

# HOUSING ELEMENT

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# HOUSING ELEMENT INTRODUCTION

Decent and safe housing is a basic human need increasingly unavailable to many Americans, including many Bainbridge Island residents and workers. The Washington State *Growth Management Act (GMA)* provides direction for cities to address these needs in the Housing Element of the Comprehensive Plan. Many of the Plan's Guiding Principles and Policies carry this direction forward to be addressed in various Elements, including Housing.

The City's Housing Needs Assessment (HNA) and Housing Action Plan (HAP) documents current housing conditions and demographics on the Island and identifies trends and specific needs; some of that information is described below. The HNA and the HAP is Appendix B & C to this Plan and adopted as a part of this Element. Many of the statistics below are excerpted from the HAP (Appendix C) HNA or the City's Economic Profile (Appendix A).

## **BAINBRIDGE ISLAND SNAPSHOT: PEOPLE AND HOUSING**

Bainbridge Island's ~~2015~~ 2020 population of ~~23,390~~ 24,825 is predominantly white (~~91%~~85%)<sup>1</sup>, well-educated and relatively affluent. In 2022, ~~t~~he median household income (~~\$92,558~~ \$151,291) is ~~4.5~~ 1.6 times the Kitsap County average. ~~Almost~~ Approximately 60% of households are now earning over \$100,000. ~~of residents have occupations with relatively high incomes.~~ On Bainbridge Island, the share of households earning over \$150,000 increased from 27 percent in 2010 to 40 percent in 2020. During this same period, the share of households earning less than \$50,000 decreased from 28 percent to 20 percent. For example, the median wage for financial analysts, lawyers and marketing managers ranges between \$100,457 and \$122,618. Another third of Island residents work in In 2021, a little over half, or approximately 51 percent, of Bainbridge Island's covered employment was comprised of service jobs. the service sector, such as retail clerks, waiters and bank tellers have median wages between \$27,703 and \$30,972. There is a wide array of occupational roles that exist within the broad sector of service-based jobs. In 2024<sup>2</sup>, the service sector occupations with a lower annual average wage in Kitsap County are hotel desk clerks (\$38,940, Accommodation) and nursing assistants (\$47,700, Healthcare and Social Assistance), while higher wage occupations can include IT systems (\$186,300) and lawyers (\$141,370) which are both in the Professional, Scientific, and Technical Services category.

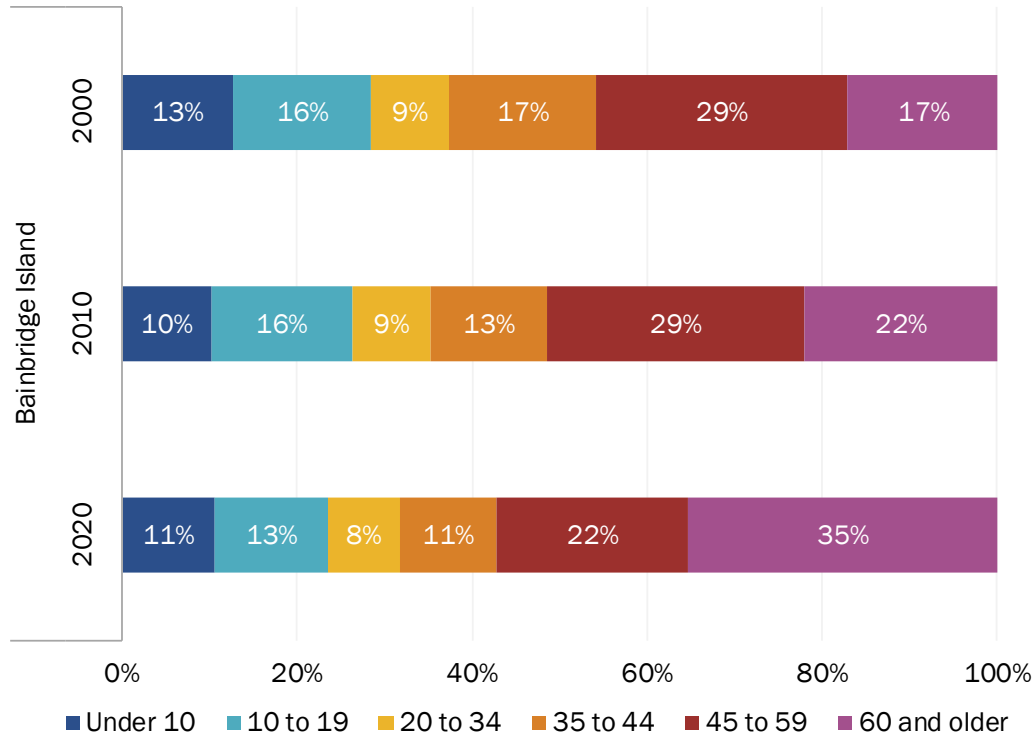
Over the past decade the population has experienced shifts in the age cohorts. ~~Between 2000~~ 2010 and 2010 2020 the Island's senior population (60+ years old) increased from ~~17%~~ 22% to ~~26%~~ 35%, while the share aged 44 and younger decreased from ~~54%~~ 43%. The "young-adult" cohort (between 18 and 34 years old) has declined from ~~15%~~ of the Island's population in 1990 to less than 10% in 2016. ~~Another indication of the Bainbridge Island "greying" is the decrease in Bainbridge Island School District enrollment, down 12% from 2010-2024, from 3,920 to to 3,445 students.~~

<sup>1</sup> 2020 US Census

<sup>2</sup> The full list of occupations and their associated data for 2024 (e.g., employment count per occupation and average annual wage) can be accessed via the Bureau of Labor Statistics' Occupational Employment Statistics (OES) database at the following web address: [https://www.bls.gov/oes/current/oes\\_14740.htm](https://www.bls.gov/oes/current/oes_14740.htm)

**Figure HO-1. Bainbridge Population Distribution by Age Category, 2000–2020**

Source: U.S. Census Bureau, 2000 Decennial Census (Summary File 2 – Table DP1) and ACS 5-year data, 2006-10 and 2016-20 estimates (Table DP05).



Bainbridge Island’s housing stock is predominantly detached single-family homes (80% of all units) in a very low-density land use pattern that occupies about 90% of the Island’s land area. In 2022, the average median single-family home price is \$1.5 million, compared to \$600,000 in Kitsap County just under \$700,000.

As of April 2024, multi-family units (5+ units) that constitute 14.6% of the housing stock are now concentrated in Winslow and Lynwood Center. While the designated centers total about 10% of the Island’s land area, a significant portion of that area is occupied by commercial uses and open space with no residential component.

Bainbridge Island’s share of rental households was low early on in 2000, with only 22% renting. This share declined further to comprise only 19% of all Bainbridge households in 2020. This is a much lower share of renter households in comparison to Kitsap County’s 32% and the state’s 37% of renter households. Rental apartments make up less than 7% of total housing units on the Island. Very few rental units have been built on the Island in the last decade which partly accounts for a vacancy rate of 1.5%, well below the 5% rate typical of well-functioning rental markets. Between 2012-2022, 40% of housing units constructed were not single-family detached housing units (e.g. apartments, townhomes, ADUs).

**GMA GOAL AND REQUIREMENTS FOR HOUSING**

The GMA recognizes the importance of planning for adequate housing by requiring it as an element in Comprehensive Plans. Housing is addressed in one of the 14 major goals, and since 2021, the state legislature has approved a number of bills to address the state’s housing crisis, including HB 1220, which amended the GMA to say:

~~“Housing. Encourage the availability of affordable Plan for and accommodate housing affordable 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.”~~

RCW 36.70A.020(4)The requirements for a housing element mandated by the GMA include:

~~“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~~ A housing element ensuring the vitality and character of established residential neighborhoods that: (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth, as provided by the department of commerce, including: (i) Units for moderate, low, very low, and extremely low-income households; and (ii) Emergency housing, emergency shelters, and permanent supportive housing; (b) Includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences, and within an urban growth area boundary, moderate density housing options including, but not limited to, duplexes, triplexes, and townhomes; (c) Identifies sufficient capacity of land for housing including, but not limited to, government-assisted housing, housing for moderate, low, very low, and extremely low-income households, manufactured housing, multifamily housing, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes; (d) Makes adequate provisions for existing and projected needs of all economic segments of the community, including: (i) Incorporating consideration for low, very low, extremely low, and moderate-income households; (ii) Documenting programs and actions needed to achieve housing availability including gaps in local funding, barriers such as development regulations, and other limitations; (iii) Consideration of housing locations in relation to employment location; and (iv) Consideration of the role of accessory dwelling units in meeting housing needs; (e) Identifies local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including: (i) Zoning that may have a discriminatory effect; (ii) Disinvestment; and (iii) Infrastructure availability; (f) Identifies and implements policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions; (g) Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments; and (h) Establishes antidisplacement policies, with consideration given to the preservation of historical and cultural communities as well as investments in low, very low, extremely low, and moderate-income housing; equitable development initiatives; inclusionary zoning; community planning requirements; tenant protections; land disposition policies; and consideration of land that may be used for affordable housing.”

RCW 36.70A.070(2)

## HOUSING NEEDS

The City's updated Housing Needs Assessment (HNA) was completed in 2022 as the first component of the Housing Action Plan and for Bainbridge Island includes an inventory of the amount, location and condition of the Island's housing stock and demographic and economic information about its population. It also includes an in-depth analysis of affordable housing needs on Bainbridge Island. It should be noted that the housing needs identified in the City's HNA include underproduction, and were completed prior to the City working with Kitsap County and other Kitsap cities on housing allocations by affordability income range, as required by House Bill 1220 (see Kitsap Countywide Planning Policies (CPPs) Appendix F, approved June 2023).



In 2020, Almost 34% 25% of individuals and families at all income levels who live in owner-occupied housing units are cost burdened meaning they spend over 30% of their income on housing. Severely cost burdened means a household pays more than 50% of their gross household income for housing, and 10% of the owner-occupied housing units are severely cost-burdened. Almost 40% 37% of individuals and families at all income levels who live in renter-occupied housing units are cost burdened (25% severely cost-burdened). The majority (around 28%) of these residents have an annual income between zero and \$34,999.

This means that as of 2012, 569 renters on the Island that have an income of \$34,999 or less are housing cost burdened. Low-income households are more likely to be cost-burdened and This is concerning as lower income cost burdened households are more likely to have to choose between housing costs and other necessities.

The HNA analysis of Workforce Housing Affordability indicates that there is a gap in housing affordable for the Island's workforce in service professions (e.g., restaurant workers, bank tellers, retail clerks, school bus drivers). Many of these workers are obliged therefore to commute from less-expensive off-Island housing, which increases their transportation costs, congestion on SR 305 and greenhouse gas emissions.

Bainbridge Island's jobs/housing balance in 2021 is was 0.61 0.59 jobs for every housing unit, making it a "bedroom community." The Puget Sound Regional Council suggests that housing-rich neighborhoods add employment in order to increase economic opportunities for current residents.

Market forces alone will not address the urgent housing needs facing Bainbridge Island. In the face of daunting circumstances, the City aspires to an ambitious Vision of its future and commits to an innovative, aggressive and multi-faceted housing strategy. The City's success in achieving the housing Vision will also depend upon achieving the policy objectives identified in the Land Use, Transportation, Economic and Environmental Elements of this Plan.

The City of Bainbridge Island inventoried all of the existing housing units and the needed housing units to meet growth to 2044. The supply and allocated growth was categorized by income band and emergency housing, and added as Appendix F to the Kitsap CPPs, excerpted as Table HO-1 below.

Table HO-1. Appendix F Kitsap CPP (excerpt)	Permanent Housing Needs (Units) by Income Level (% of Area Median Income, AMI)								Emergency Housing
	Total Housing Units	0-30%		>30-50%	>50-80%	>80-100%	>100-120%	>120%	
		Non- PSH*	PSH*						
<b>Estimated Housing Supply (2020)</b>	<b>11,251</b>	331	0	331	788	1,150	2,073	6,578	0
<b>Allocation 2020-2044</b>	<b>1,977</b>	377	166	324	272	140	138	560	83

\*"Permanent supportive housing" (PSH) is subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be

- Winslow currently lacks the capacity for nearly every housing affordability target, especially units <80% AMI. Building types more affordable to low-income households are more feasible in the Winslow area due to the availability of infrastructure like public sewer.
- The Conservation Area currently has significantly more capacity than needed to accommodate the >120% AMI housing target.
- Most of the existing capacity for the >80-120% AMI housing target is limited to accessory dwelling units (ADUs) in the Conservation Area, which will not meet the needs for many households in this income bracket. There are a few development projects in the early planning and building stages that will provide some units between 50%-80% AMI in the near term.

**Meeting Housing Targets**

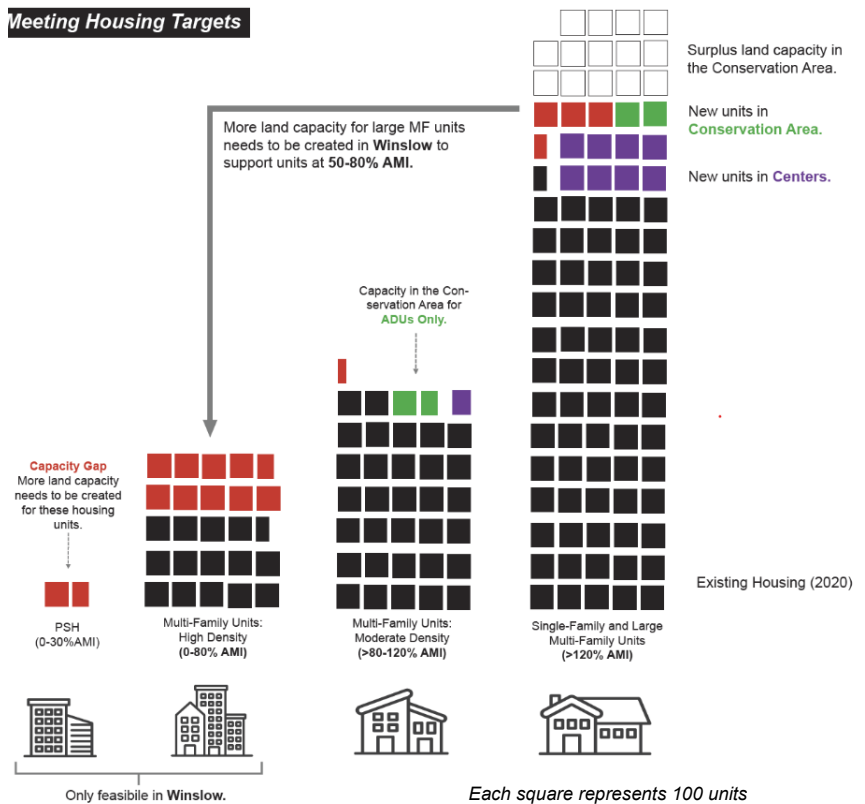


Figure HO-2 City Housing Supply by Building Type

The updates to the GMA made through House Bill 1220 (2021) now requires jurisdictions to create a matrix of programs that have demonstrable effect on affordable housing production for low-income bands. There are multiple programs that are available to the City that will fund the necessary provisions to reach the housing vision of this Comprehensive Plan. These include Federal, State, Local, and Community partner funds. These are the important financial mechanisms to be utilized to maintain production of housing for all. The City has already adopted most locally available funding mechanisms, and recent development that included affordable housing units have been successful at securing both federal and state monies.

Table HO-2: List of Federal, State, and Local Housing Funding Programs

<u>Source</u>	<u>Program</u>	<u>Program Description</u>
<u>Federal</u>	<u>Community Development Block Grants (CDBG)</u>	<u>Grants for a variety of community needs, including decent housing.</u>
	<u>HOME Investment Partnerships Program</u>	<u>Federal block grants used exclusively for affordable housing initiatives.</u>
	<u>Low Income Housing Tax Credit (LIHTC)</u>	<u>A federal program administered by the Washington State Housing Finance Commission, provides private owners with incentives to construct and maintain affordable rental housing.</u>
	<u>USDA Section 502 Homeownership Direct Loan Program</u>	<u>This program assists low- and very-low-income applicants obtain 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 short time. The amount of assistance is determined by the adjusted family income.</u>
<u>Washington State</u>	<u>WA State Housing Trust Fund (HTF)</u>	<u>The Washington State Department of Commerce offers competitive loans and grants for affordable housing projects that can be used by local governments and housing authorities.</u>
	<u>Connecting Housing to Infrastructure Program (CHIP)</u>	<u>This state program provides grants to local governments to reduce the cost of infrastructure for new affordable housing development.</u>
	<u>Tax Increment Financing (TIF)</u>	<u>TIF is a tool that can be used to facilitate private investment in a local area. Updates to the Washington State TIF law has significantly improved local area infrastructure funding for local governments, adding affordable housing production (chapter 39.114 RCW). Tax increment financing captures property taxes generated from the increased assessed valuation that results from private development following infrastructure investment.</u>
<u>Local (City of Bainbridge Island)</u>	<u>Housing Trust Fund (HTF)</u>	<u>The Washington State Department of Commerce offers competitive loans and grants for affordable housing projects that can be used by local governments and housing authorities.</u>
	<u>Real Estate Excise Tax</u>	<u>Some jurisdictions use a portion of their real estate excise taxes to finance affordable housing projects.</u>
	<u>Sales Tax</u>	<u>Cities and counties can impose an optional 0.1% sales and use tax, with at least 60% of the revenue dedicated to affordable housing and related services for people with incomes up to 60% of the county median.</u>
	<u>Property Tax – Housing Levy</u>	<u>A potential funding source for affordable housing on Bainbridge Island, either through a voter-approved levy..</u>

<u>Source</u>	<u>Program</u>	<u>Program Description</u>
	<u>Lodging Tax (COBI)</u>	<u>Washington state law provides a path for lodging tax revenue to support affordable workforce housing under specific circumstances.</u>
	<u>In-lieu Fees (COBI)</u>	<u>If mandatory inclusionary zoning was adopted, in-lieu fees would allow developers to pay a fee to the city's housing trust fund instead of providing the required number of affordable units within their projects.</u>
<u>Other</u>	<u>Private or Public Grants</u>	<u>A likely source of funding for affordable housing projects may combine local, regional, and state-level foundations, as well as community development financial institutions (CDFIs).</u>

## HOUSING VISION ~~2036~~ 2044

Bainbridge Island in the year ~~2036~~ 2044 provides a broad diversity of housing. The broadest variety of *housing types* including rental homes, exists within the compact, walkable, transit-served, mixed-use *designated centers*. These include small detached homes on small lots, attached and detached *accessory dwelling units*, *cottage housing*, common-wall duplexes, triplexes and row houses, and stacked units on the upper floors of mixed-use, mid-rise buildings.

The residential *land use* pattern outside of *designated centers* remains at much lower densities and constitutes almost 90% of the Island's area. Houses built in the previous twenty years in the vicinity of designated centers and elsewhere in the Open Space Residential zones are compact, energy-efficient and well-integrated in their landscape. Typical *housing types* in these areas include detached houses on lots of various sizes, attached and detached *accessory dwelling units* and *conservation villages*.

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 all segments of the population, but particularly middle and lower income persons.

## GOALS & POLICIES

### GOAL HO-1

**Make steady progress toward the following aspirational-targets for increasing the diversity of *housing types* and the supply of *affordable housing*.**

#### Policy HO 1.1

Decrease to ~~20%~~ 15% or less the number of cost burdened families living in rental housing (down from ~~40-37%~~).

**Policy HO 1.2**

Decrease to 18% or less the number of cost burdened families owning homes (down from 25 34%).

**Policy HO 1.3**

Increase rental housing units to at least 4435% of total housing units (up from 7-19%).

**Policy HO 1.4**

Increase the Island's percentage of *multifamily* homes to 4823% or more of all homes-(up from 4611%).

**Policy HO 1.5**

Increase the number of *senior housing units* to 600 or more (up from 344.)

~~**Policy HO 1.6**~~

~~Change today's 89/11% housing split between the Mixed Use Town Center and Neighborhood Centers to 80/20% by 2036.~~

**Policy HO ~~1.7~~ 1.6**

Achieve a jobs-housing balance of .8 (up from 0.610.59).

**Policy HO 1.7**

In addition to making affordable housing progress described in policies HO 1.1-1.6, make steady progress towards meeting the City's income-based housing unit requirements, including construction of permanent supportive housing units and emergency shelter(s).

**Policy HO 1.8**

Include actions identified in the 2023 Housing Action Plan (HAP) in the City's annual workplan and budget process to ensure progress on HAP actions continues.

**Policy HO 1.9**

Continuously monitor the planning and creation of affordable housing units, supportive housing, and emergency shelter in order to reevaluate existing City housing tools and development standards.

**Policy HO 1.10**

Evaluate whether the creation of a City Housing Authority is necessary to ensure continued progress on City affordable housing goals and targets.

**~~GOAL HO-2~~**

~~**Beginning in 2019, prepare biennial reports on the status of housing on Bainbridge Island. the report shall describe progress toward achieving the City's housing targets and set forth in Policies HO 1.1 through HO 1.7.**~~

**~~Policy HO 2.1~~**

~~The Housing report shall address the following aspects of housing:~~

- ~~1. Housing trends in general both regionally and on Bainbridge Island.~~
- ~~2. The number and location of *housing types* constructed or active applications in the permit process in the preceding two years.~~
- ~~3. An evaluation of the effectiveness of the City's measures and identification of additional~~

~~or revised measures or targets.~~

- ~~4. The vacancy rate for rental apartments.~~
- ~~5. The number of cost burdened and extremely cost burdened households.~~
- ~~6. The status of efforts to address housing needs at the regional level.~~
- ~~7. The housing availability for special needs or difficult to serve populations.~~
- ~~8. The condition of the local housing market and the number of new housing units publicly and privately funded.~~
- ~~9. The use of density bonuses and the number of for purchase *affordable housing* units provided in new developments.~~
- ~~10. A description of the various initiatives supporting *affordable housing* including activities of community non-profit organizations and local and regional entities.~~
- ~~11. Programs of housing repair and renovation that improve accessibility.~~
- ~~12. An analysis of how property taxes impact housing affordability.~~
- ~~13. If insufficient progress is made toward meeting the targets in Policies HO 1.1 through HO 1.7, determine what actions are not working and make adjustments.~~

### **Policy HO 2.2**

~~Make the Biennial Housing Reports 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. This Biennial Housing Report will be part of a comprehensive update of the Housing Needs Assessment in order to inform the next state mandated update of the Comprehensive Plan in 2024.~~

### **GOAL HO-2**

**Identify anti-displacement policies and programs suitable to reduce the displacement of existing low to moderate income households.**

### **Policy HO 2.1**

Track the supply of regulated and naturally occurring affordable housing and engage with current operators to support continued affordability.

### **Policy HO 2.2**

Continue to monitor the amount of short-term rentals on Bainbridge Island, and consider limitations to prevent reductions in the number of long-term rentals.

### **GOAL HO-3**

**Promote and maintain a variety of *housing types* to meet the needs of present and future Bainbridge Island residents at all economic segments in a way that is compatible with the character of the Island and encourages more socio-economic diversity. Partner with community non-profit organizations and local and regional private and public entities in carrying out the following policies.**

### **Policy HO 3.1**

Encourage innovative zoning regulations that increase the variety of *housing types* and choices suitable to a range of household sizes and incomes in a way that is compatible with the character of existing neighborhoods. Some eExamples of housing types that such regulations would promote innovative approaches are *cottage housing* development, *conservation villages*, stacked or common-wall housing, *tiny houses* and *accessory dwelling units*.

Housing types are illustrated in: Figs. HO-43 through HO-35 (*detached housing*); Figs. HO-46 through HO-68 (*attached housing*); and Figs. HO-79 through HO-911 (*stacked housing*).



Fig. HO-34 Single-family Home



Fig. HO-42 Cottage Housing



Fig. HO-53 Tiny House/ADU



Fig. HO-64 Duplex



Fig. HO-75 Row House



Fig. HO-86 Zero Lot Line



Fig. HO-97 Garden-Courtyard Apartments



Fig. HO-108 Mixed-use, Mid-rise



Fig. HO-119 Micro Units



Fig. HO-120 Live-aboard Unit

**Policy HO 3.2**

Streamline the administrative permitting review process for development that include designated affordable housing units.

**Policy HO 3.32**

Recognize that the City shares a housing and employment market as well as a transportation network with the larger region. Therefore, the City should work with the *Kitsap Regional Coordinating Council* and other regional entities to develop an equitable and effective county-wide planning policies and other strategies to locate, finance and build *affordable housing* in Neighborhood Centers with well-connected transportation networks.

**Policy HO 3.43**

Designate the appropriate staff 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.

**Policy HO 3.54**

Partner with non-profit housing organizations, churches, the development community, local lending institutions, elected officials and the community at large to assist in meeting *affordable housing goals* and implementing strategies.

**Policy HO 3.6**

Partner with nonprofits and regional services to support broader access to home rehabilitation, repair, weatherization, and accessibility improvement programs, especially for low-income, elderly and disabled individuals

**Policy HO 3.75**

Support 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.

**Policy HO 3.8**

Consider expanding the City's human services funding program to predictably fund emergency rental/utility support to alleviate impacts for seniors and low-income homeowners.

**Policy HO 3.9**

Expand direct resources supporting housing stability for tenants, landlords, and low-income homeowners.

**Policy HO 3.106**

Develop standards to encourage development of small to mid-size single-family housing units. These provisions may include a framework to permit small-unit housing development such as *tiny houses, micro units* and *cottage housing*.

**Policy HO 3.11**

Consider adopting a specific "middle housing code" to encourage small to mid-size housing types, including programs that provide additional density for deed-restricted, limited-equity workforce housing, such as units serving households below 150% AMI.

**Policy HO 3.127**

Expand opportunities for infill in the residential neighborhoods of the Winslow ~~Master-Subarea Plan study area~~ and the Neighborhood Centers. Allow the creation of small lots (e.g., in the 3,000 square foot range) as well as smaller footprint homes (e.g., under 1,200 square feet).

**GOAL HO-4**

**Increase the supply of permanently affordable *multifamily* housing each year through the year ~~2036~~ 2044 with goals based on data provided by the Housing Needs Assessment and the City's income-based housing targets housing reports.**

**Policy HO 4.1**

Encourage new *multifamily* housing in a variety of sizes and forms in *designated centers*.

**Policy HO 4.2**

Increase the efficiency of the review process and continue to consider revising development standards for the High School Road and Ferry Terminal districts and other portions of the Winslow Town Center Area Master Plan to encourage the transformation of these areas from auto-oriented, low-rise, homogeneous commercial land use districts into walkable, transit-served, mid-rise, mixed-use areas with *affordable housing*.

**Policy HO 4.3**

Partner with non-profit or for-profit housing sectors to create new *multifamily* housing in *designated centers* including a significant percentage of *affordable housing*. Explore through the joint or exclusive use of surplus publicly owned property or air space.

**Policy HO 4.4**

Partner with the for-profit sector to create *affordable housing* through the targeted use of the *multifamily* property tax exemptions in *designated centers*.

**Policy HO 4.5**

Remove barriers to the creation of new *multifamily* housing, particularly *affordable housing* through a variety of actions such as the adoption of regulations that “right-size” parking requirements, reduce certain *impact fees* and encourage the use of parking management programs to enable the more efficient use of parking.

**Policy HO 4.6**

Allow *accessory dwelling units* in all residential zones, except at Point Monroe, the Sandspit (R-6). Review and revise regulations as appropriate to create reasonable flexibility regarding development standards including lot coverage, setbacks, parking requirements and Health District requirements for water and sewage.

**Policy HO 4.7**

Encourage agencies whose mission is to develop *affordable housing* to create new subsidized *multifamily* 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.

**Policy HO 4.8**

Evaluate the efficacy of existing regulations in facilitating the provision of assisted and independent living *senior housing* and take action to amend *development regulations* as needed.

**Policy HO 4.9**

The City may allow floor area ratio (FAR) based zoning in the Lynwood Center Subarea for parcels zoned Neighborhood Center (NC) and NC/R-12 only if used to promote housing affordability.

**Policy HO 4.10**

Encourage private development in the Winslow Subarea that supports diverse housing, including affordable, workforce, and aging-in-place housing by adopting flexible development standards, including the use of overlays that encourage a diversity of housing types, expanded pedestrian connections, expanded community gathering, public open spaces, and below-grade parking.

### GOAL HO-5

**Maintain the existing stock of affordable and rent-assisted housing, in partnership with community non-profit organizations and local and regional public and private entities.**

#### **Policy HO 5.1**

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 Housing Kitsap and non-profit organizations such as Housing Resources Bainbridge to purchase the units through the provisions of the 1990 Housing Act.

#### **Policy HO 5.2**

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

#### **Policy HO 5.3**

Support water-based (live-aboard) housing as a viable component of the present and future housing stock of Bainbridge Island, subject to applicable environmental protection, seaworthiness, sanitation and safety standards, and authorized moorage.

### GOAL HO-6

**Facilitate the provision of a diverse *affordable housing* stock in all geographic areas of the community.**

#### **Policy HO 6.1**

Encourage housing created by agencies such as a community land trust.

#### **Policy HO 6.2**

In order to provide for permanently *affordable housing* pursue effective strategies to reduce the land cost component of *affordable housing* which may include alternative land use zoning, *density bonuses* and other incentives.

#### **Policy HO 6.3**

Maintain an innovative housing program and clarify or adopt new flexible permit processes in all *designated centers* to promote an increase in the supply, diversity and access to housing including accessible housing and affordable housing.

#### **Policy HO 6.4**

Create a new conservation villages and tiny home permit processes to apply outside of *designated centers* to increase housing choices including *affordable housing* and requiring encouraging green building practices while better conserving open space.

#### **Policy HO 6.5**

Develop regulations and provide incentives to construct *affordable housing* for farm workers on or near farmlands.

#### **Policy HO 6.6**

Encourage development and conservation programs that co-locate housing and land conservation or dually promote those goals in related projects.

**Policy HO 6.76**

Consider the merits of programs and regulations pioneered by other communities to discourage the land, energy and natural resource consumptive pattern of large single-family homes. Adopt amendments to City programs and *development regulations* as appropriate.

**Policy HO 6.87**

Support the development of *livable neighborhoods*.

**Policy HO 6.9**

Study creating a program to allow for two mid-sized units, smaller than the standard single-family home and larger than an ADU, in lieu of a standard-sized home and ADU. Also consider options for converting existing single-family homes to two units within the same building footprint.

**GOAL HO-7**

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

**Policy HO 7.1**

Continue to eExempt from City *impact fees* and other administrative development fees housing developments where all units are limited to residents in specified income groups.

**Policy HO 7.2**

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 50 years from the time of first occupancy.

**Policy HO 7.3**

Explore measures and the merits of source-of-income discrimination controls.

**GOAL HO-8**

**Facilitate the siting and development of housing opportunities for *special needs populations* by removing barriers to creating this much needed housing.**

**Policy HO 8.1**

Support the services of community non-profit organizations and local and regional public or private entities in providing shelter for temporarily homeless persons and/or households of all ages and sizes, singles and families with children, adolescents and victims of domestic violence on Bainbridge Island by removing any identified barrier to the creation of such shelter.

**Policy HO 8.2**

Support the development of programs to meet the housing needs of the developmentally, physically and emotionally disabled within the community.

**Policy HO 8.3**

Support programs that provide assistance to low-income, elderly and disabled persons to repair, rehabilitate or retrofit homes to be more accessible and safe.

**Policy HO 8.4**

Support improved housing accessibility through design, such as through incentives encouraging “visitability” design features for a portion of a housing development project.

**Policy HO 8.5**

Reduce housing barriers for essential workers on Bainbridge Island.

**GOAL HO-9**

**Explore the use of the City’s bonding capacity and pursue other resources to support the creation of *affordable housing*.**

**Policy HO 9.1**

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, including maintaining real estate excise tax and other recent state taxes to support affordable housing.

**Policy HO 9.2**

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.

**Policy HO 9.3**

Consider the issuance of Limited Tax General Obligation Bonds (also called councilmanic bonds or non-voted debt) or voting on an affordable housing levy to support the development of housing affordable to *households* at or below 80% of median income ~~for Kitsap County.~~

**Policy HO 9.4**

Increase City support of the Housing Trust Fund and explore new sources of funding for the development and preservation of *affordable housing*.

**Policy HO 9.5**

Consider the options for making City-owned land or air-space available through long-term leases or other mechanisms for the purpose of creating income-qualified housing and support other public entities that wish to use publicly-owned land for this purpose. Take into consideration however, the full range of uses that City-owned properties may serve over the long-term.

**Policy HO 9.6**

Explore and utilize Federal and State funding opportunities that are available to fund new and maintain existing affordable housing stock. The programs include:

1. Community Development Block Grants (CDBG)
2. HOME Investment Partnerships Program
3. Low Income Housing Tax Credit (LIHTC)
4. WA State Housing Trust Fund (HTF)
5. WA State Connecting Housing to Infrastructure Program (CHIP)
6. WA State Tax Increment Financing

**Policy HO 9.7**

Consider expanding the City’s to the Multifamily Tax Exemption 12-year program to include moderate income level households, pursuant to state law.

**Policy HO 9.10**

Improve communication of City Affordable Housing resources and application timeframes.

**Goal HO-10**

**Increase housing development opportunities in Designated Centers.**

**Policy HO-10.1:**

Consider increasing residential density in Designated Centers with sewer infrastructure (existing or planned).

**Policy HO-10.2**

Use tax increment financing in Designated Centers to fund infrastructure upgrades and affordable housing.

**Policy HO-10.3**

Consider reducing parking requirements to support workforce and affordable housing in the greater Winslow area, and Neighborhood Center areas.

**Goal HO-11**

**Promote reinvestment in existing neighborhoods, while identifying and removing barriers that result in racially disparate impacts, displacement, and exclusion in housing.**

**Policy HO-11.1**

Promote investments in infrastructure through City-initiated neighborhood enhancement activities.

**Policy HO-11.2**

Promote the maintenance, repair, and rehabilitation of the City's existing housing stock by pursuing funding and creating financial incentives for housing improvement programs, especially for low-income households.

**Policy HO-11.3**

Ensure all higher density residential development is accommodated by reliable infrastructure.

**Policy HO-11.4**

Conduct a review of zoning codes, development regulations, and permit procedures to identify and remove regulatory barriers that disproportionately affect marginalized communities, low-income households, and other historically excluded groups.

**Policy HO-11.5**

Ensure equitable infrastructure investments across all neighborhoods, with attention to areas that have experienced disinvestment or exclusion.

**HOUSING IMPLEMENTATION**

To implement the goals and policies in this Element, the City must take a number of actions, including adopting or amending regulations, creating partnerships and educational programs, and staffing or other budgetary decisions. Listed following each action are several of the plan's goals and policies that support that action.

**MOTION at 1/22 Planning Commission meeting to turn this section into a table/matrix instead of the list. Staff is still working on this formatting.**

**HIGH PRIORITY ACTIONS**

**HO Action #1** Set targets for increasing the supply of moderately priced and *affordable housing*, measure progress, and if insufficient progress is being made toward meeting the housing targets, determine what actions are not working and make appropriate adjustments.

**GOAL HO-1**

Make steady progress toward the following ~~aspirational~~ targets for increasing the diversity of *housing types* and the supply of *affordable housing*.

~~GOAL HO-2~~

~~Beginning in 2019, prepare biennial reports on the status of housing on Bainbridge Island. The report shall describe progress toward achieving the City's housing targets and set forth in Policies HO 1.1 through HO 1.7.~~

**GOAL HO-10**

Increase housing development opportunities in *Designated Centers*.

**GOAL HO-11**

Promote reinvestment in existing neighborhoods, while identifying and removing barriers that result in racially disparate impacts, displacement, and exclusion in housing.

**HO Action #2** Amend the City's development code to facilitate an increase in the diversity of housing types and supply of affordable housing.

**Policy HO 3.106**

Develop standards to encourage development of small to mid-size single-family housing units. These provisions may include a framework to permit small-unit housing development such as *tiny houses, micro units and cottage housing*.

**Policy HO 3.11**

Consider adopting a specific "middle housing code" to encourage small to mid-size housing types, including programs that provide additional density for deed-restricted, limited-equity workforce housing, such as units serving households below 150% AML.

**Policy HO 4.2**

Increase the efficiency of the review process and continue to consider ~~revising~~ development standards for the High School Road and Ferry Terminal districts and other portions of the Winslow ~~Town Center Area Master Plan~~ to encourage the transformation of these areas from auto-oriented, low-rise, homogeneous commercial land use districts into walkable, transit-served, mid-rise, mixed-use neighborhood with *affordable housing*.

**Policy HO 6.3**

Maintain an innovative housing program and clarify or adopt new flexible permit processes in all *designated centers* to promote an increase in the supply, diversity, and access to housing, including accessible housing and affordable housing.

**Policy HO 6.4**

Create a new conservation villages and tiny home permit processes to apply outside of *designated centers* to increase housing choices including *affordable housing* and ~~requiring~~ encouraging green building practices while better conserving *open space*.

**HO Action #3 Partner with other jurisdictions, the development community, and non-profit organizations to increase the diversity of housing types and supply of affordable housing.**

**Policy HO 3.54**

Partner with non-profit housing organizations, churches, the development community, local lending institutions, elected officials and the community at large to assist in meeting *affordable housing goals* and implementing strategies.

**Policy HO 3.6**

Partner with nonprofits and regional services to support broader access to home rehabilitation, repair, weatherization, and accessibility improvement programs, especially for low-income, elderly and disabled individuals

**Policy HO 4.3**

Partner with non-profit or for-profit housing sectors to create new *multifamily* housing in *designated centers* including a significant percentage of *affordable housing*. Explore through the joint or exclusive use of surplus publicly owned property or air space.

**Policy HO 4.4**

Partner with the for-profit sector to create *affordable housing* through the targeted use of the multifamily property tax exemptions in *designated centers*.

**Policy HO 9.5**

Consider the options for making City- owned land or air-space available through long-term leases or other mechanisms for the purpose of creating income-qualified housing and support other public entities that wish to use publicly-owned land for this purpose. Take into consideration however, the full range of uses that City-owned properties may serve over the long-term.

**HO Action #4 Consider actions that can be taken to reduce financial barriers that inhibit the desired increase in diverse and affordable housing.**

**Policy HO 5.2**

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

**Policy HO 7.1**

Continue to eExempt from City *impact fees* and other administrative development fees housing developments where all units are limited to residents in specified income groups.

**Policy HO 9.2**

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.

**Policy HO 9.3**

Consider the issuance of Limited Tax General Obligation Bonds (also called councilmanic bonds or non-voted debt) or voting on an affordable housing levy to support the development of housing affordable to *households* at or below 80% of median income for Kitsap County.

~~**HO Action #5** Create a short-term (60-90 days) citizen affordable housing task force to consider the revised Housing Element and provide specific recommendation for near-term action.~~

~~**Policy HO 3.3**~~

~~Designate the appropriate staff 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.~~

~~**HO Action #56** Review and revise City regulations related to permissible live-aboard capacity in City marinas.~~

**Policy HO 5.3**

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

**MEDIUM PRIORITY ACTIONS**

~~**HO Action #67** Focus additional city and other financial resources to help increase the supply of affordable housing.~~

**Policy HO 9.4**

Increase City support of the Housing Trust Fund and explore new sources of funding for the development and preservation of *affordable housing*.

**Policy HO 7.1**

Continue to eExempt xempt from City *impact fees* and other administrative development fees housing developments where all units are limited to applicants of specified income groups.

~~**HO Action #78** Look for ways to reduce the cost of multifamily housing, particularly affordable housing.~~

**Policy HO 4.5**

Remove barriers to the creation of new *multi-family housing*, particularly *affordable housing* through a variety of actions such as the adoption of regulations that “right-size” parking requirements, reduce certain impactfees, and the encourage the use of parking management programs to enable the more efficient use of parking.

## OTHER PRIORITY ACTIONS

**HO Action #9** Identify ways to achieve local results with and through regional actions.

### **Policy HO 3.32**

Recognize that the City shares a housing and employment market, as well as a transportation network, with the larger region. Therefore, the City should work with the Kitsap Regional Coordinating Council and other regional entities to develop equitable and effective county-wide planning policies and other strategies to locate, finance and build *affordable housing*.