*

9. PUBLIC COMMENT & REQUESTS: *Public comment on meeting items or other issues of note or concern. Comments may be submitted in advance by writing or e-mailing clerk@carnationwa.gov, or made in person, or by telephone or computer connection at the time of the meeting. Individual comments shall be limited to three minutes. Group comments shall be limited to five minutes.*

10. AGENDA BILLS:

- a) AB23-62 – Motion: House Action Plan (P.28)
- b) AB23-64 – Resolution: Amendment to the Fee Schedule III – Sewer Rates (P.201)
- c) AB23- 65- Motion: Six Year Transportation Plan Public Hearing Date (P.237)

11. DISCUSSION ITEMS:

- a) Discussion of replacement meeting in July
- b) Discussion of replacement meeting in August
- c) Interlocal Agreement King County
- d) Lodging Tax
- e) Coffee with Council Alternate

12. FUTURE AGENDAS:

- a) Tentative agenda for the meeting of June 20th, 2023 (P.238)
- b) Tentative agenda for the meeting of July 5th, 2023 (P.240)

13. ADJOURNMENT: Mayor Jim Ribail





CARNATION CITY COUNCIL AGENDA

Regular Meeting Minutes 05.16.23

Mayor Jim Ribail, Deputy Mayor Tim Harris, Ryan Burrell, Dustin Green, Adair Hawkins

1. **CALL TO ORDER:** Mayor Jim Ribail
At 6:01 P.M.
2. **PLEDGE OF ALLEGIANCE:** Councilmember Adair Hawkins
3. **ROLL CALL:** City Clerk Lora Wilmes
Present: Councilmember Hawkins, Councilmember Green, Mayor Ribail,
Deputy Mayor Harris, Councilmember Burrell

4. **APPROVAL OF AGENDA:** Mayor and Council
MOTION BY DEPUTY MAYOR HARRIS SECOND BY COUNCILMEMBER
HAWKINS TO APPROVE THE AGENDA.

DEPUTY MAYOR HARRIS ADDS A CONVERSATION ABOUT FLAGS FOR
THE PRIDE PICNIC UNDER "OTHER".

DEPUTY MAYOR HARRIS MOVES TO ADD AN EXECUTIVE SESSION
UNDER RCW 42.30.110 (B).

MAYOR RIBAIL MOVES THE EXECUTIVE SESSION TO BEFORE "AGENDA
BILLS."

MAYOR RIBAIL ADDS A DISCUSSION ABOUT A LETTER OF SUPPORT FOR
THE CARNATION MARKET FOR CHARGING STATIONS UNDER "OTHER".

MOTION TO APPROVE THE AGENDA AS AMENDED PASSED (5-0).

5. **EXECUTIVE SESSION:** NONE
*An Executive Session took place after "11. PUBLIC COMMENT."

6. **CONSENT AGENDA:**
 - a) Approval of Minutes for the following date(s):
 - i. Regular Session: May 2nd, 2023

- ii. Special Meeting – Study Session: May 9th, 2023
- b) Approval of Claims in the following amount(s):
 - i. Already Paid Claims: \$24,571.98
 - ii. \$648,806.23
- c) Approval of Payroll for the following pay period(s):
 - i. April 17th, 2023 – April 30th, 2023: \$23,624.54

MOTION BY DEPUTY MAYOR HARRIS SECOND BY COUNCILMEMBER GREEN TO APPROVE THE CONSENT AGENDA. MOTION PASSED (5-0).

7. PROCLAMATION: World Falun Dafa Day

Mayor Ribail read a proclamation aloud declaring May 13th as World Falun Dafa Day in the City of Carnation.

8. COUNCIL REPORTS AND REQUESTS

Councilmember Hawkins

- Attended the Snoqualmie Valley Mobility Coalition meeting.
 - The lack of regular transportation negatively impacts the area.
 - The City qualifies for funding based on land use and equity.
 - Asked King County Metro what they are doing to help economic vitality.
- The Safety Committee met to discuss implementing the City's own drug possession laws.
- Met with the Economic Development Committee - CED Principal Ender will go over the updates during her report.
- The Washington State Department of Transportation Fish Passage Project is underway in Carnation and Fall City.
 - Travelers on SR 202 and SR 203 should prepare for closures May 15th – May 19th.
 - Contractors will survey land for fish passages 9:00 P.M. – 3:00 P.M.
- Washington State Department of Social and Human Services Mobile Community Services Offices will be at the following places:
 - Snoqualmie Valley Food Bank on May 24th from 10:00 A.M. – 2:00 P.M.
 - Redmond King County Library May 31st from 1:00 P.M. – 4:00 P.M.

Councilmember Burrell

- Thanked the City's Public Works Department for paving the Valley Memorial Park parking lot,
 - Fixed the potholes for pick-up and drop-off at Tolt Middle School.

- Attended the Chamber of Commerce all-member meeting. Mentioned he has been learning how much the group does and appreciates their hard work.
- The Remlinger Arcade is opening next week.
 - Joked about the “break-in”: The door to the arcade was unlocked and visitors played games and purchased items prior to opening.
- Attended the Valley Radio fundraiser at Remlinger Brewing, volunteered to do set up with Jamie Burrell (his wife)
- Provided an update on the Tolt Middle School evacuation path.
 - Funding looks promising.
 - Will be paved from back side of track the North end of the property out to the trail.

Councilmember Green

- Attended the Chamber of Commerce hoedown event at Remlinger Brewing on May 13th. This was a benefit auction for the community radio station Valley 104.9.
 - In an emergency situation, they could be the only communication channel up and running due to their FM license.
 - His wife Debbie is the president of the Chamber of Commerce

Deputy Mayor Harris

- Attended the Chamber of Commerce hoedown and won a trip.
- A number of citizens commented on how nice the City looks.
 - Thanked City staff and the public works department for their work on the parks and alleys.
- Talked to the Municipal Research and Services Center (MRSC) on how to protect the tenants of mobile home park.
 - Our current zoning provides a significant amount of protection.
 - The State preempts cities and counties in enacting rent control efforts.
 - Could look into administrative steps to make eviction more difficult.
- Had coffee with King County Councilmember Sarah Perry and talked about the behavioral health levy that recently passed.
 - Didn't do well outside of Seattle, and east of the highway the levy didn't pass.
 - Discussed the tax burden felt on the citizens of Carnation.
 - Demographics are misleading – a lot of affluence vs. people just scraping by living on fixed incomes.
 - Analyze the differences between County revenues from Carnation and expenditures in the Snoqualmie Valley. Was connected with the King County Budget Office.

- Regional Water Quality Committee (RWQC) - King County executive has a proposed Ordinance to set sewer rates for next year:
 - Asking for \$9 million to add 73 additional employees to the Water Treatment Division
 - Want to raise rates to \$55.11 in 2024. Projections are set to double to \$97.63 by 2033.
- The Finance and Operations Committee is trying a new method for reviewing claims – using the accounting system itself to save staff time and streamline the process.

Mayor Ribail

- Attended the Eastside Mayors meeting on May 10th.
 - Mayors from Redmond, Issaquah, Snoqualmie, and North Bend were in attendance.
 - Talked about the Blake Decision, however legislation was passed at the state level.
 - Redmond and Issaquah are struggling with growth.
 - Microsoft is moving out of Issaquah.
 - Requested sign code from other cities for the Economic Development Committee.
- Attended the Chamber of Commerce all-member meeting.
 - Chamber has many events lined up through the Fall – excited about the Chili Cook-Off
- Had a meeting with Susan Leach, the Superintendent of River School District.
 - District is having budget issues.
 - Hired a new high school principal, middle school principal and Director of Student Services
- Attended the Valley 104.9 Auction.
 - There was a donut bidding war with Councilmember Green and Mayor Ribail's friend.

9. STAFF REPORTS:

- a) Community Economic Development Department Report - CED Principal Rhonda Ender
 - Gave an update on development projects:
 - Pulte's Building A broke ground and is set to be completed in mid to late July.
 - Mainvue is working on their model home submittal.
 - John Day's Tolt Place working through civil plans and revisions.
 - The Senior Center's affordable housing project will break ground in July, and a Public Hearing is scheduled for May 31st.

- Tolt Legal's building permits were issued last Friday, and they have a right of way permit starting May 26th to pour concrete.
 - The Stossel Court project, which is two duplexes that Fortney Construction is developing on Stossel Avenue, is back to an active status.
 - Permits are going smoothly and efficiently.
 - A Planning and Parks Board meeting is set for May 23rd - good feedback has been received about the level of collaboration happening.
 - Members of the Port of Seattle had a tour of Carnation to discuss ways partner together.
 - Has a Meeting on Monday with Seattle Uncorked about bringing the wine and beer walk to Carnation.
 - Attended the Chamber of Commerce All-member Meeting.
 - Attended the Snoqualmie Valley Outdoor Recreation group meeting.
 - Has a meeting on Thursday with a company to discuss retail strategy.
 - Met with a resident who wants to open a boutique with housewares, reached out to Jason Ziegler about the confluence building =, but he is not quite ready.
 - Had a 4-hour Community Rating System (CRS) site visit, will conduct additional education on flood management in order to get flood insurance discount for residents.
 - Provided Code Enforcement Updates:
 - Reminded residents and HOAs to keep common areas and bioswales and yards maintained.
 - Grass on 334th will be mowed by Friday.
 - Vehicle abandoned being addressed.
 - Economic Development Committee meeting scheduled this Friday.
- b) Capital Improvement Projects / Administrative Services Department Report - Administrative Services Manager Lora Wilmes
- The Emergency Operations Center/ multiuse center sent out to bid today on Builders Exchange
 - Bid opening day is June 20th, will have the assumed lowest bidder that day at the Council Meeting.
 - Transportation Improvement Board gave the City funding for the citywide crack seal.
 - A Six Year Transportation Improvement Plan (STIP) update will occur at the next Council meeting in June.
 - Funding works two years ahead – we have funding for design and construction for the next two years.
 - Provided an update on Tolt Avenue

- Yearlong landscaping contract, fixed dozens of broken irrigation heads and maintained storm drains (the City of Carnation is 100% infiltration for stormwater)
 - Phase 2 bid documents getting ready to go out.
 - Washington State Department of Transportation committed funding.
 - East Bird, McKinley, and Entwistle have finished the surveying stage and starting the formal design process.
 - East Bird was graded, and gravel was added.
 - Had a meeting with CED Principal Ender, KPG and Pulte Homes to discuss the two projects on McKinley.
 - Has a meeting set up with CED Utility Manager Schell and landscapers on May 24th to focus on trouble spots on Tolt Avenue.
- c) City Manager's Office Report - City Manager Ana Cortez
- Thanked the Council for recognizing staff for the work done on alleys and parking lots. Highlighted other work like utility billing and making sure vendors were getting paid.
 - The City is focusing on doing more with less.
 - Public Works department used to have 6 crewmembers, now there are 3, accompanied by an army of contractors. The City is still looking for candidates to join the team.
 - City has high standards, more of a start-up rather than a traditional government agency.
 - Collectives Bargaining Agreement with Teamsters made us more competitive with salaries and benefits.
 - Building new relationships with the community - Tolt United Congregational Church reached out.
 - Had a meeting with a representative from Harvold family, moving forward slowly.
 - Thoroughly review documents, The City Manager is the first line of defense.
 - Had a good meeting with Drake Remlinger group.
 - Elections have begun, the filing period started yesterday and ends on Friday.
 - Will be on vacation from May 26th – June 7th. Will be out of the country leaving phone in Carnation. Will miss the meeting on June 6th.
 - Took a moment to recognize staff:
 - CED Manager Schell and his team for all their work and being available round the clock to respond to issues. Current staff is salaried, meaning no overtime,

- Administrative Services Manager Wilmes –continues to deliver on many fronts: capital improvement projects, utility billing, customer service, capacity building software transition etc.
- CED Principal Ender – reports most interesting, only been here for 5 months: flood management, permitting, economic development code enforcement)
- PIO Farnworth has a gift for aesthetics and is spread in lots of directions.
- Bibi, Heather, Mike, and Erik make incredible team.
- When City Manager Cortez first arrived, payroll was over \$100,000, now it is less than \$25,000.

10. PUBLIC HEARING: Housing Action Plan (HAP)

NOTICE IS HEREBY GIVEN that the Carnation City Council will hold a public hearing to receive and consider public comment regarding Housing Action Plan. Any taxpayer may speak and be heard for or against any part of the proposed changes. A copy of the proposed Housing Action Plan is available in this packet and online <https://bit.ly/3BiMZtr>

Mayor Ribail opened the Public Hearing at 6:46 P.M.

City Manager Ana Cortez presented on the Housing Action Plan:

- What it IS
- What it is NOT
- Options
- Numbers Matter

Debbie Green provided comments.

Jules Hughes provided comments.

Jessica Merizan provided comments.

Morgan Henley provided comments.

Mayor Ribail closed the Public Hearing at 7:23 P.M.

11. PUBLIC COMMENT & REQUESTS: *Public comment on meeting items or other issues of note or concern. Comments may be submitted in advance by writing or e-mailing clerk@carnationwa.gov, or made in person, or by telephone or computer connection at the time of the meeting. Individual comments shall be limited to three minutes. Group comments shall be limited to five minutes.*

Carolyn Bane provided comments.

Morgan Henley provided comments.

Executive Session:

- Mayor Ribail began the Executive Session at 7:27 P.M.

- Mayor Ribail resumed the Regular Session at 8:00 P.M.
- Mayor Ribail calls for a recess at 8:00 P.M.
- City Council resumes regular session at 8:02 P.M.

12. AGENDA BILLS:

- a) AB23-53 Resolution: Amendment to the Fee Schedule
MOTION BY DEPUTY MAYOR HARRIS SECOND BY COUNCILMEMBER BURRELL. MOTION PASSED (5-0).
- b) AB23-54 Ordinance: Fire Code
MOTION BY DEPUTY MAYOR HARRIS, SECOND BY COUNCILMEMBER GREEN. MOTION PASSED (5-0).
- c) AB23-57 Ordinance: Amendment to Budget II
MOTION BY COUNCILMEMBER GREEN, SECOND BY COUNCILMEMBER HAWKINS. MOTION PASSED (5-0).
- d) AB23-58 Ordinance: Vehicles as Dwelling Units
MOTION BY DEPUTY MAYOR HARRIS, SECOND BY COUNCILMEMBER BURRELL. MOTION PASSED (5-0).
- e) AB23-59 Motion: Setting Date for Public Hearing for Signage
MOTION BY COUNCILMEMBER GREEN, SECOND BY DEPUTY MAYOR HARRIS. MOTION PASSED (5-0).
- f) AB23-60 Motion: Fiscal Policy - Tipping for Services Paid with City Credit Card
MOTION BY DEPUTY MAYOR HARRIS, SECOND BY COUNCILMEMBER HAWKINS. MOTION PASSED (5-0).
- g) AB23-61 Motion: Appoint City Manager to the MWPAAC Committee
MOTION BY DEPUTY MAYOR HARRIS, SECOND BY COUNCILMEMBER GREEN. MOTION PASSED (5-0).

13. DISCUSSION ITEMS:

- a) Lodging Tax
CED Principal Ender led a discussion on implementing a 0.8% lodging tax collected by the City for tourism.
- b) Signage
The Council will take into consideration recommendation from the Economic Development Committee regarding changes to our signage code.
- c) Blake Decision

In light of the recent legislation passed in response to the Blake Decision, P.I.O. Farnworth read an excerpt of an article posted to Medium by Governor Jay Inslee's Office.

OTHER

- Pride Flags
- Letter of Support for charging stations at the Carnation Market

14. FUTURE AGENDAS:

- a) Tentative agenda for the meeting of June 6th, 2023
- b) Tentative agenda for the meeting of June 20th, 2023

15. ADJOURNMENT: Mayor Jim Ribail

At 9:11 P.M.

Approved at the regular meeting of the Carnation City Council on June 6th, 2023.

MAYOR JIM RIBAIL

CITY CLERK LORA WILMES



ACCOUNTS PAYABLE

City of Carnation

Time: 19:50:14 Date: 06/05/2023

As Of: 05/30/2023

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Accts Pay #	Received	Date Due		Vendor	Amount	Memo
1067	05/12/2023	05/12/2023	529	AM TEST, INC	100.00	Water Bacteriological Analysis
1124	05/24/2023	05/24/2023	535	ARC ARCHITECTS, INC	19,573.88	COST RECOVERY PROFESIONAL SERVICES FROM MARCH 26, TO APRIL 25, 2023
1083	05/16/2023	05/16/2023	582	CORE & MAIN, LP	14,160.00	Meters. 48 quantity
1087	05/19/2023	05/19/2023	582	CORE & MAIN, LP	9,875.40	Water Meters Parts
1092	05/19/2023	05/19/2023	582	CORE & MAIN, LP	2,532.01	Water Meter Parts
1093	05/19/2023	05/19/2023	582	CORE & MAIN, LP	3,125.13	Water Meter Parts
1110	05/24/2023	05/24/2023	582	CORE & MAIN, LP	1,199.76	NEPTUNE METER WITH INTEGRATED R900, FLG X FLG. NO LEAD
1089	05/19/2023	05/19/2023	659	GC SYSTEMS INCORPORATED	6,170.90	Rebuilt clay valve in Water System
1091	05/19/2023	05/19/2023	700	KC FINANCE - DOT-ROADS	1,072.09	Street Sign Maintainance
1082	05/15/2023	05/15/2023	720	KPG PSOMAS	18,275.79	MCKINLEY
1135	05/26/2023	05/26/2023	723	KING COUNTY	200.00	FEE FOR INTERLOCAL AGREEMENT FOR KING COUNTY HISTORIE PRESERVATION SERVICES \$100. ANNUAL FEE (2022-2023)
1125	05/25/2023	05/25/2023	727	KING COUNTY SHERIFF'S OFFICE	2,191.16	STATEMENT FOR CARNATION SPECIAL EMPHASIS DISCRETIONARY OF CHARGES FEBRUARY 2023
1126	05/25/2023	05/25/2023	727	KING COUNTY SHERIFF'S OFFICE	1,123.72	STATEMENT FOR CARNATION SPECIAL EMPHASIS DISCRETIONARY OT CHARGES MARCH 2023.
1098	05/19/2023	05/19/2023	797	PACIFIC GROUNDWATER GROUP, PGG/MOTT MACDONAI	4,133.51	Task cost Breakdown Carnation Landfill Quarterly monitoring
1128	05/26/2023	05/26/2023	797	PACIFIC GROUNDWATER GROUP, PGG/MOTT MACDONAI	3,251.01	MOT MACDONALD. CREDIT DUPLICATE CHECK PAYMENT FOR DEC.2022. TOTAL AMOUNT OUTSTANDING \$3251.01
1077	05/15/2023	05/15/2023	804	PUGET SOUND ENERGY	8,755.61	TOLT AVE LIGHTS
1084	05/16/2023	05/16/2023	804	PUGET SOUND ENERGY	3,379.12	4301 315th ave ne
1108	05/24/2023	05/24/2023	832	RICARDO NOGUERA	5,000.00	Prepared questionarie for distribution to Home-Based. Conducted extensive research to identify Home-Based Business. Created a social media page via facebook . COST RECOVERY
1112	05/24/2023	05/24/2023	845	SHELL OIL	1,401.77	SHELL CREDIT CARD. case #18444677 CANCELATION. ANA SPOKE TO SUZANNE BY PHONE. FINAL BILL
1136	05/30/2023	05/30/2023	858	SHARP ELECTRONIC CORP ~ USAGE	0.09	70185013618, SN : 85013618
1102	05/23/2023	05/23/2023	862	SOUND PUBLISHING INC	163.38	Snoqualmie Valley Record
1103	05/23/2023	05/23/2023	862	SOUND PUBLISHING INC	143.44	Snowqualmie Valley Record
1064	05/12/2023	05/12/2023	893	UNITED SITE SERVICES	349.50	Wheelchair Accessible-Weekly Service-Additional Weekly Service- Hand Sanitizer Refill
1065	05/12/2023	05/12/2023	893	UNITED SITE SERVICES	465.92	Memorial Park
1066	05/12/2023	05/12/2023	893	UNITED SITE SERVICES	172.16	Hand Sani Refill Sewer Location
1063	05/12/2023	05/12/2023	898	UTILITIES UNDERGROUND LOCATION CENTER	33.54	Excavation notification for the Month:26

ACCOUNTS PAYABLE

City of Carnation

Time: 19:50:14 Date: 06/05/2023

As Of: 05/30/2023

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Accts Pay #	Received	Date Due		Vendor	Amount	Memo
1079	05/15/2023	05/15/2023	923	ZIONS BANK, ENTERPRISE LOAN OPS	16,800.00	EOC LOAN. 2.1 MBOND. DEBT SERVICE. INTEREST PAYMENT.
1107	05/23/2023	05/23/2023	954	ANA CORTEZ	110.00	Foldable desk \$55 x2 FACEBOOK MARKET PLACE
1130	05/26/2023	05/26/2023	954	ANA CORTEZ	150.00	WOODEN DOOR GOLD FRAME CABINET FOR THE OFFICE.
1133	05/26/2023	05/26/2023	954	ANA CORTEZ	16.00	REIMBURSMENT TO ANA. SUMMER RED BASKET FOR THE BATHROOM
1095	05/19/2023	05/19/2023	963	AIRVAC INC.	11,847.40	Air Vac. System Parts
1096	05/19/2023	05/19/2023	963	AIRVAC INC.	4,204.04	Vac System Parts
1114	05/24/2023	05/24/2023	963	AIRVAC INC.	9,485.59	BRAY 8" W/ELECTRIC ACTUATION. FREIGHT BILLED
1054	05/12/2023	05/12/2023	978	TIM WOOLETT	64.80	COST RECOVERY CONSULTING SERVICES FORTWEST
1055	05/12/2023	05/12/2023	978	TIM WOOLETT	2,149.20	COST RECOVERY MAINVUE HOMES
1056	05/12/2023	05/12/2023	978	TIM WOOLETT	75.60	COST RECOVERY CONSULTING SERVICES MIKKO NIEMELA
1057	05/12/2023	05/12/2023	978	TIM WOOLETT	691.20	COST RECOVERY PULTE HOMES
1058	05/12/2023	05/12/2023	978	TIM WOOLETT	129.60	COST RECOVERY CONSULTING SERVICES TOLT LEGAL SPR
1059	05/12/2023	05/12/2023	978	TIM WOOLETT	1,695.60	CONSULTING SERVICES COST RECOVERY SNO-VALLEY SENIOR CENTER
1060	05/12/2023	05/12/2023	978	TIM WOOLETT	2,480.14	Land Use Planning and Consulting
1068	05/12/2023	05/12/2023	979	GRAY & OSBORNE, INC	1,278.18	Utility Mapping Assistance
1069	05/15/2023	05/15/2023	979	GRAY & OSBORNE, INC	407.15	ENG SERVICES. EOC DRAINAGE.
1070	05/15/2023	05/15/2023	979	GRAY & OSBORNE, INC	5,785.06	E BIRD
1076	05/15/2023	05/15/2023	979	GRAY & OSBORNE, INC	5,836.45	ENTWISTLE SURVEY
1078	05/15/2023	05/15/2023	979	GRAY & OSBORNE, INC	5,913.36	BRUMBAUGH SURVEY
1101	05/23/2023	05/23/2023	979	GRAY & OSBORNE, INC	1,178.51	Profesional Service From march26, 23 Bawell Survey
1111	05/24/2023	05/24/2023	999	SPRINGBROOK HOLDING CO LLC	1,086.75	IMPLEMENTATION PROFESIONAL SERVICES (\$189 FOR 5.75 HOURS)
1106	05/23/2023	05/23/2023	1000	LDC CORP	162.50	FINAL HOUSING ACTION PLAN
1073	05/15/2023	05/15/2023	1011	FUSIONTEK	601.25	TICKETS.
1074	05/15/2023	05/15/2023	1011	FUSIONTEK	1,058.99	AZURE MARCH
1075	05/15/2023	05/15/2023	1011	FUSIONTEK	323.75	TICKETS
1104	05/23/2023	05/23/2023	1011	FUSIONTEK	4,527.36	Advance security package x3, Azure Active directory premium , MSA full service
1105	05/23/2023	05/23/2023	1011	FUSIONTEK	1,058.99	Azure Compute & Storage Consumption . April
1134	05/26/2023	05/26/2023	1011	FUSIONTEK	277.50	FOIA EMAIL SEARCH
1061	05/12/2023	05/12/2023	1043	BENJAMIN ASPHALT, INC	11,761.34	Water and Sewer Maintenance
1062	05/12/2023	05/12/2023	1043	BENJAMIN ASPHALT, INC	39,566.80	Valley Memorial Park Paving
1088	05/19/2023	05/19/2023	1043	BENJAMIN ASPHALT, INC	9,359.07	Excersizing Water and Sewer valve throughout town
1090	05/19/2023	05/19/2023	1043	BENJAMIN ASPHALT, INC	17,609.40	Stossel street catch basin installed
1115	05/24/2023	05/24/2023	1043	BENJAMIN ASPHALT, INC	13,962.52	SEWER AND WATER MAINTENANCE. JOB:14585

ACCOUNTS PAYABLE

City of Carnation

Time: 19:50:14 Date: 06/05/2023

As Of: 05/30/2023

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Accts Pay #	Received	Date Due	Vendor	Amount	Memo
1116	05/24/2023	05/24/2023	1043 BENJAMIN ASPHALT, INC	37,664.55	JOB: 14597 ALLEY BEHIND RED PEPPER, ENTWISTLE & MILWAUKEE.
1117	05/24/2023	05/24/2023	1043 BENJAMIN ASPHALT, INC	3,956.68	JOB: 14413. CARNATION CITY BIRD ST & TOLT AVE
1097	05/19/2023	05/19/2023	1093 HARGROVE, JENNIFER	320.00	Content Creation, proofing and research.
1137	05/30/2023	05/30/2023	1127 GLASS GURU	3,112.10	Glass replacement Location: Ixtapa Restaurant Requires 3-4 Technicians, includes installation.
1080	05/15/2023	05/15/2023	1136 LANE POWELL	8,533.00	LITIGATION. TEAMSTERS
1081	05/15/2023	05/15/2023	1137 APPLIED PROFESSIONAL SERVICES	880.00	MCKINLEY AND EUGENE
1086	05/18/2023	05/18/2023	1140 WSDOT, GOOD TO GO	5.40	520 toll bridge. Crossing to pick up chamber metal table.
1119	05/24/2023	05/24/2023	1143 SCHREUR, RANDAL	502.12	REFUND FOR OVERPAYMENT OF FINAL UTILITY BILL #6210020 COST RECOVERY
1120	05/24/2023	05/24/2023	1144 HUTCHISON, JEFFREY	450.00	REFUND FOR OVERPAYMENT OF FINAL UTILITY BILL #6810000 COST RECOVERY
1121	05/24/2023	05/24/2023	1145 KAHANIC, JEREMY	210.19	REFUND FOR OVERPAYMENT OF FINAL UTILITY BILL #7420760 COST RECOVERY
1122	05/24/2023	05/24/2023	1146 HOLDINGS, BJT	137.12	REFUND FOR OVERPAYMENT OF FINAL UTILITY BILL #7424730 COST RECOVERY
1123	05/24/2023	05/24/2023	1147 ROOT, DEAN	350.20	COST RECOVERY REFUND FOR OVERPAYMENT OF FINAL UTILITY BILL #4730000
1071	05/15/2023	05/15/2023	196405 KING COUNTY, INFORMATION TECH 2023	750.00	KCIT INET. CITY HALL.
1118	05/24/2023	05/24/2023	2850000 FIRTH, BETTYE	10.46	REFUND OVERPAYMENT OF FINAL UTILITY BILL #2850000 COST RECOVERY

Report Total: 335,384.81

This report has been reviewed by:

Lora Wilmas

06-05-23

REMARKS:

Signature & Title

Date

AcctsPayableNumber_UI	Status	Claims-Payroll	APDateDue	APAmount	AccountDisplayName
1094	Approved	Claims	5/19/2023	129.14	AIRVAC INC.
1132	Approved	Claims	5/26/2023	12,410.82	AWC EMPLOYEE BENEFIT TRUST
1138	Approved	Claims	5/30/2023	12,200.00	BELENUS SOLUTIONS, LLC
1113	Approved	Claims	5/24/2023	28,975.07	ISSAQUAH HONDA KUBOTA
1099	Approved	Claims	5/22/2023	580.00	LUCERO, CHEA
1127	Approved	Claims	5/25/2023	737.70	OLD, REPUBLIC
1100	Approved	Claims	5/23/2023	20.00	PAOLETTI, AMY
1129	Approved	Claims	5/26/2023	3,000.00	VAZQUEZ, JOSE
1131	Approved	Claims	5/26/2023	3,451.20	WASHINGTON TEAMSTERS WELFARE TRUST
1085	Approved	Claims	5/17/2023	230.00	WILKES, TAMI

Already Paid: 61,733.93

Lora Wilmes 6/1/2023

CITY OF CARNATION



OFFICIAL PROCLAMATION

Whereas, the month of June was designated Pride Month to commemorate the the LGBTQIA+ Rights Movement; and

Whereas, City Council and staff have committed to make Carnation a welcoming community for all, and

Whereas, all members of the Carnation community, including those who are part of the LGBTQIA+ community have the right to feel safe, not be discriminated against and to live without the threat of violence or harassment; and

Whereas, supporting Carnation's LGBTQIA+ community also aligns with the City's principles of supporting all people with equality; and

Whereas, Carnation is strengthened by and thrives upon the rich diversity of ethnic, cultural, racial, and lifestyle identities of all of its residents; all of which contribute to the vibrant character of our City; and

Whereas, the City of Carnation encourages all resident to work together to fight bullying and harassment, and teach respect for everyone, regardless of age, ethnicity, faith, gender, sexual orientation, or any differences that are perceived or real:

Now therefore, the City Council of the City of Carnation, Washington, do hereby proclaim June as

Pride Month

in the CITY OF CARNATION, and urge that all citizens and community organizations join in this observance.

Approved this 6th day of June, 2023

Mayor Jim Ribail

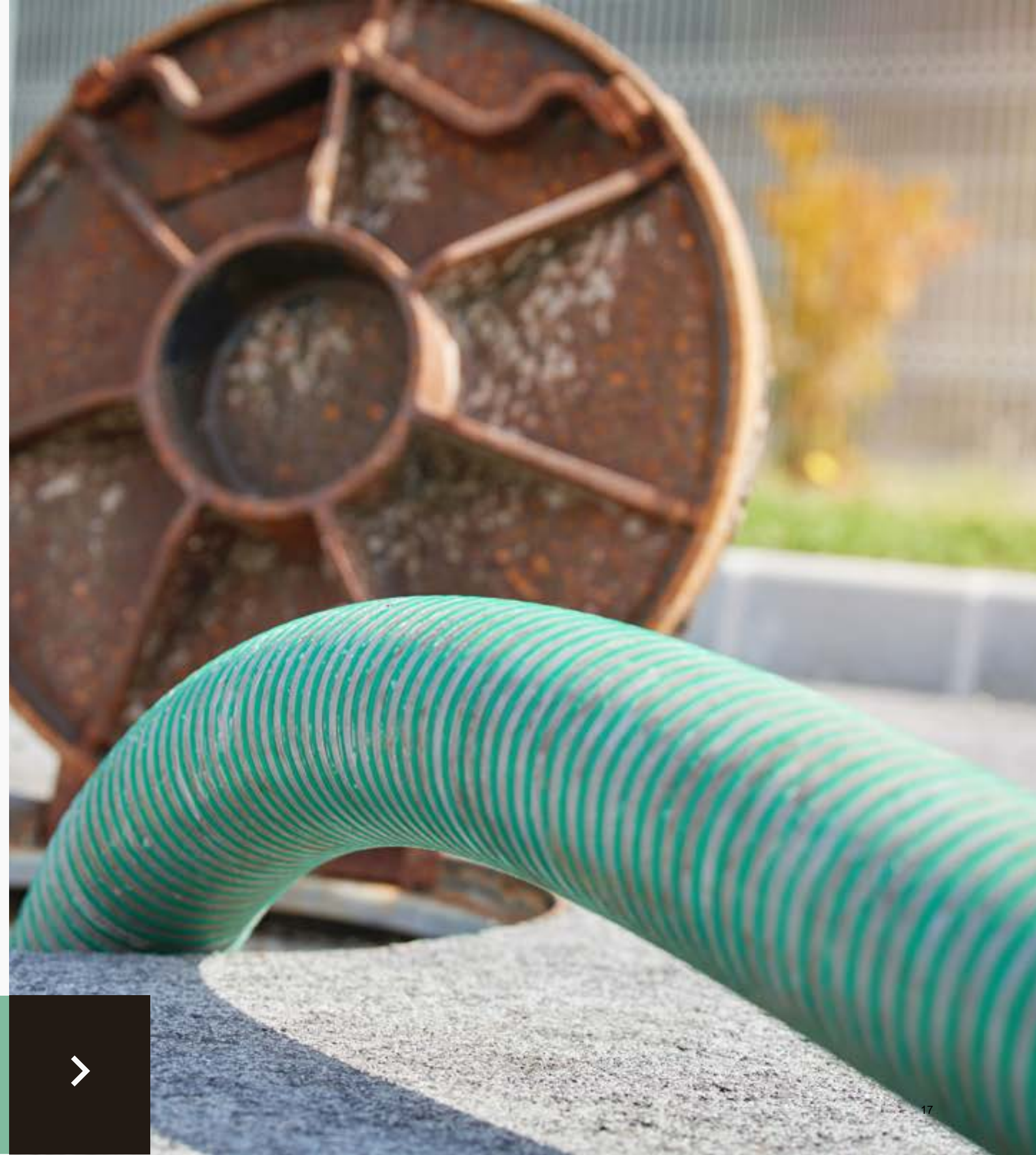


City of Carnation

Public Works Department Report

CED Utility Manager Brandon Schell

June 6th, 2023



Stossel Avenue

A section of Stossel between W Commercial and Entwistle has been repaved. Drainage improvements have also been conducted



Basketball Court at Valley Memorial Park

Repaving, striping, new fence, and new hoops.



*Valley Memorial Park
Parking Lot*

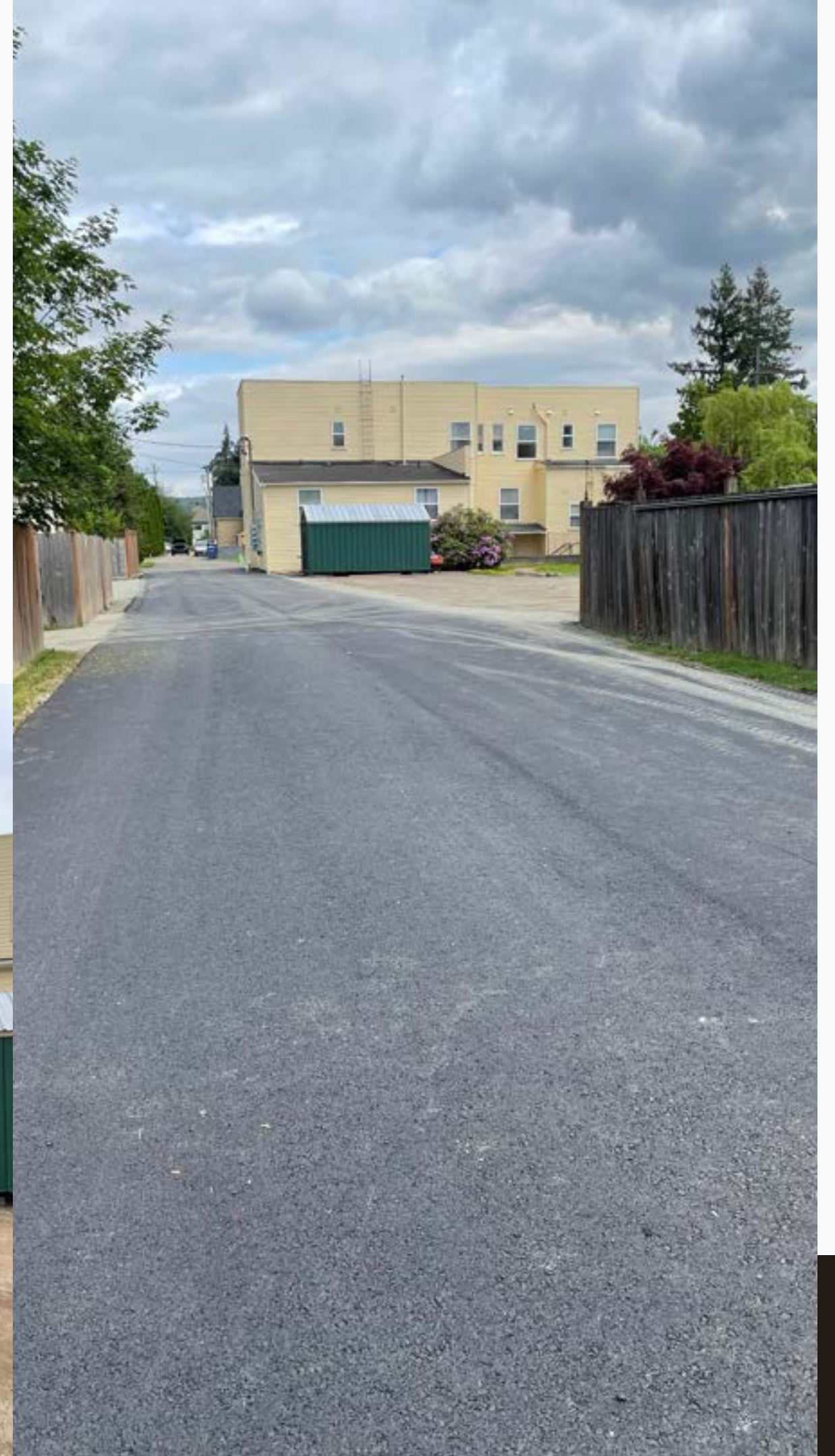




Nick Loutsis Park Parking Lot

Alley J

Alley J was graded and paved.



Alley Grading

Every single alley in the City – with the exception of Alley D – was graded and leveled.



Valve Maintenance

Watermain and Sewer Valves have been excised throughout the City. Valves on Milwaukee have been paved,



MINCOM

The Mini Commons Concept began with the grading of the parcel.



Storm Catch Basin Cleaning





LEGAL NOTICE
CITY OF CARNATION
-PUBLIC HEARING-

NOTICE IS HEREBY GIVEN that the Carnation City Council will hold a public hearing to receive and consider public comment regarding a recommended ordinance related to modification and revision of Carnation Municipal Code, Chapter 15.68.130 Temporary Signs. Consideration of amending location and time duration of temporary signs on Tolt Avenue.

The hearing will be conducted during the regular meeting of the Carnation City Council on June 6th, 2023 at 6:00 PM or soon thereafter. The hearing is open to the public. All interested persons are encouraged to listen and/or attend the public hearing and to provide oral and/or written comments.

For inquiries and/or assistance regarding how to attend or participate in this hearing using the City's remote electronic format, please visit www.carnationwa.gov or contact the city clerk.

This notice is published pursuant to CMC 1.14.010 & 15.100.040(B).

CITY OF CARNATION

Lora Wilmes, City Clerk

Publish in the Snoqualmie Valley Record.



CARNATION CITY COUNCIL

A G E N D A B I L L

TITLE: A MOTION to accept the Housing Action Plan (HAP). EXHIBITS: (P.29) Exhibit A: Presentation (P.35) Exhibit B: Redlined Housing Action Plan (P.61) Exhibit C: Housing Action Plan	Agenda Bill No.:	AB23-62
	Type of Action:	MOTION
	Origin: <i>(Council/Manager)</i>	City Manager
	Agenda Bill Author:	City Manager
	Date Submitted:	06-06-23
	For Agenda of:	06-06-23
	Expenditure Required:	0
Amount Budgeted:	0	
Appropriation Required:	0	

SUMMARY STATEMENT AND DISCUSSION:

RECOMMENDED ACTION: I move to accept the Housing Action Plan (HAP)

LEGISLATIVE HISTORY: Public Hearing 5/16/2023

ACTION TAKEN

MOTION AS PROPOSED			MOTION AS AMENDED		
Motion made by:			Motion made by:		
Second by:			Second by:		
	YES Vote	NO Vote		YES Vote	NO Vote
Hawkins			Hawkins		
Ribail			Ribail		
Harris			Harris		
Burrell			Burrell		
Green			Green		
Passed/Failed			Passed/Failed		
Ordinance/Resolution No.:			Ordinance/Resolution No.:		



HOUSING ACTION PLAN



June 6, 2023

After receiving community input via Public Hearing, the City of Carnation presents a revised Housing Action Plan.

01 Numbers Matter.

Current Number of Households: 800 units
Current Population: 2,167 people



**GMA Goal by 2044:
799 Units**

**City Goal by 2044:
361 Units**

2.77 people per
household = 2,213
population growth

2.77 people per
household = 1,000
population growth



Total Population:
4,380 people

Total Population:
3,167 people



02

The Letter.

An open letter addressed to Governor Jay Inslee is now the first page of the Housing Action Plan.

"The City of Carnation's Housing Action Plan begins with this letter to document the City's desire to achieve realistic, sustainable, and equitable housing goals."

"City of Carnation proposes and embraces a more realistic alternative, consistent with the character the Carnation community wishes to preserve."

"Growth management demands effective and honest partnerships with the State, King County, and the Puget Sound Regional Council (PSRC)."



03 The Principles.

A new section was added at the end of the HAP titled GMA as a framework for Strategy Implementation. Listed in the chapter are 13 principles that are embraced by the three actions the plan promotes:

1. ADU Development
2. SEPA Exemptions
3. Keep residents in their homes.



01

Urban
Growth

02

Reduce
Sprawl

03

Transportation

04

Housing

05

Economic
Development

06

Property
Rights

07

Permits

08

Natural
Resource
Industries

09

Open
Space and
Recreation

10

Environment

11

Citizen
Participation
and
Coordination

12

Public
Facilities and
Storage

13

Historic
Preservation



04 SEPA Message.

"Please note that the suggestions below do not eliminate or diminish SEPA review, they simply eliminate redundancy."





05

People, NOT Units

Changes were made throughout the document to reflect the City's proposed housing target of 361 units by 2044, which would translate to a population growth of 1,000 people.



REDLINED COPY



CARNATION *Washington*

— YOUR NATURAL DESTINATION —



City of Carnation Housing Action Plan **May June 2023**



Governor Jay Inslee
Office of the Governor
PO Box 40002
Olympia, WA 98504-0002

Honorable Governor Inslee,

The City of Carnation's Housing Action Plan begins with this letter to document the City's desire to achieve realistic, sustainable, and equitable housing goals. The City of Carnation embraces the goals of the GMA, and its statutes that require fast-growing counties to develop a comprehensive plan to manage their population growth. This is consistent with the culture of the Evergreen State.

The GMA has given the City of Carnation a housing target of 799 units by 2044. With an average of 2.77 people occupying each unit, this translates to a population growth of an additional 2,213 people. This would bring the population of Carnation to 4,380, which **nearly doubles the current population of 2,167**. The City of Carnation has been incorporated for 110 years. History demonstrates this amount of growth is not plausible in the next 21 years.

The current GMA target of 799 was a result of past City Managers' actions that excluded the legislative body from this important discussion. For this reason, **the City of Carnation proposes and embraces a more realistic alternative, consistent with the character the Carnation community wishes to preserve**. We propose a base of 361 homes as a precursor to the 799. This would add an additional 1,000 people to our current population. We feel this is a far more reasonable target, as we currently have 223 homes in the pipeline via five new housing developments.

Growth management demands effective and honest partnerships with the State, King County, and the Puget Sound Regional Council (PSRC). To meet the State's aspirational targets, and to support the PSRC's strategic actions in the Snoqualmie Valley, King County has to play its part. King County's philosophy around Carnation has historically been farmland protection, with little investment in roads or infrastructure to travel to and from our rural community, health services, and commercial uses. Since managed growth is now the goal, it (1) requires increased levels of County transportation infrastructure, and (2) more land.

Sincerely,

Ana Cortez, City Manager

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B. ACKNOWLEDGEMENTS

CARNATION CITY COUNCIL

Mayor Jim Ribail	Council Position #2
Deputy Mayor Tim Harris	Council Position #3
Councilmember Adair Hawkins	Council Position #1
Councilmember Ryan Burrell	Council Position #4
Councilmember Dustin Green	Council Position #5

CONSULTANT TEAM: LDC, INC.

Clay White	Planning Director
Matt Covert	Senior Planner
Samantha Adams	Associate Planner
Joel Farias	Permit Technician

CONSULTANT TEAM: FCS GROUP - Prepared Regional Housing Needs Assessment

Todd Chase	Principal / Economist
Timothy Wood	Assistant Project Manager

Introduction

The City of Carnation embraces the principles of Growth Management and is committed to responsible, sustainable, equitable growth. For this reason, the City documents its concern with the GMA target of 799 units by 2044. This target is inconsistent with the historical trends, municipal services capacity, and character of our rural community. Furthermore, King County services are essential to support growth. Currently, there is a gap between what we currently need from the County and the services we receive.

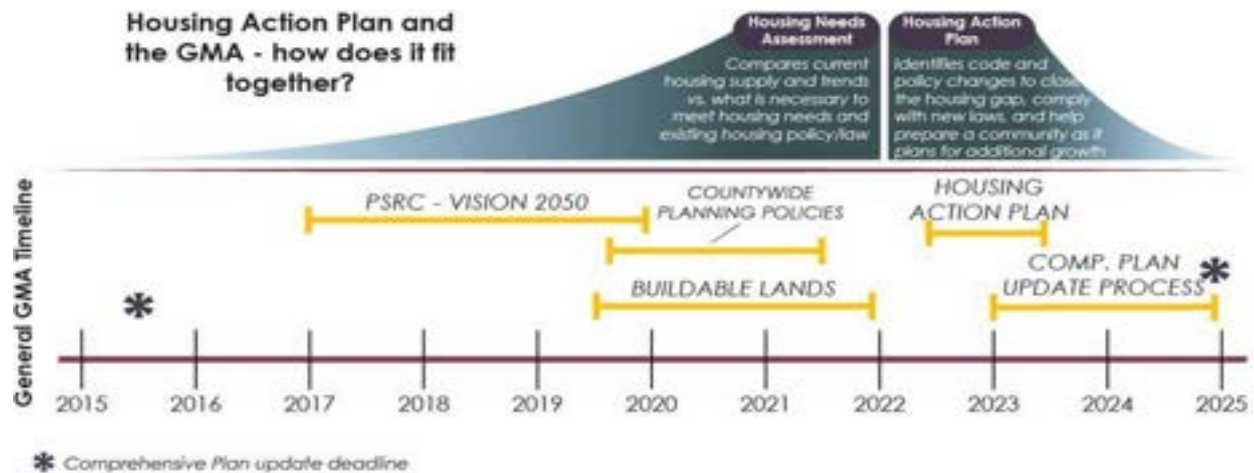
The City of Carnation understands the importance of housing diversity and affordable dwelling options. The high cost/rent of housing is a major issue facing our region. As the four-county region (Pierce, King, Snohomish, and Kitsap) continues to grow, adding 1.8 million more people between 2017- 2050, action must be taken.

Recognizing the need to focus on housing, the Washington State Legislature passed House Bill (HB) 1923, which provides grant funds to help cities develop a Housing Action Plan (HAP). The cities of Carnation, North Bend, Duvall, and Snoqualmie jointly applied for and received funding for a Regional Housing Needs Assessment as well as individual HAPs for each city. The regional approach provides an opportunity for the cities to compare housing issues facing the four communities, through the

development of the regional Housing Needs Assessment (HNA). City-specific strategies and actions to address identified housing issues are provided within each HAP. Overall, this plan studies the existing and future housing needs for Carnation, engages the community in these important issues, and develops strategies and actions the City can consider in the future.

The timing for this project is ideal, as the City is beginning the required 2024 periodic update to the Comprehensive Plan and Development Regulations. As part of this process, the City will be evaluating how to accommodate additional population and employment growth, and plan for a variety of housing types and various income levels. The HAP plays an even more important role in the update given recent legislative changes. In 2021, the Washington State Legislature amended the Housing Element requirements of the Growth Management Act (GMA) through HB 1220.

HB 1220 strengthened the GMA Housing Element in a variety of ways. This includes modifying language from encouraging the availability of affordable housing, in addition to a requirement to plan and accommodate affordable housing for all economic segments of the population. New requirements put a greater responsibility on local government to plan for housing for low- and moderate-income households. The HAP will assist in providing options the City can consider as part of the periodic update.



Housing is top of mind for the region’s residents.

In 2022, the Department of Commerce and Puget Sound Regional Council (PSRC) conducted a survey on twelve different state-wide issues, ranging from transportation, climate change, healthcare to housing. What they found is that Washington residents are most concerned with housing costs/rents, homelessness, and overall cost of living. This is not news to state authorities, although it is important to gather input on top-of-mind issues from a large portion of the state population.

The City of Carnation residents are equally concerned with growth at the expense of the historical character of this rural community. These interests and concerns are the goal of growth management.

Survey Key Findings¹

- 78% of respondents say they want

more housing options for people in their communities, including seniors, teachers, firefighters, childcare workers, and healthcare workers.

- Housing costs are a top issue for four times as many respondents (39%), compared to traffic and transportation (8%).
- 74% of respondents have experienced one or more difficulties finding affordable housing.
- 83% of respondents say government agencies should work together to address the need for housing.

Both the Comprehensive Plan update and Housing Action Plan are efforts to help address the housing issues Washington State residents and the City of Carnation are facing. Each of these projects gives elected officials tools and solutions to begin moving in the right direction. The state has acted on housing-related issues and over the coming years, we should begin to see the benefits of this work.

¹ Puget Sound Regional Council & Washington State Department of Commerce Housing Survey, December 2022

Figure 1. How a Housing Action Plan (HAP) works



D. PLAN INTRODUCTION

Community Profile

The City of Carnation is located in east King County where the Tolt and Snoqualmie Rivers meet. The City of Carnation is home to just over 2,180 people. Situated 30 miles east of Seattle and 20 miles east of Bellevue, the community is perhaps best known regionally for its productive agriculture and variety of outdoor activity areas.

Figure 2. Vicinity Map



Caption: Carnation in relation to King County

Figure 3. HB 1923 Requirements

Project Overview

The City of Carnation proudly presents its Housing Action Plan (HAP). The development of this Plan has engaged the community in an important conversation about housing. Key questions and issues raised include:

- How does the City achieve a sustainable community with diverse housing, services, and demographics?
- There is a large community of senior citizens or soon-to-be senior citizens and little assisted living facilities available. How will they be accommodated?
- How will the City meet the housing needs of an aging population?
- Historical growth demonstrates a realistic goal of 361 new housing units by 2044- not 799 as allotted through the GMA process.

House Bill 1923 Requirements for a Housing Action Plan

- Quantify existing and projected housing needs for all income levels, including extremely low-income households.
- Develop strategies to increase the supply of housing, and variety of housing types.
- Analyze population and employment trends, with documentation of projections.
- Consider strategies to minimize displacement of low-income residents resulting from redevelopment.
- Review and evaluate the current housing policies.
- Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups.
- Include a schedule of programs and actions to implement the recommendations of the housing action plan.

To begin to answer these important questions, Carnation, Snoqualmie, North Bend, and Duvall commissioned an analysis of housing data. The Regional Housing Needs Assessment (Appendix 1) looked at a range of metrics across all four cities, including demographics, workforce, housing market, and land capacity. An individual HNA (Appendix 2) looked more in-depth at city-specific data and issues. The HNA summary, located in Chapter E, provides a summary of important insights on issues like:

- How affordable (or not) is housing today?
- How is the City expected to grow in the future?
- What kind of housing is necessary to meet current and future needs?

The intersection between key housing issues identified by the community and data highlighting current and future housing needs leads to the development of a Housing Action Plan (HAP). The HAP, located in Chapter F, outlines strategies and actions to ensure the City offers the appropriate supply and type of housing to meet future demand for all income levels.

Housing strategies are focused on important topics such as:

- Providing a wider variety of housing types that are consistent with community character.
- Protecting current affordable housing stock.
- Preventing and mitigating displacement of long-term residents

- Improving the regulatory environment for permits and streamlining processes.

Goals and Objectives

As noted in the HNA, 25 percent of the City’s homeowner and renter households are classified as cost-burdened by rising housing costs, meaning they pay more than 30 percent of their income toward their housing. Also noted is Carnation’s need for sustainable growth that can be supported by both local and county services.

Goals

- Encourage preservation of existing affordable housing and to count each rehabilitated unit toward the target of 361 housing units.
- Promote development of diverse new housing that is consistent with community character with a target of 361 housing units.
- Require local and county infrastructure to support growth (transportation, utilities, transit, medical, educational, public safety and other essential services) as requirement to pursue additional 438 housing units which added to the proposed 361, reaches the GMA goal of 799 housing units.

Objectives

- Develop strategies and recommendations to protect the supply and types of housing needed in Carnation.

- Develop zoning, regulatory, and incentive strategies to support housing that meets the needs of Carnation residents.
- Evaluate and refine existing housing policies and actions that are consistent with the character of the City.
- Develop recommendations for improvement based on housing needs and opportunities for services.
- Advocate, broker, request increased County services consistent with GMA set growth.
- Obtain and document consistency in County policy vision between farm preservation (nonresidential) focus and the GMA's housing construction focus.

Plan Elements

The goals and visions are implemented through the development of this plan. The two primary pieces of this plan are the Housing Needs Assessment and the Housing Action Plan.

Housing Needs Assessment (HNA) – High Level Findings

- The average household income in the City of Carnation has increased at a rate much lower than the rate of average rent and home cost. Carnation's median

household income of \$112,000 per year is lower than the other cities in the region. The median home sales price index was just above \$1,000,000 in 2022.

- In 2020, there was an estimated 782 households with an average household size of 2.77 people. 13 percent of Carnation residents are Hispanic or Latino.
- A majority of Carnation residents are employed outside of the City. Most residents are commuting in the west direction – likely to Seattle- Redmond-Bellevue area.
- 18 percent of Carnation's renter households are severely cost burdened. Around 40 percent of the city's households make below 80 percent of the area's median income.
- Carnation's population is aging and has the oldest median age of the four cities in the region. This will create added pressure as well as a need for more accessible housing.
- ~~Carnation's housing target out to 2044 is 799 units. With 233 units in the permitting pipeline and 481 units of capacity remaining, the city is 95 units short within City limits.~~

The need to provide housing that people can afford is real and growing. The Housing Action Plan provides a variety of options to address these issues.

Public Participation

This Housing Action Plan was developed with a range of public engagement. The City relied on close consultation with a group of interviewees, contacted with help from city staff, who helped to shape the issues, focus, and vision of the Plan and pointed the way to identification of strategies and actions.

The project team conducted in-depth interviews with representatives from the following groups and organizations:

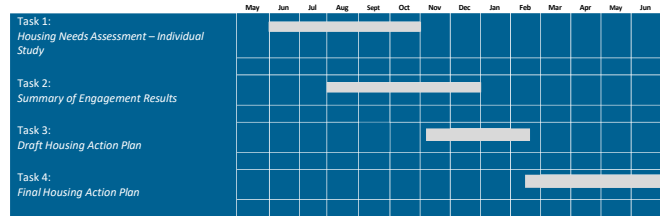
- Empower Youth Network
- Supportive Community for All
- Sno-Valley Senior Center
- Tolt Legal Services
- Fortney Construction
- Hopelink Service Center
- Living Word Community Church

The project team used input from City staff as well as from the interviewees to craft action writeups and recommendations.

Project Timeline

The Commerce deadline for adoption of the HAP is June 30, 2023. The following process and schedule were followed to ensure state requirements and project goals were met.

Figure 4. Timeline and Process Graphic



E. HOUSING NEEDS ASSESMENT SUMMARY

Carnation Housing Needs Assessment Results Summary

This section contains a summary of the Housing Needs Assessment’s findings. Carnation was part of a Regional Housing Needs Assessment as well as an individual HNA based off regional data and supplemented with additional analysis. The Regional HNA can be found in Appendix 1, and the Individual HNA in Appendix 2.

Carnation Current and Projected Housing Gaps and Housing Production Target

Current Number of Households: 800
Current Population: 2,167 people

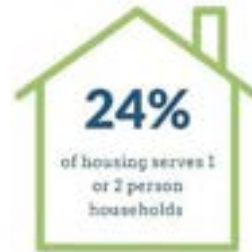
GMA Goal by 2044: 799	City Goal by 2044: 361
@2.77 people per household = 2,213 Population Growth	@2.77 people per household = 1,000 population Growth
Total Population = 4,380	Total Population = 3,167

~~Carnation has a 2044 housing target of 799 new dwellings. The City permitted 223 net new units between January 1, 2019, and June 2022. After subtracting the committed lands, Carnation has a remaining housing capacity for about 480 dwelling units. This results in a projected capacity shortfall of approximately 95 dwelling units under current zoning.~~

Several demographic trends, including household size, race/ethnicity, incomes, and tenure, influence housing demand and should be evaluated to identify emerging trends and variations in what people need for their families and households.

Recommendation: Facilitating the development of Accessory Dwelling Units (ADUs) is a sound strategy to achieving the goals of preserving affordable housing and the promotion of diverse housing.

Carnation’s Housing Stock



Although 50 percent of Carnation’s population is comprised of one and two-person households, **only 24 percent of the housing stock accommodates these households with studio, one-bedroom or two-bedroom homes.**

Almost half (roughly 48 percent) of housing units in Carnation were built between 1980 and 1999. About 16 percent were built after 1999, and about a third (36 percent) were built before 1980. 83 percent are single-family homes, 9.1 percent are two-to-four-unit townhouses/plexes, 2.5 percent are 5 or more-unit multifamily dwellings, and 5 percent are mobile homes or another type. Moreover, of all units, more than 75 percent of units have either 3, 4, or 5 bedrooms.

Recommendation: There is an increasing need for homes that are more suitable for smaller 1- to 2-person households. The City will explore strategies to promote the development of diverse housing units.

Cost-burden Disproportionately Affects Lower-Income, Renter, and Senior Households



Housing prices have risen faster than incomes, with the median rent in the City increasing by 48 percent from 2010 to 2020.

Over those ten years, the median home value has risen almost 100%. While the median household income rose by about 59 percent in that time frame.

For instance, as of 2019, approximately 25 percent (197 households) of Carnation’s 782 households were cost burdened. Of these cost burdened households, renter households are much more likely to pay more than a third of their income toward housing, with 53 percent of renter households being cost burdened, compared to 20 percent of households who live in owner-occupied units.

Seven percent of Carnation households are severely cost burdened (spending more than 50 percent of annual gross income on housing costs), with five percent of those being homeowners and two percent of those being renters.

Recommendation: Carnation faces an existing gap of housing units affordable to many households, particularly low to moderate income renters and seniors.

At the same time, it will face increased need for more affordable housing to accommodate projected population growth and the aging of its current population.

Carnation’s Diversity

Age:

The overall demographic shift from 2000-2021 indicates that there is a broad range of changes in age ranges in Carnation. The largest age group is currently the 50-64 cohort and about a quarter of the City’s population (24 percent) is children 19 and under, which indicates that many of Carnation’s households are families with children and working adults. The changes in the 45-64 and 65+ age cohorts indicate the population is slowly aging. Approximately 45 percent of Carnation’s population is of retirement age (11% ages 65+) or will be of retirement age within the next 15 years (34% ages 50-64).

Income:

When household incomes increasingly lag behind rents and home values, this creates a cost burden, including households who may at one time have not faced this burden. With Carnation’s population aging and more of the population nearing retirement, the number of cost burdened households will likely increase.

Both median rents and house values have increased dramatically between 2010 and 2022. House values increased from \$357,800 (2010) to \$1,011,000 (August 2022). Rent value is shown to have increased from \$958 per month in 2010 to \$1,426 per month in 2020, a 48 percent increase over 10 years. These numbers confirm that rising housing costs and rent have been a trend felt across King County, the Puget Sound region and state.

Alongside housing cost increases, the median household income in Carnation was \$112,647 in 2020 – above the King County median of \$99,158. A household would need to earn at least 183% of the regional median household income level to be able to “afford” a median priced home of \$1,050,000 (assuming they have 10% down payment and allocate no more than 30% of income to housing). Fewer than 20 percent of Carnation’s households could afford the median home under these conditions.

Commuting Patterns:

Seattle, Redmond, and Bellevue are the primary job centers in King County. As of 2020, there are 690 jobs in the city, most of which are in four categories (management, business and financial operations, office and administrative support, and sales). A majority of employed Carnation residents do not work within city limits, with approximately 97 percent of employed residents commuting outside the city.

Recommendation: The dominant housing available in Carnation is larger single-family structures. This accommodates the 35-49 cohort with children. However, the City should include strategies to address the increased housing needs for other cohorts and promote the development of diverse housing.



What is Affordable Housing?

The term affordable housing refers to a household’s ability to find housing within its financial means. The typical standard used to determine housing affordability is that a household should pay no more than 30% of the gross household income for housing, including payments and interest or rent, utilities, and insurance. Another indicator for measuring and tracking housing affordability concerns is housing cost burden. The US Housing and Urban Development (HUD) guidelines indicate that a household is cost-burdened when they pay more than 30% of their gross household income for housing and severely cost-burdened when they pay more than 50% of their gross household income for housing (rent or mortgage, plus utilities).

Median Income Level

When examining household income levels, the Area Median Income (AMI) and Median Family Income (MFI) are helpful benchmarks for understanding what different households can afford to pay for housing expenses. Since housing needs vary by family size and costs vary by region, HUD produces a median income limit for different family sizes and regions on an annual basis. These benchmarks help determine eligibility for HUD housing programs and support the tracking of different housing needs for a range of household incomes.

Source: HUD, 2020

F. HOUSING ACTION PLAN

Housing Strategies and Actions

This plan outlines two primary goals: to encourage preservation of existing affordable housing and promote development of diverse new housing that is consistent with community character.

Strategy 1 – Encourage a wide variety of housing types.

- Make it easier to build ADUs.

Strategy 2 – Improve the regulatory environment for permits.

- SEPA exemption options

Strategy 3 - Prevent and Mitigate Displacement

- Preserve existing affordable housing and help people stay in their homes.

Figure 5. Action Schedule and Summary Table

Action	Type	Target Group	Area of Applicability	Scale of Potential Impact	Timeline
Make it easier to build ADUs	Encourage a wide variety of housing types, bring down the cost of development	Seniors, students, young professionals, and those who have low-medium income	City-wide	City-wide	Immediate Implementation
SEPA exemption options	Improve the regulatory environment for permits, bring down the cost of development	Developers Future Buyers	City-wide	City-wide	Immediate Implementation
Help people stay in their homes by promoting affordable, supportive housing.	Prevent and mitigate displacement	Low-income and/or long-term residents	City-wide	City-wide	Long-term implementation

Make it easier to build ADUs

Carnation’s regulations of Accessory Dwelling Units, or ADUs, are already sensible and relatively comprehensive. However, the standards and requirements for ADUs (found in [CMC 15.46](#)) can be improved. The following specific actions are things the city could consider in order to encourage further adoption of ADUs:

- Create a permit ready ADU program/expedited review program. For example, the City of Renton offers ADU model base plans for residential property owners. The model base plans and [Permit Ready ADU Program \(PRADU\)](#) simplify the building permit application and review process. Applicants utilizing the city's pre-approved plans will work with staff one-on-one to design their ideal site plan and go through an expedited review process, providing the applicant with significant cost savings that can be applied toward construction. Renton currently offers seven different plan sets with units ranging from 624-1,000 square feet. Carnation could consider implementing a similar program with ready building designs that meet the city design standards. As part of this, Carnation could consider providing site plan assistance to ensure that a design fits on an applicant’s lot or site.
- Consider changing or clarifying [CMC 15.46.030\(D\)](#) to ensure that a driveway for the primary home could serve double duty as the walkway for an ADU. Currently, this subsection requires a “pedestrian walkway” to service an adjacent street or alley to the primary entrance of an ADU. A strict reading of this provision might require a totally separate walkway for pedestrians, where if an ADU is built above a garage, for example, the city might not want the homeowner to have to build a totally separate walkway (indeed, this may not be possible in many situations). At the same time, many existing driveways do not meet accessibility requirements. If the City does this, it should consider requiring the applicant to demonstrate that the existing access meets accessibility standards.
- While some cities have done away with the owner occupancy requirement, it is understandable that Carnation may value this provision (indeed, many have opted to keep the ownership provision after discussing removing it). However, [CMC 15.46.030\(G\)](#) is unusually restrictive. As written, it would not allow a homeowner to sublet their home for a few months while they winter further south or travel for an extended period. The city could consider removing the last two sentences of this subsection. Definitions should be added to the code related to owner occupancy.

- Work with King County to reduce taxes related to ADUs.
- The city should consider making an allowance for the maximum size of an ADU ([CMC 15.46.030\(B\)](#)) so that if the unit takes up the entirety of a floor of an existing structure, the 800 square foot or 40 percent maximum can be exceeded. For example, if a 2,000 square foot home’s basement is 850 square feet, the city should have the flexibility to approve its use as an ADU if all other provisions can be met rather than requiring that 50 square feet of a full finished basement not be usable space. Consider having a maximum square footage or percentage over the limit (for example, maximum of 100 square feet or 10 percent in excess of the maximum, whichever is greater).
- Reconsider the detached ADU standard in [15.46.050\(B\)](#) that requires an ADU above a garage to be directly accessible from an alley. Given that alleys are not always employed, this seems unnecessarily limiting especially if [15.46.030\(D\)](#) is also changed.
- It does not appear that Title 3 provides any exemptions for ADUs from Traffic, or Park impact fees. These upfront costs can be significant and could deter people from building ADUs. The city could consider reducing fees, exempting ADUs from impact fees, or reducing or exempting impact fees when certain conditions are met.
- Add a definition for Accessory Dwelling Unit to the municipal code to help distinguish ADUs from other situations with multiple housing units on a lot. A good example of distinguishing between other similar uses and ADUs can be found in [Everett Municipal Code 19.04.050](#) (see adjacent definitions for two-unit dwellings and accessory dwelling units).

<p>Could this action provide an option to assist with meeting the new Housing Element requirements associated with the 2024 Comprehensive Plan update?</p>	<p>This action could help the city meet new Housing Element requirements. Adding capacity for more ADUs can help provide units that are more affordable to those making less than 80 percent of the area median income.</p>
---	---

<p>Could this action provide an option to assist with meeting any new housing targets associated with the 2024 Comprehensive Plan?</p>	<p>This action could help the city meet its housing targets. As mentioned in the HAP and the Regional and Individual HNAs, the city is 95 units short of meeting its housing target with existing zoning within existing city limits. Making changes like this can help the city demonstrate it can accommodate its housing target within city limits, including within single-family zones, as part of the comprehensive plan update.</p>
<p>Cities that have taken the same or similar actions</p>	<p>Snoqualmie is considering similar changes as part of its Housing Action Plan development.</p> <ul style="list-style-type: none"> • Sumner • Renton • Everett
<p>Advantages</p>	<ul style="list-style-type: none"> • ADUs are a good way to add “gentle density” that fits in the character of existing neighborhoods. • Carnation’s ADU rules are very good already – these potential changes are not huge and are mostly independent of each other, which can help the city choose which ones make the most sense.
<p>Disadvantages</p>	<ul style="list-style-type: none"> • A permit-ready program or expediting review could create capacity and pipeline issues for other permits or processes. • Not likely to lead to many new units (scale of impact is relatively small). • Exempting ADUs from impact fees could reduce money collected for roads and parks.
<p>Strategies implemented</p>	<ul style="list-style-type: none"> • Encourage a wide variety of housing types • Bring down the cost of development

SEPA Exemption Options

The State Environmental Policy Act (SEPA), adopted May 1971, is codified in [RCW 43.21C](#) and implemented through the Department of Ecology’s administrative code under [WAC 197-11](#). The purpose of SEPA, as outlined in RCW 43.21C.010, is to “(1) ...encourage productive and enjoyable harmony between humankind and the environment; (2) to promote efforts which will prevent or eliminate damage to the environment...; (3) [to] stimulate the health and welfare of human beings; and (4) to enrich the understanding of the ecological systems and natural resources...”.

In the decades since SEPA has become law, many other state laws have been adopted that require jurisdictions to enact regulations that protect the environment. This includes, but is not limited to, the 1990 Growth Management Act (GMA), which requires local governments to enact critical areas regulations, the 1971-72 Shoreline Management Act, which requires all counties and most towns and cities to prepare and implement shoreline master programs, and stormwater regulations and permitting which implements requirements under the Clean Water Act. In most cases around the state, cities and counties have adopted regulations covering almost every element covered under the SEPA.

In 1984, SEPA Rules were adopted to provide categorical exemptions from SEPA for certain types of development projects (WAC 197-11-800). Since then, both the SEPA rules and statutes have been updated to broaden opportunities to exempt certain projects from requiring SEPA where it can be demonstrated that local, state, and federal laws and regulations are in place to mitigate project impacts. In fact, the maximum SEPA exemption levels contained in the State Rules were increased again in December 2022 by the Department of Ecology.

Carnation has currently adopted the minimum residential minor new construction exemptions (4 units of any type) as well as the minimum agricultural, office, school, commercial, recreational, service or storage buildings and parking spaces exemptions. The city has adopted a fill and excavation threshold of 300 cubic yards, above the minimum of 100 but well below the maximum of 1,000 cubic yards.

There are three ways to increase SEPA exemptions. Each option requires analysis to ensure that impacts of development can be adequately mitigated by adopted codes. **Please note that the suggestions below do not eliminate or diminish SEPA review, they simply eliminate redundancy.**

- [WAC 197-11-800\(d\)](#) allows substantial increases to the SEPA categorical exemptions where it can be demonstrated that the requirements for environmental analysis, protection, and mitigation for impacts to elements of the environment **have been adequately addressed** for the development exempted.

- [RCW 43.21C.229](#) permits nearly all developments the ability to be exempt from SEPA when the city determines that specific impacts are adequately addressed by the development regulations or other local, state, or federal rules or laws and when the comprehensive plan was subjected to an Environmental Impact Statement (EIS).
- [RCW 43.21.440](#) may exempt projects within areas subjected to a Planned Action Ordinance when it is determined that the project is consistent with that ordinance.

The city should consider raising its SEPA minor new construction exemptions as found in [CMC 14.04.070](#). [WAC 197-11-800](#)(1) which allows cities to exempt up to 30 single-family units, 100 small (under 1,500 square foot) single-family units, or 200 multifamily units as minor new construction. The city’s current exemption for all residential is 4 units. Up to 30,000 square feet of office, school, recreational, service, or storage building development and up to 90 parking spaces are allowed to be exempted, while the city currently exempts only 4,000 square feet and up to 20 parking spaces. Up to 1,000 cubic yards of fill or excavation are allowed to be exempted, while currently the city exempts only up to 300 cubic yards. Parking and excavation in particular are valuable exemptions because projects that don’t trigger SEPA based on residential units can still trigger it based on parking or excavation even if city critical areas and parking codes are sufficient to mitigate impacts.

In addition to raising the thresholds for minor new construction, the city could consider conducting an environmental review as part of planned annexations using either the .229 or .440 state statute sections that would enable projects within those areas that fall under the threshold studied in the area-wide environmental review to forgo individual project-level SEPA review.



<p>Could this action provide an option to assist with meeting the new Housing Element requirements associated with the 2024 Comprehensive Plan update?</p>	<p>This action would have minimal impact on the ability to meet Housing Element requirements as part of the 2024 update.</p>
<p>Could this action provide an option to assist with meeting any new housing targets associated with the 2024 Comprehensive Plan?</p>	<p>This action would have minimal impact on the ability to meet housing targets.</p>
<p>Cities that have taken the same or similar actions</p>	<p>Many jurisdictions have adopted increased SEPA exemption levels. The following are example cities.</p> <ul style="list-style-type: none"> • Lynnwood • Mountlake Terrace • Redmond • Kirkland
<p>Advantages</p>	<ul style="list-style-type: none"> • Reduce redundant permit processes without reducing environmental protection. • Reduce permit costs and timeframes.
<p>Disadvantages</p>	<ul style="list-style-type: none"> • Perception that raising SEPA exemptions might reduce opportunities to comment on or appeal project decisions.
<p>Strategies implemented</p>	<ul style="list-style-type: none"> • Improve the regulatory environment for permits • Bring down the cost of development

Help people stay in their homes by promoting affordable, supportive housing.

Although the City of Carnation does not currently have any income-restricted affordable housing, it does have naturally occurring housing that is *more* affordable to its lower income households (below 80 percent of the area median). Existing rental units that provide an affordability lifeline (albeit imperfect) should be preserved in Carnation to retain housing options meeting the needs of residents with different household income levels. Strategies should be developed to preserve naturally occurring affordable housing and to expand temporary and permanent housing options.

The state passed a law in 2021, codified as [RCW 35.21.684](#), that prohibits local governments from prohibiting permanent supportive housing or transitional housing in any zones in which residential dwellings or hotels are allowed. The law also allows that “Reasonable occupancy, spacing, and intensity of use requirements may be imposed by ordinance on permanent supportive housing, transitional housing, indoor emergency housing, and indoor emergency shelters to protect public health and safety.”

Naturally occurring affordable housing are housing units that are unregulated/ unsubsidized and subject to market forces but are affordable to low-income households. Considering that regulated affordable housing is difficult and costly to build, strategies supporting the preservation of naturally affordable rentals are crucial for Carnation. Actions should be prioritized to encourage owners to retain housing for long-term renting.

- Carnation could consider collecting key data on its rental housing properties and mobile homes to build a rental housing preservation inventory.
- Carnation could consider increasing investments needed to purchase and preserve affordable properties, particularly those at risk of displacement. The City could identify partnership opportunities with non-profit organizations and housing agencies to purchase existing, unregulated affordable housing to preserve it for the long term.
- The City could reach out to local housing providers to support the rehabilitation of regulated affordable properties with large capital needs or failed inspections. In addition, the City could partner with a nonprofit and/or King County and the other cities in the region to create a rehabilitation, repair, and weatherization program that would offer repair/weatherization support for existing, unsubsidized affordable housing in exchange for affordability restrictions. This program can help improve the livability of existing owner-occupied homes and manufactured homes and can help homes become more energy-efficient, which can reduce the costs of utilities and promote sustainable development. This can also include seismic updates and mitigating flood risk.

- Carnation could establish good landlord incentives, such as landlord training workshops or clinics, crime reduction programs, and financial incentives (e.g., exemptions or partial waivers from relevant fees) associated with improving housing conditions. This type of program will support landlords by providing them best practices in preventative maintenance and tenant and property management.
- Carnation could provide incentives to preserve existing housing. As an example, the city could provide an option that would not count retaining an existing home towards the maximum density allowed when a site redevelops. This could provide an incentive for a developer to retain the existing home.
- Share state and county resources for preservation with residents.
- As such, Carnation should update its use matrix for all the zones which allow at least some type of residential or hotel use, to allow transitional housing and permanent supportive housing.

<p>Could this action provide an option to assist with meeting the new Housing Element requirements associated with the 2024 Comprehensive Plan update?</p>	<p>This action could help the city meet new Housing Element requirements. Reducing and mitigating displacement risk is one of the cornerstones of changes to the housing element requirements.</p>
<p>Could this action provide an option to assist with meeting any new housing targets associated with the 2024 Comprehensive Plan?</p>	<p>This action is not likely to help meet the overall housing target because it focuses mostly on preserving existing units.</p>
<p>Cities that have taken the same or similar actions</p>	<ul style="list-style-type: none"> • Tukwila • Seattle • Tacoma • Burien
<p>Advantages</p>	<ul style="list-style-type: none"> • Preserves affordable housing possibly for the long-term. • Rehabilitation of existing affordable housing can be done much more quickly than producing new housing.

	<ul style="list-style-type: none"> • Improves the quality of life and can improve the health and stability for people living in rehabilitated homes and if completed for many homes in the same community, can result in positive effects on neighborhood quality and stability. • Reduces displacement and provides information useful for identifying housing at risk of displacement. • Can help improve the stability of neighborhoods. • Renovating existing housing stock tends to be more cost-effective than building new affordable housing. • A low-income weatherization and rehabilitation program can help improve the livability of existing owner-occupied homes and manufactured homes.
<p>Disadvantages</p>	<ul style="list-style-type: none"> • All the recommendations will require staff time and resources. • Several of the ideas would require funding and grants, and possible partner support. • These measures are not guaranteed to increase the housing supply and the number of new affordable housing units.
<p>Strategies implemented</p>	<p>Prevent and mitigate displacement</p>

G. GMA AS A FRAMEWORK FOR STRATEGY IMPLEMENTATION

This document outlines three key actions:

1. ADU Development
2. SEPA Exemptions
3. Keep residents in their homes.

These strategies were selected from a list of 11 others due to the City's ability to implement them. In pursuing these three actions, the City agrees with RCW 36.70A.020 and its policy framework. Actions should be consistent with the following principles:

1. Urban Growth

Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.

2. Reduce Sprawl

Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.

3. Transportation

Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans.

4. Housing

Plan for and accommodate housing affordable 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.

5. Economic Development

Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.

6. Property Rights

Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.

7. Permits

Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.

8. Natural Resource Industries

Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands and discourage incompatible uses.

9. Open Space and Recreation

Retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.

10. Environment

Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.

11. Citizen Participation and Coordination

Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.

12. Public Facilities and Services

Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

13. Historic Preservation

Identify and encourage the preservation of lands, sites, and structures, that have historical or archaeological significance.

The City believes that these 13 values are represented and embraced by the three actions promoted in this plan. Furthermore, these 13 elements further support the City's goal of 361 new housing units and the concerns around the GMA target of 799. It would be very difficult, if even possible, to respect or adhere to the framework in RCW 36.70A.020 with a high target number as 799.



CARNATION *Washington*

YOUR NATURAL DESTINATION



City of Carnation Housing Action Plan June 2023



Governor Jay Inslee
Office of the Governor
PO Box 40002
Olympia, WA 98504-0002

Honorable Governor Inslee,

The City of Carnation's Housing Action Plan begins with this letter to document the City's desire to achieve realistic, sustainable, and equitable housing goals. The City of Carnation embraces the goals of the GMA, and its statutes that require fast-growing counties to develop a comprehensive plan to manage their population growth. This is consistent with the culture of the Evergreen State.

The GMA has given the City of Carnation a housing target of 799 units by 2044. With an average of 2.77 people occupying each unit, this translates to a population growth of an additional 2,213 people. This would bring the population of Carnation to 4,380, which **nearly doubles the current population of 2,167**. The City of Carnation has been incorporated for 110 years. History demonstrates this amount of growth is not plausible in the next 21 years.

The current GMA target of 799 was a result of past City Managers' actions that excluded the legislative body from this important discussion. For this reason, **the City of Carnation proposes and embraces a more realistic alternative, consistent with the character the Carnation community wishes to preserve**. We propose a base of 361 homes as a precursor to the 799. This would add an additional 1,000 people to our current population. We feel this is a far more reasonable target, as we currently have 223 homes in the pipeline via five new housing developments.

Growth management demands effective and honest partnerships with the State, King County, and the Puget Sound Regional Council (PSRC). To meet the State's aspirational targets, and to support the PSRC's strategic actions in the Snoqualmie Valley, King County has to play its part. King County's philosophy around Carnation has historically been farmland protection, with little investment in roads or infrastructure to travel to and from our rural community, health services, and commercial uses. Since managed growth is now the goal, it (1) requires increased levels of County transportation infrastructure, and (2) more land.

Sincerely,

Ana Cortez, City Manager

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B. ACKNOWLEDGEMENTS

CARNATION CITY COUNCIL

Mayor Jim Ribail	Council Position #2
Deputy Mayor Tim Harris	Council Position #3
Councilmember Adair Hawkins	Council Position #1
Councilmember Ryan Burrell	Council Position #4
Councilmember Dustin Green	Council Position #5

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Matt Covert	Senior Planner
Samantha Adams	Associate Planner
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CONSULTANT TEAM: FCS GROUP - Prepared Regional Housing Needs Assessment

Todd Chase	Principal / Economist
Timothy Wood	Assistant Project Manager

Introduction

The City of Carnation embraces the principles of Growth Management and is committed to responsible, sustainable, equitable growth. For this reason, the City documents its concern with the GMA target of 799 units by 2044. This target is inconsistent with the historical trends, municipal services capacity, and character of our rural community. Furthermore, King County services are essential to support growth. Currently, there is a gap between what we currently need from the County and the services we receive.

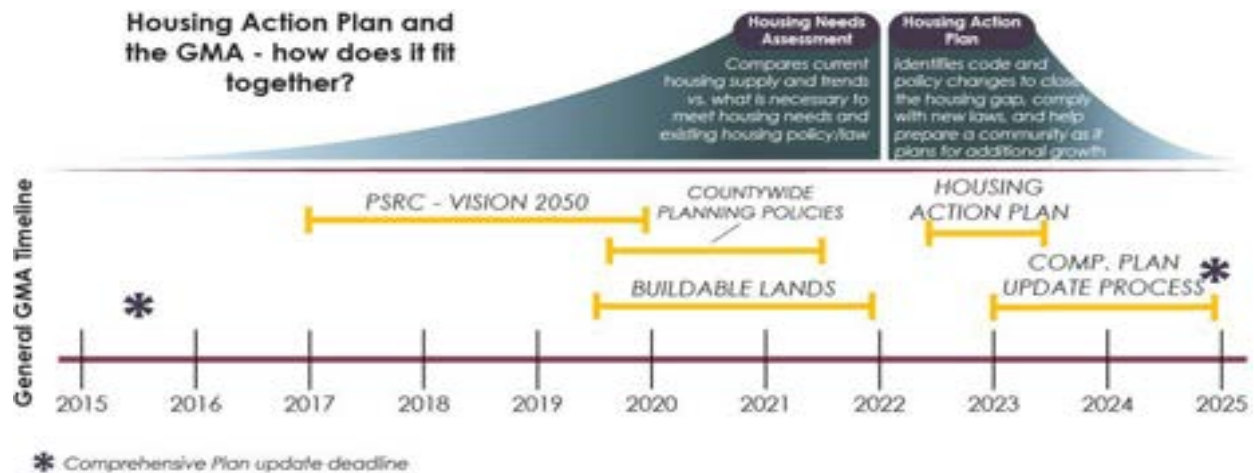
The City of Carnation understands the importance of housing diversity and affordable dwelling options. The high cost/rent of housing is a major issue facing our region. As the four-county region (Pierce, King, Snohomish, and Kitsap) continues to grow, adding 1.8 million more people between 2017- 2050, action must be taken.

Recognizing the need to focus on housing, the Washington State Legislature passed House Bill (HB) 1923, which provides grant funds to help cities develop a Housing Action Plan (HAP). The cities of Carnation, North Bend, Duvall, and Snoqualmie jointly applied for and received funding for a Regional Housing Needs Assessment as well as individual HAPs for each city. The regional approach provides an opportunity for the cities to compare housing issues facing the four communities, through the

development of the regional Housing Needs Assessment (HNA). City-specific strategies and actions to address identified housing issues are provided within each HAP. Overall, this plan studies the existing and future housing needs for Carnation, engages the community in these important issues, and develops strategies and actions the City can consider in the future.

The timing for this project is ideal, as the City is beginning the required 2024 periodic update to the Comprehensive Plan and Development Regulations. As part of this process, the City will be evaluating how to accommodate additional population and employment growth, and plan for a variety of housing types and various income levels. The HAP plays an even more important role in the update given recent legislative changes. In 2021, the Washington State Legislature amended the Housing Element requirements of the Growth Management Act (GMA) through HB 1220.

HB 1220 strengthened the GMA Housing Element in a variety of ways. This includes modifying language from encouraging the availability of affordable housing, in addition to a requirement to plan and accommodate affordable housing for all economic segments of the population. New requirements put a greater responsibility on local government to plan for housing for low- and moderate-income households. The HAP will assist in providing options the City can consider as part of the periodic update.



Housing is top of mind for the region’s residents.

In 2022, the Department of Commerce and Puget Sound Regional Council (PSRC) conducted a survey on twelve different state-wide issues, ranging from transportation, climate change, healthcare to housing. What they found is that Washington residents are most concerned with housing costs/rents, homelessness, and overall cost of living. This is not news to state authorities, although it is important to gather input on top-of-mind issues from a large portion of the state population.

The City of Carnation residents are equally concerned with growth at the expense of the historical character of this rural community. These interests and concerns are the goal of growth management.

Survey Key Findings¹

- 78% of respondents say they want

more housing options for people in their communities, including seniors, teachers, firefighters, childcare workers, and healthcare workers.

- Housing costs are a top issue for four times as many respondents (39%), compared to traffic and transportation (8%).
- 74% of respondents have experienced one or more difficulties finding affordable housing.
- 83% of respondents say government agencies should work together to address the need for housing.

Both the Comprehensive Plan update and Housing Action Plan are efforts to help address the housing issues Washington State residents and the City of Carnation are facing. Each of these projects gives elected officials tools and solutions to begin moving in the right direction. The state has acted on housing-related issues and over the coming years, we should begin to see the benefits of this work.

¹ Puget Sound Regional Council & Washington State Department of Commerce Housing Survey, December 2022

Figure 1. How a Housing Action Plan (HAP) works



D. PLAN INTRODUCTION

Community Profile

The City of Carnation is located in east King County where the Tolt and Snoqualmie Rivers meet. The City of Carnation is home to just over 2,180 people. Situated 30 miles east of Seattle and 20 miles east of Bellevue, the community is perhaps best known regionally for its productive agriculture and variety of outdoor activity areas.

Figure 2. Vicinity Map



Caption: Carnation in relation to King County

Figure 3. HB 1923 Requirements

Project Overview

The City of Carnation proudly presents its Housing Action Plan (HAP). The development of this Plan has engaged the community in an important conversation about housing. Key questions and issues raised include:

- How does the City achieve a sustainable community with diverse housing, services, and demographics?
- There is a large community of senior citizens or soon-to-be senior citizens and little assisted living facilities available. How will they be accommodated?
- How will the City meet the housing needs of an aging population?
- Historical growth demonstrates a realistic goal of 361 new housing units by 2044- not 799 as allotted through the GMA process.

House Bill 1923 Requirements for a Housing Action Plan

- *Quantify existing and projected housing needs for all income levels, including extremely low-income households.*
- *Develop strategies to increase the supply of housing, and variety of housing types.*
- *Analyze population and employment trends, with documentation of projections.*
- *Consider strategies to minimize displacement of low-income residents resulting from redevelopment.*
- *Review and evaluate the current housing policies.*
- *Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups.*
- *Include a schedule of programs and actions to implement the recommendations of the housing action plan.*

To begin to answer these important questions, Carnation, Snoqualmie, North Bend, and Duvall commissioned an analysis of housing data. The Regional Housing Needs Assessment ([Appendix 1](#)) looked at a range of metrics across all four cities, including demographics, workforce, housing market, and land capacity. An individual HNA ([Appendix 2](#)) looked more in-depth at city-specific data and issues. The HNA summary, located in [Chapter E](#), provides a summary of important insights on issues like:

- How affordable (or not) is housing today?
- How is the City expected to grow in the future?
- What kind of housing is necessary to meet current and future needs?

The intersection between key housing issues identified by the community and data highlighting current and future housing needs leads to the development of a Housing Action Plan (HAP). The HAP, located in [Chapter F](#), outlines strategies and actions to ensure the City offers the appropriate supply and type of housing to meet future demand for all income levels.

Housing strategies are focused on important topics such as:

- Providing a wider variety of housing types that are consistent with community character.
- Protecting current affordable housing stock.
- Preventing and mitigating displacement of long-term residents

- Improving the regulatory environment for permits and streamlining processes.

Goals and Objectives

As noted in the HNA, 25 percent of the City’s homeowner and renter households are classified as cost-burdened by rising housing costs, meaning they pay more than 30 percent of their income toward their housing. Also noted is Carnation’s need for sustainable growth that can be supported by both local and county services.

Goals

- Encourage preservation of existing affordable housing and to count each rehabilitated unit toward the target of 361 housing units.
- Promote development of diverse new housing that is consistent with community character. With a target of 361 housing units.
- Require local and county infrastructure to support growth (transportation, utilities, transit, medical, educational, public safety and other essential services) as requirement to pursue additional 438 housing units which added to the proposed 361, reaches the GMA goal of 799 housing units.

Objectives

- Develop strategies and recommendations to protect the supply and types of housing needed in Carnation.

- Develop zoning, regulatory, and incentive strategies to support housing that meets the needs of Carnation residents.
- Evaluate and refine existing housing policies and actions that are consistent with the character of the City.
- Develop recommendations for improvement based on housing needs and opportunities for services.
- Advocate, broker, request increased County services consistent with GMA set growth.
- Obtain and document consistency in County policy vision between farm preservation (nonresidential) focus and the GMA’s housing construction focus.

Plan Elements

The goals and visions are implemented through the development of this plan. The two primary pieces of this plan are the Housing Needs Assessment and the Housing Action Plan.

Housing Needs Assessment (HNA) – High Level Findings

- The average household income in the City of Carnation has increased at a rate much lower than the rate of average rent and home cost. Carnation’s median

household income of \$112,000 per year is lower than the other cities in the region. The median home sales price index was just above \$1,000,000 in 2022.

- In 2020, there was an estimated 782 households with an average household size of 2.77 people. 13 percent of Carnation residents are Hispanic or Latino.
- A majority of Carnation residents are employed outside of the City. Most residents are commuting in the west direction – likely to Seattle- Redmond-Bellevue area.
- 18 percent of Carnation’s renter households are severely cost burdened. Around 40 percent of the city’s households make below 80 percent of the area’s median income.
- Carnation’s population is aging and has the oldest median age of the four cities in the region. This will create added pressure as well as a need for more accessible housing.

The need to provide housing that people can afford is real and growing. The Housing Action Plan provides a variety of options to address these issues.

Public Participation

This Housing Action Plan was developed with a range of public engagement. The City relied on close consultation with a group of interviewees, contacted with help from city staff, who helped to shape the issues, focus, and vision of the Plan and pointed the way to identification of strategies and actions.

The project team conducted in-depth interviews with representatives from the following groups and organizations:

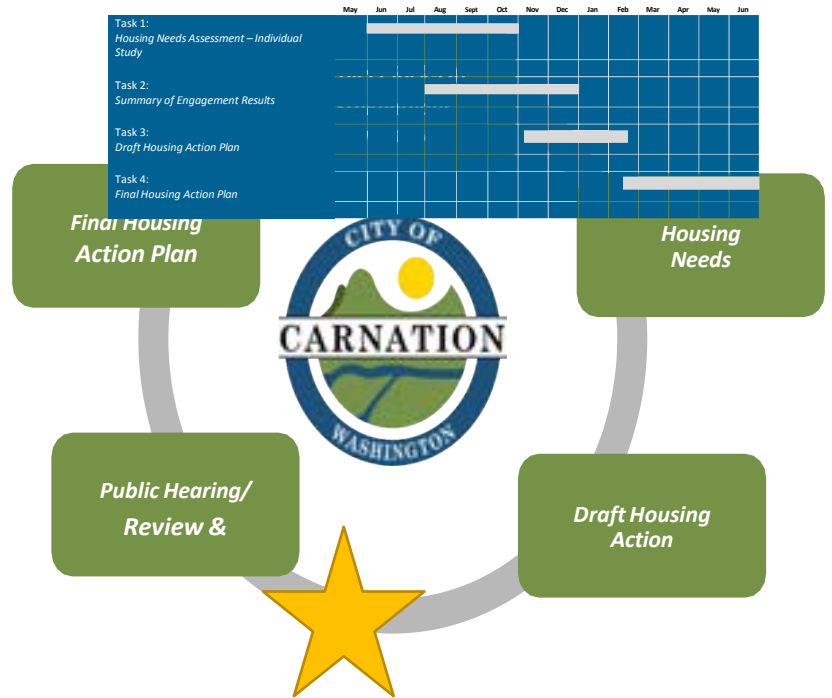
- Empower Youth Network
- Supportive Community for All
- Sno-Valley Senior Center
- Tolt Legal Services
- Fortney Construction
- Hopelink Service Center
- Living Word Community Church

The project team used input from City staff as well as from the interviewees to craft action writeups and recommendations.

Project Timeline

The Commerce deadline for adoption of the HAP is June 30, 2023. The following process and schedule were followed to ensure state requirements and project goals were met.

Figure 4. Timeline and Process Graphic



E. HOUSING NEEDS ASSESMENT SUMMARY

Carnation Housing Needs Assessment Results Summary

This section contains a summary of the Housing Needs Assessment’s findings. Carnation was part of a Regional Housing Needs Assessment as well as an individual HNA based off regional data and supplemented with additional analysis. The Regional HNA can be found in Appendix 1, and the Individual HNA in Appendix 2.

Carnation Current and Projected Housing Gaps and Housing Production Target

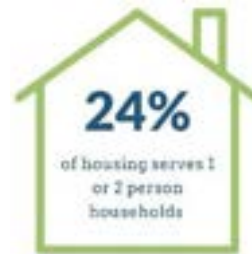
Current Number of Households: 800
Current Population: 2,167 people

GMA Goal by 2044: 799	City Goal by 2044: 361
@2.77 people per household = 2,213 Population Growth	@2.77 people per household = 1,000 population Growth
Total Population = 4,380	Total Population = 3,167

Several demographic trends, including household size, race/ethnicity, incomes, and tenure, influence housing demand and should be evaluated to identify emerging trends and variations in what people need for their families and households.

Recommendation: Facilitating the development of Accessory Dwelling Units (ADUs) is a sound strategy to achieving the goals of preserving affordable housing and the promotion of diverse housing.

Carnation’s Housing Stock



Although 50 percent of Carnation’s population is comprised of one and two-person households, **only 24 percent of the housing stock accommodates these households with studio, one-bedroom or two-bedroom homes.**

Almost half (roughly 48 percent) of housing units in Carnation were built between 1980 and 1999. About 16 percent were built after 1999, and about a third (36 percent) were built before 1980. 83 percent are single-family homes, 9.1 percent are two-to-four-unit townhouses/plexes, 2.5 percent are 5 or more-unit multifamily dwellings, and 5 percent are mobile homes or another type. Moreover, of all units, more than 75 percent of units have either 3, 4, or 5 bedrooms.

Recommendation: There is an increasing need for homes that are more suitable for smaller 1- to 2-person households. The City will explore strategies to promote the development of diverse housing units.

Cost-burden Disproportionately Affects Lower-Income, Renter, and Senior Households



Housing prices have risen faster than incomes, with the median rent in the City increasing by 48 percent from 2010 to 2020.

Over those ten years, the median home value has risen almost 100%. While the median household income rose by about 59 percent in that time frame.

For instance, as of 2019, approximately 25 percent (197 households) of Carnation’s 782 households were cost burdened. Of these cost burdened households, renter households are much more likely to pay more than a third of their income toward housing, with 53 percent of renter households being cost burdened, compared to 20 percent of households who live in owner-occupied units.

Seven percent of Carnation households are severely cost burdened (spending more than 50 percent of annual gross income on housing costs), with five percent of those being homeowners and two percent of those being renters.

Recommendation: Carnation faces an existing gap of housing units affordable to many households, particularly low to moderate income renters and seniors.

At the same time, it will face increased need for more affordable housing to accommodate projected population growth and the aging of its current population.

Carnation’s Diversity

Age:

The overall demographic shift from 2000-2021 indicates that there is a broad range of changes in age ranges in Carnation. The largest age group is currently the 50-64 cohort and about a quarter of the City’s population (24 percent) is children 19 and under, which indicates that many of Carnation’s households are families with children and working adults. The changes in the 45-64 and 65+ age cohorts indicate the population is slowly aging. Approximately 45 percent of Carnation’s population is of retirement age (11% ages 65+) or will be of retirement age within the next 15 years (34% ages 50-64).

Income:

When household incomes increasingly lag behind rents and home values, this creates a cost burden, including households who may at one time have not faced this burden. With Carnation’s population aging and more of the population nearing retirement, the number of cost burdened households will likely increase.

Both median rents and house values have increased dramatically between 2010 and 2022. House values increased from \$357,800 (2010) to \$1,011,000 (August 2022). Rent value is shown to have increased from \$958 per month in 2010 to \$1,426 per month in 2020, a 48 percent increase over 10 years. These numbers confirm that rising housing costs and rent have been a trend felt across King County, the Puget Sound region and state.

Alongside housing cost increases, the median household income in Carnation was \$112,647 in 2020 – above the King County median of \$99,158. A household would need to earn at least 183% of the regional median household income level to be able to “afford” a median priced home of \$1,050,000 (assuming they have 10% down payment and allocate no more than 30% of income to housing). Fewer than 20 percent of Carnation’s households could afford the median home under these conditions.

Commuting Patterns:

Seattle, Redmond, and Bellevue are the primary job centers in King County. As of 2020, there are 690 jobs in the city, most of which are in four categories (management, business and financial operations, office and administrative support, and sales). A majority of employed Carnation residents do not work within city limits, with approximately 97 percent of employed residents commuting outside the city.

Recommendation: The dominant housing available in Carnation is larger single-family structures. This accommodates the 35-49 cohort with children. However, the City should include strategies to address the increased housing needs for other cohorts and promote the development of diverse housing.



What is Affordable Housing?

The term affordable housing refers to a household’s ability to find housing within its financial means. The typical standard used to determine housing affordability is that a household should pay no more than 30% of the gross household income for housing, including payments and interest or rent, utilities, and insurance. Another indicator for measuring and tracking housing affordability concerns is housing cost burden. The US Housing and Urban Development (HUD) guidelines indicate that a household is cost-burdened when they pay more than 30% of their gross household income for housing and severely cost-burdened when they pay more than 50% of their gross household income for housing (rent or mortgage, plus utilities).

Median Income Level

When examining household income levels, the Area Median Income (AMI) and Median Family Income (MFI) are helpful benchmarks for understanding what different households can afford to pay for housing expenses. Since housing needs vary by family size and costs vary by region, HUD produces a median income limit for different family sizes and regions on an annual basis. These benchmarks help determine eligibility for HUD housing programs and support the tracking of different housing needs for a range of household incomes.

Source: HUD, 2020

F. HOUSING ACTION PLAN

Housing Strategies and Actions

This plan outlines two primary goals: to encourage preservation of existing affordable housing and promote development of diverse new housing that is consistent with community character.

Strategy 1 – Encourage a wide variety of housing types.

- Make it easier to build ADUs.

Strategy 2 – Improve the regulatory environment for permits.

- SEPA exemption options

Strategy 3 - Prevent and Mitigate Displacement

- Preserve existing affordable housing and help people stay in their homes.

Figure 5. Action Schedule and Summary Table

Action	Type	Target Group	Area of Applicability	Scale of Potential Impact	Timeline
Make it easier to build ADUs	Encourage a wide variety of housing types, bring down the cost of development	Seniors, students, young professionals, and those who have low-medium income	City-wide	City-wide	Immediate Implementation
SEPA exemption options	Improve the regulatory environment for permits, bring down the cost of development	Developers Future Buyers	City-wide	City-wide	Immediate Implementation
Help people stay in their homes by promoting affordable, supportive housing.	Prevent and mitigate displacement	Low-income and/or long-term residents	City-wide	City-wide	Long-term implementation

Make it easier to build ADUs

Carnation’s regulations of Accessory Dwelling Units, or ADUs, are already sensible and relatively comprehensive. However, the standards and requirements for ADUs (found in [CMC 15.46](#)) can be improved. The following specific actions are things the city could consider in order to encourage further adoption of ADUs:

- Create a permit ready ADU program/expedited review program. For example, the City of Renton offers ADU model base plans for residential property owners. The model base plans and [Permit Ready ADU Program \(PRADU\)](#) simplify the building permit application and review process. Applicants utilizing the city's pre-approved plans will work with staff one-on-one to design their ideal site plan and go through an expedited review process, providing the applicant with significant cost savings that can be applied toward construction. Renton currently offers seven different plan sets with units ranging from 624-1,000 square feet. Carnation could consider implementing a similar program with ready building designs that meet the city design standards. As part of this, Carnation could consider providing site plan assistance to ensure that a design fits on an applicant’s lot or site.
- Consider changing or clarifying [CMC 15.46.030\(D\)](#) to ensure that a driveway for the primary home could serve double duty as the walkway for an ADU. Currently, this subsection requires a “pedestrian walkway” to service an adjacent street or alley to the primary entrance of an ADU. A strict reading of this provision might require a totally separate walkway for pedestrians, where if an ADU is built above a garage, for example, the city might not want the homeowner to have to build a totally separate walkway (indeed, this may not be possible in many situations). At the same time, many existing driveways do not meet accessibility requirements. If the City does this, it should consider requiring the applicant to demonstrate that the existing access meets accessibility standards.
- While some cities have done away with the owner occupancy requirement, it is understandable that Carnation may value this provision (indeed, many have opted to keep the ownership provision after discussing removing it). However, [CMC 15.46.030\(G\)](#) is unusually restrictive. As written, it would not allow a homeowner to sublet their home for a few months while they winter further south or travel for an extended period. The city could consider removing the last two sentences of this subsection. Definitions should be added to the code related to owner occupancy.

- Work with King County to reduce taxes related to ADUs.
- The city should consider making an allowance for the maximum size of an ADU ([CMC 15.46.030\(B\)](#)) so that if the unit takes up the entirety of a floor of an existing structure, the 800 square foot or 40 percent maximum can be exceeded. For example, if a 2,000 square foot home’s basement is 850 square feet, the city should have the flexibility to approve its use as an ADU if all other provisions can be met rather than requiring that 50 square feet of a full finished basement not be usable space. Consider having a maximum square footage or percentage over the limit (for example, maximum of 100 square feet or 10 percent in excess of the maximum, whichever is greater).
- Reconsider the detached ADU standard in [15.46.050\(B\)](#) that requires an ADU above a garage to be directly accessible from an alley. Given that alleys are not always employed, this seems unnecessarily limiting especially if [15.46.030\(D\)](#) is also changed.
- It does not appear that Title 3 provides any exemptions for ADUs from Traffic, or Park impact fees. These upfront costs can be significant and could deter people from building ADUs. The city could consider reducing fees, exempting ADUs from impact fees, or reducing or exempting impact fees when certain conditions are met.
- Add a definition for Accessory Dwelling Unit to the municipal code to help distinguish ADUs from other situations with multiple housing units on a lot. A good example of distinguishing between other similar uses and ADUs can be found in [Everett Municipal Code 19.04.050](#) (see adjacent definitions for two-unit dwellings and accessory dwelling units).

<p>Could this action provide an option to assist with meeting the new Housing Element requirements associated with the 2024 Comprehensive Plan update?</p>	<p>This action could help the city meet new Housing Element requirements. Adding capacity for more ADUs can help provide units that are more affordable to those making less than 80 percent of the area median income.</p>
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<p>Could this action provide an option to assist with meeting any new housing targets associated with the 2024 Comprehensive Plan?</p>	<p>This action could help the city meet its housing targets. As mentioned in the HAP and the Regional and Individual HNAs, the city is 95 units short of meeting its housing target with existing zoning within existing city limits. Making changes like this can help the city demonstrate it can accommodate its housing target within city limits, including within single-family zones, as part of the comprehensive plan update.</p>
<p>Cities that have taken the same or similar actions</p>	<p>Snoqualmie is considering similar changes as part of its Housing Action Plan development.</p> <ul style="list-style-type: none"> • Sumner • Renton • Everett
<p>Advantages</p>	<ul style="list-style-type: none"> • ADUs are a good way to add “gentle density” that fits in the character of existing neighborhoods. • Carnation’s ADU rules are very good already – these potential changes are not huge and are mostly independent of each other, which can help the city choose which ones make the most sense.
<p>Disadvantages</p>	<ul style="list-style-type: none"> • A permit-ready program or expediting review could create capacity and pipeline issues for other permits or processes. • Not likely to lead to many new units (scale of impact is relatively small). • Exempting ADUs from impact fees could reduce money collected for roads and parks.
<p>Strategies implemented</p>	<ul style="list-style-type: none"> • Encourage a wide variety of housing types • Bring down the cost of development

SEPA Exemption Options

The State Environmental Policy Act (SEPA), adopted May 1971, is codified in [RCW 43.21C](#) and implemented through the Department of Ecology’s administrative code under [WAC 197-11](#). The purpose of SEPA, as outlined in RCW 43.21C.010, is to “(1) ...encourage productive and enjoyable harmony between humankind and the environment; (2) to promote efforts which will prevent or eliminate damage to the environment...; (3) [to] stimulate the health and welfare of human beings; and (4) to enrich the understanding of the ecological systems and natural resources...”.

In the decades since SEPA has become law, many other state laws have been adopted that require jurisdictions to enact regulations that protect the environment. This includes, but is not limited to, the 1990 Growth Management Act (GMA), which requires local governments to enact critical areas regulations, the 1971-72 Shoreline Management Act, which requires all counties and most towns and cities to prepare and implement shoreline master programs, and stormwater regulations and permitting which implements requirements under the Clean Water Act. In most cases around the state, cities and counties have adopted regulations covering almost every element covered under the SEPA.

In 1984, SEPA Rules were adopted to provide categorical exemptions from SEPA for certain types of development projects (WAC 197-11-800). Since then, both the SEPA rules and statutes have been updated to broaden opportunities to exempt certain projects from requiring SEPA where it can be demonstrated that local, state, and federal laws and regulations are in place to mitigate project impacts. In fact, the maximum SEPA exemption levels contained in the State Rules were increased again in December 2022 by the Department of Ecology.

Carnation has currently adopted the minimum residential minor new construction exemptions (4 units of any type) as well as the minimum agricultural, office, school, commercial, recreational, service or storage buildings and parking spaces exemptions. The city has adopted a fill and excavation threshold of 300 cubic yards, above the minimum of 100 but well below the maximum of 1,000 cubic yards.

There are three ways to increase SEPA exemptions. Each option requires analysis to ensure that impacts of development can be adequately mitigated by adopted codes. **Please note that the suggestions below do not eliminate or diminish SEPA review, they simply eliminate redundancy.**

- [WAC 197-11-800\(d\)](#) allows substantial increases to the SEPA categorical exemptions where it can be demonstrated that the requirements for environmental analysis, protection, and mitigation for impacts to elements of the environment **have been adequately addressed** for the development exempted.

- [RCW 43.21C.229](#) permits nearly all developments the ability to be exempt from SEPA when the city determines that specific impacts are adequately addressed by the development regulations or other local, state, or federal rules or laws and when the comprehensive plan was subjected to an Environmental Impact Statement (EIS).
- [RCW 43.21.440](#) may exempt projects within areas subjected to a Planned Action Ordinance when it is determined that the project is consistent with that ordinance.

The city should consider raising its SEPA minor new construction exemptions as found in [CMC 14.04.070](#). [WAC 197-11-800](#)(1) which allows cities to exempt up to 30 single-family units, 100 small (under 1,500 square foot) single-family units, or 200 multifamily units as minor new construction. The city’s current exemption for all residential is 4 units. Up to 30,000 square feet of office, school, recreational, service, or storage building development and up to 90 parking spaces are allowed to be exempted, while the city currently exempts only 4,000 square feet and up to 20 parking spaces. Up to 1,000 cubic yards of fill or excavation are allowed to be exempted, while currently the city exempts only up to 300 cubic yards. Parking and excavation in particular are valuable exemptions because projects that don’t trigger SEPA based on residential units can still trigger it based on parking or excavation even if city critical areas and parking codes are sufficient to mitigate impacts.

In addition to raising the thresholds for minor new construction, the city could consider conducting an environmental review as part of planned annexations using either the .229 or .440 state statute sections that would enable projects within those areas that fall under the threshold studied in the area-wide environmental review to forgo individual project-level SEPA review.



<p>Could this action provide an option to assist with meeting the new Housing Element requirements associated with the 2024 Comprehensive Plan update?</p>	<p>This action would have minimal impact on the ability to meet Housing Element requirements as part of the 2024 update.</p>
<p>Could this action provide an option to assist with meeting any new housing targets associated with the 2024 Comprehensive Plan?</p>	<p>This action would have minimal impact on the ability to meet housing targets.</p>
<p>Cities that have taken the same or similar actions</p>	<p>Many jurisdictions have adopted increased SEPA exemption levels. The following are example cities.</p> <ul style="list-style-type: none"> • Lynnwood • Mountlake Terrace • Redmond • Kirkland
<p>Advantages</p>	<ul style="list-style-type: none"> • Reduce redundant permit processes without reducing environmental protection. • Reduce permit costs and timeframes.
<p>Disadvantages</p>	<ul style="list-style-type: none"> • Perception that raising SEPA exemptions might reduce opportunities to comment on or appeal project decisions.
<p>Strategies implemented</p>	<ul style="list-style-type: none"> • Improve the regulatory environment for permits • Bring down the cost of development

Help people stay in their homes by promoting affordable, supportive housing.

Although the City of Carnation does not currently have any income-restricted affordable housing, it does have naturally occurring housing that is *more* affordable to its lower income households (below 80 percent of the area median). Existing rental units that provide an affordability lifeline (albeit imperfect) should be preserved in Carnation to retain housing options meeting the needs of residents with different household income levels. Strategies should be developed to preserve naturally occurring affordable housing and to expand temporary and permanent housing options.

The state passed a law in 2021, codified as [RCW 35.21.684](#), that prohibits local governments from prohibiting permanent supportive housing or transitional housing in any zones in which residential dwellings or hotels are allowed. The law also allows that “Reasonable occupancy, spacing, and intensity of use requirements may be imposed by ordinance on permanent supportive housing, transitional housing, indoor emergency housing, and indoor emergency shelters to protect public health and safety.”

Naturally occurring affordable housing are housing units that are unregulated/ unsubsidized and subject to market forces but are affordable to low-income households. Considering that regulated affordable housing is difficult and costly to build, strategies supporting the preservation of naturally affordable rentals are crucial for Carnation. Actions should be prioritized to encourage owners to retain housing for long-term renting.

- Carnation could consider collecting key data on its rental housing properties and mobile homes to build a rental housing preservation inventory.
- Carnation could consider increasing investments needed to purchase and preserve affordable properties, particularly those at risk of displacement. The City could identify partnership opportunities with non-profit organizations and housing agencies to purchase existing, unregulated affordable housing to preserve it for the long term.
- The City could reach out to local housing providers to support the rehabilitation of regulated affordable properties with large capital needs or failed inspections. In addition, the City could partner with a nonprofit and/or King County and the other cities in the region to create a rehabilitation, repair, and weatherization program that would offer repair/weatherization support for existing, unsubsidized affordable housing in exchange for affordability restrictions. This program can help improve the livability of existing owner-occupied homes and manufactured homes and can help homes become more energy-efficient, which can reduce the costs of utilities and promote sustainable development. This can also include seismic updates and mitigating flood risk.

- Carnation could establish good landlord incentives, such as landlord training workshops or clinics, crime reduction programs, and financial incentives (e.g., exemptions or partial waivers from relevant fees) associated with improving housing conditions. This type of program will support landlords by providing them best practices in preventative maintenance and tenant and property management.
- Carnation could provide incentives to preserve existing housing. As an example, the city could provide an option that would not count retaining an existing home towards the maximum density allowed when a site redevelops. This could provide an incentive for a developer to retain the existing home.
- Share state and county resources for preservation with residents.
- As such, Carnation should update its use matrix for all the zones which allow at least some type of residential or hotel use, to allow transitional housing and permanent supportive housing.

<p>Could this action provide an option to assist with meeting the new Housing Element requirements associated with the 2024 Comprehensive Plan update?</p>	<p>This action could help the city meet new Housing Element requirements. Reducing and mitigating displacement risk is one of the cornerstones of changes to the housing element requirements.</p>
<p>Could this action provide an option to assist with meeting any new housing targets associated with the 2024 Comprehensive Plan?</p>	<p>This action is not likely to help meet the overall housing target because it focuses mostly on preserving existing units.</p>
<p>Cities that have taken the same or similar actions</p>	<ul style="list-style-type: none"> • Tukwila • Seattle • Tacoma • Burien
<p>Advantages</p>	<ul style="list-style-type: none"> • Preserves affordable housing possibly for the long-term. • Rehabilitation of existing affordable housing can be done much more quickly than producing new housing.

	<ul style="list-style-type: none"> • Improves the quality of life and can improve the health and stability for people living in rehabilitated homes and if completed for many homes in the same community, can result in positive effects on neighborhood quality and stability. • Reduces displacement and provides information useful for identifying housing at risk of displacement. • Can help improve the stability of neighborhoods. • Renovating existing housing stock tends to be more cost-effective than building new affordable housing. • A low-income weatherization and rehabilitation program can help improve the livability of existing owner-occupied homes and manufactured homes.
<p>Disadvantages</p>	<ul style="list-style-type: none"> • All the recommendations will require staff time and resources. • Several of the ideas would require funding and grants, and possible partner support. • These measures are not guaranteed to increase the housing supply and the number of new affordable housing units.
<p>Strategies implemented</p>	<p>Prevent and mitigate displacement</p>

G. GMA AS A FRAMEWORK FOR STRATEGY IMPLEMENTATION

This document outlines three key actions:

1. ADU Development
2. SEPA Exemptions
3. Keep residents in their homes.

These strategies were selected from a list of 11 others due to the City's ability to implement them. In pursuing these three actions, the City agrees with RCW 36.70A.020 and its policy framework. Actions should be consistent with the following principles:

1. Urban Growth

Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.

2. Reduce Sprawl

Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.

3. Transportation

Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans.

4. Housing

Plan for and accommodate housing affordable 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.

5. Economic Development

Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.

6. Property Rights

Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.

7. Permits

Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.

8. Natural Resource Industries

Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands and discourage incompatible uses.

9. Open Space and Recreation

Retain open space, enhance recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.

10. Environment

Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.

11. Citizen Participation and Coordination

Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.

12. Public Facilities and Services

Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.

13. Historic Preservation

Identify and encourage the preservation of lands, sites, and structures, that have historical or archaeological significance.

The City believes that these 13 values are represented and embraced by the three actions promoted in this plan. Furthermore, these 13 elements further support the City's goal of 361 new housing units and the concerns around the GMA target of 799. It would be very difficult, if even possible, to respect or adhere to the framework in RCW 36.70A.020 with a high target number as 799.

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Snoqualmie Valley Regional Housing Needs Assessment



REPORT

December 23, 2022



Cottage

Cottage Court

Duplex

Multiplex

Townhome

Live Work

ACKNOWLEDGEMENTS

The Snoqualmie Valley Region is focused on creating new opportunities focused on creating housing options that better align with need and demand based on income, life stage and housing preference. This work is made possible from funding made available through HB 1406.

The findings reflect current trends and forecasts of housing needs throughout the region. This Housing Needs Assessment also reflects input received from project stakeholders with analysis by FCS GROUP, Blue Line and LDC (project consultants).

We specifically recognize and appreciate the time and commitment provided by the following individuals.

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GLOSSARY

Accessory Dwelling Unit (ADU): A small living space located on the same lot as a single-family house.

Affordable For-Sale Housing: An owner-occupied dwelling with an annual housing cost (mortgage payments, utilities, property taxes, etc.) that equates to no more than 30% of household income. *

Affordable Rental Housing: A dwelling that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed 30% of the household's monthly income. If income-restricted or government supported, U.S. Housing and Urban Development (HUD) income restrictions vary by family size. *

**A healthy housing market includes a variety of housing types that are affordable to a range of household income levels. However, the term “affordable housing” is often used to describe income-restricted housing available only to qualifying low-income households. Income-restricted housing can be in public, non-profit or for-profit developments. It can also include housing vouchers to help pay for market-rate housing (see “Vouchers” below for more details).*

American Community Survey (ACS): This is an ongoing nationwide survey conducted by the U.S. Census Bureau. It is designed to provide communities with current data about how they are changing.

Area median income (AMI): This term refers to area-wide median family income calculations provided by the federal Department of Housing and Urban Development (HUD) for a county or region. Income limits to qualify for affordable housing are often set relative to AMI in this report, unless otherwise indicated.

Buildable Lands Inventory (BLI): An assessment of the capacity of land to accommodate forecasted housing and employment needs.

Buildable Residential Land: Includes land that is designated for residential development that is vacant and part-vacant and not constrained by existing buildings or environmental issues.

Cost Burdened: Defined by US Department of Housing and Urban Development (HUD) as households who spend over 30% of their income on housing.

Cottages: Small, single-level, detached units, often on their own lots and sometimes clustered around pockets of shared open space.

Density: Defined by the number of housing units on one acre of land. Based on the 2021 King County Buildable Land Report, housing development density assumptions are as follows:

Very Low Density: 0-4 dwelling units per net acre

Low Density: 4-10 dwelling units per net acre

Medium Low: 10-24 dwelling units per net acre

Medium High Density: 24-48 dwelling units per net acre

High Density: 48+ dwelling units per net acre

Development density: Expected number of dwelling units (per acre) based on current zoning designations.

Employment Sectors: This report includes an analysis of current employment trends for the following employment sectors: Industrial (includes manufacturing, warehousing, distribution, transportation, communications, utilities, construction trades, wholesale trade); Retail (includes businesses that sell end products to consumers); Government (includes local, state and federal workers); Services (includes all other occupations such as business and personal services).

Fair market rent (FMR): HUD determines what a reasonable rent level should be for a geographic area and sets this as the areas FMR. Housing choice voucher program holders are limited to selecting units that do not rent for more than fair market rent.

Family: A group of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together.

Group Quarters: People living in shared housing facilities, such as a college dormitory, military barrack, nursing home or temporary shelter are not considered households and are counted as group quarters population.

Housing Affordability Index: The Housing Affordability Index (HAI) is calculated and maintained by the Washington Center for Real Estate Research (WCRER) at the University of Washington. It measures the ability of a middle-income family to make mortgage payments on a median price resale home. WCRER assumes the following terms: a median priced home of an area, a 20% down-payment, a 30-year fixed mortgage, and the purchaser with a median household income for the area. Critical to the notion of affordability, a household does not spend more than 25% of its income on principal and interest payments. When the HAI is exactly 100, the household pays exactly 25% of its income to principal and interest. When the index lies above 100, a household will spend less than 25% of its income on mortgage principal and interest. A HAI score of less than 100 indicates housing is not affordable at the assumed terms listed above.

Housing Unit (or Dwelling Unit): A house, an apartment or other group of rooms, or a single room is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters; that is, when the occupants do not live and eat with any other person in the structure and there is direct access from the outside or common hall.

Household: Consists of all people that occupy a housing unit. The people can be related, such as a family or unrelated. A person living alone is also a household.

HUD: Acronym for US Department of Housing and Urban Development, the federal agency dedicated to strengthening and supporting the housing market.

Low-Income: Families designated as low-income may qualify for subsidized housing and/or income-based deed-restricted housing units. HUD classifies families based on median family income levels as shown below:

Income Category	Household Income*
Extremely low-income	30% of MFI or less
Very-low income	30-50% of MFI
Low income	50-80% of MFI
Moderate income	80-100% of MFI
Above median income	> 100% of MFI

* Median Family Income (MFI) for the HUD defined market area.

Manufactured Housing: A type of prefabricated home that is assembled off site and then transported to sites of use. The definition of the term in the United States is regulated by federal law (Code of Federal Regulations, 24 CFR 3280): "Manufactured homes are built as dwelling units of at least 320 square feet in size, usually with a permanent chassis to assure the initial and continued transportability of the home. The requirement to have a wheeled chassis permanently attached differentiates "manufactured housing" from other types of prefabricated homes, such as modular homes.

Median Family Income (MFI): The median sum of the income of all family members 15 years and older living in the household. Families are groups of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family. Median income of non-family households tends to be lower than for family households. In this report both MFI and AMI refer to the U.S. Department of Housing and Urban Development Area Median Family Income (AMI) unless otherwise specified.

Middle Housing: Housing types that are attainable for households earning less than 120% of the area median income level. Typically includes plexes (2-4 units per structure), townhomes, apartments, accessory dwellings, cottage homes and manufactured homes.

Mixed Use: Characterized as two or more residential, commercial, cultural, institutional, and/or industrial uses into one combined building or building(s) on the same parcel of land.

Multi-Family Housing: Stacked flats in a single building or groups of buildings on a single lot typically with 5 or more units per structure. Parking is shared, and entrance to units is typically accessed through a shared lobby.

Part-vacant land: Unconstrained land that has some existing development but can be subdivided to allow for additional residential development.

Permanent Resident Population: This refers to the count of all people (citizens and noncitizens) who are living in the location at the time of the census. People are counted at their usual residence, which is the place where they live and sleep most of the time.

Plexes: two to four separate dwelling units within one structure on a single lot. In most instances each duplex, triplex or quadplex unit has its own separate entry.

Residual Land Value: The amount a developer would typically be willing to pay for the land/site to build a specific real estate improvement based on underlying assumptions and market conditions.

Seasonal dwellings: The owner intends these units to be occupied during only certain seasons of the year. They are not anyone’s usual residence. A seasonal unit may be used in more than one season: for example, for both summer and winter sports. Published counts of seasonal units also include housing units held for occupancy by migratory farm workers. While not currently intended for year-round use, most seasonal units could be used year-round.

Severely Cost Burdened: Defined US Department of Housing and Urban Development (HUD) as households who spend over 50% of their income on housing.

Single Family Attached: Residential structures comprised of two to four housing units with a shared wall that separates each unit. “Attached” duplexes require a single building permit for both dwelling units.

Single Family Detached: Free standing residential building, unattached, containing separate bathing, kitchen, sanitary, and sleeping facilities designed to be occupied by not more than one family, not including manufactured and mobile homes.

Subsidized Housing: Public housing, rental assistance vouchers, and developments that use Low-Income Housing Tax Credits (LIHTC) are examples of subsidized housing. Subsidized housing lowers overall housing costs for its occupants. Affordable housing and subsidized housing are different even though the terms are sometimes used interchangeably.

Subsidized Units: Subsidized dwelling units funded in part or in whole by one or more of the following sources: low-income housing tax credits (LIHTC), Section 8, USDA, other HUD, or state grants.

Tenure: Tenure refers to the ownership of the housing unit in relation to its occupants. According to the U.S. Census Bureau, a housing unit is “owned” if the owner or co-owner(s) live in the unit, even if it is mortgaged or not fully paid for. A cooperative, condominium or mobile home is “owned” only if the owner or co-owner lives in it. All other occupied housing units are classified as “rented.”

Townhome (also known as duplexes, rowhouse, etc.): Attached housing units, each on a separate lot, and each with its own entry from a public or shared street or common area.

Vacant housing unit: A housing unit is vacant if no one is living in it at the time of enumeration unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere are also classified as vacant.

Vacant land: Vacant and part-vacant land identified within the local buildable land inventory that is not developed and unconstrained for future planned residential development.

Vouchers (Tenant-based and Project-based): HUD provides housing vouchers to qualifying low-income households to off-set a portion of their rents. These are typically distributed by local housing authorities. Vouchers can be “tenant-based,” meaning the household can use them to help pay for market-rate housing in the location of their choice. The tenant pays the difference between the fair market rent and 30% of the tenant’s income. Or vouchers can be “project-based,” meaning they are assigned to a specific building

Workforce Housing: Affordable workforce housing means housing for a single person, family, or unrelated persons living together and earning 80% or less of the county median income.

INTRODUCTION

PURPOSE

Communities across the nation are facing unprecedented challenges with providing housing that better aligns with need and demand based on income, life stage, and housing preference. In response, the cities of the Snoqualmie Valley Region (Carnation, Duvall, North Bend, and Snoqualmie) continue to pursue policies and planning activities aimed at understanding housing needs and implementing local actions to preserve affordable housing and foster additional housing development.

The Snoqualmie Valley Housing Needs Assessment (HNA) examines current housing conditions; forecasts long-term housing needs; and identify potential policies that support a fair and equitable housing environment. The HNA process included a review of current land use and public facility plans, and local development regulations to determine existing conditions and perceived barriers to new development.

The overall goal of the Housing Needs Assessment is to help focus community efforts on the most critical local housing issues.

The Snoqualmie Valley Housing Needs Assessment is intended to identify long-term housing needs and to analyze and recommend housing policy strategies that will help foster new housing opportunities for households of all income. The policies and practices discussed in this Memorandum are intended to build upon the efforts already undertaken by the cities of the region.

The four primary objectives of the Housing Needs Assessment aim to:

- 1. Evaluate housing options and recommend housing needs that will inform the Housing Chapter of the Comprehensive plans of cities of the region and identify the highest needs for affordable housing.**
- 2. Inform the community on its housing needs for households that are low and very low income.**
- 3. Aid officials in assigning priority and resources to the housing needs identified.**
- 4. Provide a necessary guide in developing appropriate housing policies, programs, and strategies.**

Regional Context

Because housing markets are rarely contained within a single jurisdiction, a regional perspective is necessary to understand market dynamics. For example, if safe and affordable housing is not sufficient in one community, people are likely to search for housing in nearby jurisdictions rather than leave the region altogether.

The focus of this HNA is on four cities within the Snoqualmie River Valley, with housing needs focused on the municipal boundaries and urban growth areas (UGA) of Carnation, Duvall, North Bend and Snoqualmie.

While the area surrounding these cities is rural in nature, the proximity to the greater Seattle/Bellevue Metropolitan Region makes the Snoqualmie Valley Region an attractive destination for people to live and work outside large urban settings. As discussed later in this report, the Snoqualmie Valley Region has seen an influx of new residents and second-home buyers since the beginning of the global Covid pandemic (2020+) which has led to a record level of new residents.

APPROACH

The process used to create this HNA report included:

Demographic Assessment of historic population growth patterns, household sizes, income growth, age, and other factors that impact the nature of housing demand growth.

- **Housing Market Analysis** with a review of existing housing conditions in each community including housing type and tenure, home value, average rents and rent cost burden.
- **Housing Needs and Land Capacity for each city and UGA** based on the latest housing target recommendations the capacity analysis of buildable lands provided by King County.
- **Identification of Local Policy Considerations** and best practices that cities across the Washington area are implementing to address their housing needs. These policies will be further evaluated during the subsequent Housing Action Plan that will be prepared for each city.

With the completion of this Regional Housing Needs Assessment, each of these four cities intends to utilize the findings contained herein to prepare a specific Housing Action Plan and Comprehensive Plan updates.

It should be noted that the findings contained in this Regional Housing Needs Analysis are based on current planning assumptions and state requirements as of November 2022, and do not reflect any additional housing requirements that may result from implementation of pending King County Affordable Housing Task Force recommendations per House Bill 1220 for affordable housing.

REGIONAL OVERVIEW

Population and Households

The cities of the Snoqualmie Valley Region are growing and continue to set record population levels every year. Combined, the four cities of Snoqualmie, Carnation, Duvall, and North Bend have an estimated 32,905 residents (July 1, 2022, estimate). These four cities added nearly 10,000 residents between 2010 and 2022 (**Exhibit 1**). Three of the four cities are far outpacing the state and county-wide population growth rate, with the City of Snoqualmie setting the highest annual population growth rate of 5.71% since 2010.

Population Trends (2010-2022)

					2010-2022
	2010	2020	2021	2022	AGR
Washington	6,561,297	7,706,310	7,766,975	7,864,400	1.52%
King County	1,879,189	2,269,675	2,287,050	2,317,700	1.76%
City of Snoqualmie	9,058	14,121	14,490	14,490	3.99%
City of Carnation	2,081	2,158	2,150	2,160	0.31%
City of Duvall	6,271	8,034	8,125	8,320	2.38%
City of North Bend	5,688	7,461	7,685	7,915	2.79%
Four-city Region	23,098	31,774	32,450	32,885	2.99%

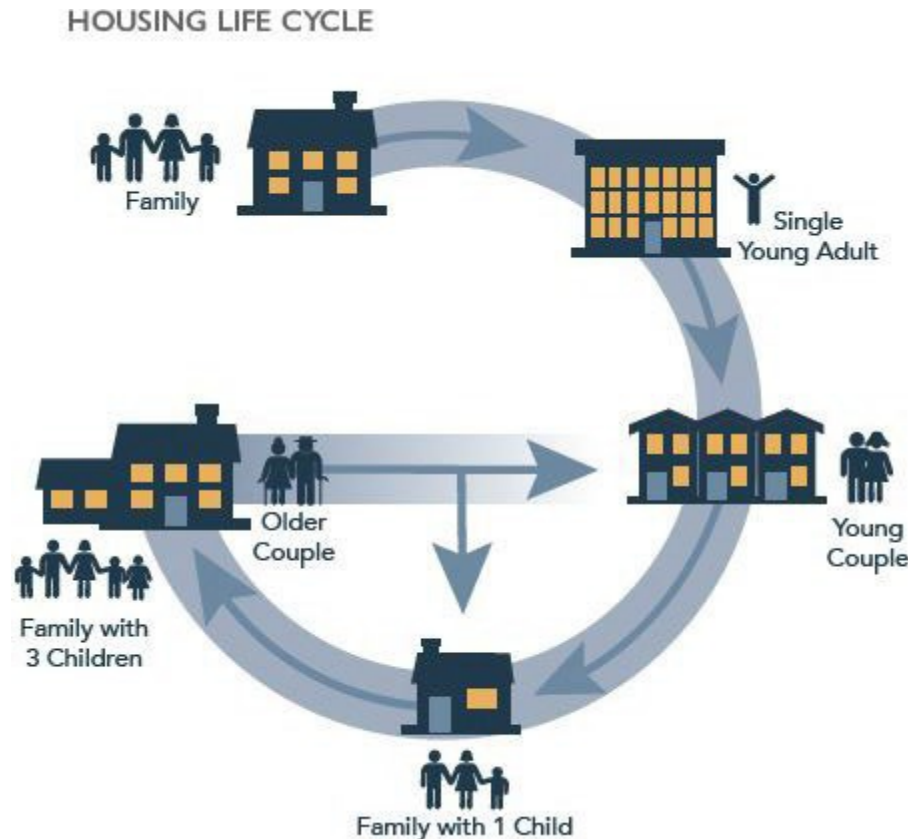
Source : Washington State Office of Financial Management
AGR = average annual growth rate.

Factors affecting housing needs

There is a linkage between demographic characteristics and housing choice. As shown in **the figure below**, housing needs change over a person’s lifetime.

Other factors that influence housing include:

- » Homeownership rates increase as income rises.
- » Single family detached homes are the preferred housing choice as income rises.
- » Renters are much more likely to choose multifamily housing options (such as apartments or plexes) than single-family housing.
- » Very low-income households (those earning less than 50% of the median family income) are most at-risk for becoming homeless if their economic situation worsens.



The relationship between demographic changes, income levels and housing preferences can shed light on future housing needs for the Snoqualmie Valley Region.

Population by demographic age cohort is shown in **Exhibit 2**. Overall, the cities of the Snoqualmie Valley Region have more young families than the county and state average with a higher share of Generation Z and Generation X residents.

Silent Generation (age 75 and over)

This includes retirees over age 75, who were raised during the Great Depression, World War I or World War II. This cohort currently accounted for just 2% of the Snoqualmie Valley Regional population in 2020. As they reach their 80s some desire to move into assisted living facilities with nearby health care services and transit access.

Baby Boom Generation (age 55 to 74)

Baby boomers accounted for 16% of the Snoqualmie Valley Region residents in 2020. The boomer population segment has been growing more rapidly than the other cohorts over the past 10 years and many are now entering their retirement years. Boomers usually prefer to “age in place” until after age 80, then may downsize or move in with family members (sometimes opting to reside in accessory dwellings off the main house).

Generation X (age 40 to 54)

Gen X is the demographic cohort following the baby boomers and preceding the Millennials. This cohort accounted for 26% of the Snoqualmie Valley Region residents. GenX households often include families with children, and many prefer to live in single family detached dwellings at various price points

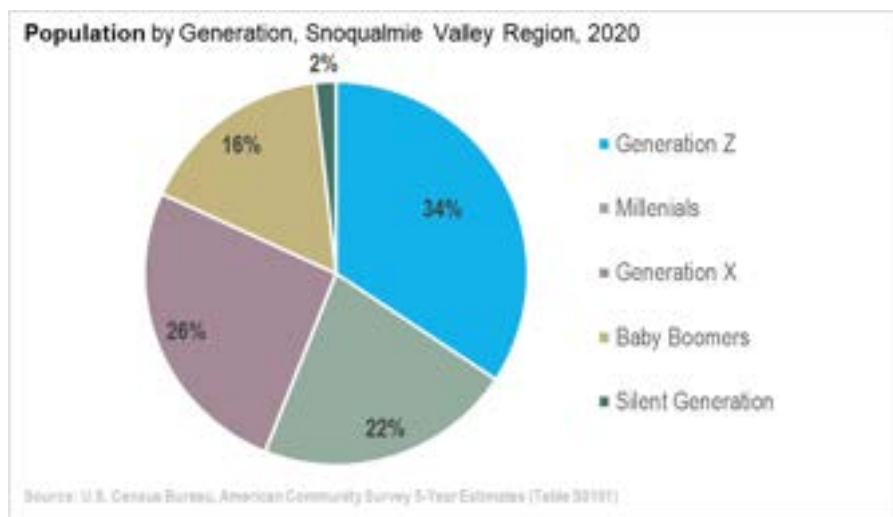
Millennials (age 25 to 39)

Millennials (currently in their twenties or thirties) accounted for 22% of the Snoqualmie Valley Region residents in 2020. Younger millennials tend to rent as they establish their careers and/or payback student loans. Working millennials often become first-time homebuyers, opting to purchase smaller single family detached homes or townhomes. Millennials in their 30s often include high tech or higher income earners that can afford market rate detached homes or townhomes.

Generation Z (under age 24)

This is one of the largest demographic segments and accounted for 34% of the residents in the Snoqualmie Valley Region. It includes children living primarily with Millennials and GenXers. This segment has been increasing over the past several years, but this growth may slow in the future as GenXers are delaying starting families and tend to have fewer children than past generations.

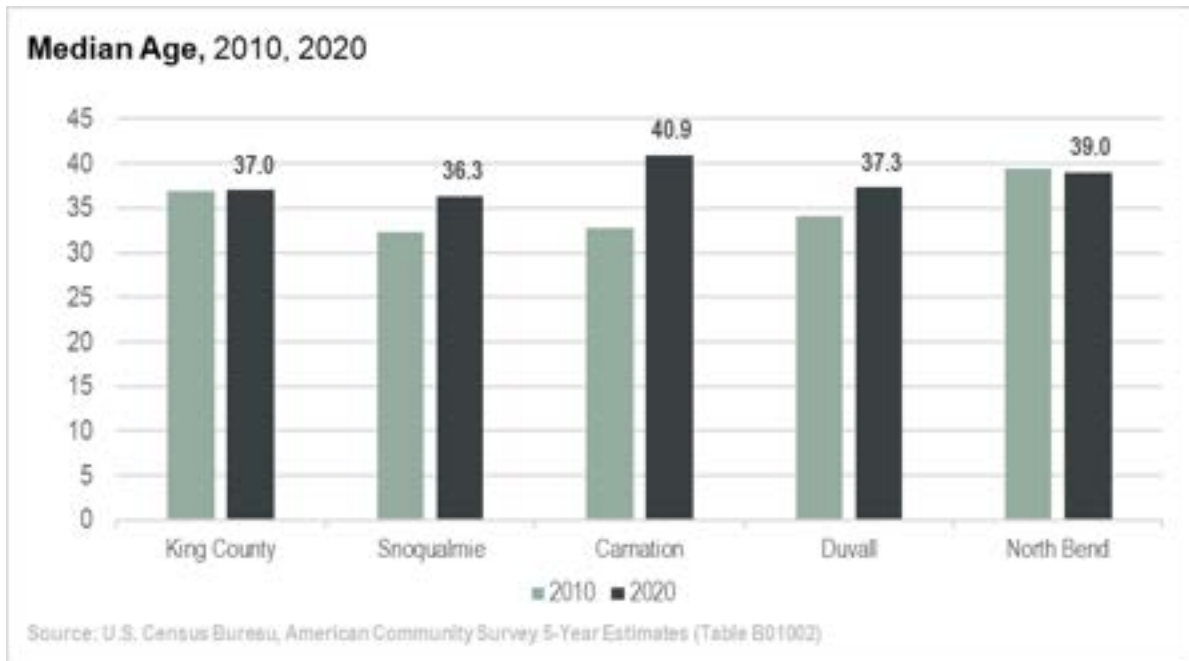
Population by Age Cohort Generation



The median age of Snoqualmie Valley Region residents ranges from 36.3 (City of Snoqualmie) to 40.9 (City of Carnation). Overall, the median age of the residents within the region is in line with the countywide median age of 37 as of 2020 (**Exhibit 3**).

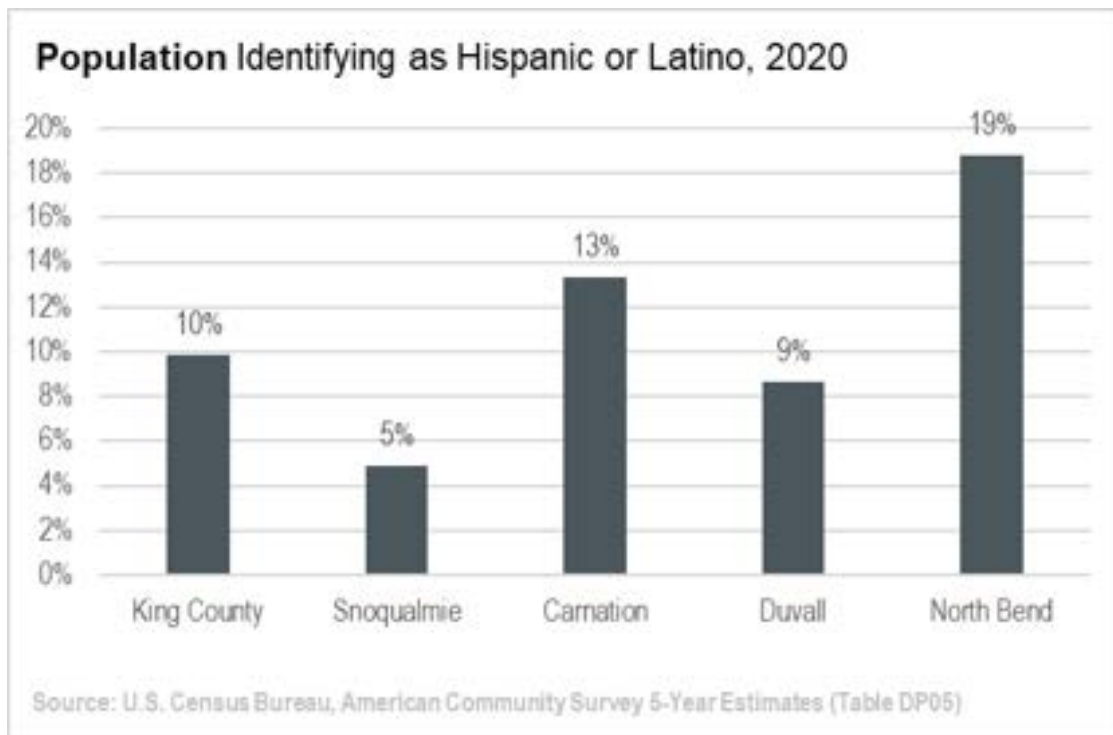


Median age, 2010 & 2020



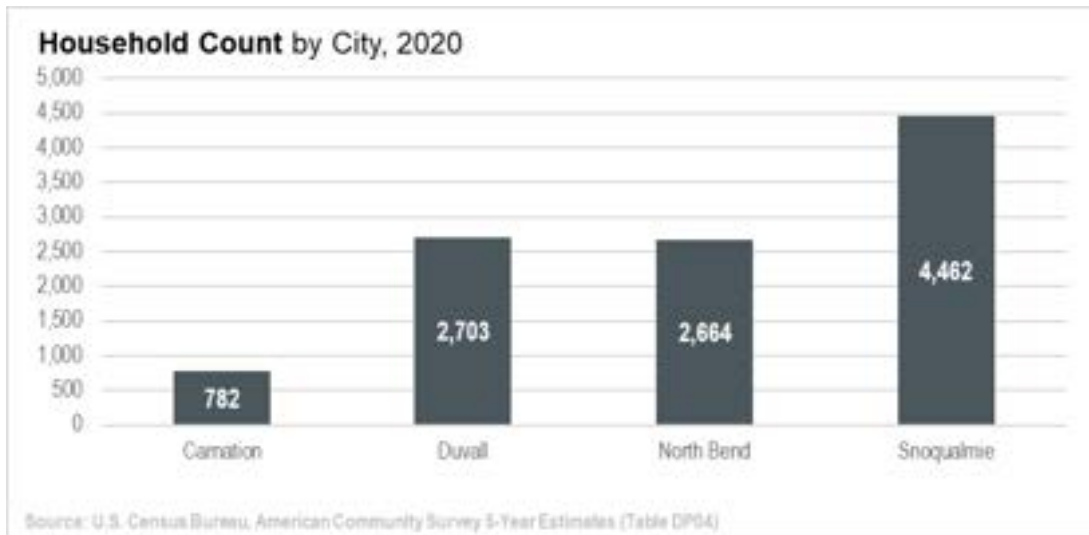
Ethnic diversity in the Region is primarily represented by the Hispanic/Latino population segment. This segment accounts for between 5% (City of Snoqualmie) and 19% (City of North Bend) residents (Exhibit 4).

Population Identifying as Hispanic or Latino, 2020



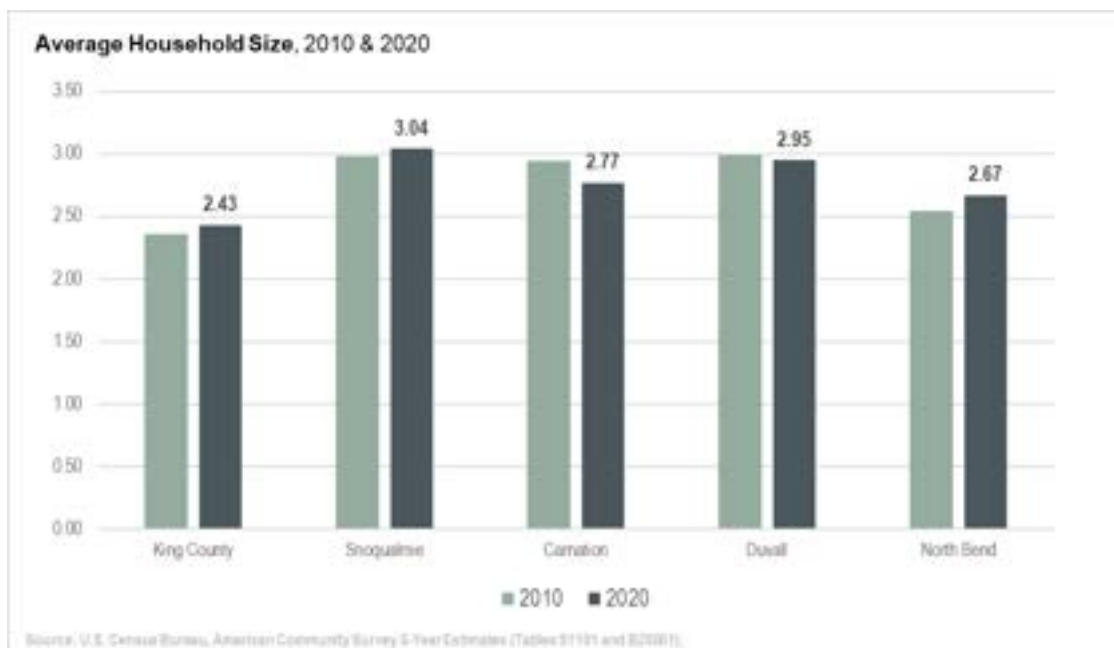
There were an estimated 10,611 households living within the four Cities of the Snoqualmie Valley Region in 2020. As shown in **Exhibit 5**, the greatest concentration is to be found in the City of Snoqualmie (4,462) and the lowest concentration is found in the City of Carnation (782 households). As indicated later in this report, these four cities have added approximately 200 additional housing units since 2020.

Household Counts



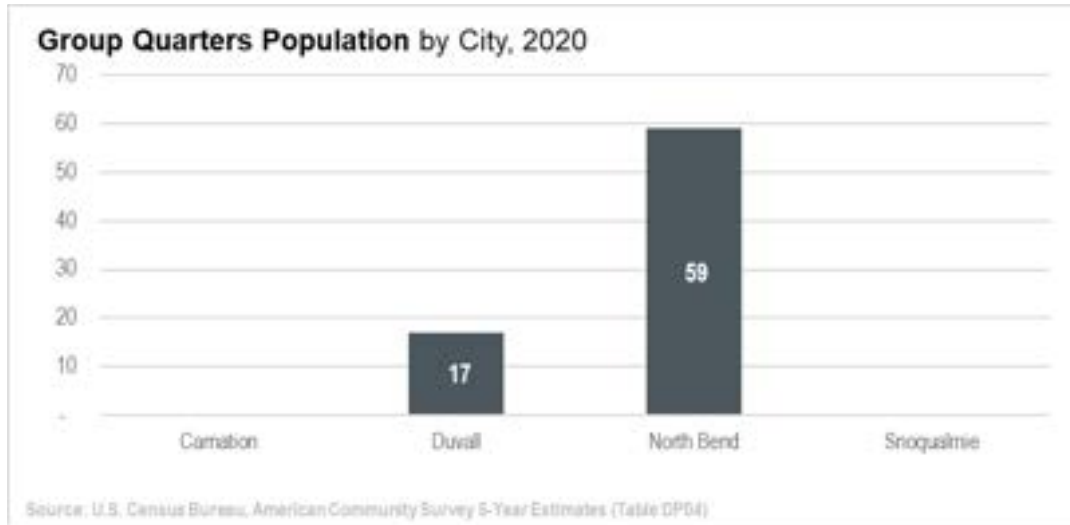
The average household size in the Snoqualmie Valley continues to exceed the King County average as shown in **Exhibit 6**. Larger households tend to represent families with school-age children and tend to prefer detached single-family homes.

Average Household Size



People that reside in group quarters are not included in the household counts. They typically reside in shared living arrangements such as senior care facilities, treatment centers, group homes and other living arrangements managed by an organization rather than the residents themselves. As of 2020, only Duvall and North Bend had measurable group quarters population, with 17 and 59 group quarters residents, respectively (**Exhibit 7**).

Group Quarters Population, 2020



Income and Employment

Household income in the Region is much higher than the state and county-wide income levels as shown in **Exhibit 8**. The U.S. Housing & Urban Development utilizes median household income as the primary measure for area income and housing affordability. Average income levels tend to be higher than median income because there tends to be a high share of income concentrated in a small number of very high-income households.

Median Household Income

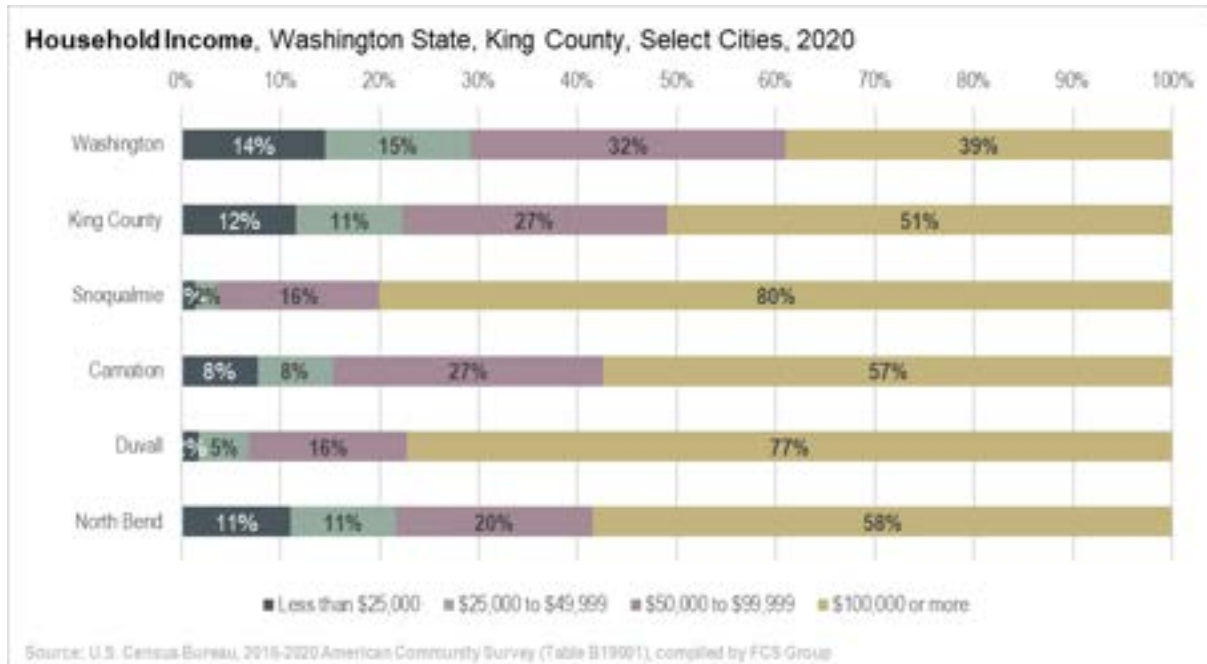
Median Household Income, 2010-2020			
	2010	2020	AGR
Washington	\$57,244	\$77,006	3.0%
King County	\$68,065	\$99,158	3.8%
City of Snoqualmie	\$116,020	\$159,450	3.2%
City of Carnation	\$70,769	\$112,647	4.8%
City of Duvall	\$105,763	\$162,622	4.4%
City of North Bend	\$77,462	\$119,392	4.4%

Source: U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates (Table B25119)

AGR: average annual growth rate.

Over half of the households in the Region earn more than \$100,000 per year. However, the share of households earning less than \$50,000 ranges from 3% in the City of Snoqualmie to 22% in the City of North Bend (**Exhibit 9**).

Median Household Income by Household Type, 2020



Employment (as measured by at-place-of-work jobs covered by unemployment insurance) within the Snoqualmie Valley Region has been increasing across all job sectors. Total employment within the four cities of the region increased from 4,713 in 2002 to 10,443 in 2019 (an increase of 5,730 jobs) as shown in **Exhibit 10**. The service sector added the most jobs during this time followed by the industrial sector (which includes construction, manufacturing, distribution, and wholesale trade).

Employment Trends in the Snoqualmie Valley Region

Sector	2002 Emp.	2009 Emp.	2019 Emp.	Change: 2002-2019	AGR
Industrial	974	1,931	2,394	1,420	5.4%
Retail	853	692	1,046	193	1.2%
Service	2,790	4,179	6,540	3,750	5.1%
Government	96	107	463	367	9.7%
Total	4,713	6,909	10,443	5,730	4.8%

Source: U.S. Census On the Map data . AGR: average annual growth rate.

Improvements in the ratio of jobs to housing can help reduce the need for long-distance commutes by workers within the region. The ratio of jobs to households within the Snoqualmie Valley Region (four cities) has been increasing over the past decade. In 2020 there were 1.03 jobs for every household, up from 0.9 in 2010.

Job growth forecasts by the Washington State Employment Security Department suggest that industries in the King County region are expected to increase in employment by between 0.2% and 2.5% annually over the next ten years. Using countywide growth projections as a basis, local employment in the four cities of the Snoqualmie Valley Region is projected to increase by 2,277 jobs by 2030. The majority of job growth is projected to occur in the services sector followed by the retail sector (**Exhibit 11**).

Employment Forecast in the Snoqualmie Valley Region

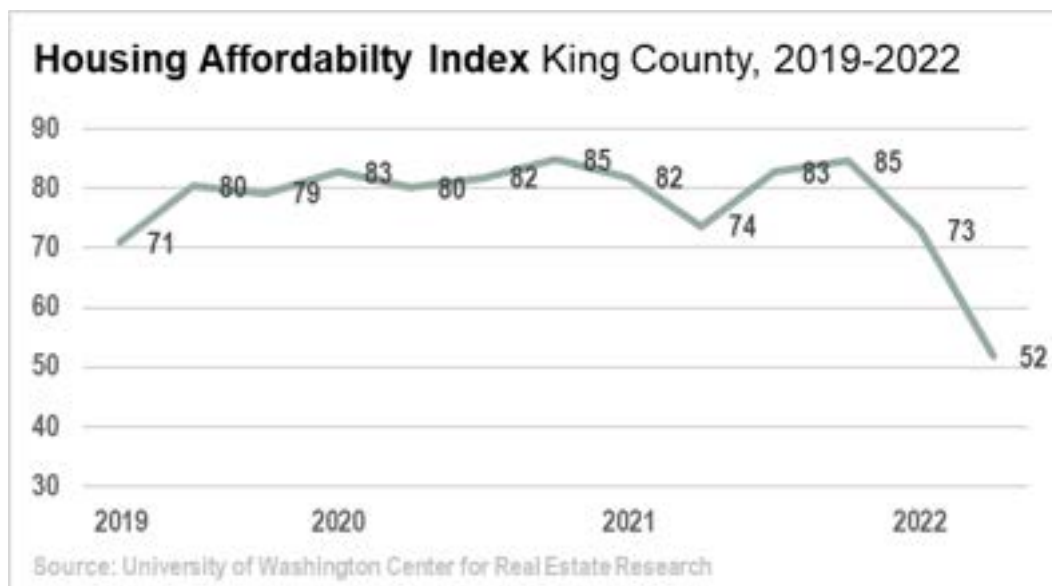
Sector	2019 Emp.	Regional Projected AGR	Projected 2030 Emp.	Change
Industrial	2,394	0.2%	2,453	59
Retail	1,046	2.5%	1,374	328
Service	6,540	2.4%	8,474	1,934
Government	463	1.1%	519	56
Total	10,443	1.8%	12,820	2,377

Source: U.S. Census On the Map data, Washington ESD Industry Growth Projections

Housing Cost Burdens

With the recent increase in mortgage interest rates and rising home prices there is increasing concern that many households are being priced out of the market. The Housing Affordability Index for King County has consistently remained below 100 and has recently dipped to the lowest level in several years at 52. An index of 100 or higher means that households earning the median income for the area should be able to afford a median priced home (**Exhibit 12**).

King County Housing Affordability Trends

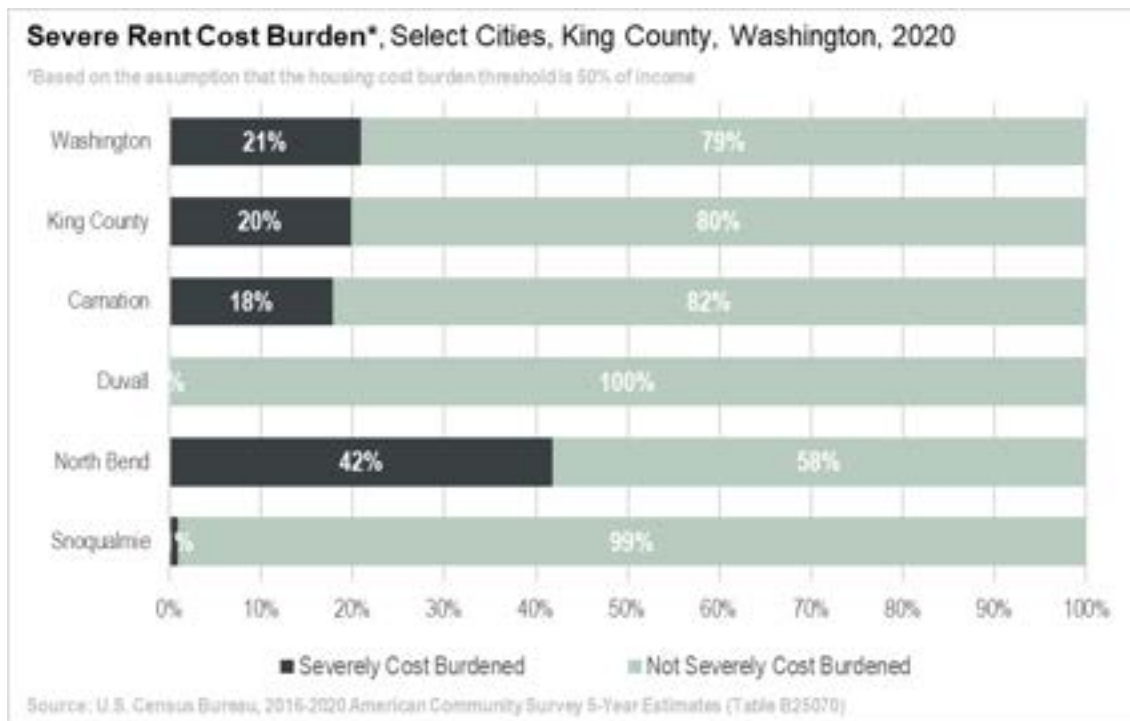


According to the U.S. Housing and Urban Development (HUD), households are considered to be “cost burdened” if they pay over 30% of their income on housing. Households are “severely cost burdened” when they pay over 50% of their income on housing.¹

As shown in **Exhibit 13**, the share of renter households with severe rent burdens varies broadly within the Region. As indicated previously, in North Bend 22% of households have an annual income of less than \$50,000 per year. This relatively high share of lower-income households combined with a significant rental housing inventory influence rental housing cost burdens. As a result, over 4 in 10 renter households (42%) in the City of North Bend experienced severe rent burden. In comparison, the City of Carnation is near the county and statewide average at 18%.

Within the cities of Duvall and Snoqualmie, where income levels are relatively high and rental housing inventory is low, severe rent burdens were less prevalent. However, the housing within these communities is not attainable to many of the households that have low paying service or retail jobs.

Severe Rent Cost Burden, 2020



¹ Housing costs reflect annual income for rent and utilities for renters, and loan principal, interest, utilities, property taxes and insurance for homeowners. FCS estimates that the average cost of utilities, property taxes and home insurance add between \$387 (utilities only) and \$1,084 per month for homeowners.

It should be noted that there are other factors referenced by HUD that impact “affordability” more than just house rent/price and number of bedrooms. Costs also account for neighborhood school quality, public safety, and access to jobs and amenities. The percentage of income standard for housing affordability may not fully consider the effects of housing and neighborhood quality. Housing that may appear affordable based on cost alone, for example, might be far from employment centers, increasing the percentage of income a household dedicates to transportation. A household may also choose a low-quality housing unit or a low-opportunity neighborhood to reduce housing costs. As a result, the conventional measure of affordable housing underestimates the number of households who are burdened by combined housing and transportation costs as well as the number of households in need of quality affordable housing.

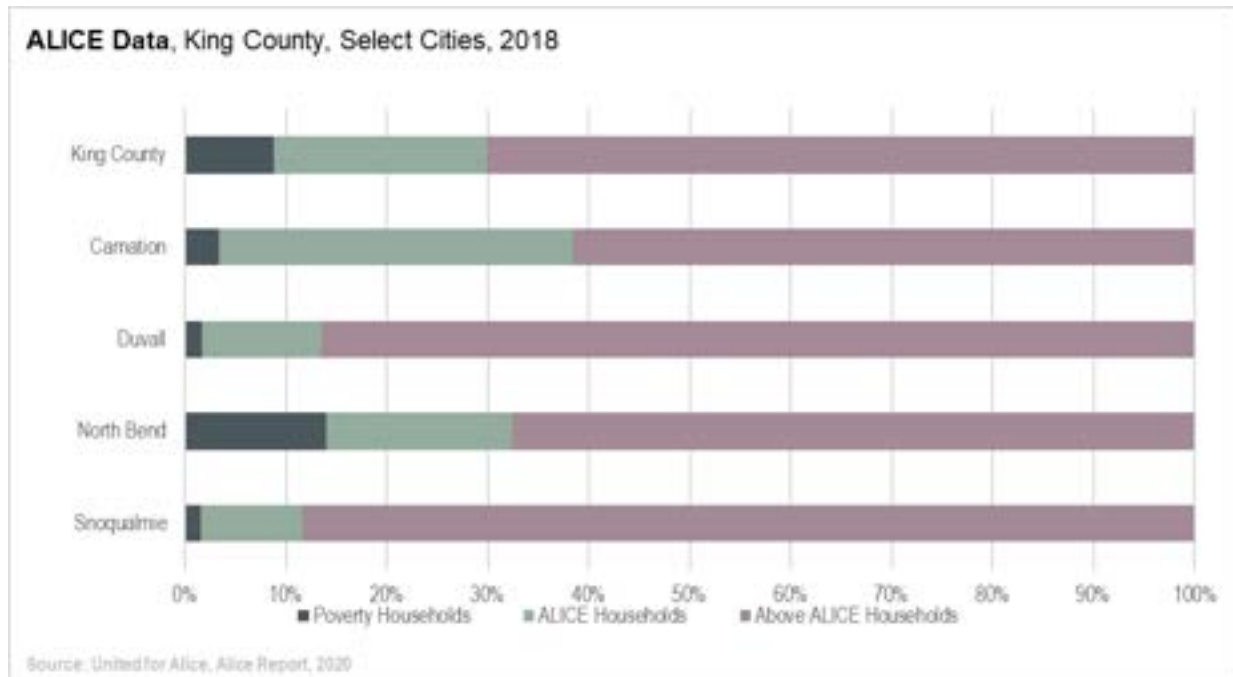
Asset Limited Income Constrained & Employed Residents (ALICE)

Like many communities across the U.S., an increasing share of households are experiencing economic hardship as the overall cost of living rises faster than income levels. Since 1965, the Federal Poverty Level (FPL) has provided a standard for determining the proportion of people living in poverty in the U.S. Despite the FPL’s benefit of providing a nationally recognized income threshold for determining who is poor, its shortcomings include the fact that the FPL is not based on the current cost of basic household necessities, and except for Alaska and Hawaii, it is not adjusted to reflect cost of living differences across the U.S. In fact, federal poverty statistics indicate that the number of King County households living in poverty decreased by 5.1% since 2010.

In recognition of the shortcomings associated with federal poverty statistics, the United Way now provides a new framework to measure households that do not earn enough to afford basic necessities, with a segment titled ALICE (Asset Limited, Income Constrained, Employed). The ALICE methodology considers the total cost of household essentials – housing, childcare, food, transportation, technology, and health care, plus taxes and a 10 percent contingency. ALICE data are calculated separately for each county, and for six different household types. For more information, please check out: <https://www.unitedforalice.org/methodology>

In 2018, 30% of the households in King County were classified as living in poverty or in the ALICE category, which is below the Washington state average of 33% (**Exhibit 14**). The cities of Carnation and North Bend were slightly above the combined county-wide poverty and ALICE rate average. Duvall and Snoqualmie have lower combined rates of poverty and ALICE households.

Asset Limited Income Constrained Households, 2018



Displacement Risk

Displacement is a phenomenon in which residents and businesses can no longer afford escalating rents or property taxes. As economic growth in the Puget Sound region continues, the risk of displacement for existing residents increases.

The Puget Sound Regional Council has developed a displacement risk tool which assesses the risk of displacement by geographic area. **Exhibit 15** depicts areas most at risk of displacement. In this map, orange shaded areas are at higher risk of displacement (a displacement risk score of 3) than the yellow shaded areas (a risk score of 2) and the green shaded areas (a risk score of 1). This map shows that all the communities in the Snoqualmie Valley Region have a displacement risk score of 1 (low risk). Displacement risk indicators are summarized below.

Direct/Physical Displacement

Households are directly forced to move for reasons such as eviction, foreclosure, natural disaster, or deterioration in housing quality.

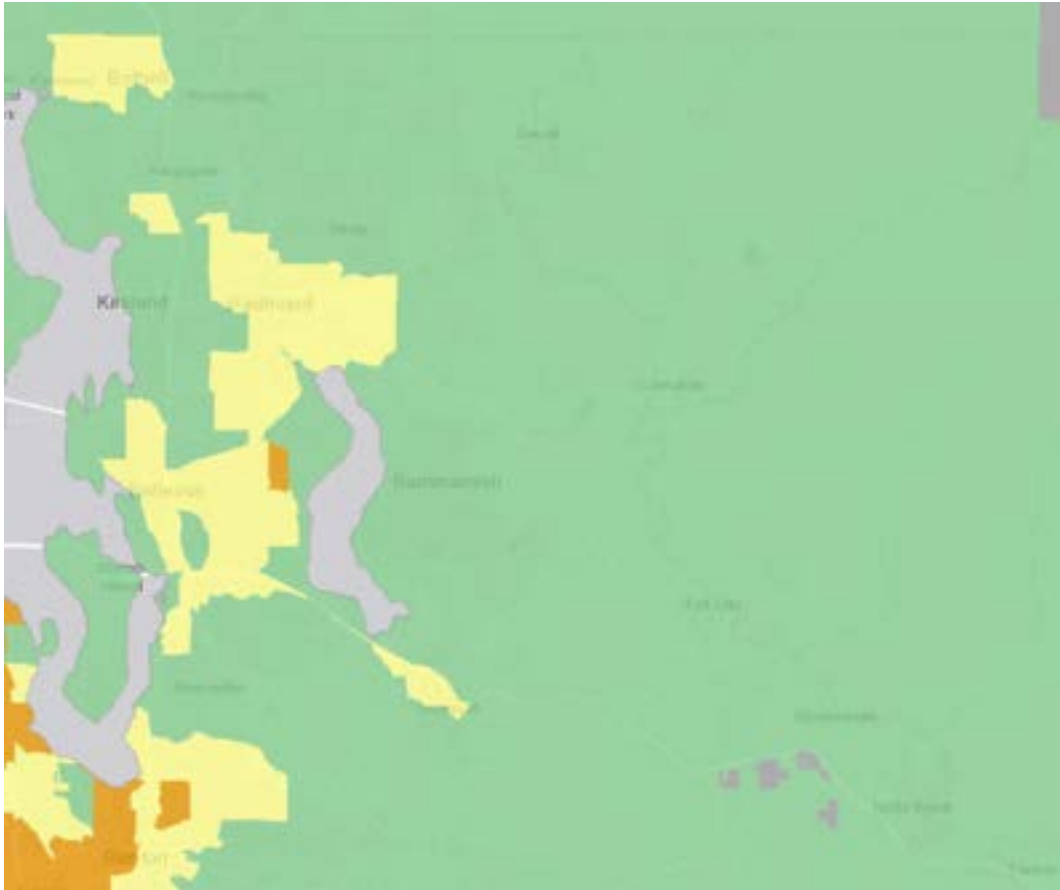
Indirect/Economic Displacement

Households are indirectly compelled to move by rising housing costs, or loss of cultural / social networks.

Exclusionary Neighborhood Change

Households are unable to move into a neighborhood that would have previously been accessible to them; also known as "exclusionary displacement."

Displacement Risk Map



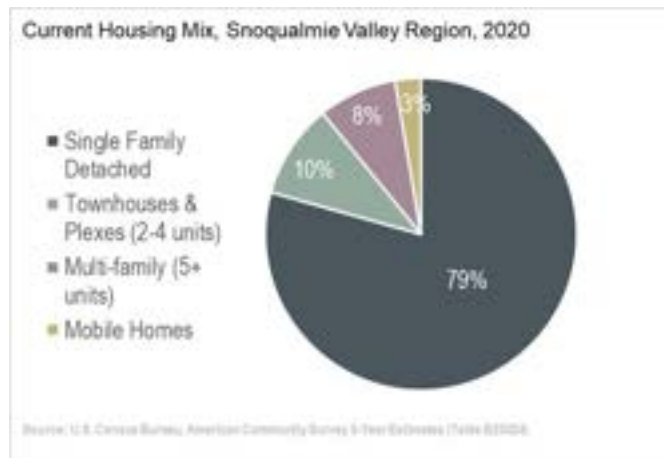
While PSRC indicates that the overall displacement risk in the Snoqualmie Valley region is low, communities that have a relatively high share of poverty and ALICE households, such as North Bend could face greater displacement risk in the future if home prices continue to outpace income levels.

HOUSING CONDITIONS AND NEEDS

Local housing conditions and development trends shed light on housing conditions and demand preferences. In 2020, there were nearly 11,000 existing housing units within the four Snoqualmie Valley cities (area excludes UGAs outside city limits). Among those, 10,611 units were occupied and 328 were classified as vacant.

Like most communities in Washington, single-family detached housing is the most prevalent housing type representing 79% of the overall housing mix. As shown in **Exhibit 16**, approximately 10% of the housing inventory includes townhomes and plexes (with 2 to 4 units per structure). Multifamily housing (including apartments and condominiums with 5 or more units per structure) represents approximately 8% of the Region’s housing inventory. Mobile homes and manufactured dwellings represent the remaining 3% of the housing inventory.

Existing Housing Inventory



The share of households residing in single family detached dwellings ranges from a low of 66% in North Bend to a high of 92% in Duvall (**Exhibit 17**).

Occupied Households by Dwelling Type



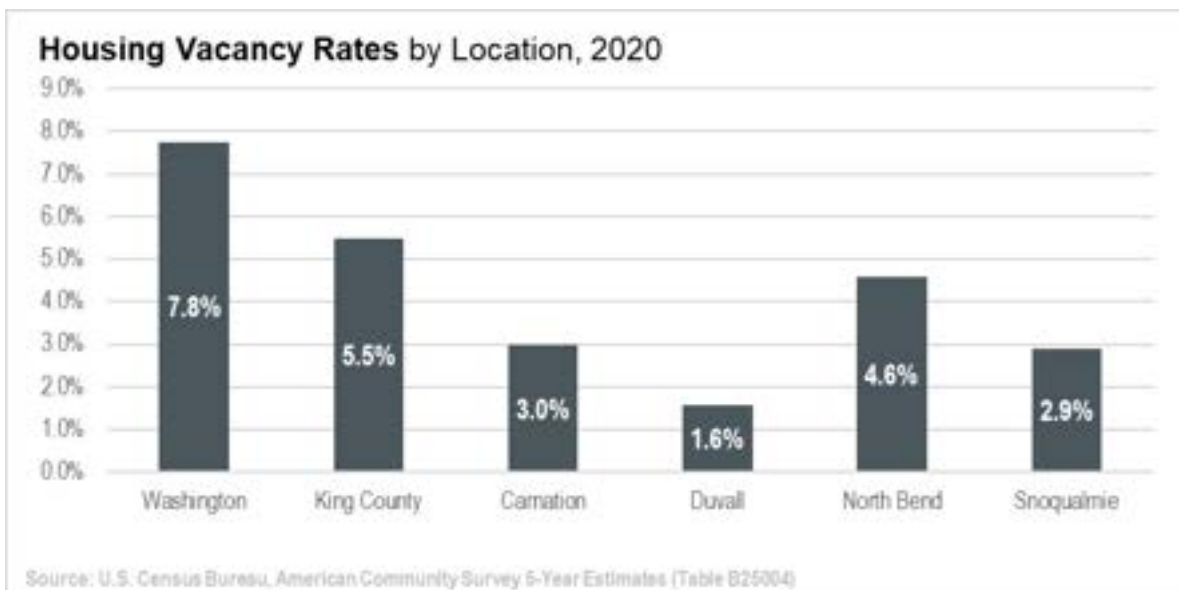
Most the Snoqualmie Valley Region’s housing units have between 2 and 4 bedrooms (**Exhibit 18**).

Housing Units by Number of Bedrooms



The overall housing vacancy rate within the Snoqualmie Valley Region was approximately 3.1% in 2020 and is reported to be much lower today. The vacancy rate in all the Snoqualmie Valley cities is lower than the county and state averages (**Exhibit 19**). Vacant units would also include short-term rentals and second homes.

Vacant Housing Units



Home ownership varies widely within the Snoqualmie Valley Region. Owner-occupied housing units represent between 66% and 95% of the total housing inventory in these four cities while renter-occupied units account for between 5% and 34% of the inventory (**Exhibit 20**).

Existing Housing Tenancy, 2020



There are currently six significant government subsidized housing developments within the Snoqualmie Valley Region that offer assisted living arrangements. Using the National Housing Preservation Database tool, these five facilities are listed in **Exhibit 21**.

Facilities with Subsidized Dwelling Units

Development Name	Location	Subsidized Units	Total Units
SI View	North Bend	20	20
Sno Ridge Apartments	North Bend	39	40
Cascade Park	North Bend	28	28
Panorama Apartments	Snoqualmie	188	191
Pickering Court	Snoqualmie	30	30
Duvall Family Housing	Duvall	8	8
Total		313	317

Source: NHPD Mapping Tool

New housing construction activity for each of the four cities within the Snoqualmie Valley Region has resulted in 695 homes being added over the last three years (2019-2021). The most significant level of development activity has been occurring in the cities of North Bend and Duvall (**Exhibit 22**).

Exhibit 22: Recent Home Construction Activity, 2019-2021

Residential New Building Permits Issued: 2019-22			
	2019	2020	2021
Snoqualmie	4	-	-
Carnation	11	19	17
Duvall	40	208	26
North Bend	85	142	143
Total	140	369	186

Source: Building permit data provided by cities.

HOUSING VALUES AND RENTS

Home values in the Snoqualmie Valley Region have increased significantly in recent years. As indicated in **Exhibit 23**, the median home value in all four cities has increased by over 20% annually over the last two years. Recent home values peaked in July 2022 and began to decline slightly during August 2022 as interest rates increased. Currently, the median home sales price in all four cities is now near or above \$1,000,000.

Home Value Price Index in Select Markets

	Aug-20	Aug-21	Aug-22	Annual Change %
North Bend	\$644,018	\$811,441	\$965,849	22.5%
Carnation	\$697,734	\$870,365	\$1,011,912	20.4%
Snoqualmie	\$751,620	\$940,260	\$1,131,037	22.7%
Duvall	\$680,957	\$850,109	\$1,009,828	21.8%

Source: Zillow.com; analysis by FCS 10/11/22

By comparing the median household income to the median home price, we can better understand home ownership attainability in the Snoqualmie Valley Region. As shown **Exhibit 24**, a household would need to earn at least 183% of the regional median household income level to be able to “afford” a median priced home of \$1,050,000 (assuming they have 10% down payment and allocate no more than 30% of income to housing). Based on current income levels in the Snoqualmie Valley Region, it is estimated that less than one in four households can now afford a median priced home.

Home Ownership Attainability Analysis

Snoqualmie Valley Region Housing Attainability

Regional Median Household Income (2022)*	\$134,600
Regional Housing Cost (median price, 2022)	\$1,029,657
Downpayment (@10%)	\$102,966
Mortgage Amount (Principal and interest only)	\$926,691
Monthly Housing Payment**	(\$6,161)
Annual Qualifying Income (@30% of income)	\$246,433
Percent of MHI for qualifying households	183%

* based on current U.S. Housing and Urban Development data for FY 2022.

** assumes 10% down payment on 30-yr mortgage @ 6.9% APR interest.

Currently, the HUD fair market rents within King County range from \$1,829 for an efficiency unit to \$3,446 for a four-bedroom unit, as shown below. Fair market rents have been increasing between 3.6% and 4.6% per year over the past few years.



The median family income (MI) in King County was \$113,300, which was high compared with the statewide median family income of \$89,800. Housing attainability is typically measured at the following levels:

- Δ Upper income (120% of MI)
- Δ Middle income (80% and 120% of MI)
- Δ Low income (50% and 80% of MI)
- Δ Very-low income (30% and 50% of MI)
- Δ Extremely low income (0% and 30% of MI)

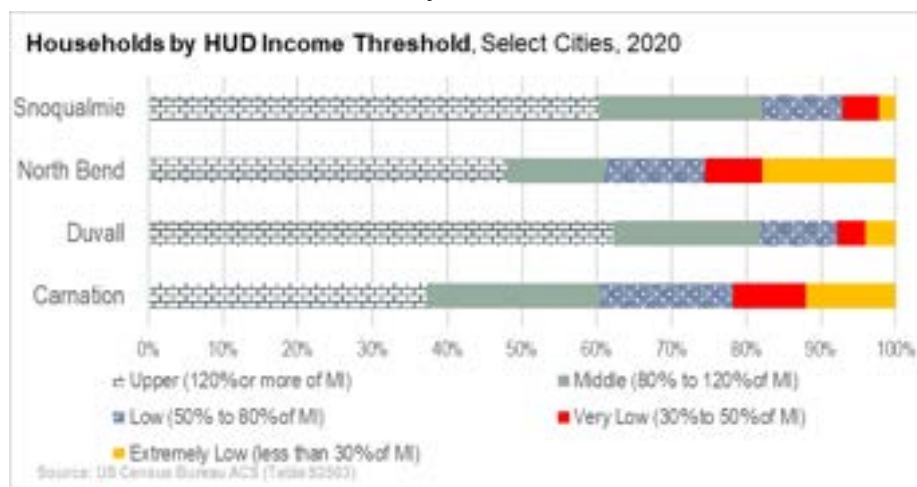
Exhibit 25 depicts HUD qualifying income thresholds for those levels.

Median Income Thresholds, King County, 2020

HUD Qualifying Income Level	Lower-end	Upper-End
Upper (120% or more of MI)	\$135,960	or more
Middle (80% to 120% of MI)	\$90,640	\$135,960
Low (50% to 80% of MI)	\$56,650	\$90,640
Very Low (30% to 50% of MI)	\$33,990	\$56,650
Extremely Low (less than 30% of MI)	\$33,990	or less

Based on these housing thresholds, **Exhibit 26** reflects the share of households that would meet HUD income thresholds within each city. These calculations assume that no more than 30% of income is allocated to housing per HUD standards.

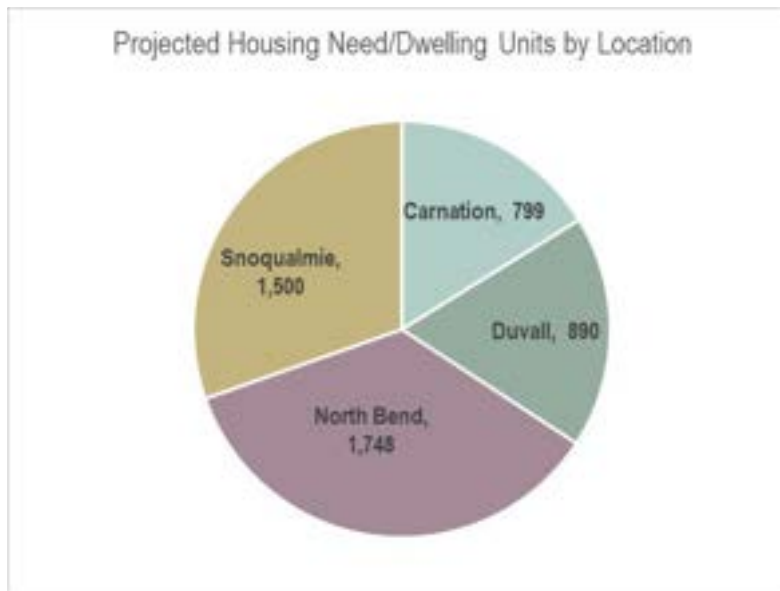
Households by Income HUD Income Threshold, 2020



LONG-TERM HOUSING NEEDS

Based on the long-term housing targets that were adopted as part of the 2044 Urban Growth Buildable Land Capacity Report (report by King County dated June 2021) and current housing trends discussed above, the four-city Region has a housing target of adding 4,937 housing units (dwellings) over the 2021–2044-time frame. The allocation of the current housing targets is shown in **Exhibit 27**.

Housing Targets by Location, 2021-2044



As a manner of enhancing housing attainability, cities should consider providing opportunities for development of a variety of housing types. If each city in the Snoqualmie Valley Region equally addresses the projected market demand for housing types based on emerging trends and income attainability issues identified herein, the overall housing target in the Region would consist of 3,900 single family dwellings and approximately 1,037 “middle housing” units (**Exhibit 28**). In this HHA document, middle housing is intended to reflect housing types other than single family detached or attached townhomes. For example, this could include opportunities to develop duplexes, apartments, cottages, or accessory dwellings that tend to be more attainable to rent or own.

The forecasts shown in **Exhibit 28** are provided for local consideration only. It is recommended that during the Housing Action Plan phase of work, cities consider how local regulations can be amended to permit (but not require) additional middle housing development to occur.

Projected Market Demand by Housing Type

Location	Total	Single Family	Middle Housing
Carnation	799	631	168
Duvall	890	703	187
North Bend	1,748	1,381	367
Snoqualmie	1,500	1,185	315
Total	4,937	3,900	1,037

Review of Housing Capacity Based on Current Zoning

The *Urban Growth Buildable Land Capacity Report* (BLR) by King County dated June 2021 provides 2044 housing and employment capacity targets for each city. In addition to the housing targets, the report provides an analysis of the land capacity for each city (see **Exhibit 27**).

The land use analysis identified below is intended to enable each City within the Snoqualmie Valley Region to provide sufficient “zoned” land capacity for new development over the next 20+ years (by year 2044). The recommended growth targets provide a context for complying with the PSRC VISION 2050 and the King County BLR.

The growth targets indicate the amount of growth each jurisdiction is expected to plan for in its comprehensive plan. The process for complying with these growth targets provides flexibility for jurisdictions in interpreting the regional growth strategies and must consider local input on the community vision, market conditions, and infrastructure investments.

As shown in **Exhibit 29**, the 2044 housing target for the four-cities combined is 4,937 net new dwellings. After accounting for development that has been identified in the planning pipeline (2,281 dwellings plus planned mill site redevelopment in the city of Snoqualmie), the four cities currently have the capacity to accommodate another 4,676 dwelling units. The BLR also indicates that there is likely to be a housing capacity surplus in the cities of Duvall and North Bend, but a housing capacity shortfall (based on current zoning for remaining buildable land area) for the cities of Carnation and Snoqualmie. More detailed findings for each city are described in the following sections.

2044 Targets and Capacity, Snoqualmie Valley Cities

	Units in Pipeline	Remaining Capacity	Total Capacity	2044 Housing Target	Surplus (Deficit)
King County	43,561	362,563	406,124	307,277	98,847
Snoqualmie	204	327	531	1,500	(969)
Carnation	223	481	704	799	(95)
Duvall	647	696	1,343	890	453
North Bend	1,207	891	2,098	1,748	350
Four-city Region	2,281	2,395	4,676	4,937	(261)

Source: June 2021 King County Buildable Lands Report, plus city staff input.

It should be noted that the findings contained in this Regional Housing Needs Analysis are based on current planning assumptions and state requirements as of November 2022, and do not reflect any additional housing requirements that may result from implementation of pending King County Affordable Housing Task Force recommendations per House Bill 1220 for affordable housing.

Carnation

As shown below in **Exhibit 30**, Carnation has a 2044 housing target of 799 net new dwellings. The city has 223 net new units in the pipeline between January 1, 2019, and June 2022. After subtracting the committed lands, Carnation has remaining housing capacity for about 480 dwelling units. This results in a projected capacity shortfall of approximately 95 dwelling units under current zoning.

Remaining uncommitted residential land is mostly in low- and medium-density zoning. It is recommended that the City explore various policy and code amendments such as some limited up-zoning or minimum densities in Planned Unit Developments to address the housing shortfall.

2044 Targets and Capacity, City of Carnation

	Net Buildable Acres	Net Capacity	Assumed Achieved Density
Very Low	2.2	1	3.9
Low	13.5	84	5.2/9.7
Medium Low	29.1	396	12.0/17.0
Medium High	-	-	-
High	-	-	-
Total	44.8	481	-

	2044 Target	Units in Pipeline	2044 Target Less Units in Pipeline	Remaining Capacity	Net Deficit/ Surplus
	799	223	576	481	(95)

Source : June 2021 King County Buildable Lands Report

Duvall

As shown below in **Exhibit 31**, Duvall has a 2044 housing target of 890 net new dwellings. The city has 647 units in the pipeline since January 1, 2019. After subtracting committed lands, Duvall has a remaining capacity for about 696 dwelling units. This results in a potential housing capacity surplus of about 450 units.

Remaining uncommitted residential land is mostly in the lower density zones. There is no expected housing shortfall to rectify currently.

2044 Targets and Capacity, City of Duvall

	Net Buildable		Assumed
	Acres	Net Capacity	Achieved Density
Very Low	31.8	70	3
Low	56.2	237	4.5/8.0
Medium Low	23.2	389	12.0/21.0
Medium High	-	-	-
High	-	-	-
Total	111.1	696	-

2044 Target	2044 Target		Remaining Capacity	Net Deficit/Surplus
	Units in Pipeline	Less Units in Pipeline		
890	647	243	696	453

Source : June 2021 King County Buildable Lands Report

North Bend

As shown below in **Exhibit 32**, North Bend has a 2044 housing target of 1,748 net new dwellings. The city has 1,207 units in the pipeline since January 1, 2019. After subtracting the committed lands, North Bend has remaining housing capacity for 891 dwelling units. This results in a potential housing capacity surplus of 350 dwelling units.

While there is no expected housing shortfall to rectify, the city could explore ways to create additional “middle housing” development opportunities for housing types, such as townhomes and duplexes which are more attainable for owners and renters than single family detached homes.



Recent mixed-use development in North Bend with housing above commercial

2044 Targets and Capacity, City of North Bend, 2021

	Net Buildable		Assumed
	Acres	Net Capacity	Achieved Density
Very Low	59.0	62	2.0
Low	65.3	188	4
Medium Low	27.4	414	15.0/21.0
Medium High	7	227	32
High	-	-	-
Total	159.1	891	-

	2044 Target	Units in Pipeline	2044 Target Less Units in Pipeline	Remaining Capacity	Net Deficit/Surplus
	1,748	1,207	541	891	350

Source : June 2021 King County Buildable Lands Report

Snoqualmie

As shown below in **Exhibit 33**, Snoqualmie has a 2044 target of 1,500 net new dwellings. The city has 204 dwelling units in the pipeline since January 1, 2019. After subtracting the committed lands (167 dwellings) and planned mill site redevelopment (160 dwellings), Snoqualmie has a remaining housing capacity for 167 dwelling units. This results in a capacity shortfall of 969 units.

It is likely that annexations will be necessary to fully accommodate the planned housing capacity shortfall. Hence, it is recommended that the city consider new policies that would guide future growth and development. This would entail an UGA alternatives analysis, transportation and water/sewer master planning and planned action EIS to fully address the 2044 growth targets.

2044 Targets and Capacity, City of Snoqualmie, 2021

Snoqualmie			
	Net Buildable		Assumed
	Acres	Net Capacity	Achieved Density
Very Low	6.7	1	0.2
Low	6.7	27	4
Medium Low	-	-	-
Medium High	-	-	-
High	1	299	130
Total	14.5	327	-

	2044 Target			Net
2044 Target	Units in Pipeline	Less Units in Pipeline	Remaining Capacity	Deficit/Surplus
1,500	204	1,296	327	(969)

Source: June 2021 King County Buildable Lands Report and city staff input.

POLICY CONSIDERATIONS

Cities have a wide range of latitude in how they address housing needs. There are a number of local policy measures and financial incentives that can be considered to help address the need for low-income households. A list of various funding resources available to local jurisdictions and non-profit housing developers is provided in **Exhibit 34. Appendix A** includes a list of land use policies used in WA state to encourage housing production. Such policies will be further evaluated and discussed during the next phase of work on the Housing Needs Assessment.

Affordable Housing Programs in Washington

Funding Source	Funding Focus	Required Use of Funds	Income Restrictions
Low Income Housing Tax Credits (LIHTC)	Affordable Housing & Homelessness	Creation of new units	60% of the Area Median Income (AMI) or below
Washington State Housing Trust Fund	Affordable Housing & Homelessness	Preservation, creation of new units, and supportive services	80% of the AMI or below with special focus on those at 30% of AMI or below
State Authorized Sales Tax	Affordable Housing	Development of new units & housing-related services	60% of the AMI or below
Housing Choice Voucher (Section 8)	Affordable Housing	Subsidizing rents	50% of the AMI or below
Community Development Block Grants (CDBG)	Affordable Housing	Renovations to housing stock & affordable home ownership opportunities	80% of the AMI or below
HOME Investment and Partnership Program	Affordable Housing	Development and maintenance of affordable units, subsidized rents	50% of the AMI or below
Affordable Housing Property Tax Levy	Affordable Housing	Programs identified in local affordable housing plans	50% of the AMI or below
HB 1406 Funds	Affordable Housing	Local investments in affordable housing	60% of city median family income
HUD Continuum of Care Program	Homelessness	Housing and wrap-around services for the homeless	N/A
Document Recording Fees	Homelessness	Development of homeless housing units, homelessness prevention activities	N/A
Mental Illness and Drug Dependency Tax	Homelessness	Housing and wrap-around services for mentally ill or drug addicted residents	N/A
Real Estate Excise Tax (REET)	Affordable Housing & Homelessness	Development, planning, property acquisition, maintenance of affordable housing, especially for the homeless	N/A
Lodging Tax (Hotel/Motel Tax)	Workforce Housing	Paying down debt issued to fund transit adjacent workforce housing.	N/A
Public Private Partnerships	Workforce Housing & Business Development	Usually entails private construction of housing or commercial on public land	Varies

Source: Association of Washington Cities and Municipal Research Service Center; and FCS GROUP.

During the next work phase, each city will evaluate their current land use regulations and consider actions they can take to help lower barriers to providing a wider mix of housing in their communities. A list of potential policy measures is provided in **Appendix A**.

Resources for affordable housing is provided in **Appendix B**.

APPENDIX A: LIST OF HOUSING POLICY MEASURES AVAILABLE IN WA STATE

Action Number	Description
Revising Zoning Strategies	
Z-1: Reduce Minimum Lot Sizes	Amend lot characteristic standards, such as setback requirements, lot size averaging, etc. to remove barriers to the development of a wider range of housing.
Z-2: Require a Minimum Density	Create a minimum density standard in all residential zones. Example: minimum density standard of at least 70% of maximum density permitted in any residential zone.
Z-3: Up-zoning	Develop criteria and a process for identifying land to up-zone (or rezone) to meet the deficit of land for multifamily development. The criteria may include considerations of location, transportation access, access to and capacity of infrastructure, site size, development constraints, and other relevant criteria.
Z-4: Increase Building Height	Evaluate removing maximum density standards and building height limitations.
Z-5: Integrate or Adjust FAR Standards	Floor area ratio (FAR) is the ratio of a building's total floor area (gross floor area) to the size of the piece of land upon which it is built. Since FAR focuses entirely on building massing, it is often seen as a viable alternative to density regulations (maximum number of lots or dwelling units per acre) in multifamily and mixed-use zones.
Z-5a: Increase Allowed Housing Types	Encouraging a larger variety of housing types including plexes and smaller scale multifamily development.
Z-6a: Cottage Housing	Allow cottages to be developed in clusters with shared central amenities (such as open spaces) to allow for the development of small single-family detached housing.
Z-6b: Duplexes, Triplexes and Fourplexes	Allow triplexes and quadplexes in single-family zones, using a form-based code approach to regulate the development of these units.
Z-6c: Townhouses	Allow townhomes in single-family zones, using a form-based code approach to regulate the development of these units.
Z-6d: Courtyard Apartments	Allow courtyard apartments in single-family zones, using a form-based code approach to regulate the development of these units.
Z-6e: Micro-housing	Allow micro-housing in single-family zones, using a form-based code approach to regulate the development of these units.
Z-7: Increase or Remove Density Limits	Evaluate removing maximum density standards.
Z-8: Revise ADU Standards	Evaluate changing development standards for accessory dwelling units, including changing the size limit.
Z-9: Offer Density and/or Height Incentives for Desired Housing	Density bonuses for development of deed-restricted affordable housing.

Additional Regulatory Standards	
R-1: Reduce Off-Street Parking Requirements	Evaluate reductions to off-street parking requirements for multifamily housing, including housing serving seniors and other populations that may have lower car ownership.
R-2: Relax Ground Floor Retail Requirements	Relax or eliminate requirements for ground floor retail in mixed use developments.
R-3: Reduce Setbacks, Lot Coverage and/or Impervious Standards	Amend lot characteristic standards, such as setback requirements, lot size averaging, etc. to remove barriers to the development of a wider range of housing.
R-4: Adopt Design Standards	Communities adopt design standards on a neighborhood or citywide basis to promote design consistent with their vision. Design standards in themselves do not create additional housing but are helpful to assist new forms or high-density housing fit in communities.
R-5: Use a Form-Based Approach	Adopt a form-based code approach to regulate the development of small apartments, cottages, tiny houses, and desired multifamily housing types in more zones.
R-6: PUD/PRD and Cluster Subdivisions	Identify opportunities to streamline the process and standards for designing and approving planned developments
R-7: Manufactured Home and Tiny House Communities	Manufactured homes must be allowed on all single-family lots and must not be regulated differently than site-built housing, but jurisdictions may require certain standards.
Economic Displacement Mitigation Strategies	
ED-1: Community Land Trusts	A community land trust (CLT) is a non-profit organization, owned by a collective of community members, which buys and holds land within a neighborhood. It may raise funds through public or private sources to build structures on this land to be used for community purposes or to be sold to low- or moderate-income residents.
ED-2: Need-based Rehabilitation Assistance	Need-based rehabilitation assistance helps low-income, disabled, or senior residents make needed home repairs and safety upgrades by offering favorable financing terms or time-limited tax abatements to qualified homeowners.
ED-3: Down Payment Assistance	Down payment or assistance programs proactively address barriers to home ownership by offering no-interest or low-interest capital for qualified buyers.
ED-4: Property Tax Assistance Programs	Provide limited property tax exemption for low-income households.
Cultural Displacement Mitigation Strategies	
CD-1: Grants/Loans to Directly Support Small Businesses	Washington state law establishes local governments' authority to support businesses by using a variety of programs.
CD-2: Financing Ground Floor Commercial	Cities and counties can use federal and private funds to finance ground floor commercial space.
CD-3: Preservation Development Authorities (PDA) and Ports	PDAs, as quasi-public corporations, serve and are accountable to the public and administer public funds, while having the flexibility of a corporation. PDAs are particularly useful for developing and maintaining the ground floor space for commercial and arts activities and leasing to businesses and nonprofits.
CD-4: Commercial Community Land Trust	Nonprofit corporations secure and maintain access to land for public benefit, in this case, to preserve affordable commercial space.

CD-5: Community Benefits/Development Agreements	Development agreements, or community benefits agreements, are voluntary, negotiated contracts between a developer and a city/county that specify the public benefits the development will provide and each parties' responsibilities. They can achieve affordable housing, affordable commercial space, community gathering space and other public amenities
CD-6: Micro-retail and Flexible Cultural Space Design	Preservation of existing affordable space is typically most effective for maintaining affordability, but if you must build new or adapt a space, design the ground floor with nontraditional commercial uses in mind.
CD-7: Business Incubators, Co-working Spaces and Artisan/Makers Spaces	These types of shared workspaces allow businesses, artists/artisans, and nonprofits to pool resources in a shared space and spark collaboration.
Urban Planning Procedures	
P-1: SEPA Threshold Exemption	Flexible thresholds in SEPA rules allow local governments to increase the number of dwelling units exempt from SEPA review.
P-2: SEPA Infill Exemption	RCW 43.21C.229 allows a city or county planning under GMA to adopt an infill exemption if the comprehensive plan was already subject to environmental analysis through an environmental impact statement (EIS).
P-3: Subarea Plan with Non-Project EIS	A sub-area plan can attract higher density housing to a community that desires to increase development in its urban center or by a major transit stop.
P-4: Planned Action EIS	A community planning under GMA can develop a planned action EIS or threshold determination ¹⁸ to facilitate development consistent with local plans and mitigation measures (see more under "When and Where Applicable").
P-5: Protection from SEPA Appeals on Transportation Impacts	RCW 43.21C.500 provides an option to protect SEPA decisions from appeal for impacts to transportation elements of the environment when the approved residential, multifamily or mixed-use project in a GMA city or town is consistent with the locally adopted transportation plan, subject to locally adopted impact fees, and If Washington State Department of Transportation (WSDOT) determines the project would not present significant adverse impacts to the state-owned transportation system.
P-6: Permitting Process Streamlining	Providing an efficient, predictable, and user-friendly permitting process can encourage new housing construction by reducing potential confusion or perception of risk among developers as well as lowering their administrative carrying costs.
P-7: Subdivision Process Streamlining	Identify opportunities to streamline the process and standards for designing and approving subdivisions.
Affordable Housing Development Incentives	
A-1: Multifamily Tax Exemption	Provide limited multifamily tax exemptions to incentivize the development of higher density housing
A-2: Density Bonuses for Affordable Housing	Density bonuses for development of deed-restricted affordable housing.
A-3: Alternative Development Standards for Affordable Housing	Relax development regulations in return for affordable housing development as an incentive. (ex. reduce minimum parking requirements (see R-1 Reduce Off-Street Parking) for projects that include affordable housing.)
A-4: Fee Waivers for Affordable Housing	Waiving some, or all, fees (ex. impact fees, utility connection fees and project review fees) for income-restricted units can be a valuable incentive for encouraging the creation of income-restricted affordable units.

A-5: Inclusionary Zoning	Requires a portion of the units within a new development be set aside as affordable housing. This tool will often be combined with property tax exemptions, fee waivers, or development bonuses to offset the cost of affordable housing units. Careful consideration should be employed when enacting inclusionary zoning. Note: A number of studies, including those analyzing the IZ Ordinance in Portland, have shown that IZ suppresses, rather than increases, the creation of new housing. If IZ is proposed, the financial components need to be calculated to ensure that the inclusionary rate is not too high for the offsets provided and that overall housing production increases as a result
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Funding Options for Affordable Housing Development

F-1: Local Option Taxes, Fees, and Levies	Jurisdictions may provide direct project funding, through grants or loans, to encourage the production of income-restricted affordable housing (ex. local housing tax levy, sales and use tax, Real Estate Excise Tax (REET2)).
F-2: Local Housing Trust Fund	Create affordable housing fund to accumulate and dedicate funding for housing purposes.
F-3: "Found Land": Surplus Land and Other Opportunities	Local agencies may designate surplus property for housing and mixed-use development that includes an affordable element.
F-4: Partner with Local Housing Providers	A partnership with a housing nonprofit can be established to acquire naturally occurring affordable housing such as foreclosures and expansion of vacant property registration program for housing rehabilitation or purchase.

Other Strategies

0-1: Strategic Infrastructure Investment	Ensure that the City's Capital Improvement Plan includes funding for infrastructure improvements and maintenance necessary to support residential development.
0-2: Simplify Land Use Designation Maps	One way to make it easier to amend zoning and encourage a variety of housing types is to simplify the land use map and the implementing zoning map.
0-3: Local Programs to Help Build Missing Middle Housing	Offer homeowners a combination of financing, design, permitting or construction support to build ADUs or to convert a single-family home into a duplex, triplex or fourplex where those housing types are authorized. The idea is that a city may help property owners by identifying lenders, providing stock designs, and helping property owners develop housing.
0-4: Strategic Marketing of Housing Incentives	Actively promoting the type of development, the community desires can include communicating the intention for new and innovative affordable housing, defining the benefits and development potential within the community, and collecting data that helps to tell the story and addresses perception issues.
0-5: Temporary Emergency Housing	Review the local demographics for the lowest income segments and assess strategies to plan for those. Are regulations needed to ensure this housing is safe and healthy? Do they respond to strategies in countywide plans for reducing homelessness?

Strategies to Mitigate Physical Displacement

PD-1: Strategic Acquisition and Financing of Existing Multifamily Development	To better retain affordable housing, cities, counties, and housing authorities can catalog naturally occurring affordable housing and housing with income restrictions or covenants that are about to expire.
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PD-2: Support Third-party Purchases of Existing Affordable Housing	Using public resources to empower trusted institutions can preserve or create affordable housing and space for community-serving organizations and businesses.
PD-3: Notice of Intent to Sell/ Sale Ordinance	A "Notice of Intent to Sell" ordinance requires owners of multifamily buildings to provide official notification to tenants and local housing officials. The notice gives public authorities the opportunity to plan for a potential purchase in the interest of preserving housing that serves low- or moderate-income residents.
PD-4: Foreclosure Intervention Counseling	Foreclosure intervention counselors serve as intermediaries between homeowners and financial institutions to advocate for at-risk homeowners in need of budgeting assistance, refinanced loan terms or repaired credit scores. Cities can use affordable housing funds to support these programs.
PD-5: Mobile Home Park Preservation and Relocation Assistance	The Washington State Department of Commerce offers a manufacture/mobile home relation assistance program that provides financial resources to assist displaced residents, particularly those who meet low-income thresholds.
PD-6: Mobile Home Park Conversion to Cooperative	The Washington State Housing Finance Commission, in partnership with Resident Owned Communities (ROC) Northwest and ROC USA, offers the financial tools and expert guidance for manufactured-housing ("mobile-home") communities to become self-owned cooperatives.
PD-7: Tenant Relocation Assistance	Local governments, authorized by WAC 365-196-835 and detailed in RCW 59.18.440, can pass an ordinance that requires developers, public funds, or a combination of the two to provide relocation funds for those displaced by development of new housing in upzoned areas.
PD-8: Just Cause Eviction Protections	Local jurisdictions can pass just cause eviction protections that mandate that proprietors provide tenants a legally justifiable reason when being asked to vacate.
PD-9: "Right to Return" Policies for Promoting Home Ownership	A "right to return" policy works to reverse the effects of past physical displacement by providing down payment assistance for first-time homebuyers who can prove that they have been victims of displacement. Programs may prioritize cases of displacement by direct government action.
PD-10: Regulation Short-term Rentals	A first step is to track STR activity by requiring registration and reporting from owners of these units. Policy regulations should prioritize actions that reduce the likelihood of converting long-term rentals into STRs.

APPENDIX B. RESOURCES FOR AFFORDABLE HOUSING

Agency	Program	Description
Washington State Department of Commerce (Commerce)	Housing Trust Fund	Provides state and federal funds for affordable housing construction and preservation. HOME Investment and Partnership Program funds are also awarded through the Housing Trust Fund Process.
Commerce	Connecting Housing to Infrastructure Program (CHIP)	The program helps affordable housing projects connect to water, sewer, and stormwater infrastructure by paying for waived connection fees, the infrastructure to connect to regional water, sewer, or stormwater systems, or for on-site stormwater facilities. Up to \$1M in funding per project. Applications outside Seattle/King County are given priority.
Commerce	Weatherization	Commerce contracts with local agencies that weatherize low-income homes and apartments.
Commerce	Washington (WA) Foreclosure Fairness Program	Provides homeowner foreclosure assistance for offering free housing counseling, civic legal aid, and foreclosure mediation.
Commerce	Mobile/ Manufactured Home Relocation Assistance Program	Reimburses costs of mobile and manufactured home relocation up to \$7,500 for a single-section home and \$12,000 for a multi section home. Also reimburses for demolition, removal, and down payment for another manufactured home.
Commerce	Consolidated Homeless Grant (CHG)	The CHG provides resources to fund homeless crisis response systems to support communities in ending homelessness. Grants are provided to local governments and nonprofits. Funding is from document recording fees authorized through the Homeless Housing and Assistance Act.
Commerce	Brownfield Revolving Loan Fund (BRLF)	Provides technical assistance and low interest loans for cleanup activities on contaminated properties for redevelopment activities, including affordable housing development.
WA Department of Archeology and Historic Preservation (DAHP)	Federal historic tax credit program	A 20% Federal income tax credit on the qualified amount of private investment spent on certified rehabilitation of a National Register listed historic buildings.
Washington State Housing Finance Commission (WSHFC)	Low Income Housing Tax Credits (LIHTC)	The nine percent Low-Income Housing Tax Credit Program (LIHTC) allocates federal income tax credit to developers to encourage the construction and rehabilitation of affordable multifamily housing. Housing credit is allocated through an annual competitive process in which projects are evaluated and scored according to the Commission's established criteria.
WSHFC	Multifamily bond programs	Multifamily Housing Bonds with 4% Low Income Housing Tax Credit provides access to bond and tax credit financing for affordable housing developers.

WSHFC	Bond financing for non-profit facilities	Helps 501(c)(3) nonprofits save money through lower-interest loans for construction, capital improvements and equipment.
WSHFC	Manufactured home community investment program	The Commission helps preserve manufactured home communities by allowing them to purchase and manage their communities.
WSHFC	Land acquisition (for housing non-profits)	The Land Acquisition Program assists eligible nonprofit organizations in Washington state to purchase land suited for either multifamily or single-family affordable housing development.
WSHFC	Home mortgage loan programs	The Commission currently operates two mortgage loan programs: Home Advantage and House Key Opportunity and eleven down payment assistance programs. The Commission works through a network of participating lenders who originate and close the loans.
WSHFC	Down payment assistance	Programs vary, but the Commission offers down payment assistance loans for homebuyers who use the Commission's programs.
WSHFC	Homeowner-ship education programs	Through local partnerships, WSHFC helps homebuyers learn how to purchase and maintain a home. Commission-sponsored homebuyer education seminars are free; open to the public; and include information about the Commission's first mortgage programs, down payment assistance, and other loan programs. Seminars are accepted by all affordable housing loan programs as meeting or exceeding educational requirements.
WSHFC	Sustainable Energy Programs	The Commission offers several ways to affordably develop energy-efficient buildings, upgrade existing buildings and create or conserve energy. Smaller loans are available through the Energy Spark home loan program. The Sustainable Energy Trust (SET) provides low interest loans for energy efficiency or renewable energy projects and a tax-exempt or tax credit bond for larger projects (over \$1 Million).
US Department of Housing and Urban Development (HUD)	Section 8, Public Housing	<p>The "Section 8" housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants can find their own housing, including single family homes, townhouses, and apartments.</p> <p>Public (site-based) housing provides decent and safe rental housing for eligible low-income families, the elderly, and persons with disabilities. Public housing comes in all sizes and types, from scattered single-family houses to high rise apartments for elderly families.</p>

HUD	Home Rehabilitation Loan Program (HRLP) (2018)	Provides deferred loans to rural, low-income households that need repairs and improvements on their primary residence for health, safety, or durability. Funding for the loan program comes from the Washington Capital Budget.
HUD	Continuum of Care (CoC) Program	The CoC program provide funding for efforts by nonprofit providers, and State and local governments to quickly rehouse homeless individuals and families.
HUD	Emergency Solutions Grants (ESG)	Grants of federal funds to provide street outreach, emergency shelter, rental assistance, and related services.
HUD	Section 811 Project Rental Assistance (PRA) demonstration	Federal funds provide project-based rental assistance. The program creates collaboration between Commerce and Department of Social and Health Services (DSHS) that will increase rental housing units for persons with disabilities by integrating Section 811 PRA assisted units within existing, new, or rehabilitated multifamily properties.
HUD	Tenant-Based Rental Assistance (TBRA)	Uses federal funds to support communities providing utility, deposit, and ongoing rental assistance. Eligible households are referred to TBRA through local coordinated entry systems.
HUD	Community Development Block Grant (CDBG)	Provides federal funds for the following activities: housing rehabilitation, homeownership assistance, local connections to sewers and affordable housing plans. Can NOT fund new housing construction but can fund infrastructure in support of new affordable housing.
HUD	Indian Community Development Block Grant (ICDBG) Program	Provides direct grants for use in developing viable Indian Communities, including decent housing, a suitable living environment and economic opportunities, primarily for low- and moderate-income persons.
US Department of Agriculture (USDA) Rural Development	Single Family Housing Guaranteed Loan Program	Assists approved lenders in providing loans to low- and moderate-income households for adequate, modest, decent, safe, and sanitary dwellings as their primary residence in eligible rural areas. The program provides a 90% loan note guarantee to approved lenders to reduce the risk of extending 100% loans to eligible rural homebuyers.
USDA Rural Development	Single Family Housing Direct Home Loans (Section 502 Direct Loan Program)	This program, also known as the Section 502 Direct Loan Program, assists low- and very- low-income applicants to obtain decent, safe, and sanitary housing in eligible rural areas by providing payment assistance to increase an applicant's repayment ability. Payment assistance is a type of subsidy that reduces the mortgage payment for a brief time. The amount of assistance is determined by the adjusted family income.
USDA Rural Development	Single Family Housing Repair (Section 504 Home Repair) Loans and grants	This program provides loans to very-low-income homeowners to repair, improve or modernize their homes, or grants to elderly very-low-income homeowners to remove health and safety hazards.
USDA Rural Development	Rural Community Development Initiative (RCDI) Grants	RCDI grants are awarded to help support housing, community facilities and community and economic development projects in rural areas. Can be used to provide training, such as homeownership education, or technical assistance, such as strategic plan development.

Community Development Financial Institution	New Market Tax Credit Program	Permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs) in low-income communities. All the qualified equity investments must in turn be used by the CDE to provide investments in low-income communities. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.
Rural Community Assistance Cooperation (RCAC)	Housing Development (non-profits)	RCAC provides support to develop rental or for sale affordable housing and community facilities in the rural west. Support includes technical assistance in LIHTC, USDA Rural Development 515, 514/516, HOME, CDBG, AHP, tax-exempt bonds, state housing trust funds, project-based Section 8, local and state resources, and conventional financing
RCAC	Section 523 Mutual Self-Help Housing	Low-income borrowers work together under the guidance of a non-profit public housing entity (self-help grantee) to build each other's homes. With a construction supervisor on site, building groups perform at least 65% of the construction work required (known as "sweat equity"). In most cases, the grantee also manages the construction loans, develops the building site, provides homeownership training, offers building plans, qualifies the borrower for his/her mortgage and markets the program in the service area.
Local	Sales and use tax for affordable housing	A local vote, or council approval (as of 2020), would authorize a local sales and use tax of up to 0.1 percent per dollar spent. Funds must be used for construction of affordable housing or behavioral health-related facilities for named groups with incomes of 60% or less of county median income.
Local	Free or discounted public land	Public agencies (local government or utility) can discount or gift land they own for "public benefit," defined as affordable housing for households up to 80% AMI.
Local	Affordable housing property tax levy	A local vote may authorize a levy of up to \$0.50 per \$1,000 assessed value for up to ten years to finance affordable housing for very low-income households (equal to or under 50 % AMI). Must declare an affordable housing emergency and have an affordable housing financing plan. Program was expanded in 2020 to allow the use of revenues to include affordable homeownership, owner-occupied home repair, and foreclosure prevention programs for "low-income" households up to 80% of median income.

Local	Affordable and Supportive Housing Sales and Use Tax	RCW 82.14.540 created a revenue-sharing partnership between the state and counties and cities for affordable and supportive housing investments. It authorized a local sales tax option that is a credit against the state sales tax rate of 6.5%. Housing and services may be provided only to persons whose income is at or below 60% of the median income of the city or county imposing the tax.
Local	Sales and Use Tax for Chemical Dependency, Mental Health Services or Therapeutic Courts	RCW 82.14.460 authorized counties to levy a one-tenth of one percent sales and use tax to fund new mental health, chemical dependency, or therapeutic court service. Any county may impose a mental health and chemical dependency sales tax up to 0.1% for mental health and drug treatment purposes.
Local	Real Estate Excise Tax 2 (REET 2)	A 0.25% REET which may be imposed by any city, town or county fully planning under the Growth Management Act (GMA), to be used for "capital projects" specified in the capital facilities plan element of the jurisdiction's comprehensive land use plan, including affordable housing projects through January 1, 2026. Jurisdictions may only use a portion of REET funds on affordable housing.
Local	Impact fee waivers	Impact fee waiver for up to one of fees for permanently restricted affordable housing (for rental or purchase) for households earning less than or equal to 80% AMI. 80% may be waived; but if 100% of fees are waived, 20% must be paid with other public money. A school district receiving impact fees must approve any exemption.
Local	Multifamily tax exemption program	12-year property tax exemption on the value of improvements for 4+ new or rehabilitated, rental or ownership housing units if at least 20% of units are affordable to households earning 115% AMI or less. Must define a "residential targeted area" within an urban center within which the exemption would apply.
Local	Fee waivers for water or sewer connection	Waiver or delay of tap-in charges, connection, or hook-up fees for low-income persons for water, sanitary or storm sewer, electricity, gas, or other utility.
Local	Sewage and solid waste fees	Assistance for sewer and solid waste fees.
Local	Affordable Housing Incentive Programs	Any GMA city or county may enact or expand affordable housing incentive programs through development regulations or conditions on rezoning or permit decisions, or both, on residential, commercial, industrial, or mixed-use development. The program may include mandatory or optional elements, such as density bonuses within the urban growth area, height, and bulk bonuses, fee waivers or exemptions, parking reductions, expedited permitting, or mandatory amount of affordable housing provided by each development.
Local	Community Revitalization Financing (CRF)	The CRF authorizes creation of tax increment areas where community revitalization projects and programs are financed by diverting a portion of the regular property taxes imposed by local governments within the tax increment area.

Local	Local Infrastructure Financing Tool Program (LIFT)	Provides funding for local infrastructure using sales tax, property tax and selected other excise tax increases generated by an economic development project as part of a revenue development area designated by the sponsoring local government.
Local	Local Revitalization Tool (LRF)	Authorizes cities and counties to create "revitalization areas" and allows certain revenues to be used for payment of bonds issued for financing local public improvements within the revitalization area.
Local	Deferral of property	A claimant may apply to defer payment of 50% of special assessments or real property taxes, or both, provided the household's combined disposable income is \$57,000 or less and the claimant must have paid one-half of the total assessments and taxes for the year.
Local	Tax deferral for retired persons	Allows eligible agencies to provide tax relief to eligible households (less than 75% AMI).
Local	Tax deferral for certain people	Property tax exemption for seniors or veterans with certain qualifications.

G. APPENDICES

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HOUSING NEEDS ASSESSMENT

CITY OF CARNATION, WASHINGTON



PROJECT OVERVIEW

WHAT IS A HOUSING NEEDS ASSESSMENT, AND WHY IS THE CITY OF CARNATION CREATING ONE?

Washington State House Bill 1923, passed in 2020 and codified as [RCW 36.70A.600](#), granted the Washington State Department of Commerce (Commerce) \$5 million in the 2019 Legislative Session to provide grant funds to local governments for activities to increase residential building capacity, streamline development, or develop a Housing Action Plan (HAP). Another round of grant funding was made available in 2021.

The City of Carnation received a \$65,000 grant from Commerce in 2022 to develop a HAP, the goal of which will be to assess current and future housing needs and identify actions and strategies to help the city provide a wider range of housing options available to all income levels.

A Housing Needs Assessment (HNA) is a comprehensive study that will be used to inform the HAP. A Regional HNA was completed for the four-city region of Carnation, Snoqualmie, Duvall, and North Bend. This document presents the individual data, further analysis, and findings for Carnation.

ELEMENTS OF A HOUSING NEEDS ASSESSMENT

1. Community Profile
2. Workforce Profile
3. Housing Inventory
4. Gap Analysis
5. Land Capacity Analysis

QUESTIONS THE HOUSING NEEDS ASSESSMENT WILL HELP ANSWER

1. Who lives and works here, and what are their socioeconomic characteristics?
2. What types of housing are available?
3. How much does housing cost, and what types of housing are needed to meet current and future housing needs?



HOUSING NEEDS ASSESSMENT OUTLINE

1. Community Profile

- a. [Population Characteristics](#)
- b. [Household Characteristics](#)
- c. [Special Housing Needs](#)

2. Workforce Profile

- a. [Local Workforce Characteristics](#)
- b. [Jobs to Housing Ratio](#)
- c. [Employment Trends & Projections](#)

3. Housing Market

- a. [General Housing Inventory](#)
- b. [Housing Market Conditions](#)
- c. [Special Housing Inventory](#)

4. [Gap Analysis](#)

*The datasets explored in each of the five elements are required by Commerce. If not required, the data will be marked with an asterisk to display optional or additional analysis done on behalf of the City and consultant.

Data Sources:

2020 Decennial Census (US Census Bureau)

American Community Survey (ACS)

- Roughly 3.5 million households are surveyed every month, every year
- Explores topics not asked by decennial Census

Washington State Office of Financial Management (OFM)

- Obtains data from state and federal agencies, and private businesses

United States Department of Housing and Urban Development (HUD)

- Special tabulations of ACS data
- Tax credit affordable housing

OnTheMap (OTM)

- Web Application provided by the U.S. Census Bureau
- Maps jurisdictions based on workforce characteristics

Employment Security Department (ESD)

- Labor Market and Economic Analysis

U.S. Bureau of Labor Statistics

- Quarterly Census of Employment and Wages

City of Carnation

- Building permits
- Comprehensive Plan

Zillow

- Tracks home values, rental units and market changes on a monthly basis

1. COMMUNITY PROFILE

2. WORKFORCE

3. HOUSING MARKET

4. HOUSING AFFORDABILITY

5. HOUSING GAPS



Community Profile

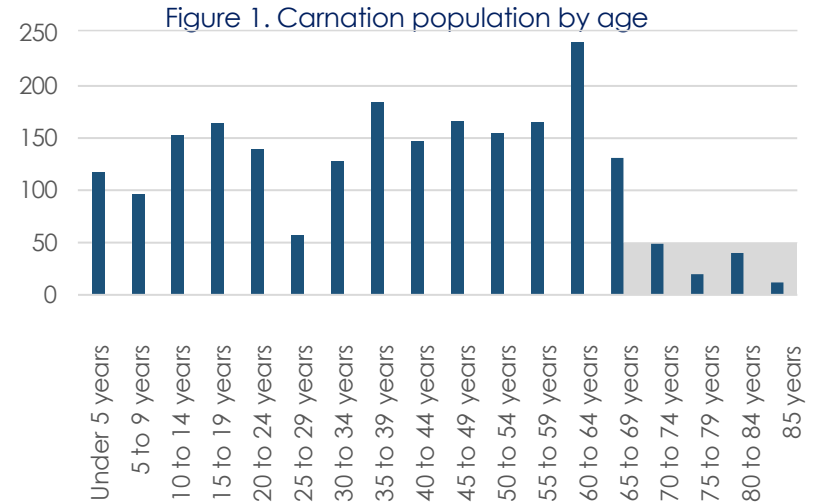
Population

The Washington State Office of Financial Management estimates that **in 2022, Carnation has a population of 2,160 people**. Between 2000 and 2022, Carnation has grown by 287 people, an increase of 13 percent. Carnation's Comprehensive Plan projects that the **City's population will grow to 3,218 people by 2035**.

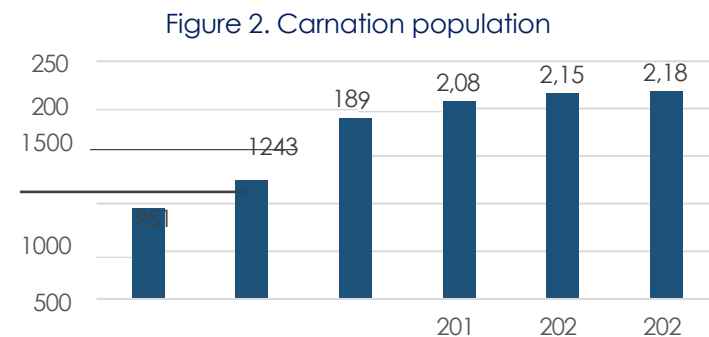
As shown in Figure 2, Carnation's population growth over the past decade has been relatively gradual and marked by a big spurt of growth in the 1990s. **Carnation's population grew 31% from 1980 to 1990, and 52.3% from 1990 to 2000**. While a new public sewer system was completed in 2008 that would enable increased density of development, a downturn in the economy that began in 2009 decreased the demand for new housing and the projected growth did not occur. Carnation grew by 0.31 percent (roughly 88 people per year) between 2010 and 2022. Carnation grew by an average of 6.6 people per year between 2010 and 2022.

Figure 1 shows that **Carnation's age makeup is concentrated at the ages above 30**. The largest single age group in Carnation is people ages 50-64

(26 percent), the age range that is associated with people entering their retirement years. The next highest is people ages 20 to 44 (30 percent). Correspondingly, more than a quarter of the city's population (25 percent) is children 19 and under, which indicates that **many of Carnation's households are families with children**. Finally, **approximately 45 percent of Carnation's population is of retirement age (ages 65+) or will be of retirement age within the next 20 years (ages 45-64)**.



Source: US Census Bureau, ACS 2020 5-Year Estimates, Table S0101



Source: OFM, April 1 Population Estimates and Historical Intercensal Estimates of Population and Housing

Community Profile

Race and Ethnicity

Carnation's population is predominately white but with significant numbers of many different racial and ethnic groups. As shown in Figure 3, in 2020, the race of nearly **88 percent of Carnation's population is white, with smaller but significant numbers of other racial groups**. In the year 2000, 83 percent of the city's population was white alone or in combination, indicating that Carnation has slowly diversified over time. The ACS also estimates that the ethnicity of **13 percent of Carnation's population is Hispanic or Latino** (Figure 4).

As identified in Figure 5, the **dominant language spoken at home by Carnation's residents who are 5 years of age and above is English (83.9 percent)**. The second most spoken language is Spanish (9.3 percent). Much smaller percentages of households speak other Indo-European languages and Asian and Pacific Island languages.

Figure 4. Ethnicity in Carnation, 2020

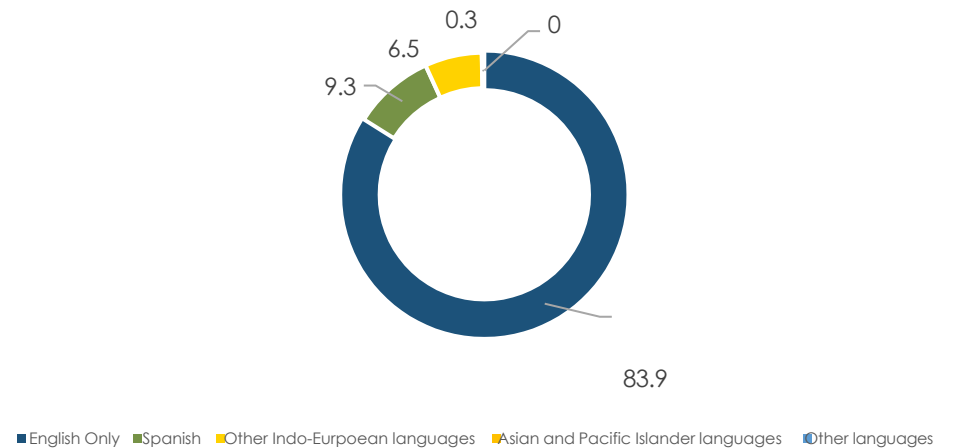
	Population	Percent
Hispanic or Latino, any race	289	13%
Not Hispanic or Latino	1,876	87%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table DP05)

Figure 3. Race, 2020		
	Population	Percent of Population
White	1932	88.8%
Black or African American	17	0.8%
American Indian and Alaska Native	0	0%
Asian	11	0.5%
Native Hawaiian and Other Pacific Islander	7	0.3%
Some other race	12	0.6%
Two or more races	195	9.1%

Source: US Census Bureau, ACS 2020 5-Year Estimates, Table B02001

Figure 5. Languages spoken at home, population 5 years and over



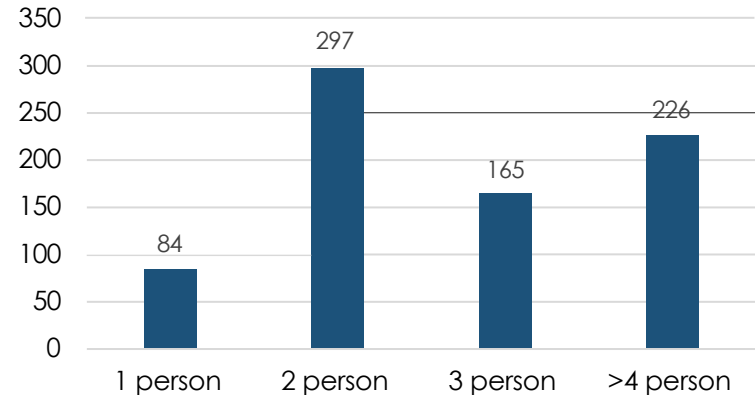
Community Profile

Household Size and Tenure

The ACS estimated that **in 2020, there were approximately 782 households in Carnation with an average household size of 2.77**. Of those households, as seen in Figure 6, the **most common types of households are 2+ person households**, which combined make up 89 percent of the City's households. Also, as seen in Figure 7, 36 percent of Carnation's households are families that have their related children (ages <18) living with them.

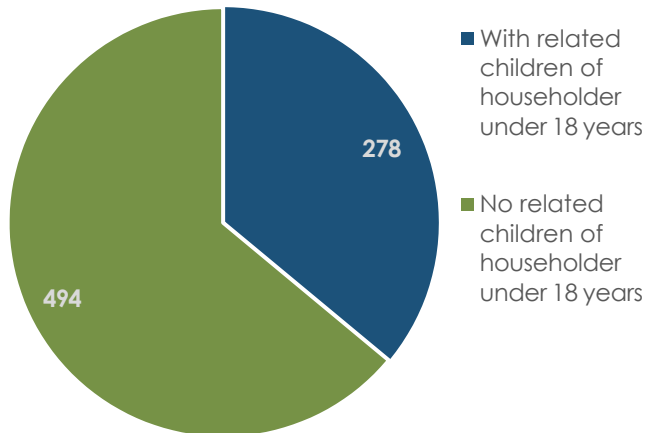
As, identified in Figure 8, **the majority of the Carnation's households (85 percent) own the home that they live in**. This is higher than the overall figure for the state (69 percent).

Figure 6. Persons per Household



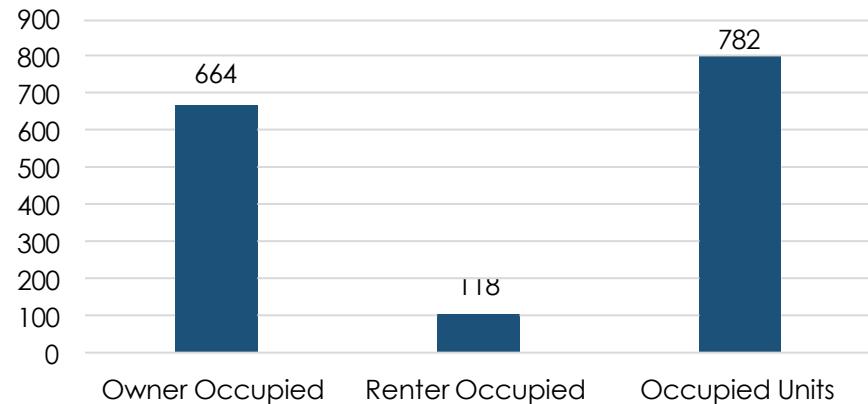
Source: US Census Bureau, ACS 2020 5-Year Estimates, Table S2501

Figure 7. Households with Children



Source: US Census Bureau, ACS 2020 5-Year Estimates, Table S2501

Figure 8. Housing Tenure



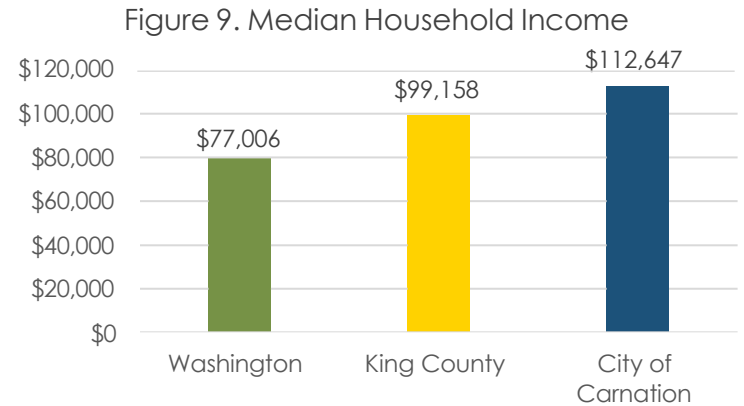
Source: US Census Bureau, ACS 2020 5-Year Estimates, Table S2501

Community Profile

Household Financials

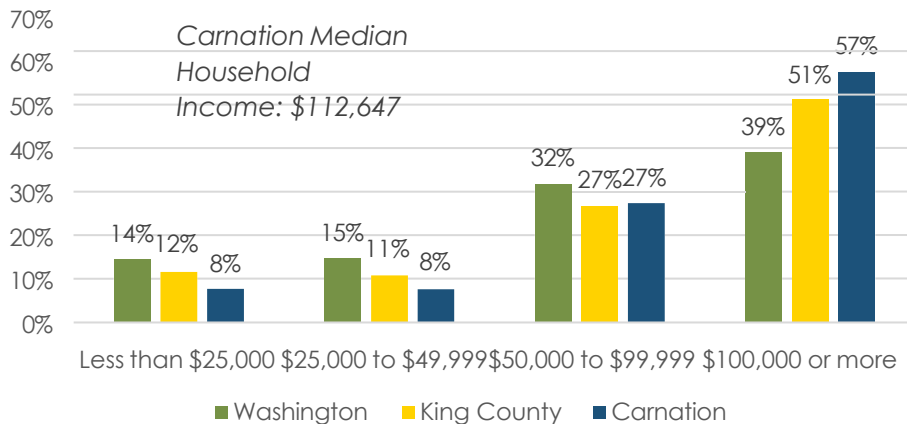
As identified in Figure 9, **Carnation's median household income for 2020 was \$112,647**, which is higher than the median household income for King County and Washington State. This is an increase from \$70,769 in 2010, an average annual growth rate of 4.8 percent over the ten-year period. Roughly 3 percent of Carnation's households met the federal definition for poverty in 2018 while an additional 35 percent were considered asset-limited, income-constrained (Figure 11).

The household income distribution in Carnation reveals that the modal value of income ranges is above \$100,000, which broadly tracks the median household income value. Roughly 16 percent of Carnation's households make under \$50,000 per year (Figure 10).



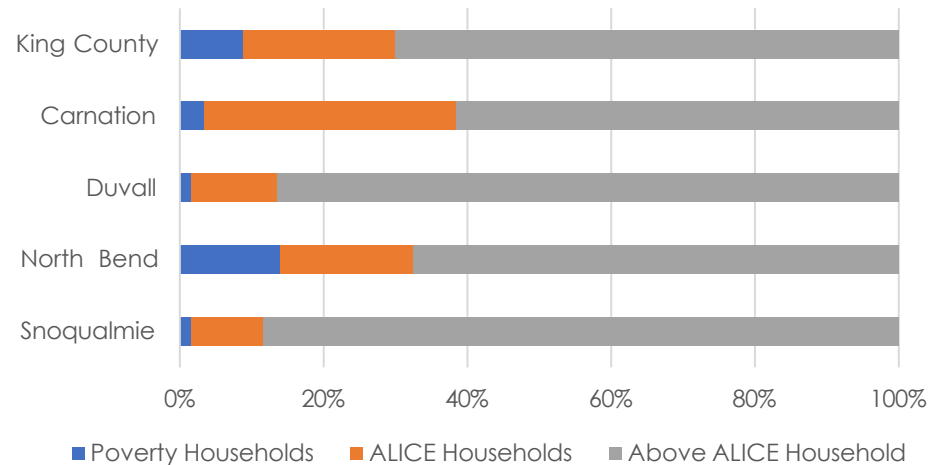
Source: US Census Bureau, 2016-2020 American Community Survey, Table B19001

Figure 10. Household Income



Source: US Census Bureau, ACS 2021 5-Year Estimates, Table S1901

Figure 11. ALICE Data, King County, Select Cities, 2018



Community Profile

Household Characteristics – HUD Income Limits

The US Department of Housing and Urban Development (HUD) publishes Consolidated Planning/CHAS data, which group households by income level relative to MFI. These data include adjustments to account for differences in household size relative to living expenses. The 2022 Income Limits published for the Seattle-Bellevue, WA HUD Metro FMR Area, shown below, calculate eligibility for housing assistance like Section 8 vouchers. To read this table, a family of four making \$38,800 or less per year would be considered extremely low income and may qualify for Section 8 housing vouchers. An extremely low-income two-person household, meanwhile, makes no more than \$31,050 per year in the Seattle-Bellevue metro area. This data are not available specifically for Carnation.

Figure 12. Housing and Urban Development Income Limits

FY 2022 Income Limit Area	Median Family Income	FY 2022 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Seattle- Bellevue, WA HUD Metro FMR Area	\$134,600	Very Low (50%) Income Limits (\$)	45,300	51,800	58,250	64,700	69,900	75,100	80,250	85,450
		Extremely Low Income Limits*	27,200	31,050	34,950	38,800	41,950	45,050	48,150	51,250
		Low (80%) Income Limits (\$)	66,750	76,250	85,800	95,300	102,950	110,550	118,200	125,800

Source: HUD FY 2022 Income Limits

* Extremely low income was defined in the 2014 Consolidated Appropriations Act as the greater of 60 percent of the Section 8 very low-income limit or the poverty guideline established by HHS, provided it does not exceed the 50 percent very low-income limit.

+ MFI, or Median Family Income, is a special tabulation of the 2015-2019 5-Year ACS prepared by the Census Bureau for HUD to use as the basis for calculating fair market rents. MFI is reported as being higher than median household income as cited on the previous page because MHI includes all households (including 1-person households), while MFI is family households only.

1. COMMUNITY PROFILE

2. WORKFORCE

3. HOUSING MARKET

4. HOUSING AFFORDABILITY

5. HOUSING GAPS



Workforce

Carnation's Jobs

As of 2019, the most recent year for which detailed job data are available, **Carnation was home to 901 workers and 690 jobs**. As shown in Figure 13, These jobs are clustered along Tolt Avenue. The **industries that employ the most people in Carnation are Care and Social Assistance (51.4 percent), Accommodation and Food Services (16.1 percent), and Wholesale Trade (8.3 percent)** (Figure 14).

Figure 13. Carnation Jobs Distribution

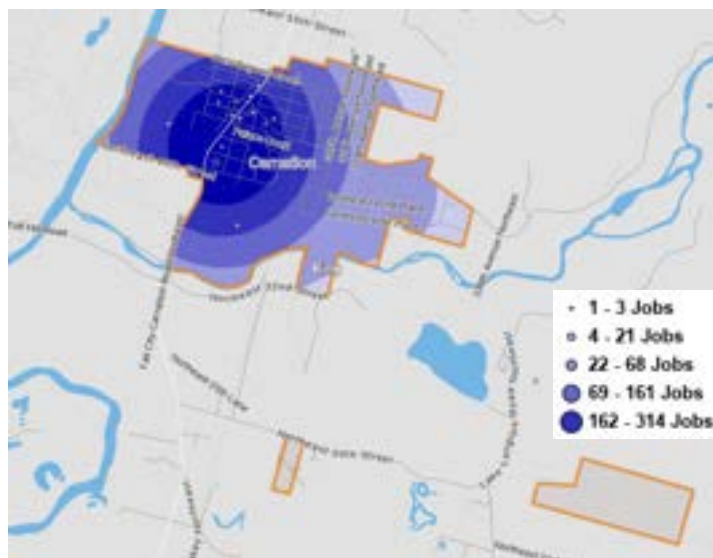


Figure 14. Carnation Jobs by NAICS Industry Sector, 2019

	Jobs	Percent
Agriculture, Forestry, Fishing and Hunting	6	0.9%
Mining, Quarrying, and Oil and Gas Extraction	0	0.0%
Utilities	3	0.4%
Construction	54	7.8%
Manufacturing	14	2.0%
Wholesale Trade	57	8.3%
Retail Trade	54	7.8%
Transportation and Warehousing	3	0.4%
Information	6	0.9%
Finance and Insurance	0	0.0%
Real Estate and Rental and Leasing	3	0.4%
Professional, Scientific, and Technical Services	5	0.7%
Management of Companies and Enterprises	0	0.0%
Administration & Support, Waste Management and Remediation	3	0.4%
Educational Services	0	0.0%
Health Care and Social Assistance	355	51.4%
Arts, Entertainment, and Recreation	4	0.6%
Accommodation and Food Services	111	16.1%
Other Services (excluding Public Administration)	1	0.1%
Public Administration	11	1.6%

Source for both Figures 13 and 14: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2019).

Workforce

Job Inflow-Outflow

According to an inflow-outflow analysis from the US Census Bureau from 2019 (the most recent year for which these data are available), Carnation is home to 690 jobs and 901 employed people. **Approximately 97 percent of employed people (870 workers) who live in Carnation are employed outside of the city limits** (Figure 15), meaning they commute largely to communities like Redmond, Seattle, and Bellevue (Figure 16). The Census also estimates that **of Carnation's 690 jobs, approximately 96 percent (659 jobs) are filled by workers who live outside of the city limits**. Many of the workers that commute to Carnation come from the Northwest, from communities along the Fall City-Carnation Road and Carnation-Duvall Road corridors (Figure 17). This combination of a high percentage of workers who live in Carnation, but work outside of Carnation, and a high percentage of Carnation's jobs being filled by workers who don't live in Carnation, is an important housing-related issue that the Housing Action Plan will help address.

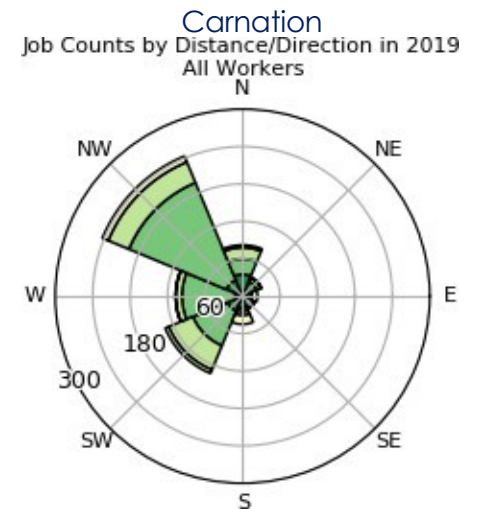
Figure 15. Inflow-Outflow Map



Figure 16. Commute Direction – Workers who live in Carnation



Figure 17. Commute Direction – Workers who live outside of Carnation



Source for Figures 15-17: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2019).

Workforce

Earnings

Of the 1,735 people aged 16 years and over in Carnation, 1,238 are in the labor force, for a labor force participation rate of 71.4 percent. Of those participating in the labor force, 1,188 were employed as of the 2020 American Community Survey, for an unemployment rate of 4 percent.

Of Carnation's employed residents, 1,002 are private wage and salary workers, 164 work for some level of government, and 22 are self-employed or unpaid family workers.

The median household income in Carnation in 2020 is \$112,647, higher than King County but lower than the other three cities in the region. Of the 782 households in the city, 692 report earnings through employment (89 percent). 187 report Social Security or Supplemental Security income (24 percent), 175 report retirement income (22 percent), and 47 report using food stamp/SNAP benefits in the past 12 months (6 percent).

Figure 18 at right shows counts and average (mean) annual individual wages across select occupation categories as defined by the Census Bureau and Bureau of Labor Statistics.

Figure 18. Occupation and Wages, Certain Occupations, Civilian Employed Population 16+

Occupation	Count ¹	Average Annual Wages ²
Management	130	\$105,833
Business and financial operations	97	\$133,939
Computer and mathematical	98	\$145,417
Architecture and engineering	34	\$144,333
Life, physical, and social sciences	8	
Community and social services	0	
Legal	10	
Educational instruction and library	89	
Art, design, entertainment, sports, and media	20	
Health diagnosing and treating practitioners	80	\$95,000
Health technologists and technicians	4	
Health care support	18	
Protective services (fire, law enforcement)	4	
Food preparation and serving	82	\$18,333
Building and grounds clearing and maintenance	83	\$18,438
Sales and related	110	\$40,893
Office and administrative support	110	\$35,500
Construction and extraction	62	\$55,833
Personal care and service occupations	39	\$18,036
Farming, fishing, and forestry	11	
Construction and extraction	52	
Installation, maintenance, and repair	19	
Production	29	\$42,292
Transportation	44	\$32,361
Material moving	32	\$14,583

1 – ACS 2020 5-Year Estimates Table S2401

2 – ACS 2020 5-Year Estimates Table B24011

Workforce

Future Job Estimates

Job growth forecasts by the Washington State Employment Security Department suggest that industries in the King County region are expected to increase in employment by between 0.2% and 2.5% annually over the next ten years. Using countywide growth projections as a basis, local employment in the four cities of the Snoqualmie Valley Region is projected to increase by 2,277 jobs by 2030. The majority of job growth is projected to occur in the services sector followed by the retail sector (Figure 20). The King County Countywide Planning Policies, in adopting housing and employment growth targets to implement PSRC's Vision 2050, identifies Carnation as needing to plan for 450 additional jobs in addition to the 799 housing units.

Figure 20. Employment Forecast in the Snoqualmie Valley Region

Sector	2019 Emp.	Regional Projected 2030		Change
		Projected AGR	Emp.	
Industrial	2,394	0.2%	2,453	59
Retail	1,046	2.5%	1,374	328
Service	6,540	2.4%	8,474	1,934
Government	463	1.1%	519	56
Total	10,443	1.8%	12,820	2,377

Source: U.S. Census On the Map data, Washington ESD Industry Growth Projections

Figure 19. Projected Employment, Seattle-King County

2020 Employment Estimate	1,401,300
2021 Employment Estimate	1,389,300
2023 Employment Estimate	1,478,500
2025 Employment Estimate	1,547,200
2030 Employment Estimate	1,678,000
Average Annual Growth Rate 2020-2023	1.8%
Average Annual Growth Rate 2023-2025	2.3%
Average Annual Growth Rate 2025-2030	1.64%

Source: Employment Security Department/LMEA; U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW)

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Housing Market

Housing Supply

OFM estimates that **Carnation had approximately 806 housing units in 2020**. As shown in Figure 21, the ACS determined that Carnation's housing stock is made up of a mixture of types of housing unit types, but **majority of the housing units (83.5 percent) are single-family homes**. Most of Carnation's housing units have 3 or 4 bedrooms (Figure 22). Also, **approximately 82 percent (664) of the housing units in Carnation are owner occupied**. As shown in Figure 23, the majority of Carnation's housing stock was built prior to 2000 (84 percent). (Note that this does not account for projects in the permitting pipeline, as these survey data were collected over a 5-year span from 2016 to 2020.)

The 2020 ACS estimates that the **overall vacancy rate in Carnation was 3.0 percent during the survey period**. Vacancy rates are said to represent a healthy balance between supply and demand when rates are 5 to 6 percent. This indicates a potential for upward pressure on prices and therefore new construction. More recent data are needed to fully understand the price pressure on supply but rising prices and relatively slow new construction indicate that supply may not be keeping pace with demand.

Figure 21. Households by Housing Type, Carnation, 2020

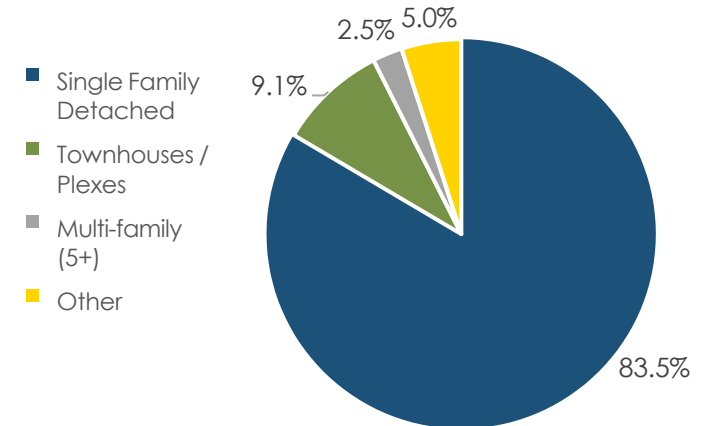


Figure 22. Number of bedrooms per household, Carnation, 2020

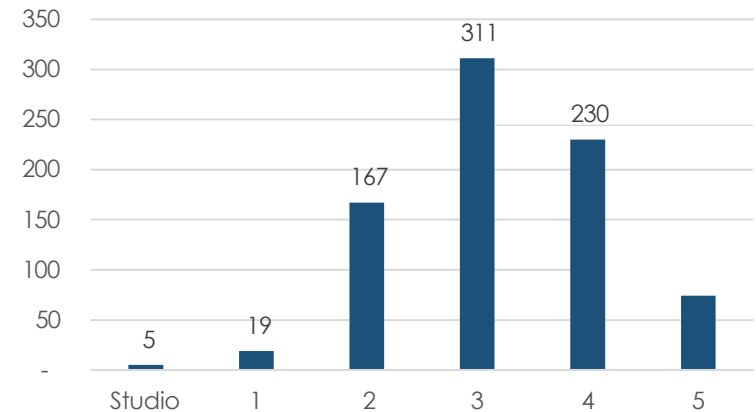
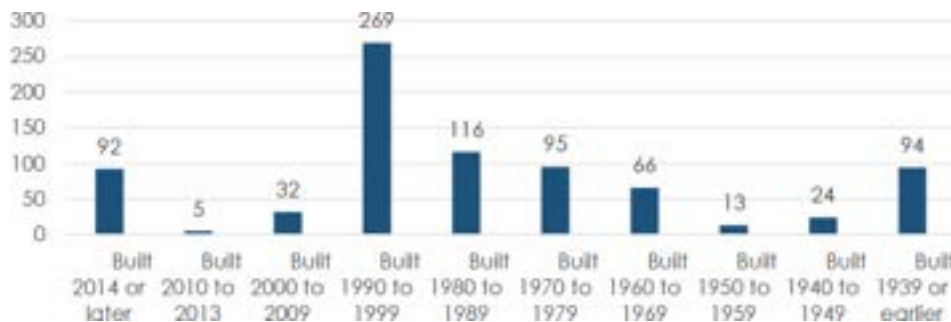


Figure 23. Years Structure Built, 2020



Source for Figures 21-23: US Census Bureau, ACS 2020 5-Year Estimates, Table DP04

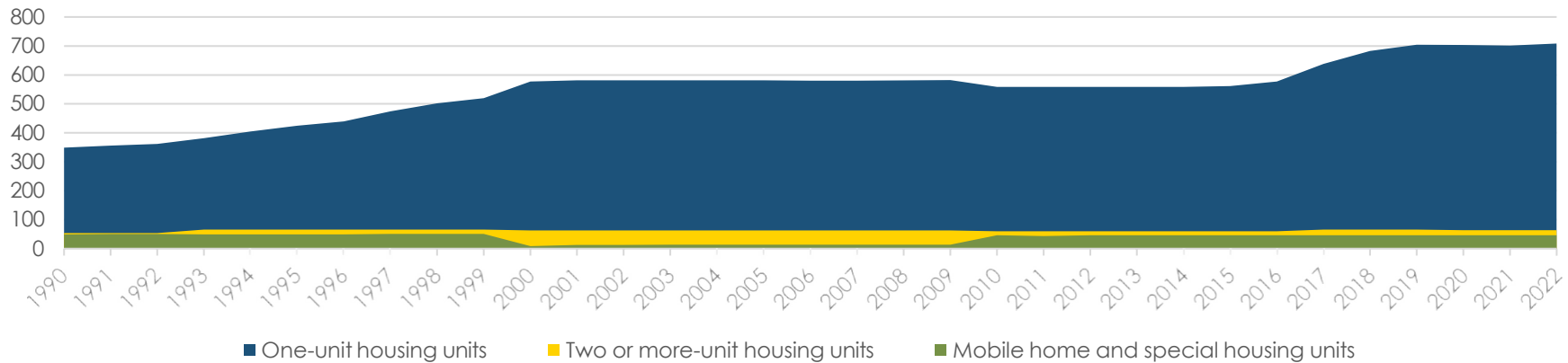
Housing Market

Housing Construction

As shown in Figure 24, according to the state Office of Financial Management, **the majority of the housing units constructed in Carnation since 1990 have been single-family homes.** The growth in single-family housing units has been periodic and punctuated, with steady growth before 2000, a long plateau (units were actually lost to due demolition, and a sharp increase from 2016 to 2018).

There has been far less construction of multi-family units than single-family, with only **10 net new multi-family units being constructed between 1990 and 2022.** Similarly, the number of mobile homes or other housing units fell prior to 2000 and came back up to previous levels in 2010, but the overall trend is flat.

Figure 24. Permitted Housing Units, 1990-2022



Source: Office of Financial Management (OFM) Postcensal Estimates of Housing, 1990-present

According to data submitted by the cities for the Regional Housing Needs Assessment, Carnation has actually issued building permits for a total of 47 new residential units between 2019 and 2021, which is not yet reflected in the OFM totals.

Figure 25. New Building Permits Issued 2019-22

Residential New Building Permits Issued: 2019-22			
	2019	2020	2021
Snoqualmie	4	-	-
Carnation	11	19	17
Duvall	40	208	26
North Bend	85	142	143
Total	140	369	186

Source: Building permit data provided by cities.

Housing Market

Housing Demand

The 2018 Carnation Comprehensive Plan anticipates that **Carnation will grow from 2160 people in 2020 to 3,218 people by 2035, a growth of 1,058 people in 15 years.** The city would need to grow by 71 people per year to reach this population. The adopted King County Countywide Planning Policies, in implementation of the regional growth strategy outlined in PSRC's Vision 2050, identify a housing target of 799 new housing units by 2044. The city has 223 units in the permitting pipeline since the baseline data were collected, meaning that if Carnation meets its housing targets and assuming current household size continues into the future, **549 new households will need housing units by 2044.**

The demographic breakdown for Carnation shows that not quite half of the city's

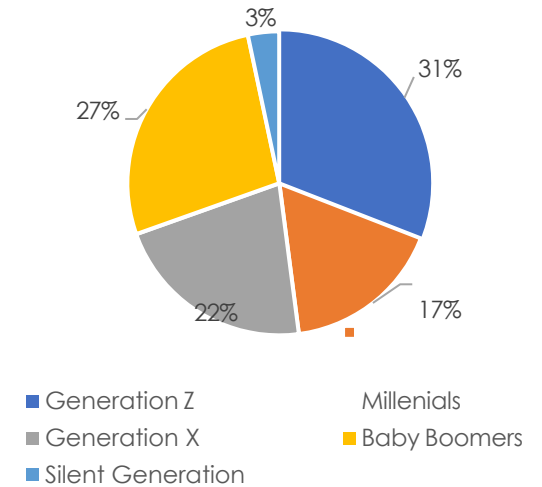
population is a member of the Millennial generation or Generation Z (younger than 40). Importantly, Carnation has a much higher percentage of its population being younger Baby Boomers than the other cities in the region. These people (aged 55 to 65) will be 75 to 85 at the end of the planning period and will likely need supportive housing at a

rate exceeding other age groups. Altogether, **there are more than twice as many**

people in Carnation who will be 65 or older in 20 years as there **currently are people over aged 65** in the city.

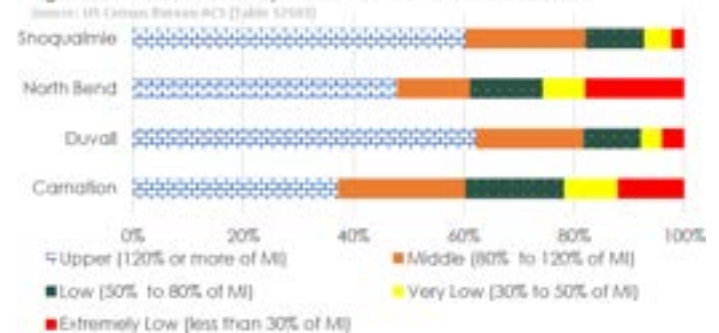
Additionally, Carnation has a greater percentage of its residents making below 80 percent of the area median income than the other cities in the region. This is especially apparent for those making 50 to 80 percent of the median income.

Figure 26. Population by Generation, Carnation, 2020



Source: US Census Bureau, ACS 2020 5-Year Estimates, Table S010

Figure 27. Households by HUD Income Threshold, 2020



Housing Market

Housing Demand

One way of examining how well Carnation's housing stock matches with its demand is by comparing the size of units with the number of people in households. While there are certainly many reasons why a household might choose to live in a housing unit with more bedrooms than they might technically need, starting with the largest housing units for the largest families can help determine whether there is a supply and demand mismatch for smaller households.

Figure 28. Housing Units by Number of Bedrooms, 2020

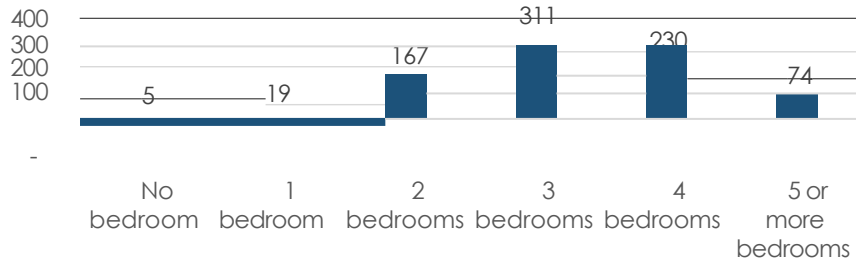
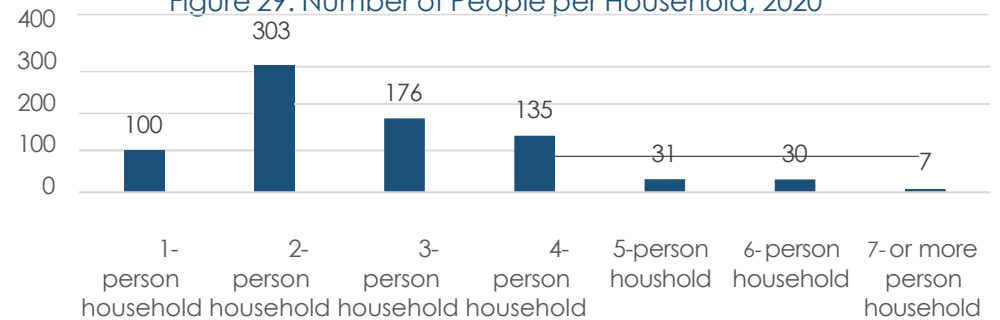


Figure 29. Number of People per Household, 2020



Sources: ACS 2020 5-Year Estimates, Table S25009 (right) and B2504 (left)

Based on these data, and since census data report Carnation as having very little, we can assign households to their likeliest housing unit size starting with the largest households as seen below. Orange highlight means households that are over-housed (occupy a housing unit with more than one more bedroom than they would need based on household size). This analysis shows that as many as 365 households in Carnation may be over-housed, indicating a lack of supply of units more appropriate to smaller households.

Figure 30. Analysis of Household Size and Housing Unit Size

Bedrooms, Occupied Housing Units	Owner-Occupied	Renter-Occupied	Total	7-person HH	6-person HH	5-person HH	4-person HH	3-person HH	2-person HH	1-person HH
No bedroom (studio)	0	5	5							7
1 bedroom	8	11	19							19
2 bedrooms	84	75	167						93	74
3 bedrooms	268	27	311					101	210	
4 bedrooms	230	0	230				129	75		
5 + bedrooms	74	0	74	7	30	31	6			

Sources: ACS 2020 5-Year Estimates, Tables B25009 and B25042. Analysis by LDC, Inc.

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Housing Affordability

Rents and housing prices have increased substantially between 2010 and 2020 in Carnation, King County, and Washington State as a whole. As shown in Figure 31, median rent prices in Carnation between 2010 and 2020 have risen by approximately 49 percent, which is less than both King County (69 percent increase) and Washington State (51 percent increase). Median home prices have grown at a similar rate as median monthly rents at a rate of 48 percent, which is more than both Benton County and Washington State (Figure 32).

As shown in Figure 33 (next page), Zillow estimates that the median home price in Carnation has risen from \$697,735 in August 2020 to \$1,011,912 in August 2022 (a 45 percent increase). The vacancy rate for owner-occupied homes is about 2.2 percent and is effectively 0 percent for rental homes, which indicates that demand for both owner-occupied homes and rental homes greatly exceeds supply.



Figure 31. Median Monthly Rent, 2010 & 2020

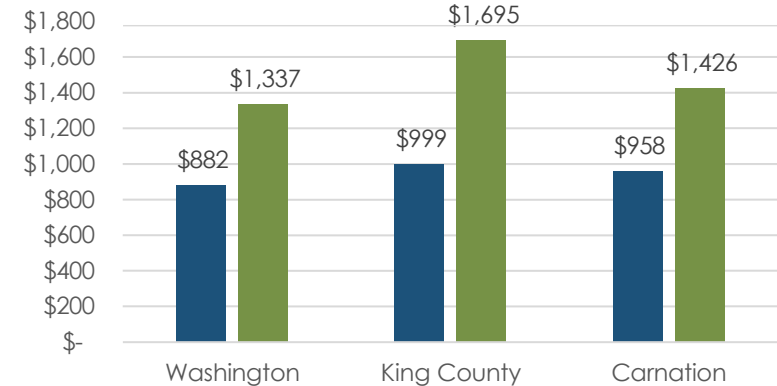
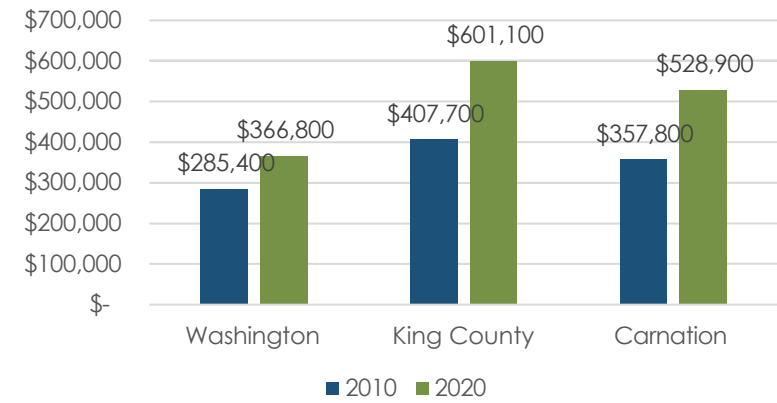


Figure 32. Median Home Price, 2010 & 2020

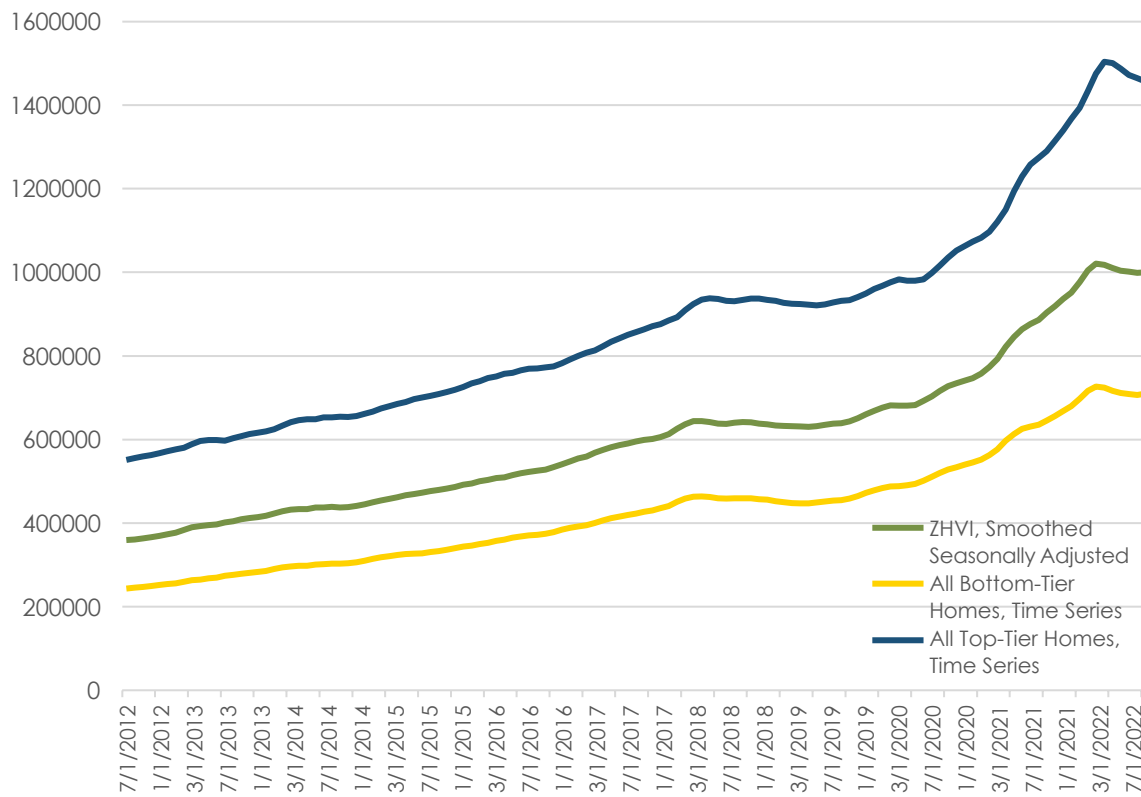


Source: US Census Bureau, ACS 2020 5-Year Estimates, Table D404

Housing Affordability

The price of single-family homes has risen extremely quickly since 2020. The median home value is estimated at \$1,011,912 as of August 2022, up 45 percent from two years ago. However, the top and bottom ends of the home valuation spectrum show even greater growth. So-called top-tier homes, those in the top 35 percent of estimated value, have grown in value by 46 percent since September 2020. The least expensive homes, roughly the bottom 35 percent of home values, have growth in value by 41 percent in that time span.

Figure 33. Home Value Estimates, 2012-2022



Source: Zillow Time Series

By comparing the median household income to the median home price, we can better understand home ownership attainability in the Snoqualmie Valley Region. As shown Figure 34 below, a household would need to earn at least 183% of the regional median household income level to be able to “afford” a median priced home of \$1,050,000 (assuming they have 10% down payment and allocate no more than 30% of income to housing). Fewer than 20 percent of Carnation's households could afford the median home under these conditions.

Figure 34. Housing Attainability Calculations

Snoqualmie Valley Region Housing Attainability

Regional Median Household Income (2022)*	\$134,600
Regional Housing Cost (median price, 2022)	\$1,029,657
Downpayment (@10%)	\$102,966
Mortgage Amount (Principal and interest only)	\$926,691
Monthly Housing Payment**	(\$6,161)
Annual Qualifying Income (@30% of income)	\$246,433
Percent of MHI for qualifying households	183%

* based on current U.S. Housing and Urban Development data for FY 2022.

** assumes 10% down payment on 30-yr mortgage @ 6.9% APR interest.

Source: FCS Analysis from Regional Housing Needs Assessment

Housing Affordability

Many of Carnation's households are burdened by the cost of their housing and pay more than a third of their annual income towards the cost of their housing. For instance, as of 2019 (the latest year for which detailed estimates are available), approximately 25 percent (197 households) of Carnation's 782 households were cost burdened. Of these cost burdened households, renter households are much more likely to pay more than a third of their income toward housing, with 53 percent of renter households being cost burdened, compared to 20 percent of households who live in owner-occupied units.

Figure 34. Cost Burdened Households, 2015-2019

Cost Burden	Renter Households		Owner Households		Total Households	
	> 30%	> 50%	> 30%	> 50%	> 30%	> 50%
Household Income <= 30% HAMFI	29	4	30	20	59	24
Household Income >30% to <=50% HAMFI	30	10	25	15	55	25
Household Income >50% to <=80% HAMFI	4	0	20	0	24	0
Household Income >80% to <=100% HAMFI	0	0	10	0	10	0
Household Income >100% HAMFI	0	0	49	4	49	4
Total	63	14	134	39	197	53

Source: HUD-CHAS Tabulations of 2015-2019 ACS 5-Year Estimates

Using the more stringent "severe cost burden" threshold (households paying more than 50 percent of their income in rent or housing costs, 14 renter households (all making 50 percent or less of the median family income) and 39 owner households are severely cost burdened. This is a total of 53 households, or about 7 percent of the city's households.

All told, according the HUD-CHAS data, there are 138 households making 80 percent or below of the Area Median Income (owners and renters combined) who are paying more than 30 percent of their incomes toward rent or housing.

Housing Affordability

RACIAL AND ETHNIC DISPARITIES MERIT A TARGETED APPROACH TO RELIEVING COST BURDEN

Among households who own their housing units, 26 percent of white, non-Hispanic households (head of household) who own their homes face some level of cost burden. 47 percent of white households who rent their units face cost burden. While most racial groups report low numbers due to sampling error and data disaggregation performed by HUD and the census bureau for privacy reasons, 63 percent of renter Hispanic households and 47 percent of white non-Hispanic households who rent their housing unit face some level of cost burden.

Despite the limitations of these data due to margins of error and sample size, it is clear that cost burden is not just a problem facing renters.

Figure 35. Cost Burdened Households by Race

	Owner Occupied				Renter Occupied			
	Not Cost Burdened	Cost Burdened	Severely Cost Burdened	Not Computed (No/Negative income)	Not Cost Burdened	Cost Burdened	Severely Cost Burdened	Not Computed (No/Negative income)
White, Non-Hispanic	360	90	40	4	45	20	20	0
Black or African-American, Non-Hispanic	0	0	0	0	0	0	0	0
Asian, Non-Hispanic	4	4	0	0	0	0	0	0
American Indian or Alaska Native, Non-Hispanic	0	0	0	0	0	0	0	0
Pacific Islander, Non-Hispanic	0	0	0	0	0	0	0	0
Hispanic, Any Race	30	0	0	0	15	25	0	0
other (Including Multiple Races), Non-Hispanic	20	0	0	0	10	4	0	0

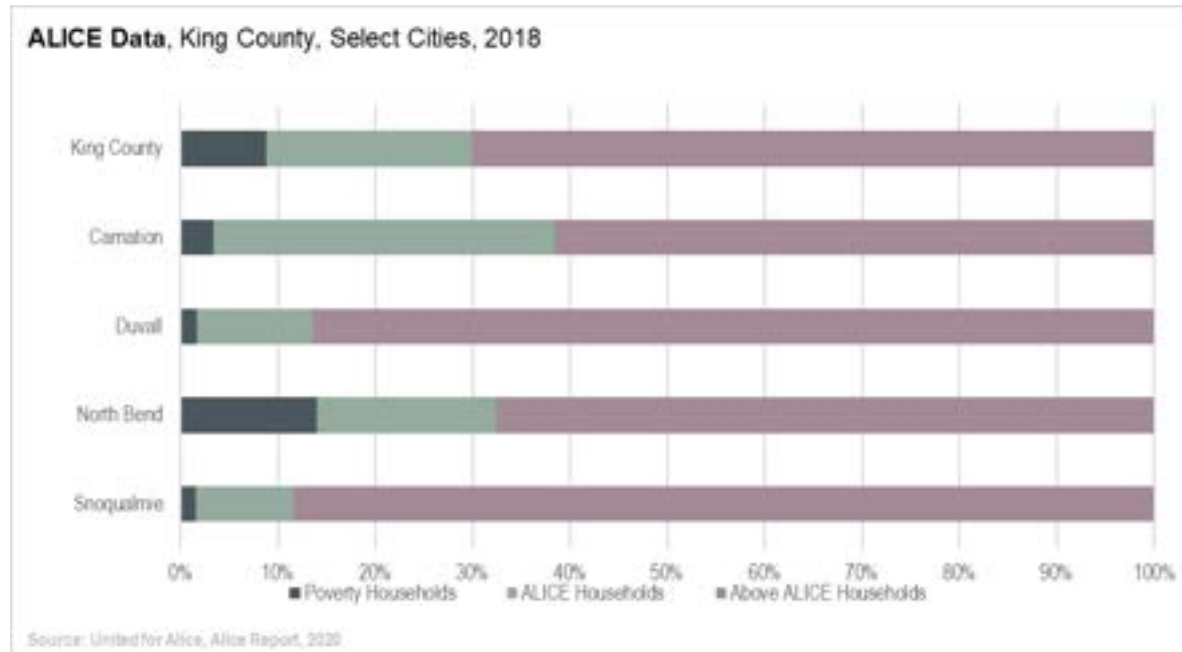
Source: HUD-CHAS Tabulations of 2015-2019 ACS 5-Year Estimates; Table 9

Housing Affordability

ASSET LIMITED AND INCOME CONSTRAINED & EMPLOYED RESIDENTS (ALICE)

The Snoqualmie Valley Regional Housing Needs Assessment (included as Appendix B of the Housing Action Plan) presents data by city on the proportion of residents facing overall economic hardship as measured by the United Way through its ALICE framework. ALICE, which stands for Asset Limited, Income Constrained, Employed, considers the total cost of household essentials, including housing, childcare, food, transportation, technology, and health care, plus taxes and a 10 percent contingency. Colloquially, it can be useful to think of the ALICE threshold as defining working class or the working poor.

Using this methodology, the Regional HNA finds that around 35 percent of Carnation households can be described by the ALICE threshold. This, plus, the roughly 3 percent of households who meet the federal definition of poverty, give Carnation a higher combined poverty share than the county and the highest of the four cities in the region.



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Housing Gaps

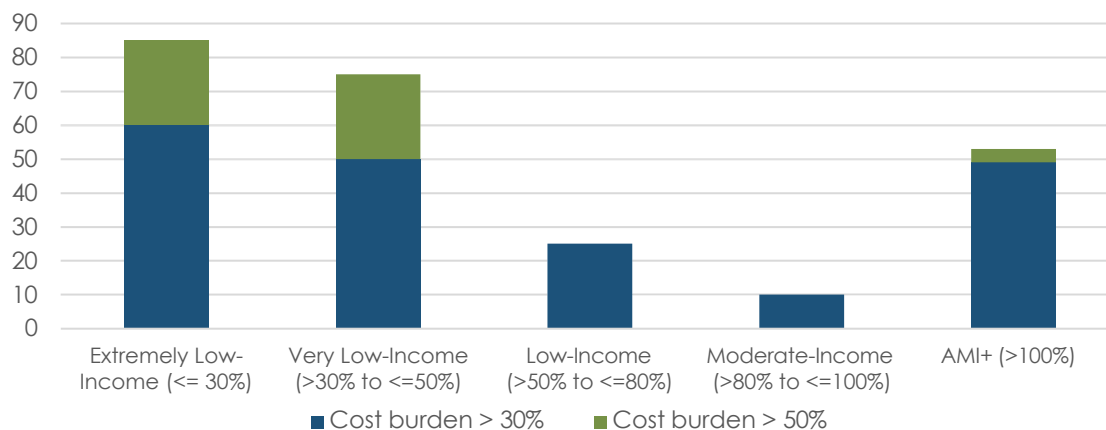
There are two primary components to the analysis of housing gaps: the current gap between the supply and demand of housing units that are affordable to Carnation's current households, and an estimate of how many more units (and what kinds of units) are needed to accommodate the projected growth over the planning horizon.

CURRENT GAP

Using the 2015-2019 HUD-CHAS data on cost burden, Carnation was during that period home to 63 households who rent their housing unit who are cost burdened (paying more than 30 percent of their incomes in rent). There are also 75 households making 80 percent or below of the AMI who own their unit who are cost burdened. There are **0** units of income-restricted affordable housing aimed at low-income households that did not exist during the survey period. Therefore, the current gap between what is affordable and available for households making under 80 percent of the median income and the current demand is **138 units**. If a more restrictive threshold of paying more than 50 percent of income toward housing is used, there are 14 renting households and 39 owning households who are paying at least 50 percent of their incomes toward rent, for a total gap (after deducting subsidized units) of **53 units**. These cost burden figures are illustrated in Figure 38 below. It should be noted that Carnation does have multifamily units that are more affordable given local market conditions that would not be considered "affordable housing" for the purposes of determining a gap because they are not income restricted.

Another way of examining the current housing gap can be illustrated by comparing the size of current housing units and the sizes of households. As shown in Figure 29 on page 19, Carnation has 74 1-person households likely living in 2-bedroom housing units, 210 2-

Figure 38. Household Income Distribution by Level of Cost Burden



Source: HUD-CHAS Tabulations of 2015-2019 ACS 5-Year Estimates; Table 4

Figure 37. Income Ranges for Affordability Calculations

Income Grouping for Cost Burden Analysis	Income Range
Less than 30% Area Median Family Income	Less than \$33,990
30 - 50% Area Median Income	\$33,990- \$56,650
50 - 80% Area Median Income	\$56,650- \$90,640
80 - 120% Area Median Income	\$90,640- \$135,960
120% Area Median Income and Above	\$135,960 and above

Source: HUD Income Limits for FY 2022, Seattle Metro Area

person households likely living in 3-bedroom housing units, 75 3-person households likely living in 4-bedroom housing units, and 6 four-person households living in 5+ bedroom homes. Another way of describing the current housing gap, therefore, might be that **up to 365 households** in Carnation are living in dwelling units that are too large for their needs in part because not enough smaller units are available. While this figure cannot be directly compared to the gaps identified above based on cost burden, it provides a useful window into the types of housing that the city currently lacks in sufficient numbers.

PROJECTED GAP

The housing target for 2019-2044 for Carnation, per the adopted King County Countywide Planning Policies, is 799 units. The city has 223 net new units in the permitting pipeline between January 1, 2019 and June 2022. After subtracting the pipeline projects, as documented in the Regional HNA, the city needs to account for 576 additional housing units.

Alternatively, the Carnation Comprehensive Plan envisions 2,866 new residents in the city between 2010 and 2035, assuming the total population potential of the potential annexation areas is incorporated into the city. After accounting for the past 12 years of population growth (net of 374 people and 154 housing units according to the Office of Financial Management) and the pipeline projects as documented in the Regional HNA, the city would need to account for 2,004 new people by 2035 (723 households per current household size). To accommodate this growth based on current average household sizes and assuming a 5 percent vacancy rate, the City would need at least **838 more housing units** by 2035, an average of **70 units per year** for the next 13 years. The city has added 17 new housing units per year on average since 2019, according to city building permit data, meaning new housing will be needed at more than triple the recent rate to meet projected growth.

The city currently is short 138 housing units that are affordable to current households making less than 80 percent of the area median income. Between 576 and 736 housing units are likely needed over the next 22 years to accommodate projected growth. This means **the total gap is 576 - 736 units, or 32-39 units per year through 2044.**

CARNATION HOUSING GAP CALCULATIONS

Projected gap, alternative 1

Housing target, 2019 – 2044: 799 units

Net new units in pipeline, 2019- 2022: 223

Remaining housing units needed: **576 units**

Alternative 2

Projected maximum population growth, 2010-2035
(Using 2018 Carnation comp plan amendment):
2,866

Population growth, 2010-2022: 374

Housing unit growth, 2010-2022: 154

Remaining population growth: $2,866 - 374 = 2,492$

Remaining household growth: $2,492 / 2.77 = 900$

Pipeline project units 2019 – 2022 minus postcensal
OFM growth: $223 - 24 = 199$

Remaining housing units needed: $(900 - 199) \times 1.05$
= **736 units** (5 percent vacancy)

Total gap

Current affordability gap: 138 units

Projected Gap: $576 / 736$ units

Total Gap: $138 + 576 = 714$ units (low end), $138 + 736 = 874$ units (high end)

Number of new housing units needed per year, on
average, 2023 -2044: **32-39 units**

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Housing	Goal H-1: Promote access to safe, high-quality affordable housing that accommodates citizen’s needs, preferences, and financial capabilities in terms of different types, tenures, density, sizes, costs, and locations.	H-1.1.	Minimize adverse environmental impacts by buffering residential areas from conflicting uses.	X	X	X	X	X	X	X	X		
		H-1.2.	Promote neighborhood quality and security by protecting residential areas from undesirable activities through enforcement of adopted City codes.	X	X	X	X	X	X	X	X	X	
		H-1.3.	Residential development, including mobile home parks, should follow the principles and standards of the City’s Zoning Ordinance and the Shoreline Master Program.	X	X	X		X	X		X	X	

Comprehensive Plan Policy Summary – City of Carnation

Policy Info				Policy Categories								
Element	Goal	Policy #	Policy Text	Single Family Housing	Duplex	Town-homes	Multi-Family	ADUs	Affordable Housing	Seniors and Other Special Needs Groups	Tiny Houses	Update for compliance with to HB 1220?
	Goal H-2: Promote reinvestment in existing neighborhoods	H-2.1	Promote investments in infrastructure to achieve neighborhood improvement through City-initiated neighborhood enhancement activities.	X	X	X	X	X	X	X	X	
		H-2.2.	Promote the maintenance, repair, and rehabilitation of the City's existing housing stock. Pursue financial incentives and funding for housing improvement programs, especially for low-income households.	X	X	X	X	X	X	X	X	

Comprehensive Plan Policy Summary – City of Carnation

Policy Info				Policy Categories									
Element	Goal	Policy #	Policy Text	Single Family Housing	Duplex	Town-homes	Multi-Family	ADUs	Affordable Housing	Seniors and Other Special Needs Groups	Tiny Houses	Update for compliance with to HB 1220?	
	Goal H-3: Ensure that housing is compatible in quality, design, and intensity with surrounding land uses, traffic patterns, public facilities and environmentally sensitive features.	H-3.1.	Identify, reinforce, and protect the character of existing residential neighborhoods.	X	X	X	X	X	X	X	X		
		H-3.2.	Locate High Density Residential within a reasonable distance of schools, employment centers, and transportation systems, and provide urban services, including water, sewer, utilities, drainage, emergency services, and garbage disposal deemed necessary to high-density residential development.			X	X						
		H-3.3.	Require Multi-family development to direct access to adequate streets.				X						

Comprehensive Plan Policy Summary – City of Carnation

Policy Info				Policy Categories								
Element	Goal	Policy #	Policy Text	Single Family Housing	Duplex	Town-homes	Multi-Family	ADUs	Affordable Housing	Seniors and Other Special Needs Groups	Tiny Houses	Update for compliance with to HB 1220?
		H-3.4.	Encourage active transportation in residential areas through the development of pathways, sidewalks, and high-quality onsite amenities such as secure bicycle parking.	X	X	X	X	X	X	X	X	
		H-3.5.	Use flexible design standards in multi-family development to mitigate impacts on less intense adjoining land uses.				X					
		H-3.6.	Require that multi-family residential development bear the burden of mitigating impacts to existing residential neighborhoods.				X					

Comprehensive Plan Policy Summary – City of Carnation

Policy Info				Policy Categories									
Element	Goal	Policy #	Policy Text	Single Family Housing	Duplex	Town-homes	Multi-Family	ADUs	Affordable Housing	Seniors and Other Special Needs Groups	Tiny Houses	Update for compliance with to HB 1220?	
		H-3.7.	Require residential developers to provide adequate buffering from adjoining agricultural, commercial, or industrial uses.	X	X	X	X	X	X	X	X		
	Goal H-4: Ensure that there is an adequate supply of affordable housing for all segments of the population.	H-4.1.	Explore all available federal, state, and local programs and private options for financing affordable and special needs housing.							X			
		H-4.2.	Allocate land for residential development reasonably scaled to reflect projected demand.			X	X	X				X	
		H-4.3.	Evaluate the effect of impact fees on the affordability of housing before establishing such impact fees.	X	X	X	X	X	X	X	X	X	
		H-4.4.	Allow for a variety of housing types to facilitate home ownership.	X	X	X	X	X	X	X	X	X	

Comprehensive Plan Policy Summary – City of Carnation

Policy Info				Policy Categories								
Element	Goal	Policy #	Policy Text	Single Family Housing	Duplex	Town-homes	Multi-Family	ADUs	Affordable Housing	Seniors and Other Special Needs Groups	Tiny Houses	Update for compliance with to HB 1220?
		H-4.5.	Encourage residential uses that support increased densities, while maintaining the single-family character of existing neighborhoods, such as duplexes, multi-generational housing, and cottage housing.		X	X		X			X	
		H-4.6.	Encourage higher density single-family neighborhoods near commercial centers and other facilities/services to encourage pedestrian, rather than vehicular circulation.				X					
		H-4.7.	Adopt an affordable housing incentive program in compliance with State of Washington’s RCW 36.70A.540						X			

Comprehensive Plan Policy Summary – City of Carnation

Policy Info				Policy Categories								
Element	Goal	Policy #	Policy Text	Single Family Housing	Duplex	Town-homes	Multi-Family	ADUs	Affordable Housing	Seniors and Other Special Needs Groups	Tiny Houses	Update for compliance with to HB 1220?
		H-5.1.	Encourage housing opportunities for people with special housing needs. These are homes best located in residential areas that are near supportive community services, recreational and commercial facilities.						X	X		
	Goal H-5: Encourage a variety of residential densities located in areas that maximize connectivity to jobs, goods and services, and recreation.	H-5.2.	Enhance the appearance of and maintain public spaces in residential areas.	X	X	X	X	X	X	X	X	
		H-5.3.	Provide incentives and employ strategies that protect critical areas from residential development.	X	X	X	X	X	X	X	X	

Comprehensive Plan Policy Summary – City of Carnation

Policy Info				Policy Categories								
Element	Goal	Policy #	Policy Text	Single Family Housing	Duplex	Town-homes	Multi-Family	ADUs	Affordable Housing	Seniors and Other Special Needs Groups	Tiny Houses	Update for compliance with to HB 1220?
		H-5.4.	Apply zoning in and around economic corridors that blend housing and commercial development.	X	X	X	X	X	X	X	X	
		H-5.5.	Create opportunities for housing developments to be easily accessible from both vehicle and bike/ped transportation corridors.	X	X	X	X	X	X	X	X	
		H-5.6.	Create a new Mixed Residential (MXR) Zone that will allow for a variety of housing types within the same zone. Mixes should include Single Family and Multi-Family dwelling units.	X	X	X	X					

Comprehensive Plan Policy Summary – City of Carnation

Policy Info				Policy Categories								
Element	Goal	Policy #	Policy Text	Single Family Housing	Duplex	Town-homes	Multi-Family	ADUs	Affordable Housing	Seniors and Other Special Needs Groups	Tiny Houses	Update for compliance with to HB 1220?
	Goal H-6: Establish density levels and the ability to up-zone in areas that provide adequate connectivity and services to accommodate the increase in density.	H-6.1.	Establish the density levels showing on page 12 of the 2018 Comprehensive Plan.									
		H-6.2.	Ensure compatibility with existing neighborhoods through the use of setbacks and landscaping buffers.	X	X	X	X	X	X	X	X	
		H-6.3.	Housing Incentive Programs may increase density in order to address housing needs and incentivize inclusionary housing.								X	

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**Placeholder for when City
council adopts the plan.**

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Cities planning under RCW 36.70A.040—Increasing residential building capacity—Housing action plan authorized—Grant assistance.

(1) A city planning pursuant to RCW 36.70A.040 is encouraged to take the following actions in order to increase its residential building capacity:

(a) Authorize development in one or more areas of not fewer than five hundred acres that include at least one train station served by commuter rail or light rail with an average of at least fifty residential units per acre that require no more than an average of one on-site parking space per two bedrooms in the portions of multifamily zones that are located within the areas;

(b) Authorize development in one or more areas of not fewer than two hundred acres in cities with a population greater than forty thousand or not fewer than one hundred acres in cities with a population less than forty thousand that include at least one bus stop served by scheduled bus service of at least four times per hour for twelve or more hours per day with an average of at least twenty-five residential units per acre that require no more than an average of one on-site parking space per two bedrooms in portions of the multifamily zones that are located within the areas;

(c) Authorize at least one duplex, triplex, quadplex, sixplex, stacked flat, townhouse, or courtyard apartment on each parcel in one or more zoning districts that permit single-family residences unless a city documents a specific infrastructure of physical constraint that would make this requirement unfeasible for a particular parcel;

(d) Authorize a duplex, triplex, quadplex, sixplex, stacked flat, townhouse, or courtyard apartment on one or more parcels for which they are not currently authorized;

(e) Authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences;

(f) Adopt a subarea plan pursuant to RCW 43.21C.420;

(g) Adopt a planned action pursuant to RCW 43.21C.440(1)(b)(ii), except that an environmental impact statement pursuant to RCW 43.21C.030 is not required for such an action;

(h) Adopt increases in categorical exemptions pursuant to RCW 43.21C.229 for residential or mixed-use development;

(i) Adopt a form-based code in one or more zoning districts that permit residential uses. "Form-based code" means a land development regulation that uses physical form, rather than separation of use, as the organizing principle for the code;

(j) Authorize a duplex on each corner lot within all zoning districts that permit single-family residences;

(k) Allow for the division or redivision of land into the maximum number of lots through the short subdivision process provided in chapter **58.17** RCW;

(l) Authorize a minimum net density of six dwelling units per acre in all residential zones, where the residential development capacity will increase within the city. For purposes of this subsection, the calculation of net density does not include the square footage of areas that are otherwise prohibited from development, such as critical areas, the area of buffers around critical areas, and the area of roads and similar features;

(m) Create one or more zoning districts of medium density in which individual lots may be no larger than three thousand five hundred square feet and single-family residences may be no larger than one thousand two hundred square feet;

(n) Authorize accessory dwelling units in one or more zoning districts in which they are currently prohibited;

(o) Remove minimum residential parking requirements related to accessory dwelling units;

(p) Remove owner occupancy requirements related to accessory dwelling units;

(q) Adopt new square footage requirements related to accessory dwelling units that are less restrictive than existing square footage requirements related to accessory dwelling units;

(r) Adopt maximum allowable exemption levels in WAC 197-11-800(1) as it existed on June 11, 2020, or such subsequent date as may be provided by the department of ecology by rule, consistent with the purposes of this section;

(s) Adopt standards for administrative approval of final plats pursuant to RCW **58.17.100**;

(t) Adopt ordinances authorizing administrative review of preliminary plats pursuant to RCW **58.17.095**;

(u) Adopt other permit process improvements where it is demonstrated that the code, development regulation, or ordinance changes will result in a more efficient permit process for customers;

(v) Update use matrices and allowable use tables that eliminate conditional use permits and administrative conditional use permits for all housing types, including single-family homes, townhomes, multifamily housing, low-income housing, and senior housing, but excluding essential public facilities;

(w) Allow off-street parking to compensate for lack of on-street parking when private roads are utilized or a parking demand study shows that less parking is required for the project;

(x) Develop a local program that offers homeowners a combination of financing, design, permitting, or construction support to build accessory dwelling units. A city may condition this program on a requirement to provide the unit for affordable home ownership or rent the accessory dwelling unit for a defined period of time to either tenants in a housing subsidy program as defined in RCW **43.31.605**(14) or to tenants whose income is less than eighty percent of the city or county median family income. If the city includes an affordability requirement under the program, it must provide additional incentives, such as:

- (i) Density bonuses;
- (ii) Height and bulk bonuses;
- (iii) Fee waivers or exemptions;
- (iv) Parking reductions; or
- (v) Expedited permitting; and

(y) Develop a local program that offers homeowners a combination of financing, design, permitting, or construction support to convert a single-family home into a duplex, triplex, or quadplex where those housing types are authorized. A local government may condition this program on a requirement to provide a certain number of units for affordable home ownership or to rent a certain number of the newly created units for a defined period of time to either tenants in a housing subsidy program as defined in RCW **43.31.605**(14) or to tenants whose income is less than eighty percent of the city or county median family income. If the city includes an affordability requirement, it must provide additional incentives, such as:

- (i) Density bonuses;
- (ii) Height and bulk bonuses;
- (iii) Fee waivers or exemptions;
- (iv) Parking reductions; or
- (v) Expedited permitting.

(2) A city planning pursuant to RCW **36.70A.040** may adopt a housing action plan as described in this subsection. The goal of any such housing plan must be to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market. A housing action plan may utilize data compiled pursuant to RCW **36.70A.610**. The housing action plan should:

(a) Quantify existing and projected housing needs for all income levels, including extremely low-income households, with documentation of housing and household characteristics, and cost-burdened households;

(b) Develop strategies to increase the supply of housing, and variety of housing types, needed to serve the housing needs identified in (a) of this subsection;

(c) Analyze population and employment trends, with documentation of projections;

(d) Consider strategies to minimize displacement of low-income residents resulting from redevelopment;

(e) Review and evaluate the current housing element adopted pursuant to RCW **36.70A.070**, including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions;

(f) Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups; and

(g) Include a schedule of programs and actions to implement the recommendations of the housing action plan.

(3) The adoption of ordinances, development regulations and amendments to such regulations, and other nonproject actions taken by a city to implement the actions specified in subsection (1) of this section, with the exception of the action specified in subsection (1)(f) of this section, are not subject to administrative or judicial appeal under chapter **43.21C** RCW.

(4) Any action taken by a city prior to April 1, 2023, to amend its comprehensive plan or adopt or amend ordinances or development regulations, solely to enact provisions under subsection (1) of this section is not subject to legal challenge under this chapter.

(5) In taking action under subsection (1) of this section, cities are encouraged to utilize strategies that increase residential building capacity in areas with frequent transit service and with the transportation and utility infrastructure that supports the additional residential building capacity.

(6) A city that is planning to take at least two actions under subsection (1) of this section, and that action will occur between July 28, 2019, and April 1, 2021, is eligible to apply to the department for planning grant assistance of up to one hundred thousand dollars, subject to the availability of funds appropriated for that purpose. The department shall develop grant criteria to ensure that grant funds awarded are proportionate to the level of effort proposed by a city, and the potential increase in housing supply or regulatory streamlining that could be achieved.

Funding may be provided in advance of, and to support, adoption of policies or ordinances consistent with this section. A city can request, and the department may award, more than one hundred thousand dollars for applications that demonstrate extraordinary potential to increase housing supply or regulatory streamlining.

(7) A city seeking to develop a housing action plan under subsection (2) of this section is eligible to apply to the department for up to one hundred thousand dollars.

(8) The department shall establish grant award amounts under subsections (6) and (7) of this section based on the expected number of cities that will seek grant assistance, to ensure that all cities can receive some level of grant support. If funding capacity allows, the department may consider accepting and funding applications from cities with a population of less than twenty thousand if the actions proposed in the application will create a significant amount of housing capacity or regulatory streamlining and are consistent with the actions in this section.

(9) In implementing chapter 348, Laws of 2019, cities are encouraged to prioritize the creation of affordable, inclusive neighborhoods and to consider the risk of residential displacement, particularly in neighborhoods with communities at high risk of displacement.

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The following table illustrates how the Housing Action Plan complies with the requirements under HB 1923 and codified in RCW 36.70A.200(2) as implemented by the Washington Department of Commerce.

HB 1923 Requirement	Compliance
<p>Quantify existing and projected housing needs for all income levels, including extremely low-income households, with documentation of housing and household characteristics, and cost-burdened households;</p>	<p>The Housing Needs Assessment presented herein quantifies existing and projected housing needs for all income levels, including extremely low-income households. Section 5. Housing Gaps, beginning on page 28 of Appendix 1, discusses the current and projected housing gap for all income levels.</p>
<p>Develop strategies to increase the supply of housing, and variety of housing types, needed to serve the housing needs identified in (a) of this subsection;</p>	<p>The strategies to increase supply and variety of housing begin on Page 31. These strategies have been created by working in coordination with City staff, through a thorough code audit, and through conversations held with the Advisory Committee. These strategies aim to address the areas of improvement identified in the Housing Needs Assessment. These strategies aim to do the following: incentivize new rental housing, bring down the cost of development, provide a wide variety of housing types, and to mitigate and prevent displacement.</p>
<p>Analyze population and employment trends, with documentation of projections;</p>	<p>The Housing Needs Assessment presented herein analyzes population and employment trends and projections. These data were collected from the Office of Financial Management and the Washington State Employment Security Department. Population count and projection is described on Page 5 and employment count and projection is described on Page 15 of Appendix 1. These projections, particularly population, are used as the basis for calculating future housing needs over the planning period.</p>

<p>Consider strategies to minimize displacement of low-income residents resulting from redevelopment;</p>	<p>The Housing Action Plan contemplates a number of strategies explicitly designed to minimize displacement of low-income residents resulting from redevelopment. The risk of displacement in the City of Carnation is relatively low because they do have land capacity to absorb the projected housing needs. Regardless, it is important to ensure existing housing stock is protected from the pressure that new development brings to the area. For Carnation, the most important strategy for minimizing displacement is to preserve the existing housing stock and ensure that remains affordable for residents.</p>
<p>Review and evaluate the current housing element adopted pursuant to RCW 36.70A.070, including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions;</p>	
<p>Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups; and</p>	<p>The Housing Action Plan prioritized public and Advisory Committee engagement from the beginning of the project. The Project Charter and Engagement Plan in Appendix 8. outlines the approach taken. The Advisory Committee ...</p>
<p>Include a schedule of programs and actions to implement the recommendations of the housing action plan.</p>	<p>The Housing Action Plan includes an implementation strategy for its policies on Page X of the plan. This action implementation table was developed by staff in consultation with city officials and the Advisory Committee.</p>

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Affordable Housing Development Information

This section describes the affordable housing development and finance process and how it differs from market rate development, lists common state and local funding sources for housing, and includes a description of geographies associated with affordable housing benefits.

Typical Affordable Housing Development Process

The development of new, multifamily regulated affordable housing is a long and complex process. It is subject to many of the same development conditions as market-rate development, with added complexity due to lower rents requiring additional, lower-cost funding. The development process begins in predevelopment (design and feasibility, land entitlements, and funding applications) then enters construction, before beginning operations. The following are typical development phases for regulated affordable housing projects.

Design and Feasibility

Affordable housing developers start with an understanding of the need for less expensive housing in an area.

How many units are needed at what rent level?

What income levels have the biggest gaps in housing supply?

What populations are struggling with housing costs the most?

Just like market rate developers, affordable housing developers test the financial feasibility of what they hope to build against the local political and economic conditions. They must estimate what it will cost to build, what affordability levels the region needs, and the amount of funding available to build the project. If the project is not financially or politically feasible (i.e., cannot find adequate funding sources or does not meet a neighborhood's goals), building the housing will be immensely challenging. Key challenges that are considered: cost of land, development allowed on the land (zoning), costs of construction, rents or prices, costs of operations (for multifamily), or local opposition to the project.

How does affordable housing differ?

Both affordable housing development and market-rate development need to go through design and feasibility. Affordable housing development differs from market-rate development in this stage due to limited funding. With the goal of providing below-market rents, the financing structure (often called the "capital stack") of an affordable housing development needs to fill a gap (often called a "funding gap") between what it costs to build the property and what the property's operations can support. A market rate development will typically have investor equity and one or two types of debt financing, but an affordable housing development may also need to secure public funding, grants, operating subsidies, and low-cost or forgivable debt on top of competitive investor equity sources (see the figure on the following page). Some affordable housing developers need to secure predevelopment loans or grants as they work out the logistics of project feasibility. Sometimes, affordable housing developments are given free or reduced cost land, which aids feasibility and reduces the amount of debt needed.

Typical Capital Stacks in a Market Rate and a 9% LIHTC Affordable Housing Development



Source: ECONorthwest

Land Use Entitlements

This is the process of getting control of the site (buying land or assembling parcels) and getting the legal authority to develop (zoning and permitting, design review, neighborhood opposition, etc.). This can take months or years depending on the type of project, the required level of public review, the time it takes to obtain permits, the amount of neighborhood opposition, and many other factors. Developers typically take out pre-development loans to cover these costs, meaning that delays incur “carrying costs” (the interest that accrues on the loan each month of the process). This loan may be wrapped into or repaid by the construction loan.

How does affordable housing differ?

Both affordable housing developments and market-rate developments need to secure land use entitlements. One major way that affordable housing development differs from market-rate development in this stage, is due to neighborhood opposition. It is common for neighborhoods to object to a new affordable housing development, and some may use the slow land use entitlements process to delay or “kill” a project. Some market-rate developments may face opposition in this process, but they may also be in a better financial position to weather delays (e.g., if a market rate developer does not need a pre-development loan, delays do not incur carrying costs).

Public Funding Applications

This is a unique step required of affordable housing development that does not apply to market-rate development. Often, affordable housing developments receive public funding in exchange for renting to low-income households. With rents set below market, the property will have insufficient rent revenue to cover its operating costs and support the loans needed to pay for development. Thus, the property must apply for a range of low-cost funding, project equity, or grants to reach feasibility and begin construction. This step adds cost, time, complexity, and uncertainty to the development process. Because public funding is limited, these application cycles are very competitive and not all projects will receive the funding to move forward. The policy goals attached to each funding amount can influence the type of housing built (e.g., housing for families or seniors) as well as the income levels served. Most often, a project needs to have site control before it can receive funding.

How does affordable housing differ?

Market-rate developments do not typically need to secure public funding for development.

Construction

Once a property has site control, entitlements, and a confirmed design concept, it can begin construction. This stage depends on the availability of labor, materials, and equipment, as well as the complexity and size of the development. The project will take out a construction loan to cover these costs, which means that delays in construction incur additional “carrying costs.” The construction loan is repaid by the permanent loan, which is sized based on the net operating income of the project (rent revenues minus operating expenses).

How does affordable housing differ?

Affordable housing projects do not meaningfully differ from market-rate projects in the construction process. However, they may have simpler designs and prioritize faster construction timelines.

Operations

Once the project is built and leased, it begins operations. Rents are determined at the project feasibility stage and are very important in the project’s operating phase. Feasibility and funding applications can occur several years prior to the project operating. The revenues from property rents need to be high enough to cover the cost of operating the property (including maintenance and repairs, landscaping, taxes, and numerous other fees and costs). The project’s net operating income must also service the monthly debt payments on the permanent loan. Banks generally require an income “cushion” to assure that the property has enough operating income to pay its debts. This means that net operating income must be 15 percent to 20 percent higher than the debt payment. Any change in rent revenues (market softening, competition, vacancies, etc.), costs of operations (higher taxes, maintenance costs, capital repairs, etc.) can meaningfully disrupt a property’s operations.

How does affordable housing differ?

Affordable housing properties operate under affordability restrictions for a specified period of time (e.g., 15-99 years), and are typically managed by mission-driven developers or non-profit organizations. In contrast, many market rate properties will sell to an institutional investor after the property stabilizes (after 5 or 8 years of operations). Another difference in affordable housing operations is that typically, affordable housing properties are required to put a portion of operating funds into reserves (both capital reserves and or operating reserves) which serve as a cushion for unexpected vacancies, disruptions to operations, or major capital repairs. These reserves help prevent most affordable housing properties from defaulting on debt service requirements (LIHTC properties, in particular, have very low default rates). Market rate properties are not required to keep reserves. Lastly, another difference in affordable housing operations, is that often the properties may have insufficient cash flow (funds left over after paying for operating expenses and debt) to pay for any cash-flow dependent line items (e.g., the developer fee, cash-flow dependent loans, etc.) In contrast, market rate properties seek financial returns from the property, to provide steady cash flow to the owner or investor. While cash flow is not always available due to market rent fluctuations and or vacancies, the deals are structured to seek financial returns.

Local Affordable Housing Funding Sources

This section describes the state and local affordable housing funding sources available to developers looking to construct affordable housing properties in Carnation. This section focuses solely on funding sources, not indirect financing sources that provide financial benefits to properties via reduced costs. The local funding sources do not include non-financial funding sources, like density bonuses or impact fee waivers, that indirectly provide funding by reducing costs.

Washington State Funding Sources

The Washington State Housing Finance Commission offers several funding programs to build multifamily affordable housing. Additionally, properties utilizing some of these funding sources can receive funding “boosts” if they are located in one of the geographic areas described below.

The Low-Income Housing Tax Credit (LIHTC) program is the largest source of funding. It has two types: the 9% tax credit program is more valuable, but limited, and is awarded competitively through annual funding applications. The 4% bond tax credit program is less valuable for project financing, but the program is not competitive. Any project that is able to make the funding program work can access the tax credits up to a certain bond cap across the state. These programs typically fund housing units that are affordable to households earning below 60% of AMI.

The 80/20 Private Activity Bond program can fund construction and development costs for affordable housing projects. The interest on the funding is tax exempt, thereby reducing total

development costs and increasing project feasibility. This program typically funds housing units that are affordable to households earning below 60% of AMI.¹

Non-Profit Housing Bonds can assist 501(c)(3) nonprofits in financing numerous housing developments. These funds are more flexible than other types of financing programs.

The Land Acquisition Program assists qualified nonprofits with purchasing land for affordable housing development.

The Washington State Department of Commerce offers three additional funding programs for developing affordable housing.

The Washington State Housing Trust Fund provides loans and grants to affordable housing projects through annual competitive applications. This program typically funds housing units that are affordable to households earning below 80% of AMI.

The Housing Preservation Program provides funding for affordable housing rehabilitation, preservation, and capital improvement needs. It is only available for projects that have previously received Housing Trust Funds.

The HOME Program is a federal block grant program funded through the US Department of Housing and Urban Development (HUD). This program offers funding for the preservation and development of affordable rental housing to non-profit organizations, public housing authorities, and local and tribal governments. HOME Funds typically build units that are affordable to households earning below 50% of AMI.

Local Funding Sources

A property tax levy (RCW 84.52.105) – allows jurisdictions to place an additional tax up to \$0.50 per thousand dollars assessed for up to ten years. Funds must go toward financing affordable housing for households earning below 50% MFI.

A sales tax levy (RCW 82.14.530) – allows jurisdictions to place a sales tax up to 0.1 percent. At least 60 percent of funds must go toward constructing affordable housing, mental/behavioral health-related facilities, or funding the operations and maintenance costs of affordable housing and facilities where housing-related programs are provided. At least 40 percent of funds must go toward mental / behavioral health treatment programs and services or housing-related services. The City of Carnation may enter into an interlocal agreement with Benton County to distribute these funds in a program run by the County.

A real estate excise tax (REET) (RCW 82.46.035) – allows a portion of City REET funds to be used for affordable housing projects and the planning, acquisition, rehabilitation, repair, replacement, construction, or improvement of facilities for people experiencing homelessness. These projects must be listed in the City’s the capital facilities plan. Carnation currently uses this.

¹ Washington State Housing Finance Commission. 2020. Multifamily Housing 80/20 Bond Program: <https://www.wshfc.org/mhcf/BondsOnly8020/index.htm>

Benton County Community Development Block Grants (CDBG) – Benton County receives CDBG funding from the U.S. Department of Housing and Urban Development (HUD). CDBG funds can be used in a variety of ways, including the funding of low-income housing development and social services to improve the living conditions of homes within the county. CDBG public facilities Notice of Funding Availability typically is published in the fall for contracts that commence during the following summer.²

Federal Government Designated Geographic Areas for Affordable Housing Support

Developing a regulated affordable housing property can be a complex and difficult process. Different funding sources may have different priorities, and the costs of land and development can be prohibitive. To help alleviate some of these difficulties, the federal government has designated certain geographic areas to receive higher priority or more funding for regulated affordable housing development. These include Qualified Census Tracts, Difficult to Develop Areas, and Opportunity Zones, each described below.

Qualified Census Tracts

HUD defines a Qualified Census Tract (QCT) as a Census Tract with “50 percent of households with incomes below 60 percent of the Area Median Gross Income (AMGI)” or one where the poverty rate exceeds 25 percent.³ Affordable housing developments in QCTs that apply for LIHTC funding receive a boost in the amount of tax credits they can receive. Carnation does not have any QCTs.

Difficult Development Areas

HUD defines a Difficult Development Areas (DDA) as “areas with high land, construction and utility costs relative to the area median income” and uses HUD Fair Market Rents, income limits, 2010 census, and 5-year American Community Survey (ACS) data as determinants. Carnation does not contain any Difficult Development Areas.

Opportunity Zones

In addition, the 2017 federal Tax Cuts and Jobs Act created the Opportunity Zone program which is designed to incentivize investment in low-income communities by providing tax benefits. Opportunity Zones are Census Tracts where the poverty rate exceeds 20 percent.⁴ While there are no specific funding boosts for affordable housing projects developed in Opportunity Zones, the tax incentives make other types of multifamily development more feasible. Carnation is not located within an Opportunity Zone.

² Pierce County Community Development Block Grant Program. 2020. <https://www.co.pierce.wa.us/4853/Community-Development-Block-Grant-Progra>

³ HUD. 2020. “Qualified Census Tracts and Difficult Development Areas.” www.huduser.gov/portal/datasets/qct.html

⁴ Washington State Department of Commerce. 2020. “Opportunity Zones-An Incentive to Invest in Lower-Income Areas.” <https://www.commerce.wa.gov/growing-the-economy/opportunity-zones/>

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Public Participation – Interview Questions

This Housing Action Plan was developed with a range of public engagement. The City relied on close consultation with a group of interviewees, contacted with help from city staff, who helped to shape the issues, focus, and vision of the Plan and pointed the way to identification of strategies and actions. The project team conducted in-depth interviews with representatives from the following groups and organizations:

- Empower Youth
- Supportive Communities for All
- Sno-Valley Senior Center
- Tolt Legal Services
- Fortney Construction
- Hopelink Service Center
- Living Word Community Church

The project team asked the interviewees the following questions:

- 1. How long have you lived in or been involved with the Carnation community?**
- 2. What community or communities do you represent?**
- 3. What do you know about current housing policy in Carnation? What have you seen missing in Carnation’s approach to housing?**
- 4. What gaps do you see in housing in Carnation? What types of housing do you think the community needs?**
- 5. What types of “middle housing” do you think Carnation has the greatest need or opportunity for?**

H. APPENDICES

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Overview

Our region has and will continue to face great challenges as we grow. This includes the ability to provide affordable housing. Housing element requirements under the Growth Management Act (GMA) outline requirements to “...ensure the vitality and character of established residential neighborhoods...”. This includes provisions for protections of housing “... for existing and projected needs of all economic segments of the community” ([RCW 36.70A.070\(2\)](#)). At the same time, cities are growing, and redevelopment pressures will continue to occur. As redevelopment occurs, the key is focusing on policies and regulations that minimize displacement and preserve affordable housing options. These are difficult planning challenges, and it takes a proactive approach to meet these challenges head on.

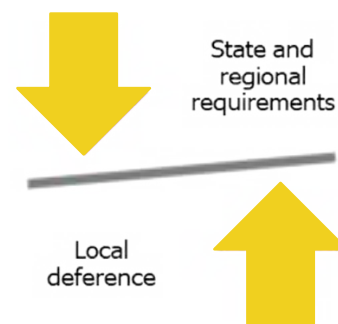
In addition, Carnation faces some unique challenges and opportunities due to its housing types, demographics, policies, physical location bound with two rivers, the makeup of its local economy. This Housing Action Plan presents analysis, strategies, and a range of actions to consider.

Connection to Comprehensive Plan Process

Carnation will update its Comprehensive Plans no later than December of 2024. As part of that process, they will be planning for growth out to 2044. The amount of growth the City will plan for is linked to its growth allocation and the types of actions necessary to meet housing goals.

The more growth expected, the more creative the City must be in order to accommodate that growth. The elements and objectives of a HAP will help support the implementation of growth and housing strategies as the city moves forward.

Planning is a balance between state and regional requirements and substantial local deference is afforded to the city so it can plan in a way that is best for its community.



While broad housing requirements are outlined within the Growth Management Act ([RCW 36.70A.070\(2\)](#)), policies are also developed at the regional and countywide levels. The Puget Sound Regional Council (PSRC) is a regional body that develops policies around transportation, economic development, and growth (including housing). Vision 2050’s multicounty planning policies and regional growth strategy guide planning at the countywide level and comprehensive plans done by cities and counties.

The Growth Management Planning Council (GMPC) facilitates the development of King County Countywide Planning Policies (CPPs), which help ensure King County and the cities within the county coordinate on growth issues.

The policies contained in the CPPs are further refined at the local level as the city completes its Comprehensive Plan update. The HAP provides an opportunity to proactively look at housing issues and identify possible solutions that can be implemented as this planning takes place.

Definitions of Income Ranges Used to Define Affordability

Several of the recommended actions and strategies in this HAP address housing affordability. The following definitions of income ranges are based on Benton County's Area Median Income, or AMI (updated annually, used interchangeably here with HUD's definition of Median Family Income). The actual makeup of household incomes in Carnation specifically may differ from that of Benton County more broadly, but AMI is the baseline for measuring affordability using the best available data. The income ranges and their definitions are as follows:

- Extremely Low Income – 30% AMI and below
- Very Low Income – 30-50% AMI
- Low Income – 50-80% AMI

Seattle-Bellevue Metro Area's median family income for fiscal year 2022 was \$134,600. This means the definitions for income ranges for this Plan for the City of Carnation are as follows:

- Extremely Low Income \$33,990 per year and below
- Very Low Income - \$33,990 - \$56,650 per year
- Low Income - \$56,650-\$90,640 per year

Affordable housing provided through the Low-Income Housing Tax Credit (LIHTC) program, a major resource for new construction and preservation, is defined as providing housing that is affordable (no more than 30% of gross income) to those making at or below 60% of the Area Median Income. In King County's case, this would be \$56,650 per year and below.

Long-Term Impacts of COVID-19 on Housing

The COVID-19 pandemic and the associated health and economic consequences continue to affect everyone in Washington and around the world. While the full story of the effects of COVID-19 on housing is still being written, several important trends may gain importance in the years to come.

First, for many of those whose employment can occur remotely, physical proximity to the workplace is a less important factor when choosing a place to live. Factors including access to parks, great schools, and being closer to family, may increase in importance. This is of particular relevance to Carnation, as its location, natural amenities, and slower pace of life could make it an increasingly popular relocation option for people from the busy Seattle-Bellevue metro area whose work can be done remotely.

Second, the demand for new housing is continuing to outstrip supply, leading to continued upward pressure on prices. Labor and material shortages continue to make building housing expensive, and the locational decisions discussed above are leading to many more households with continued employment looking to change their housing situation.

Third, the inflation and subsequent economic pressure emerging from the pandemic and its after-effects continue to influence employment and housing in Carnation. Higher interest rates on mortgages and for commercial loans is likely leading to a slowdown in both home sales and construction, though these trends are not borne out in the data yet. This could constrain housing construction locally and statewide despite the well-documented need.

Housing Policy Analysis and Current Policy Conditions

Carnation’s Comprehensive Plan contains many housing policies in its Housing Element. [Appendix 3](#) contains an analysis of the Comprehensive Plan policies that relate to housing.

The City should consider additions and revisions to its policies that support future actions in line with what is provided in this plan. Such policy additions should strengthen and support the actions recommended here, including (but not limited to) strengthening policy support for more diverse housing options, developing code and policies that mitigate the risk of displacement, and placing equity front and center when crafting future housing code and policy.

Additional analysis on housing policies can be found under the [Key Findings and Recommendations](#) of the HAP and in [Appendix 3](#).

Housing Types Considered

Single-Family Housing



HB 1923 specifically calls for the development of policies and

strategies to increase the availability of single-family homes that are affordable to a wider range of households. This could include both detached and attached single-family dwellings. The HAP presents strategies and actions that can increase the availability and affordability of single-family homes.

Missing Middle Housing



“Missing middle” housing refers to a range of housing types including duplexes, triplexes,

fourplexes, townhomes, and apartments built with wood frame construction. These offer more affordable options for buyers and renters and more efficiently utilize land often dedicated to single family homes. “Middle” refers to their position on a spectrum between single-family detached homes and mid- to high-rise apartment buildings. The Housing Action Plan includes actions that address various facets of this form of housing. This includes potential changes to zoning to allow such development in more places.

Accessory Dwelling Units



Accessory Dwelling Units, or ADUs, are small housing units attached to or separate from and accessory to a single-family home. These

smaller dwellings, sometimes envisioned as homes for older parents or other relatives, hold promise as a way of providing basic, affordable accommodations for households that do not need much space while potentially providing a source of rental income for homeowners. Jurisdictions region-wide have recently pursued changes to their land use regulations to allow or further encourage ADUs as a way of addressing the housing affordability issue. One action writeup includes multiple suggestions on how to better administer and regulate ADUs.

Multifamily Housing

Larger multifamily developments (five-plus units in a structure) make up only



2.5 percent of housing units in Carnation. Some of these developments are a key part of Carnation’s inventory of naturally occurring affordable housing. Additionally, because of their construction techniques and economies of scale, new developments with affordable units tend to be this type of housing.

Several of the actions in the following plan involving incentivizing new rental housing and mitigating displacement address multifamily housing in some dimension.

Senior Housing

Assisted living facilities, retirement communities, adult family homes, and

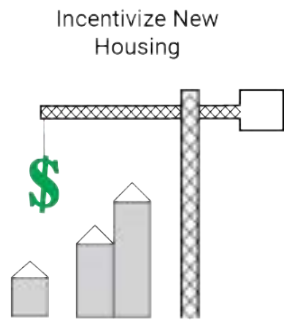


other forms of senior housing will be increasingly needed as the populations within our region ages. ADUs and missing middle housing can also play an important role in providing housing options for seniors that are affordable. Providing these housing options within the city allows current residents the ability to age in place. Carnation currently has one affordable senior housing project in the pipeline with 15 potential units, which is a great start but not sufficient to meet the planning needs of the community.

Strategies

All actions proposed in this Housing Action Plan can be categorized by their implementation of one of the strategies as outlined below. Each strategy is assigned its own icon, which are incorporated into the following action writeups according to which strategy or strategies each action addresses.

Incentivize New Housing



The City has expressed interest in policy options to increase incentives available for creating new affordable rental and owned housing units. The Housing Needs Assessment

demonstrates that additional rental housing and less expensive single-family housing, particularly for low- to moderate-income households, is needed to reduce the cost burden of their housing expenses.

Incentives for rental housing can include the Multi-Family Tax Exemption (MFTE), waiving or reducing impact fees, density bonuses to incentivize affordable housing options, and demonstration programs to reduce displacement and rehabilitate existing housing stock.

Bring Down the Cost of Development



The cost of developing new housing, regardless of type, includes labor and materials, the costs of permitting (including impact and mitigation fees), and the time and cost of permit

processes. Several actions included in this Housing Action Plan address the elements of this calculation most within the City's control, namely fees as well as time and process required to approve development.

Provide Wider Variety of Housing Types

Encourage a Wide Variety of Housing Types



The City can make progress on this strategy through several actions, including changes to zoning code to make various types of housing more widely allowed and

demonstration programs for fee reductions. This includes senior housing, ADUs, and so-called Missing Middle housing.

Prevent and Mitigate Displacement

This addresses both rent-restricted and non-rent-restricted rental housing. This can be done through rehabilitation of existing units or a waiver of certain fees that would allow a new



development to offer new units whose rents approximately match housing that was displaced. Actions include public-private partnerships with neighborhood associations and landlords to bring down the cost of upkeep.

Improve The Regulatory Environment for Permits

Improve the
Regulatory
Environment for
Permits



The regulatory environment for new development and redevelopment varies by jurisdiction. The regulatory environment heavily influences what gets built, and where it

gets built. Additionally, having a good regulatory environment impacts how long it takes to issue permits and how much it costs. Creating a smooth regulatory process for obtaining approvals on development proposals will incentivize development in the city.



CARNATION CITY COUNCIL

A G E N D A B I L L

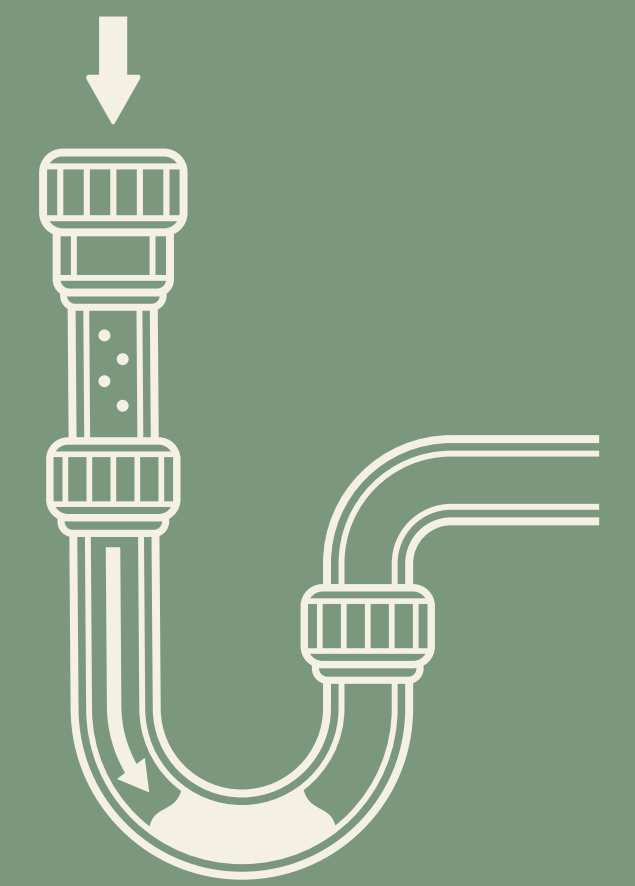
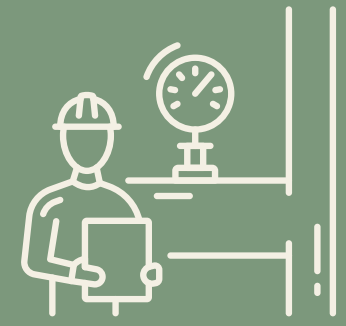
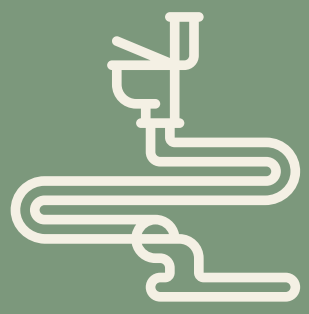
<p>TITLE: A RESOULTION amending the 2023 Fee Schedule by segregating expenses associated with sewer fees in order to clarify utility billing.</p> <p>EXHIBITS: Exhibit A: Presentation Exhibit B: Resolution Exhibit C: 2023 Fee Schedule</p>	Agenda Bill No.:	AB23-64			
	Type of Action:	RESOLUTION			
	Origin: <i>(Council/Manager)</i>	City Manager			
	Agenda Bill Author:	City Manager			
	Date Submitted:	06-06-23			
	For Agenda of:	06-06-23			
	Expenditure Required:	0			
Amount Budgeted:	0				
Appropriation Required:	0				
<p>SUMMARY STATEMENT AND DISCUSSION:</p> <p>The City Manager requests the Council’s permission to amend sewer utility billing. The City Council has requested more clarity and transparency for two utilities: Water and Sewer. City staff has diligently worked with Springbrook to ensure that water costs are properly labeled in utility bills. Staff needs Council action to properly segregate sewer costs in utility bills. Currently, sewer rates collected from rate payers comingle City, State and County rates. To segregate the charges, the City Manager asks Council to pass the associated resolution.</p>					
<p>RECOMMENDED ACTION: I move to adopt this resolution to amend the 2023 Fee Schedule by segregating expenses associated to sewer services. This action does not change sewer rates; it allows staff to properly show sewer charges from the City, State and County.</p>					
<p>LEGISLATIVE HISTORY:</p>					
ACTION TAKEN					
MOTION AS PROPOSED		MOTION AS AMENDED			
Motion made by:		Motion made by:			
Second by:		Second by:			
	YES Vote	NO Vote		YES Vote	NO Vote
Hawkins			Hawkins		
Ribail			Ribail		
Harris			Harris		
Burrell			Burrell		
Green			Green		
Passed/Failed			Passed/Failed		
Ordinance/Resolution No.:			Ordinance/Resolution No.:		



City of Carnation

Sewer Rate Detail

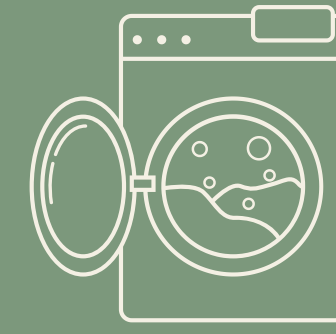
Prepared for the Regular City Council Meeting



Presented by:
Administrative Services
Manager Lora Wilmes

Date Presented:
June 6th, 2023

Public View



	Sewer Base for ALL Users: Excluding Laundromats	Excess for Nonresidential: Excluding Laundromats	Laundromats	Excess for Laundromats
City Base	\$66.29	\$10.74	\$63.98	\$10.34
State Excise Tax	\$0.99	\$0.16	\$0.96	\$0.16
King County	\$65.14	\$8.25	\$65.14	\$8.25
Sewer Facility	\$16.00	\$2.67	\$16.00	\$2.67
PAYMENT DUE	\$148.42	\$21.82	\$146.08	\$21.42
DISCOUNT ADJUSTMENTS				
No Facility Fee	(\$16.00)	(\$2.67)	(\$16.00)	(\$2.67)
PAYMENT DUE	\$132.42	\$19.15	\$130.08	\$18.75
Low Income Discount	(\$33.15)			
PAYMENT DUE	\$99.28			



City of Carnation Fee Detail

1. Sewer Base for ALL Users - Excluding Laundromats

*Use: RV dump sites, single/multi family, ALL uses

Maintenance and Operations	\$46.19
Debt Service	\$17.00
Reinvestment	\$3.10
STANDARD CITY FEE	\$66.29

2. Excess for Nonresidential - Excluding Laundromats

*Over 600 Cubic Feet

Maintenance and Operations	\$7.93
Debt Service	\$2.25
Reinvestment	\$0.56
STANDARD CITY FEE	\$10.74

3. Laundromats

Maintenance and Operations	\$46.19
5% Discount	(\$2.31)
Debt Service	\$17.00
Reinvestment	\$3.10
STANDARD CITY FEE	\$63.98

4. Excess for Laundromats

Maintenance and Operations	\$7.93
5% Discount	(\$0.40)
Debt Service	\$2.25
Reinvestment	\$0.56
STANDARD CITY FEE	\$10.34



King County Fee Detail

1. Sewer Base for ALL Users - Excluding Laundromats

Sewage Treatment	\$52.11
Surcharge	\$13.03
STANDARD COUNTY FEE	\$65.14

2. Excess for Nonresidential - Excluding Laundromats

Sewage Treatment	\$6.60
Surcharge	\$1.65
STANDARD COUNTY FEE	\$8.25

3. Laundromats

Sewage Treatment	\$52.11
Surcharge	\$13.03
STANDARD COUNTY FEE	\$65.14

4. Excess for Laundromats

Sewage Treatment	\$6.60
Surcharge	\$1.65
STANDARD COUNTY FEE	\$8.25

Use Fee Adjustments

01

Facility Construction Payment

ALL Users - Excluding Laundromat = (\$16.00)

Excess for Nonresidential - Excluding Laundromat = (\$2.67)

Laundromat = (\$16.00)

Excess for Laundromat = (\$2.67)

02

Low Income Discount

All Users - Excluding Laundromat = (\$33.15)

2023 Fee Schedule

Effective Date: June 7, 2023



Presented by
Ana Cortez, City Manager
Rhonda Ender, CED Principal
Ashlyn Farnworth, P.I.O.

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Cost Recovery Statement:

Costs for planning, engineering, legal and/or other professional services shall be reimbursed by the applicant, in addition to a 10% administrative fee.

Construction Permit and Inspection Fees

Building Permit Fees:

Valuation based on value reported on a permit or International Code Council Building valuation data:

Assessed Valuation	FY'23 Fees
\$1.00 - \$10,000.00	5% of valuation of the project
\$10,001.00 - \$25,000.00	\$700.00
\$25,001.00 - \$50,000.00	\$1,085.00
\$50,001.00 - \$100,000.00	\$1,505.00
\$100,001.00 - \$500,000.00	\$2,530.00
\$500,001.00 - \$1,000,000.00	\$5,210.00
\$1,000,000.00 and Up	\$8,645.00 + \$20 per \$1,000 over 1,000,000.00 Valuation

Miscellaneous Inspections, Plan Review, and Other Fees

Type	FY'23 Fees
Plan Review fee: Residential	\$390 + 65% of Building Permit Fee
Plan Review fee: Commercial	\$2,565 + 80% of Building Permit Fee
Additional plan review required by changes, additions or revisions to plans	COST RECOVERY
Washington State Building Code Council Fee (RCW 19.27.085) Residential	\$6.50
Washington State Building Code Council Fee (RCW 19.27.085) Commercial	\$25.00
Demolition	\$505.00
ADU - City Program License	License Fee

Miscellaneous Inspections, Plan Review, and Other Fees

Type	FY'23 Fees
ADU - Applicant's Own Plans	\$395.00
Mobile/manufactured home placement inspection	\$220.00
Single-family Residential Re-roof permit (nonstructural)	\$220.00
Certificate of occupancy	\$170.00
Wood stove relocation/installation	\$290.00
Change of occupancy requiring an inspection	\$355.00
Inspections outside of normal business hours (minimum charge two hours)	\$295.00 minimum
Inspections for which no fee is specifically indicated (minimum charge one hour)	\$140.00 per hour
Reinspection fee (minimum charge – one hour)	\$140.00 minimum
Uniform Housing code inspection or license care inspection	\$345.00

Mechanical Permit Fees

For issuing each mechanical permit including furnace, appliance vents, boilers, compressors, absorption systems, air handlers/heat pumps, evaporative coolers, ventilation and exhaust, incinerators and any other appliance or piece of equipment regulated by the International Mechanical Code but not classed in other appliance categories or for which no other fee is listed.

Type	FY'23 Fees
Residential mechanical permit issuance	\$240.00
Commercial mechanical permit issuance	15% of Building Permit Fee, based on valuation of improvement.
For issuing each supplemental mechanical permit revision for which the original permit has not expired, been canceled, or finalized	\$180.00

Other Mechanical Inspections

Type	FY'23 Fees
Inspections outside of normal business hours, per hour (minimum charge two hours)	\$196.00 per hour
Reinspection fees assessed per inspection	\$140.00 per hour
Inspections for which no fee is specifically indicated, per hour (minimum charge one hour)	\$140.00 per hour
Additional plan review required by changes, additions or revisions to plans for which an initial review has been completed, per hour (minimum charge one hour)	\$140.00 per hour

Plumbing Permit Fees

For issuing each plumbing permit including fixtures, traps, sewers, disposal systems, interceptors, water piping and water heaters, gas piping systems, medical gas systems, swimming pools and spas, lawn sprinklers, vacuum breakers and backflow protection devices and any other appliance or piece of equipment regulated by the Uniform Plumbing Code but not classed in other appliance categories, or for which no other fee is listed in this fee schedule.

Type	FY'23 Fees
Residential plumbing permit issuance	\$240.00
Commercial plumbing permit issuance	15% of Building Permit Fee, based on valuation of improvement.
For Issuing each supplemental plumbing permit that has not expired, been canceled, or finalized	\$180.00

Other Plumbing Inspections

Type	FY'23 Fees
Inspections outside of normal business hours, per hour (minimum charge two hours)	\$196.00 per hour
Reinspection fees assessed per inspection	\$140.00 per hour
Inspections for which no fee is specifically indicated, per hour (minimum charge one hour)	\$140.00 per hour
Additional plan review required by changes, additions or revisions to plans for which an initial review has been completed, per hour (minimum charge one hour)	\$140.00 per hour

General Development Permit & Review

Planned Land Used Permits and Fees

Amendment Request to Comprehensive Plan or Development Regulations. If approved for docketing by the City Council, the following fees apply:

Type	FY'23 Fees
Appeals (unless another fee is specifically set forth by ordinance of land use decision). Appeal fee refunded if appellant prevails	\$780.00
Binding Site Plan, less than 4 lots - Divide property in no more than 4 lots	\$955.00
Binding Site Plan, more than 4 lots - Divide property in more than 4 lots	\$1,535.00
Boundary Line Adjustment to change shape or size of property	\$410.00
Conditional or Shoreline permits	\$915.00
Review of a Critical area reasonable use exception request	\$915.00
Design review for minor exterior remodel	\$355.00
Design review for major exterior remodel (with a Site Development Review Permit)	\$535.00
Design review for major exterior remodel (without a Site Development Review Permit)	\$875.00
Flood Hazard Area Development Permit	\$545.00
Hearing Examiner Administrative Hearings	\$700.00
Impact Fee Deferral Administrative Fee, per building permit/deferral request (for single family residential only)	\$1,030.00
Model Home Review Fee	\$450.00
Preliminary Review of Long Plat	\$1,940.00
Final Review of Long Plat	\$985.00

Planned Land Used Permits and Fees cont.

Type	FY'23 Fees
Short Plat - Preliminary Review	\$955.00
Short Plat - Final Review	\$495.00
Plat alteration or resubmittal	\$530.00 + Hourly
First Pre-application meeting - subsequent meetings at hourly cost	\$530.00
Construction Right of Way (ROW) Permit (per week)	\$325.00
Site Specific Rezone review	\$1,365.00
SEPA Environmental Checklist Non-Project Action Section D with a docket request to amend the Comprehensive Plan or Development Regulations that is not consolidated with a site-specific rezone request.	\$880.00
SEPA Environmental Checklist with an existing Land Use Permit	\$375.00
SEPA Environmental Checklist without an existing Land Use Permit	\$710.00
SEPA EIS supplemental deposit. Final fee will be based on actual costs.	\$3,000.00
Shoreline exemption permit	\$285.00
Shoreline Substantial Development Permit or Conditional Use Permit	\$785.00
Shoreline variance	\$1,285.00
Site plan development review, Major per CMC 15.18.160(A)	\$1,205.00
Site plan development review, Minor per CMC 15.18.160(B)	\$780.00
Street vacation	\$540.00
Variance	\$540.00
Sign permit, all allowed signs on the same application. Per application fee.	\$200.00

Planned Land Used Permits and Fees cont.

Type	FY'23 Fees
Development Agreement Application Fee	\$500.00
Development Agreement Processing Fee (if Council approves Threshold Decision to proceed with further review)	\$2,500.00
Annexation Petition Filing Fee	\$1000.00
Text Amendment	\$500.00
Map Amendment	\$2,500.00

Engineering Permits and Fees

Type	FY'23 Fees
Alternative Calculation (Concurrency Test).	\$1,420.00
Applicant-Initiated Independent Fee Calculation Review (Impact Fees)	\$1,420.00

Clearing, Grading, Excavation and Filling Permits

Type	FY'23 Fees
Residential Permit Fee	\$240.00
Commercial Permit Fee	15% of Building Permit Fee, based on valuation of improvement

Drainage Permit

Type	FY'23 Fees
Non-SFR development, 2,000 sf or more of new or replaced impervious surface area	\$520.00

Inspection Fees by City Staff

Type	FY'23 Fees
Inspection by City Staff (one hour minimum)	\$165.00 per hour
Inspection by City Staff outside of normal business hours (one hour minimum)	\$250.00 per hour

Utility Extensions

Type	FY'23 Fees
Utility extension application fee - per utility	\$540.00

Side Sewer Stub Service and Installation Permit Fees

Type	FY'23 Fees
Single-Family / Commercial side sewer	\$360.00
Multi-family residence side sewer (for new development, if approved for joint side sewers)	\$360.00 + 150 per unit
Side sewer and/or air vent relocation (permit issuance and inspection)	\$200.00
Complex situations, as determined by the City	Cost Recovery
Side sewer reconveyance fee	\$450.00

Cemetery

Cemetery Fees

Type	FY'23 Fees
Interment Plot for Casket	\$2,105.00
Inurnment Plot for Urn	\$1,690.00

Burial Fees

Casket

Type	FY'23 Fees
Opening and Closing of a grave	\$1,855.00
Vault (concrete rough box) for a casket	\$740.00
Tent, lowering device, trim & chairs (required for caskets)	\$645.00

Urn

Type	FY'23 Fees
Opening and Closing of a grave for an urn	\$1,465.00
Vault (concrete rough box) for an urn	\$300.00

Burial Fees cont.

Additional Products and Services

Type	FY'23 Fees
Saturday Services Additional Fee – First Six (6) Hours	\$1,430.00
Overtime – Saturday Services - each additional hour or portion	\$635.00 per hour
Sunday and Holiday Services Additional Fee – First Six (6) Hours	\$2,555.00
Overtime – Sunday and Holiday Services, each additional hour or portion	\$795.00 per hour
Stand-by – Weekdays and Saturdays Per Hour or Portion	\$635.00 per hour
Overtime –Weekdays and Saturdays Per Hour or Portion	\$635.00 per hour

Grave Markers and Monuments

Type	FY'23 Fees
Marker/Monument Placement	\$395.00
Monument/Marker Re-setting	\$395.00
Marker/Monument	Price Varies

Impact Fees

Transportation

Type	FY'23 Fees
Single Family Development (per unit)	\$8,815.00
Multi Family / Duplex (per unit)	\$5,095.00
ADU (per unit)	\$3,000.00

Parks

Type	FY'23 Fees
Single Family Development (per unit)	\$4,805.00
Multi Family Duplex, (per unit)	\$3,855.00
ADU (per unit)	\$2,000.00

Nonresidential Transportation

Nonresidential uses not listed will be charged at type closest to use.

Type	FY'23 Fees
General Light Industrial	\$8.45 per sq. ft.
Manufacturing	\$6.36 per sq. ft.
Warehouse (including Mini)	\$0.66 per sq. ft.
Motel	\$973.32 per room
Health/Fitness Club	\$6.58 per sq. ft.

Nonresidential Transportation cont.

Type	FY'23 Fees
Recreational / Community Center	\$5.11 per sq. ft.
School	\$1.61 per sq. ft.
Church	\$1.08 per sq. ft.
Daycare Center	\$19.17 per sq. ft.
Library	\$11.34 per sq. ft.
General Office	\$11.68 per sq. ft.
Medical Dental Office/Clinic	\$5.54 per sq. ft.
Government Office Building	\$7.78 per sq. ft.
Post Office	\$17.43 per sq. ft.
Shopping Center	\$17.49 per sq. ft.
Specialty Retail Center	\$3.70 per sq. ft.
Supermarket	\$12.56 per sq. ft.
Convenience Market (Open 24 Hours)	\$42.33 per sq. ft.
Discount Supermarket	\$13.30 per sq. ft.
Pharmacy (without drive-thru)	\$8.18 per sq. ft.
Drive-in Bank	\$26.67 per sq. ft.
Quality Restaurant	\$8.69 per sq. ft.
High Turnover / Sit Down Rest	\$11.63 per sq. ft.

Nonresidential Transportation cont.

Type	FY'23 Fees
Fast Food with Drive Thru	\$33.81 per sq. ft.
Coffee / Donut Shop with Drive Thru	\$44.32 per sq. ft.
Quick Lube Vehicle Shop	\$8,060.94 per service bay
Gasoline / Service Station	\$16,659.48 per pump

- **For School Impact Fees, consult Riverview School District.**

Sewer Fees – City, County, and State

	Sewer Base for ALL Users: Excluding Laundromats	Excess for Nonresidential: Excluding Laundromats	Laundromats	Excess for Laundromats
City Base	\$66.29	\$10.74	\$63.98	\$10.34
State Excise Tax	\$0.99	\$0.16	\$0.96	\$0.16
King County	\$65.14	\$8.25	\$65.14	\$8.25
Sewer Facility	\$16.00	\$2.67	\$16.00	\$2.67
PAYMENT DUE	\$148.42	\$21.82	\$146.08	\$21.42

Discount Adjustments:

	Sewer Base for ALL Users: Excluding Laundromats	Excess for Nonresidential: Excluding Laundromats	Laundromats	Excess for Laundromats
No Facility Fee	(\$16.00)	(\$2.67)	(16.00)	(\$2.67)
PAYMENT DUE	\$132.42	\$19.15	\$130.08	\$18.75
Low Income Discount	(\$33.15)	N/A	N/A	N/A
PAYMENT DUE	\$99.28	N/A	N/A	N/A

Solid Waste – Recology Fees (King County)

Residential Single Family – Monthly Collection

Type	FY'23 Fees
1 - 35 gal Cart	\$14.87 per month

Residential Single Family – Weekly Collection

Type	FY'23 Fees
1 - 20 gal Cart	\$23.30 per month
1 - 35 gal Cart	\$31.09 per month
1 - 64 gal Cart	\$62.25 per month
1 - 96 gal Cart	\$100.75 per month
Extra(s) (32 Gallons)	\$6.57 per pickup

Roll Out Charges

Type	FY'23 Fees
Distance (5-25 Feet)	\$2.00 per pickup
Additional 25 ft. increments	\$3.32 per pickup

Miscellaneous Service Fees

Type	FY'23 Fees
Drive-in	\$6.64 per pickup
Return Trip or Special Pick-up	\$19.92 per pickup
Redelivery Charge	\$19.92 per pickup

Residential Curbside Yard Waste – Weekly Collection

Type	FY'23 Fees
1 - 64 gal Cart	\$10.95 per month
1 - 96 gal Cart	\$11.95 per month
Cost per extra 64 gallon cart	\$10.95 per month
Cost per extra 96 gallon cart	\$11.95 per month
Extra can (per pickup)	\$4.98 per pickup
Redelivery Charge	\$19.92 per pickup

On-Call Bulky Waste Collection

Type	FY'23 Fees
Appliances (non-refrigerant)	\$69.62 per pickup
Refrigerators/Freezers	\$109.86 per pickup
Sofas	\$65.80 per pickup
Chairs	\$65.40 per pickup
Mattress or Box Springs	\$65.40 per pickup
Tires: Auto/Light Truck	\$27.96 per pickup
Bus/Heavy Truck	\$37.43 per pickup
Add'l for Rims or Wheels	\$19.92 per pickup
Miscellaneous, per cubic yard	\$60.16 per pickup

Temporary Container Service

Type	FY '23 Fees
Daily Rent	\$1.32 per yard container
Delivery	\$53.12 per yard container
Temp. 2 Yard Container	\$93.40 per pickup
Temp. 4 Yard Container	\$153.58 per pickup
Temp. 6 Yard Container	\$193.85 per pickup

Commercial / Multi-Family Weekly Cart Service

Type	FY '23 Fees
1 - 35 gal Cart	\$31.44 per month
1 - 64 gal Cart	\$64.27 per month
1 - 96 gal Cart	\$103.64 per month

Commercial / Multi-Family Monthly Container Service –Loose per Month

Type	FY '23 Fees
1 Yard	\$161.89 per month
1.5 Yard	\$235.86 per month
2 Yard	\$305.19 per month
3 Yard	\$443.88 per month
4 Yard	\$573.28 per month
6 Yard	\$832.08 per month
8 yard	\$1,072.33 per month

Commercial/Multifamily Yard Debris

Type	FY '23 Fees
1 96 Gallon Cart, weekly collection	\$11.95 per month
1 2 cubic yard container, weekly	\$166.01 per month
1 extra cubic yard	\$26.56 pickup

Commercial / Multifamily Miscellaneous Service Fees

Type	FY '23 Fees
Special pickup or return trips	\$26.56 per pickup
Container rollouts (per 10 ft. increments)	\$3.98 per pickup
Unlocking lids	\$3.98 per pickup
Opening gates	\$3.98 per pickup
Extra Uncompacted Cubic Yard/Pickup	\$30.10 per pickup

Drop Box Collection Delivery Fees

Type	FY'23 Fees
Initial Delivery and Setup	\$79.68 per pickup
Swap box delivery	\$79.68 per pickup

Drop Box Collection Hauling Fees

Type	FY'23 Fees
20 yd container - Permanent	\$332.01 per pickup
30 yd container - Permanent	\$332.01 per pickup
40 yd container - Permanent	\$332.01 per pickup
20 yd container - Temporary	\$332.01 per pickup
30 yd container - Temporary	\$332.01 per pickup
40 yd container - Temporary	\$332.01 per pickup

Drop Box Collection Rental Fees

Type	FY'23 Fees
20 yd container - Permanent	\$53.12 per month
30 yd container - Permanent	\$66.40 per month
40 yd container - Permanent	\$79.68 per month
20 yd container - Temporary (per day)	\$2.66 per day
30 yd container - Temporary (per day)	\$2.66 per day
40 yd container - Temporary (per day)	\$2.66 per day

Special Drop-off Collection Events

Type	FY'23 Fees
Truck and Driver / Handler	\$132.80 per hour

Special Drop-off Collection Events – Hauling Charges

Type	FY'23 Fees
20 yd container - Temporary	\$332.01 per pickup
30 yd container - Temporary	\$332.01 per pickup
40 yd container - Temporary	\$332.01 per pickup

Special Drop-off Collection Events – Rental Fees

Type	FY'23 Fees
20 yd container - Temporary	\$2.66 per day
30 yd container - Temporary	\$2.66 per day
40 yd container - Temporary	\$2.66 per day

Event Fees

Fee Type	FY'23 Fees
Reservation of all City- owned facilities / closure of PROW: weekends per day	\$230.00
Reservation of all City-owned facilities / closure of PROW: weekdays per day	\$160.00
Food Trucks (one day)	\$30.00
City Labor (as available)	\$80.00 minimum
Transient Merchants: no more than 3 days in a calendar year	\$15.00
City Grill per event (4 hrs.) - Includes propane and cleaning	\$150.00

Fire Fees (Eastside Fire and Rescue)

Fire Alarm Existing System Tenant Improvement or System Modification

Fee Type	FY'23 Fees
1-10 devices	\$200.00
11+ devices	\$400.00

New Fire Alarm System

Fee Type	FY'23 Fees
1-10 devices	\$200.00
11+ devices	\$500.00

New or Replaced – Based on Fire Alarm Device Type

Fee Type	FY'23 Fees
FACP	\$200.00
Transmitter	\$150.00
Power Sub Panel	\$100.00

Fire Sprinkler Existing System Tenant Improvement or System Modification

Fee Type	FY'23 Fees
1-10 heads or devices	\$200.00
11+ heads or devices	\$400.00

New 13 & 13 R Fire Sprinkler System

Fee Type	FY'23 Fees
1-40 heads	\$700.00
41+ heads	\$800.00

Add Other Type of Fire Sprinkler Components

Fee Type	FY'23 Fees
Per underground supply installed by fire sprinkler contractor (includes 1 post/wall indicator valve and 1 fire department connection)	\$50.00
Per underground supply installed by other than fire sprinkler contractor	\$150.00
Per riser (each interior zone supply)	\$50.00
Per standpipe (FDC supply inlet and associated outlets)	\$550.00
Fire Pump	\$700.00

13 D Single Family Fire Sprinkler System

Fee Type	FY'23 Fees
1-40 heads	\$400.00
41+ heads	\$500.00

Other Systems

Fee Type	FY'23 Fees
New kitchen hood fire extinguishing system	\$350.00
Existing kitchen hood fire extinguishing system tenant improvement or system modification	\$200.00
Temporary membrane structures and tents	\$150.00
Flammable/combustible liquid storage tank installation/removal (including LPG)	\$250.00

Fire Flow and Fire Access Plan Review

Fee Type	FY'23 Fees
Commercial Building	\$150.00
Single-Family Residence	\$100.00
Subdivisions/other	\$150.00

Additional Fire Fees and Penalties

Fee Type	FY'23 Fees
Inspections & Plan Review	COST RECOVERY
Inspection deemed necessary by the City or its consultant	\$125.00 per hour
Fire system confidence test reporting through third party vendor, per system report type	\$50.00

Miscellaneous Fees

Business Licenses

Fee Type	FY'23 Fees
Business License per location	\$75.00
Temporary Business License per location (30 days)	\$75.00

Pet Licenses (Regional Animal Services of King County)

Fee Type	FY'23 Fees
Juvenile (Animals under 6 months of age, 6-month expiration)	\$15.00
Altered (Spay/Neuter, proof required)	\$30.00 annually
Unaltered (Includes voucher for savings on spay/neuter)	\$60.00 annually
Senior Citizen (Proof citizen is 65 or older. Proof dog/cat is spayed or neutered)	\$15.00 annually
Replacement (For lost, unexpired tag)	\$5.00
Disabled (Issued by King County Pet Licensing Office, 206-296-2712)	\$15.00 annually

Franchise Fees

Fee Type	FY'23 Fees
Cable Television Franchise Agreement Application/Renewal Fee	\$5,000
Telecommunications Franchise Agreement Application Fee	\$5,000
Telecommunications Franchise Agreement Renewal Fee	\$2,500

Penalties

Fee Type	FY'23 Fees
Late penalty on any delinquent payment, unless payment arrangements are made and approved no less than three (3) business days prior to the due date	5% per month
Penalty on any Returned Check or Electronic Payment <i>Customers who have two payments returned by the bank for any reason within a twelve month period may be placed on a cash or online payment only status for the subsequent twelve month period.</i>	\$50.00

Service Calls

Fee Type	FY'23 Fees
Service Call and water shut offs and turn-ons- During regular hours	\$80.00 per hour
Service Call and water shut offs and turn ons- After regular hours	\$120.00 per hour

Hourly Rates

Hourly Rates	FY'23 Fees
City Planner	\$85.00 per hour
Permit Tech	\$85.00 per hour
Accounting Tech/ Administrative	\$75.00 per hour
CED Supervisor/Lead	\$80.00 per hour
Maintenance Worker	\$80.00 per hour

CITY OF CARNATION
RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF CARNATION, WASHINGTON, AMENDING THE CITY OF
CARNATION FEE SCHEDULE

WHEREAS, the City Council of the City of Carnation has determined that it is in the best interest of the City to adopt a formal Fee Schedule which outlines single, efficient, and convenient listing of all fees, fines, penalties, interest, and charges for permits, licenses, services, applications and filing fees on November 1st, 2022; and

WHEREAS, the City Council of the City of Carnation periodically reviews the Fee Schedule to determine if additions and amendments to the Fee Schedule are necessary; and

WHEREAS, the City Council of Carnation amended the fee schedule on April 18th, 2023 by Resolution 487; and

WHEREAS, the City Council of Carnation amended the fee schedule again on May 16th, 2023 by Resolution 488; and

WHEREAS, based upon recommendation of community input and various City of Carnation departments, the City of Carnation desires to revise and amend its Fee Schedule of various fees including charges for permits, licenses, applications, penalties and fines.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF CARNATION AS FOLLOWS:

Section 1. The City amends the Fee Schedule effective June 13th, 2023.

Section 2. Any fees excluded in the 2023 Fee Schedule, shall be charged at the 2022 Fee Schedule level.

ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE
_____ DAY OF JUNE 2023.

MAYOR, JIM RIBAIL

ATTEST/AUTHENTICATED:

CITY CLERK, LORA WILMES

Resolution No.....



CARNATION CITY COUNCIL

AGENDA BILL

TITLE A MOTION to Schedule a Public Hearing for the 2024-2029 Six Year Transportation Improvement Plan for June 20 th , 2023	Agenda Bill No.:	AB23-65
	Type of Action:	MOTION
	Origin: <i>(Council/Manager)</i>	City Manager
	Agenda Bill Author:	City Manager
EXHIBITS: <ul style="list-style-type: none"> • None 	Date Submitted:	06/01/2023
	For Agenda of:	06/06/2023
	Expenditure Required:	\$0
	Amount Budgeted:	\$0
	Appropriation Required:	N/A

SUMMARY STATEMENT AND DISCUSSION:
 In accordance of RCW [35.77.010](#), the City of Carnation must submit an updated six year transportation plan to the State by July 1st. To allow feedback from the Community, the City Manager’s office is requesting a Public Hearing date for June 20th, 2023.

RECOMMENDED ACTION: I move to schedule a Public Hearing for the 2024-2029 Six Year Transportation Improvement Plan for June 20th, 2023

LEGISLATIVE HISTORY:

ACTION TAKEN					
MOTION AS PROPOSED			MOTION AS AMENDED		
Motion made by:			Motion made by:		
Second by:			Second by:		
	YES Vote	NO Vote		YES Vote	NO Vote
Hawkins			Hawkins		
Ribail			Ribail		
Harris			Harris		
Burrell			Burrell		
Green			Green		
Passed/Failed			Passed/Failed		
Ordinance/Resolution No.:			Ordinance/Resolution No.:		



CARNATION CITY COUNCIL AGENDA Regular Meeting

Mayor Jim Ribail, Deputy Mayor Tim Harris, Ryan Burrell, Dustin Green, Adair Hawkins

DATE: June 20th, 2023

TIME: 6:00 PM

JOIN ONLINE VIA ZOOM: <https://bit.ly/3xIFY9B>

Meeting ID: 976 1525 3648

Passcode: 894903

Dial by Location: (253) 215 - 8782

For inquiries and/or assistance regarding how to use the City's online meeting format please email clerk@carnationwa.gov, or call (425) 333-4192.

1. **CALL TO ORDER:** Mayor Jim Ribail
2. **PLEDGE OF ALLEGIANCE:** Councilmember Ryan Burrell
3. **ROLL CALL:** City Clerk Lora Wilmes
4. **APPROVAL OF AGENDA:** Mayor and Council
5. **EXECUTIVE SESSION:**

6. **CONSENT AGENDA:**
 - a) Approval of Minutes for the following date(s):
 - i. Regular Session: June 6th, 2023
 - b) Approval of Claims in the following amount(s):
 - i. \$
 - c) Approval of Payroll for the following pay period(s):
 - i. May 1st, 2023 – May 31st, 2023

7. **COUNCIL REPORTS AND REQUESTS**

8. **STAFF REPORTS:**
 - a) Community Economic Development Department Report - CED Principal Rhonda Ender

- b) Capital Improvement Projects / Administrative Services Department Report -
Administrative Services Manager Lora Wilmes
- c) City Manager's Office Report - City Manager Ana Cortez

9. PUBLIC COMMENT & REQUESTS: *Public comment on meeting items or other issues of note or concern. Comments may be submitted in advance by writing or e-mailing clerk@carnationwa.gov, or made in person, or by telephone or computer connection at the time of the meeting. Individual comments shall be limited to three minutes. Group comments shall be limited to five minutes.*

10. PRESENTATIONS:

11. AGENDA BILLS:

- a) AB23-XX

12. DISCUSSION ITEMS:

13. FUTURE AGENDAS:

- a) Tentative agenda for the meeting of July 5th, 2023
- b) Tentative agenda for the meeting of July 18th, 2023

14. ADJOURNMENT: Mayor Jim Ribail





CARNATION CITY COUNCIL AGENDA Regular Meeting

Mayor Jim Ribail, Deputy Mayor Tim Harris, Ryan Burrell, Dustin Green, Adair Hawkins

DATE: July 5th, 2023

TIME: 6:00 PM

JOIN ONLINE VIA ZOOM: <http://bit.ly/3BbmBBu>

Meeting ID: 983 3856 5355

Passcode: 970731

Dial by location: (253) 215 - 8782

For inquiries and/or assistance regarding how to use the City's online meeting format please email clerk@carnationwa.gov, or call (425) 333-4192.

1. **CALL TO ORDER:** Mayor Jim Ribail
2. **PLEDGE OF ALLEGIANCE:** Councilmember Dustin Green
3. **ROLL CALL:** City Clerk Lora Wilmes
4. **APPROVAL OF AGENDA:** Mayor and Council
5. **EXECUTIVE SESSION:**

6. **CONSENT AGENDA:**
 - a) Approval of Minutes for the following date(s):
 - i. Regular Session: June 20th, 2023
 - b) Approval of Claims in the following amount(s):
 - i. \$
 - c) Approval of Payroll for the following pay period(s):
 - i. May 29th, 2023 – June 11th, 2023
 - ii. June 12th, 2023 – June 25th, 2023

7. **COUNCIL REPORTS AND REQUESTS**

8. **STAFF REPORTS:**
 - a) Community Economic Development Department Report - CED Principal Rhonda Ender

- b) Capital Improvement Projects / Administrative Services Department Report -
Administrative Services Manager Lora Wilmes
- c) City Manager's Office Report - City Manager Ana Cortez

9. PUBLIC COMMENT & REQUESTS: *Public comment on meeting items or other issues of note or concern. Comments may be submitted in advance by writing or e-mailing clerk@carnationwa.gov, or made in person, or by telephone or computer connection at the time of the meeting. Individual comments shall be limited to three minutes. Group comments shall be limited to five minutes.*

10. PRESENTATIONS:

11. AGENDA BILLS:

- a) AB23-XX
- b) AB23-XX – Marrying Parks and Planning <3

12. DISCUSSION ITEMS:

13. FUTURE AGENDAS:

- a) Tentative agenda for the meeting of July 18th, 2023
- b) Tentative agenda for the meeting of August 1st, 2023

14. ADJOURNMENT: Mayor Jim Ribail

