

HOUSING ELEMENT

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INTRODUCTION

Decent and safe housing is a basic human need which has become increasingly unavailable to many Americans. This reality applies increasingly to certain segments of Bainbridge Island's population as well as to many of those who work on the Island. Kitsap County TRENDS Reports, which track the average home sale price in Kitsap County, document that between 1990 and 2003 the average Bainbridge Island home price escalated dramatically from \$232,687 to \$478,000.

The Growth Management Act (GMA) recognizes the importance of planning for adequate housing by requiring it as an element in Comprehensive Plans. Adequate housing is addressed specifically in one of the 13 major goals:

“Housing. Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of densities and housing types, and encourage preservation of existing housing stock.”

The requirements for a housing element which are mandated by the Act are:

“A housing element recognizing the vitality and character of established neighborhoods that: a) includes an inventory and analysis of existing and projected housing needs; b) includes a statement of goals, policies, and objectives for the preservation, improvement, and development of housing; c) identifies sufficient land for housing, and group homes and foster care facilities; and d) makes adequate provisions for existing and projected needs of all economic segments of the community.”

The last item (d) in those requirements is echoed in the Vision for Bainbridge Island:

“... Foremost, Bainbridge Island should preserve the diversity of one of its most precious resources – its people. The Island should remain a place where the business people, artists, farmers, newcomers and long-time residents can all find a place to live.”

and, General Goals (excerpt):

- Foster the diversity of the residents of the Island, its most precious resource.
- Provide a variety of housing choices for all residents.
- Provide affordable housing.

The main objective in preparing a housing element is to identify and prioritize the community's housing problems and trends, and to develop short and long-term solutions. On Bainbridge Island, residential development is the predominant use of land. In 1992, 38% of all the land on the Island was listed as developed for residential use. In 2003, 41% of the land on the Island was listed as developed for residential use. In addition, housing costs are typically the largest expenditure for most households, while a community's housing stock is its largest long-term capital asset.

The costs of land and housing have risen dramatically over the last two decades. The composition of the community in terms of age and income has changed as well. The lack of affordable housing has resulted in the need for many people who grew up on the Island to look elsewhere. Furthermore, many people who work on the Island cannot afford to live here, and the number of homeless individuals and families is growing.

The Housing Element provides the citizens of Bainbridge Island with an opportunity to establish goals, policies, and strategies that present solutions to existing problems and provide direction to future housing development without negatively impacting the existing character of the community.

A major step in the formulation of strategies is to assess our current situation. This is done through a Housing Needs Assessment that includes documentation and analysis of community demographics and trends, existing housing stock and condition, and an estimate of future housing needs, including special needs populations such as homeless, disabled and domestic violence victims. This is followed with a summary of the findings of the data, which give direction to the formation of goals and policies. From these, strategies are then developed to direct the provision of adequate housing for all citizens of Bainbridge Island.

In 2002, the City of Bainbridge Island authorized the development of a comprehensive and up-to-date housing needs assessment for Bainbridge Island, including an in-depth analysis of affordable housing needs across all households. This document, *The City of Bainbridge Island Housing Needs Assessment, September 2003*, is included as Appendix A. The 2003 Needs Assessment updated and expanded upon the Housing Needs Assessment completed in 1995, which is included as Appendix B.

GOALS AND POLICIES

Discussion: In accordance with the definition provided in the Growth Management Act (*WAC 365.195-070(6)*), the term “affordable housing” as used in the Housing Element refers to “the adequacy of the housing stocks to fulfill the housing needs of all economic segments of the population. The underlying assumption is that the marketplace will guarantee adequate housing for those in the upper economic brackets, but that some combination of appropriately zoned land, regulatory incentives, financial subsidies, and innovative planning techniques will be necessary to make adequate provisions for the needs of middle and lower income persons.”

GOAL 1

Promote and maintain a variety of housing choices to meet the needs of present and future Bainbridge Island residents at all economic segments, and in all geographic areas in a way that is compatible with the character of the Island, and encourages more socio-economic diversity. The City shall partner with community non-profit organizations and local and regional private and public entities in carrying out the following policies:

H 1.1

The City recognizes its role in the regional housing market and shall cooperate with the Kitsap Regional Coordinating Council to develop an equitable distribution strategy for affordable housing.

H 1.2

The City shall take a proactive role in maintaining and encouraging economic diversity on the Island by providing affordable housing opportunities on Bainbridge Island. Accordingly, the City should designate the appropriate staff effort or organizational entity to assist and advise the community, landowners, and private and public entities about options for affordable housing, financing strategies, and funding sources; develop and assist with the City’s application and approval process for special housing projects; and initiate and support affordable housing opportunities.

H 1.3

The City shall partner with non-profit organizations, the development community, local lending institutions, elected officials, and the community at large to assist in meeting affordable housing goals and implementing policies.

H 1.4

The City supports the efforts of community non-profit housing organizations and local and regional public and private entities in developing and managing affordable housing on Bainbridge Island.

H 1.5

The City shall encourage innovative residential development types and zoning regulations that increase the variety of housing choices suitable to a range of household sizes and incomes in a way that is compatible with the character of existing neighborhoods. Examples of innovative approaches are cottage housing development, cluster housing development and accessory dwelling units.

H 1.6

The City should develop provisions to encourage development and preservation of small to mid-size single-family housing units. These provisions may include a framework to permit small-unit housing development known as cottage housing, with increased density in the residential zones included in the Winslow Master Plan study area (R-4.3, R-3.5, R-2.9) and the Neighborhood Service Centers. Standards shall be developed for cottage housing development that include, but may not be limited to, maximum allowable size and density and covenants to limit size in perpetuity.

GOAL 2

Maintain the stock of existing affordable and rent-assisted housing. In partnership with community non-profit organizations and local and regional public and private entities the City shall pursue the following policies:

H 2.1

The City shall develop a continuing strategy to maintain the Rural Development Agency and HUD subsidies on existing rent-assisted housing. The primary strategy shall be to support the Kitsap County Consolidated Housing Authority and non-profit agencies to purchase the units through the provisions of the 1990 Housing Act.

H 2.2

In the event of the potential loss of privately-owned subsidized housing, the City will work with the appropriate public agencies to pursue the preservation of the subsidized units, or relocation assistance for the residents.

H 2.3

Water-based housing (live-aboards) is a viable component of the present and future housing stock of Bainbridge Island, and shall be subject to applicable environmental protection, seaworthiness, sanitation and safety standards, and authorized moorage.

H 2.4

The City shall initiate and support programs that assist low-income homeowners and seniors to repair, rehabilitate, maintain and improve accessibility to and within their homes.

GOAL 3

Increase the supply of affordable multi-family housing each year through the year 2012, with goals based on data provided by the Housing Needs Assessment and the City's housing reports.

H 3.1

The City shall encourage new multi-family housing in a variety of sizes in areas designated for such use in the Land Use Element. All developments are subject to Health District requirements for water and sewage disposal.

H 3.2

Accessory dwelling units shall be permitted uses in all residential zones, except at Point Monroe, the Sandspit (R-6). All other applicable development standards including lot coverage, setbacks, parking requirements, and Health District requirements for water and sewage must be met.

H 3.3

The City shall encourage agencies whose mission is to develop affordable housing to create new subsidized multi-family rental housing by aggressively pursuing Kitsap County Community Development Block Grant Funds, state funds, donations from private individuals and organizations, public revenue sources and other available funding.

GOAL 4

Promote and facilitate the provision of the diversity of affordable housing stock in all geographic areas of the community.

H 4.1

To encourage the provision of housing that will remain affordable over time, the City shall pursue effective strategies to reduce the land cost component of for-purchase housing, which may include alternative land use zoning, density bonuses and other incentives.

H 4.2

The City shall encourage housing created by utilizing a mechanism such as a community land trust.

H 4.3

Manufactured homes and manufactured home developments shall be permitted in all residential districts. A manufactured home development will be subject to all applicable development regulations of the underlying zone in which it is located, including affordable-housing density bonuses.

GOAL 5

Promote and facilitate the provision of rental and for-purchase housing that is affordable to income-qualified households with a variety of income levels.

H 5.1

Housing developments where all units are income-qualified to specified income groups should be exempt from City impact fees and other selected administrative development fees. Exemptions should be based upon standards that are developed to reflect the income group targeted.

H 5.2

The City shall develop a program for income-qualified, first-time home buyers to provide assistance in purchasing a home that may include, but is not limited to, down payment or second mortgage assistance, below market-rate loans, guaranteed loans, and tax or utility relief.

H 5.3

All income-qualified rental housing units created as a result of the policies of this Housing Element shall remain affordable to income-qualified households for a period of not less than 30 years from the time of first occupancy and shall be secured by recorded agreement and covenant running with the title of the land, binding all the assigns, heirs and successors of the applicant.

H 5.4

All income-qualified homeownership units created as a result of this Housing Element shall be sold at a price affordable to income-qualified households. These units may be subject to a mechanism that is specified in an appropriate administrative procedure allowing the City to capture a share of the appreciation if the unit is sold at market rate. The City's share of the proceeds shall be used toward an affordable housing program.

GOAL 6

Facilitate the siting and development of housing opportunities for special needs populations.

H 6.1

The City shall support the services of community non-profit organizations and local and regional public or private entities in providing shelter for temporarily homeless singles and families with children, adolescents and victims of domestic violence on Bainbridge Island.

H 6.2

The City shall support the development of programs that ensure that the housing needs of the developmentally, physically and emotionally disabled are met within the community.

H 6.3

The City shall support programs that provide assistance to low-income, disabled persons to retrofit their homes to be more accessible.

GOAL 7

Utilize the City's bonding capacity and other resources to support the creation of affordable housing.

H 7.1

The City recognizes the need to provide financing assistance for affordable housing. Accordingly, the City will actively pursue public and private funds that may include, but are not limited to, real estate excise tax, grants, and other available resources.

H 7.2

The City, in partnership with local agencies producing affordable housing, may issue a General Obligation Bond to increase the production of housing affordable to households at or below 80% of median income for Kitsap County.

H 7.3

The City Council may issue Councilmanic (Limited Tax General Obligation Bonds; also called councilmanic bonds, or non-voted debt) to support the development of housing affordable to households at or below 80% of median income for Kitsap County.

H 7.4

The City shall establish and maintain a Housing Trust Fund which will be used to support the development and preservation of affordable housing on Bainbridge Island.

H 7.5

The City may purchase and make City-owned land available through long-term leases or other mechanisms for the purpose of creating income-qualified housing, and shall support other public entities that wish to use publicly-owned land for this purpose.

GOAL 8

Provide a periodic report on the status of housing on Bainbridge Island and the implementation of the Housing Element in order to assess the effectiveness of the housing goals.

H 8.1

The City shall monitor by survey and/or other means, and prepare a report on, the following aspects of housing:

- A. Housing in general and the types of housing encouraged in this Element, including affordable multi-family and single family, owned and rented; accessory dwelling units; subsidized housing; adaptable units; clustered housing and cottage housing.

- B. The condition of the local housing market and the number of new housing units, publicly and privately funded.
- C. The use of density bonuses and the number of for-purchase housing units provided in new developments.
- D. A description of the various initiatives supporting affordable housing, including activities of community non-profit organizations and local and regional public or private entities.
- E. Programs of housing repair and renovation that improve accessibility.

H 8.2

The housing report shall be issued at least every five years, in coordination with state-mandated updates of the Comprehensive Plan, and shall be made available to the public in various ways, such as notice in the local newspaper, on the City's web page, and on local media outlets.