

POULSBO DISTRIBUTION SCHEDULE

RESOLUTION NO. 2021-13

SUBJECT: Housing Action Plan

CONFORM AS TO DATES & SIGNATURES

- ☒ Filed with the City Clerk: 12/02/21
- ☒ Passed by the City Council: 12/08/21
- ☒ Signature of Mayor
- ☒ Signature of City Clerk
- ☐ Publication: _____
- ☐ Effective: _____

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Rhiannon Fernandez

City Clerk

12/09/2021

Date

Resolution NO. 2021 -13

A RESOLUTION OF THE CITY OF POULSBO, WASHINGTON, APPROVING THE CITY'S HOUSING ACTION PLAN AS A GUIDING DOCUMENT WITH RECOMMENDATIONS FOR FUTURE HOUSING POLICY, PLANNING, AND REGULATORY AMENDMENTS TO IMPROVE HOUSING OPTIONS THAT ARE SAFE AND AFFORDABLE FOR THE ENTIRE COMMUNITY.

WHEREAS, the Revised Code of Washington (RCW) 36.70A.600 provides for cities planning under the Growth Management Act (GMA) to prepare a Housing Action Plan (HAP); and

WHEREAS, in October 2019, the City applied for a Washington State Department of Commerce (Commerce) grant funded through HB 1923, which provided \$5 million to increase residential building capacity in Washington communities. Of the list of eligible activities, as defined in the bill, the City chose to develop a Housing Action Plan with a total funding request of \$40,000; and

WHEREAS, the City Council accepted the grant and the Mayor signed the Commerce grant agreement on December 20, 2019; and

WHEREAS, the goal of the HAP is 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; and

WHEREAS, the development of the HAP involved public outreach that included a stakeholder advisory committee, planning commission meetings, city council meetings, the creation of a project landing page, and community survey, which allowed for public participation and public comment; and

WHEREAS, the HAP will provide guidance to the City when planning for the present and future housing needs of the City, and will be instrumental when drafting the state mandated Comprehensive Plan 2024 Update and zoning ordinance amendments; and

WHEREAS, the City coordinated the drafting of the HAP with the Washington State Department of Commerce to ensure the HAP meets the requirements of RCW 36.70A.600.

THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. The City Council approves the Housing Action Plan, attached as Exhibit A and incorporated herein by reference.

Section 2. The Community Development Department is hereby directed to submit the approved Housing Action Plan and all supporting documentation to the Washington State Department of Commerce.

Section 3. Effective Date. This resolution shall take effect immediately upon passage.


RESOLVED this 8th day of December 2021.

APPROVED:

DocuSigned by:

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REBECCA ERICKSON, MAYOR

ATTEST/AUTHENTICATED:

DocuSigned by:

D21DA14DCC754A8
RHIANNON FERNANDEZ, CMC, CITY CLERK

FILED WITH THE CITY CLERK: 12/02/2021
PASSED BY THE CITY COUNCIL: 12/08/2021
RESOLUTION NO. 2021-13



Poulsbo Housing Action Plan

December 2021

Approved by Resolution 2021-XX





Acknowledgments

The City of Poulsbo wishes to thank the following participants and stakeholders for their valuable guidance, support, and technical contributions to this important document.

Housing Action Plan Advisory Committee

To help guide and inform the Housing Action Plan, Poulsbo connected with stakeholders comprised of elected officials, planning commissioners, community members, and representatives of local non-profit organizations providing housing resources through meetings and questionnaires. The plan benefitted from their input.

Mayor – Becky Erickson
City Council – Andrew Phillips
City Council – Connie Lord
City Council – Gary McVey
Former City Council Member – Abby Garland
Planning Commission – Jerry Block
Planning Commission – Jim Coleman
Planning Commission – Mark Kipps
Planning Commission – Kate Nunes
Former Planning Commission Member – Tim Morgan
Director of Housing, Health and Human Services – Kim Hendrickson
Fishline Food Bank – Sandra Allen, Client Services Manager
Fishline Food Bank – Andrea Hendricks, Case Manager
Fishline Food Bank – Ashley Siegel, Case Manager
Poulsbo Fish Park Steering Committee Chair – Tom Nordlie

Consultants

Team Leader - Tom Beckwith FAICP, Beckwith Consulting Group
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Economist - Eric Hovee, ED Hovee & Company
Architect - Julie Blazek AIA LEED AP, HKPA Architects

City of Poulsbo

Director, Planning & Economic Development – Karla Boughton
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Senior Accountant, Finance – Lauren Ellington
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Executive Summary

Poulsbo is a city with many assets that make it a desirable community of nearly 12,000 residents. While the city has benefited from relatively lower costs compared to other parts of North Kitsap County and King/Snohomish Counties, rapid population and job growth couple with a lack of housing supply across the region has resulted in a sustained high demand for housing and rising costs. The limited supply of certain housing types and resulting cost pressure is contributing to a displacement of long-term Poulsbo residents, while also presenting a barrier for middle to low-income households to find housing.

This Housing Action Plan identifies strategies that can help to improve housing supply and affordability and guide new growth that benefits both new and existing residents. Collectively, these strategies are intended to achieve four key objectives:

Housing Objectives

- **Promote** new market-rate and affordable housing construction that expands housing choices.
- **Encourage** homeownership opportunities and support equitable housing outcomes.
- **Plan** for forecasted growth and ensure the built environment promotes community and sustains the quality of life for Poulsbo's existing and future residents.
- **Preserve** existing affordable housing stock to reduce displacement pressures.
- **Partner** with housing educators, providers, non-profit organizations and faith-based to find equitable housing solutions.

Housing Strategies

The Housing Action Plan includes strategy recommendations and were informed by the Housing Needs Assessment, a review of current housing goals and policies, review of current development regulations and permitting process, as well as input received from community and stakeholders. The strategies are oriented around the following objectives:

- Advocate removing barriers at the state level in order to increase housing stock.
- Identify City code and process barriers for permit efficiencies.
- Identify opportunities to provide financial incentives and/or fee waivers to support affordable housing.
- Partner with faith-based, non-profit and government housing programs that produce affordable housing stock.
- Increase diversity in housing choice through expanding "missing middle" development opportunities.
- Evaluate the Multifamily Tax Exemption (MFTE) Program.
- Support current tenants and pathways to homeownership.
- Support the needs of an aging population.
- Encourage the development of multifamily housing.
- Participate in strategies to reduce homelessness.



Contents

Acknowledgments..... i

Executive Summaryii

Contents..... iii

Introduction..... 1

Summary of Community Input..... 3

Housing Needs Assessment Findings 4

Review of Housing Goals and Policies 6

Housing Action Plan Objectives and Strategies 9

Implementation..... 17

Appendices:

- Appendix A: Housing Needs Assessment
- Appendix B: Community Input Summary
- Appendix C: Comprehensive Plan Housing Element Goals and Policies
- Appendix D: Missing Middle Housing
- Appendix E: Affordable Housing
- Appendix F: State Housing Requirements
- Appendix G: Glossary

COVID-19 Pandemic and the Housing Action Plan. In response to the outbreak of the COVID-19 pandemic, Governor Inslee issued a series of proclamations and declarations aimed at reducing the spread of the virus in Washington state, including requiring all nonessential workers to stay home and stay healthy and extending a moratorium on evictions to protect renters. As a result, significant changes in the region have occurred, affecting businesses and residents alike. Poulsbo will continue to monitor the impact of the pandemic on housing and develop plans, as needed, for implementing appropriate actions whether included in this plan or not.



Introduction

Purpose

This Housing Action Plan identifies strategies the City of Poulsbo can implement to support housing opportunities for residents at all income levels. These strategies are intended to increase housing production and choices available to better meet the diverse needs of Poulsbo residents and reduce displacement and barriers. Providing a sufficient supply of both market-rate and income-qualified affordable housing also supports stability, vibrant neighborhoods, and economic vitality. While there is a strong need for housing solutions to address the needs of households struggling with homelessness – such as transitional housing and shelters – this plan primarily focuses on building or preserving permanent housing solutions.



Poulsbo is a city with many assets that make it a desirable community. While the city has long benefited from relatively lower housing costs compared to many other parts of the Puget Sound region, rapid job and population growth coupled with a lack of housing supply across the region has resulted in a sustained high demand for housing and rising costs. Housing availability is an urgent and growing challenge in Poulsbo. This Housing Action Plan (HAP) identifies strategies that can help to diminish this imbalance and guide new growth that provides benefits to both new and existing residents at all income levels.

This HAP defines strategies and implementing actions that promote greater housing diversity, affordability, and access to opportunity for residents of all income levels. This HAP is meant to implement a program of the Growth Management Act and fulfill a State of Washington Department of Commerce grant that Poulsbo received through House Bill 1923 which aims to:

- Quantify existing and projected housing needs for all income levels with documentation of housing and household characteristics.
- Develop strategies to increase the supply of housing, and the variety of housing types, needed to serve the housing needs identified above.
- Analyze population and employment trends, with documentation of projections.
- Consider strategies to minimize low-income residents' displacement resulting from redevelopment.
- 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.
- 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 this HAP.

The purpose of this HAP is to:

- Provide an overview of the housing landscape and planning environment.
- Help the City plan for additional housing by providing key data and analysis on the current housing inventory and future housing need.
- Highlight current City development regulations and incentives that are effective.
- Identify strategies that consider emerging development issues to promote housing development that will help meet projected housing needs.
- Recommend actions that will encourage more housing development at all income levels to accommodate future and current residents.



Housing Action Plan Creation

The city received funding from a Washington State Department of Commerce grant (through House Bill 1923) to assist with the development of this plan. The process for created the Housing Action Plan included identifying housing needs, evaluating current efforts, analyzing available data, engaging with stakeholders, and identifying potential barriers. Through development of a Housing Needs Assessment, the plan allows the City the opportunity to understand existing and future housing needs.

The timing for this HAP is ideal. Poulsbo will be updating its Growth Management Act (GMA) Comprehensive Plan by June 2024. The update requires the city to make a variety of housing types available for all economic segments of the community. In addition, the Comprehensive Plan outlines how population growth will be accommodated out to 2044. This early action to focus on the housing needs of Poulsbo and develop strategies to address these issues is foundation to identifying the land use strategy for the 2024 Comprehensive Plan Update.

The City's Role in Housing



While the City of Poulsbo does not build or provide housing to residents, it can facilitate the conditions to encourage the housing developers to build housing in a diversity of formats and affordability levels. Housing planning and policymaking are integral functions of cities, and essential for supporting inclusive, diverse, and economically vibrant communities. Reviewing, evaluating, and updating housing plans, policies, and associated development regulations can help jurisdictions meet evolving community needs for housing variety and affordability, as well as achieve other planning goals for land use, economic development, transportation, and the environment.

There are four ways in which Poulsbo can influence the housing market.

- The city can adopt and update **development regulations** such as zoning and design standards to either limit or facilitate the types of new housing that can be built by private and nonprofit housing developers in different parts of the city. These regulations also determine characteristics such as building heights, setbacks, parking, and design.
- The city can utilize and update **development incentives** to encourage the construction of housing types that are in greatest need. Incentives may include tax exemptions, density bonuses, alternative design standards, fee reductions, or streamlined permitting. Incentives can affect the profitability of new housing development and therefore the likelihood that private developers will choose to build. They can also affect the financial feasibility of projects with income-qualified affordable housing.
- The city can provide **financial assistance** to affordable housing providers through direct funding, fee waivers, or land donations to help subsidize new or existing income-qualified affordable housing projects.
- The city can **partner** with providers, non-profit organizations and faith-based to find housing solutions.

Housing affordability (or lack thereof) is a big issue in the region. There are many reasons why housing has become so expensive, and cities can only address certain aspects of the problem. While the City could reduce fees for certain housing types, consider additional areas to allow for higher density housing, or provide more options for senior housing, they do not control fluctuating economic costs such as labor shortages or the rising cost of lumber, for example.

Areas of Opportunity

Poulsbo has opportunities to encourage new housing development that can benefit both existing and future residents. Considering areas of concentrated growth near the City's bus/transit centers provides consistency with PSRC's Vision 2050 Growth Strategy of focal points for economic development and transportation investments. Further, there is opportunities to provide residents with new options for more affordable living and homeownership. These include making it easier to build 'missing middle' housing types, like multiplexes and townhomes in appropriate areas.



Summary of Community Input

The Poulsbo community was an important contributor to the HAP. The city conducted public engagement over the course of the project. A summary of engagement activities is presented below. The full community input results are available in Appendix B: Poulsbo Community Input Summary.

Key Engagement Activities

- **Community Survey.** A community survey to gather feedback on current housing challenges and needed housing options was widely promoted through utility bills, flyers, and social media outlets. Responses were received from 321 participants.
- **Housing Advisory Committee.** The purpose of the Advisory Committee was to ensure the HAP is reflective of the current and future needs of the Poulsbo community. Due to the covid-19 pandemic, the PED Department conducted an emailed written survey with 10 questions of the 15 individuals participating in the Housing Advisory Committee. The Committee also convened twice to provide input on the housing assessment as well as strategies.

Key Takeaways

- Overall growth and demand for housing in Poulsbo has increased.
- Amenities and open space are important to residents, with preference for playgrounds, sports courts, walking paths, and exercise and conditioning facilities.
- Residents are concerned about growth and the potential strain on infrastructure.
- Residents agree that young adults and single-headed female households, elderly, service workers, and public workers are unable to afford housing in Poulsbo. Residents are generally satisfied with their housing situation but decidedly dissatisfied with the cost of the existing housing market in Poulsbo.

COMMENTS FROM HOUSING ADVISORY COMMITTEE:

What Obstacles Does the Poulsbo Housing Market Face? What Disadvantages Do We Have?

"The lack of buildable areas due to wetlands and setbacks is a challenge."

"The ability to commute to Seattle is a blessing, but also a curse in that the housing market is a lot higher due to the higher paying jobs on that side of the water. This can price out those who work local. In addition, land. Poulsbo is not that big of an area, so getting all of these housing developments in with the services to support will be a challenge."

"Not enough land. The need to keep strict environmental standards (which I agree with but are expensive). We must protect Liberty Bay, but the protection is expensive which puts us at a disadvantage trying to keep housing stocks affordable."

What Could We Do Today That Is Not Being Done?

"Making sure that there is a diverse housing portfolio available with a variety of price levels. In addition, for the older apartment complexes in Poulsbo, making sure that those property owners are investing in their assets to make sure that they are safe and that the prices that they are charging reflect the amenities offered at those properties. For example, a 40-year-old apartment building should not be charging the same rent as a newly constructed apartment building."

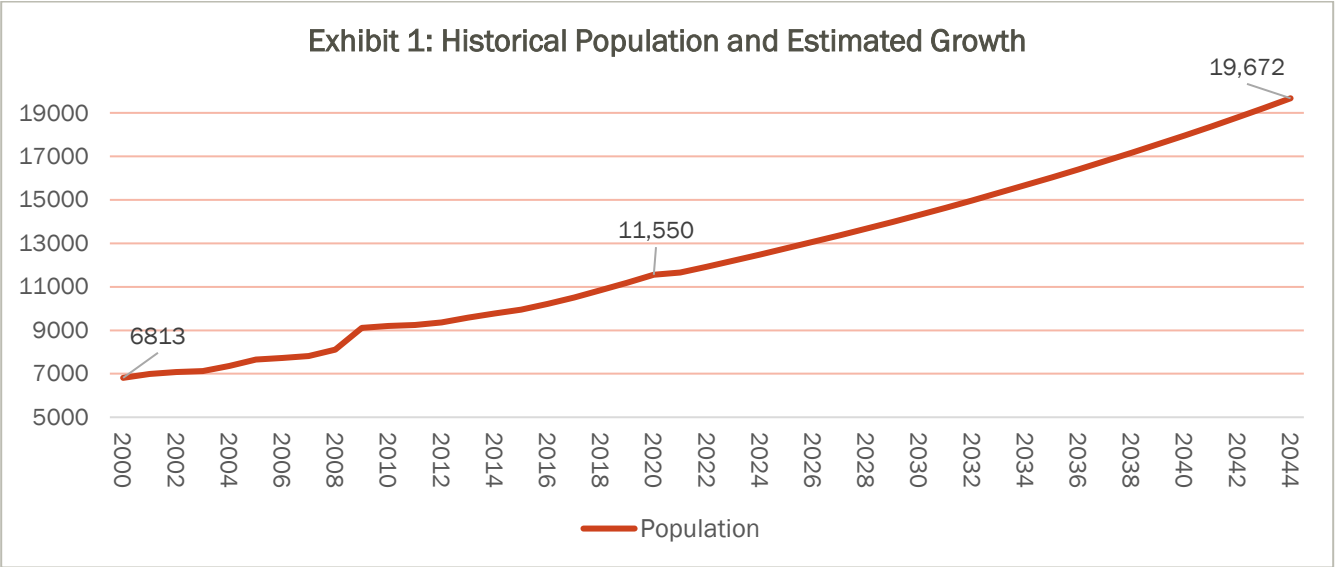


Housing Needs Assessment Findings

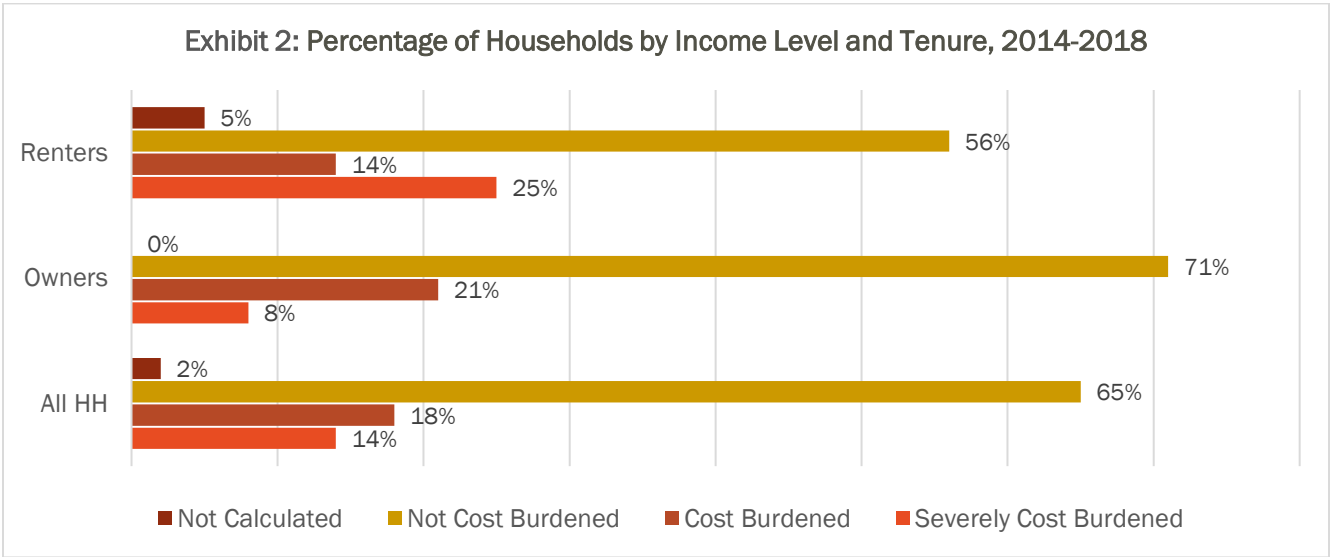
Like other communities in Washington, Poulsbo faces a critical need for more housing affordable to the community. The Housing Needs Assessment (HNA) evaluates current housing supply and summarizes housing needs across the full spectrum of household types and income levels. The high-level key findings of the Poulsbo HNA are below. The full HNA is available in Appendix A: Housing Needs Assessment.

Key Findings

- Since 2010, the City of Poulsbo has grown at an average annual rate of 2.30%, which is well above the countywide average annual growth rate of 0.81%. Assuming a continued average annual growth rate of 2.30%, the population in Poulsbo is projected to reach 19,672 by 2044.

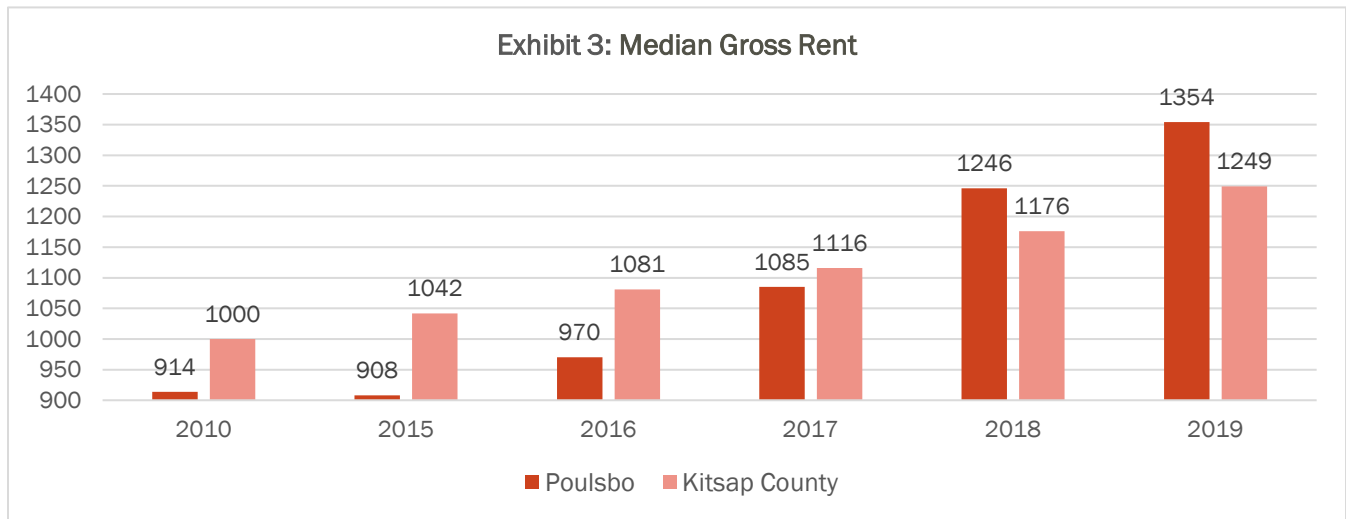


- About 32% of Poulsbo households are either cost burdened or severely cost-burdened (2014-2018). Cost-burdened households are those that spend more than 30% of their monthly income toward housing costs while severely cost-burdened households spend more than 50% or half of their incomes on housing costs. When households face high rates of cost burden, they often must make difficult choices in prioritizing purchases for other necessities such as food, healthcare, and childcare.





- **Rental costs are rising faster than income.** From 2015-2019, the median rent increased by nearly 33%, while the Median Household Income increased by 23%.



- **Poulsbo's current housing stock lacks housing type variety.** Single family detached homes comprise 68% of Poulsbo's housing stock. The majority of recent development was either 2,000+ square foot single family homes or larger multifamily apartments. "Missing middle" housing refers to a diversity of residential housing options that transition between single family homes and larger multifamily apartments.

Exhibit 4: Housing Inventory by Units in Structure (2019)				
	Poulsbo		Kitsap County	
	<i>No. Of Units</i>	<i>%</i>	<i>No. Of Units</i>	<i>%</i>
Single-Family	3,219	68%	84,158	75%
Duplex	70	1%	2,192	2%
Multi-family (3 or 4 units)	204	4%	3,355	3%
Multi-family (5+ units)	1,062	23%	14,893	13%
Mobile Homes	131	3%	7,740	7%

- **Poulsbo's current housing stock is not aligned well with its population in terms of unit size.** The majority of households in Poulsbo (63%) have one or two members, but the majority of housing units in Poulsbo are built for larger households: 61% of all units have three or more bedrooms. It is likely that many of the larger (3+ bedroom) homes in Poulsbo are occupied by households with only one or two members. For example, this can happen when there are many "empty nester" owner households living in single-family housing stock. This reduces the number of larger homes available for larger households.
- **Poulsbo has a "good" jobs-housing ratio of about 1.5.** This is considered to be just inside what's generally considered to be a "good" balance (0.75 - 1.5). However, of the 6,880 jobs located in Poulsbo, only 678 workers live in Poulsbo, or just 9.9%. Instead, nearly 90.1% of people working in Poulsbo commute in from home locations outside the city. And 82% of working residents of Poulsbo commute to jobs outside of the city.
- **Poulsbo's population is aging.** The median age in Poulsbo is 42.5, which is above the Kitsap County median age of 39.5 and well above the state median age of 37.9. Residents 65 years and over make up a larger portion of the population in Poulsbo than in Kitsap County and the state as a whole: 21.6% of Poulsbo residents are aged 65 and over, compared with 18.4% of Kitsap County residents, and 15.9% in Washington. In addition, 3.1% of Poulsbo residents are 85 years and over, compared to 1.6% in Kitsap County.
- **Due to its size, Poulsbo has limited funds to directly support housing.** The only direct funding Poulsbo receives for housing affordability is through SHB 1406, which provides a small return of state sales tax to the city for the purpose of affordable and supportive housing. Housing Kitsap does provide subsidized rental and homeownership opportunities.



Review of Housing Goals and Policies

The housing policy and code review evaluated the current Poulsbo Comprehensive Plan and zoning ordinance to determine progress in achieving goals and policies. Key takeaways from the review are presented below.

Key Takeaways

- **Overall, Poulsbo's existing policy and regulations support increasing housing supply.** The City's Comprehensive Plan is a policy document that regulatory actions for how Poulsbo will grow over a 20-year period. The most recent Comprehensive Plan was adopted in 2016. State law requires it be updated again by June 30, 2024. The current Comprehensive Plan policies generally support increasing housing supply.
- The Housing Chapter of the Poulsbo Comprehensive Plan (2016) includes goals and policies for guiding city actions that regulate and incentivize new residential development. Exhibit C presents the comprehensive plan's housing goals and policies. Collectively, the housing policies are supportive of encouraging new construction of housing in a greater variety of housing types and at prices accessible to households across the income spectrum. **However, the city has not been successful in recent years at achieving its goals related to encouraging a variety of housing types.**
- **A review of Poulsbo's development regulations indicates that housing types could be limited by current code provisions.** A key purpose of this HAP is to identify actions the city may consider taking to reduce these kinds of barriers to production while still achieving the housing goals in the Comprehensive Plan.
- Poulsbo needs to increase the variety of housing types allowed to meet residents' housing needs. **Missing middle housing types (such as accessory dwelling unit, duplexes, and townhomes) provide additional units, create choices, and allow people to stay in the community during different life stages.** Missing middle housing types have seen very little production in Poulsbo due to limited land availability and code restrictions.
- Poulsbo's zoning ordinance does not prohibit missing middle housing, **but there are opportunities to improve development feasibility**, including adding language to clearly delineate where middle housing should be allowed, and where they are feasible. These opportunities are addressed in the HAP strategies and action items.
- **Poulsbo's land supply may be a restricting factor.** The 2021 Kitsap County Buildable Lands Report identified that while there is sufficient capacity for the current planning period, additional strategies to accommodate future growth projections will be necessary.



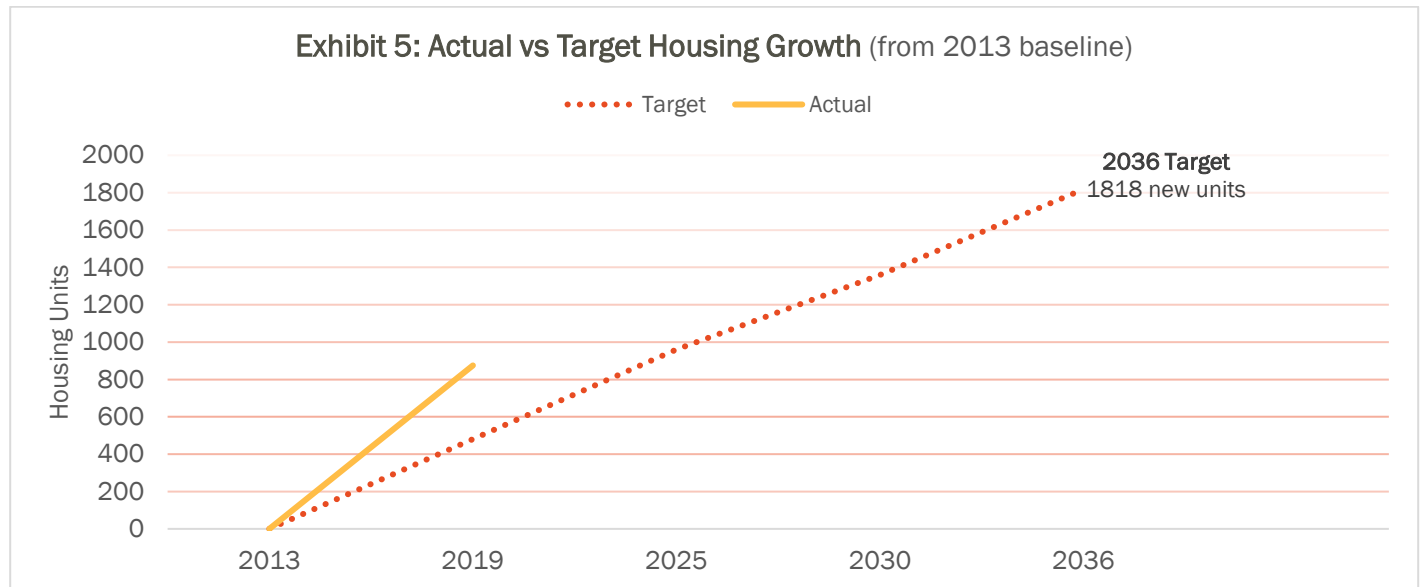
Progress Towards Meeting Housing Target

According to the Kitsap County's 2021 Buildable Lands Report (BLR), between 2013 and 2019, Poulsbo permitted a total of 875 new housing units. Roughly one-third (32%) of these units were in multifamily buildings. While most of the permitted multifamily units were apartments, townhomes, duplexes, cottage clusters and ADUs were also in the multifamily unit mix. The unit type breakdown during this period is 588 single family units and 278 multifamily units. The new units represented an average of 145 units per year or a 16% average annual growth rate during the six-year period.

Poulsbo's 2036 housing unit target is 1,818 units, as set forth in the 2016 Comprehensive Plan's Housing Chapter. Realizing the housing target between the 2016-2036 planning period represents approximately 90 new units per year. Adjusting to begin at 2013 to use the data from the BLR, represents approximately 80 new units per year.



As shown in Exhibit 5 below, the housing units permitted is higher than the average growth rate necessary to meet the 2036 housing target. Accounting for the housing units permitted between 2013-2019, there remains 943 units between 2020 and 2036 needed. This represents a need of average of 60 new units per year.



Capacity for New Housing Production

Poulsbo participated in the 2021 Kitsap County Buildable Lands Study. As part of this study, the city analyzed buildable land capacity based on current zoning and development standards. The study identified parcels that are vacant or have potential for redevelopment, determines the number of units that can be developed based upon density, and finally translates units into population capacity. Exhibit 6 summarizes the findings. The city and UGA has capacity for over 2300 total new residential units – 1566 within the Residential Low zoning district and 782 within the Multifamily zoning districts. This is sufficient to meet its 2036 growth target. Most of the capacity is in the residential low zoning district; much less capacity is currently available in the residential medium and high-density zoning districts. It is the RM and RH zoning districts that allow for “missing middle” housing types like townhomes, multiplex units, or smaller garden-style apartment or condominium buildings.

Exhibit 6: 2021 Housing and Population Growth Capacity

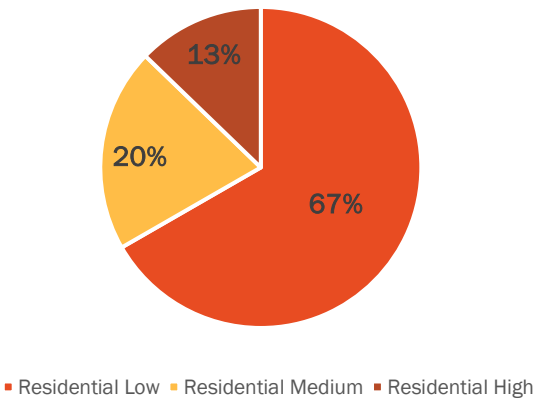
Zoning	Net Acres	Single Family Unit Capacity	Multifamily Unit Capacity	Population Capacity
<i>City Limits</i>				
Residential Low	179.03	1,180		2,963
Residential Medium	33.35		482	998
Residential High	18.54		300	620
<i>UGA</i>				
Residential Low	92.12	384		965
TOTAL	323	1,566	782	5,546



Exhibit 7: Capacity for New Housing Development by Density Level

<i>Zone</i>	<i>Density Levels</i>
Residential Low	4-5 du/acre
Residential Medium	6-10 du/acre
Residential High	11-14 du/acre

Exhibit 8: Residential Unit Capacity





Housing Action Plan Objectives and Strategies

This plan identifies five objectives that form the basis for the City's strategies to address housing needs. These objectives are informed by the Housing Needs Assessment; a review of current housing goals, policies, development regulations, and permitting process; community and stakeholder engagement; and input from the Housing Advisory Group.

Housing Objectives

Objective 1: Promote new market-rate and affordable housing that expands housing choices.

The Poulsbo housing market is not producing a mix of housing types to meet community needs and preferences. Lack of first-time homebuyer stock; more affordable rents for cost burdened renters.

Objective 2: Encourage homeownership opportunities and support equitable housing outcomes.

Homeownership is highly desirable for many Poulsbo households. It can provide greater economic security, residential stability, generational wealth, and important financial asset to the homeowner. With a rising population and fixed supply of land, new homeownership opportunities that are attainable to moderate income earning households will require creative strategies that are often referred to as the "missing middle" housing types. Promoting homeownership units in the city of Poulsbo will increase the opportunities for households to build generational wealth, particularly for those previously excluded.

Objective 3: Plan for forecasted growth and ensure the built environment promotes community and sustains the quality of life for Poulsbo's existing and future residents.

While there is sufficient land capacity for the current 2036 population forecast, as part of the require 2024 Comprehensive Plan update, Poulsbo will receive a new population forecast extending the planning period to 2044. The forecasted growth will require new planning efforts to ensure there is residential land capacity sufficient to meet the future housing needs. Proactive planning efforts now will ensure adequate and efficient use of land capacity for the upcoming periodic comprehensive plan update process.

Objective 4: Preserve existing affordable housing stock to reduce displacement pressures.

Poulsbo housing has historically been considered affordable, but residents are worried they will no longer be able to live in the city. The Housing Needs Assessment found 63.9% of Poulsbo households are homeowners, but 29% of homeowners are either cost burdened or severely cost burdened. Cost-burdened households are those that spend more than 30% of their monthly income toward housing costs while severely cost-burdened households spend more than 50% or half of their incomes on housing costs. Displacement refers to instances when a household is forced or pressured to move from their home. It is important to identify and consider anti-displacement measures to help residents stay in the community.

Objective 5: Partner with housing educators, providers, non-profit organizations and faith-based to find equitable housing solutions.

It is important for the city to continue and develop new partnerships with groups that influence or are affected by the housing market. These groups include for-profit and nonprofit developers, community organizations, community members, neighboring jurisdictions, and others. Many organizations actively build housing and provide financial services for lower income community members. This is an opportunity for the city to support efforts it cannot undertake on its own.

Housing Strategies

There is no "silver bullet" for developing housing strategies, as each idea brings benefits, drawbacks, different levels of impact, and tradeoffs. None of these strategies will be fully effective in isolation. However, together they can help the city overcome barriers to new housing development and guide new growth to effectively carry out the vision of the city and this plan. These recommended actions are proposed because they can help to fulfill housing needs equitably across the spectrum of different household incomes.



Exhibit 9 connects ten Housing Action Plan strategies with the overarching housing objectives and how the interrelated strategies work together to support planned growth in Poulsbo while meeting the city's housing needs. The pages that follow describe each strategy as well as the actions the city can take to implement them.

Exhibit 9: Housing Action Plan Strategies

No.	Strategy	Produce	Preserve	Partner	Plan
1.	Advocate removing barriers at the state level in order to increase housing stock.			✓	✓
2.	Identify City code and process barriers for permit efficiencies.	✓	✓		✓
3.	Identify opportunities to provide financial incentives and/or fee waivers to support affordable housing.	✓	✓		
4.	Partner with faith-based, non-profit and government housing programs that produce affordable housing stock.	✓		✓	
5.	Increase diversity in housing choice through expanding "missing middle" development opportunities	✓			✓
6.	Evaluate the Multifamily Tax Exemption (MFTE) Program	✓			
7.	Support current tenants and pathways to homeownership.		✓	✓	
8.	Support the needs of an aging population.		✓	✓	
9.	Encourage the development of multifamily housing.	✓			
10.	Participate in strategies to reduce homelessness.			✓	

STRATEGY #1:

Advocate removing barriers at the state level in order to increase housing stock.

Recommended Actions

- 1.1 **Advocate for state legislation to amend condominium laws.** The Washington State Condominium Act is interpreted to subject condo developers to an implied warranty for constructions, which has provided a disincentive for condo production in the market. Poulsbo should work with other cities to encourage the state legislature to revise the Act.
- 1.2 **Advocate for state legislation to streamline and simplify annexation processes.** The Growth Management Act (GMA) reimagined local governance by identifying cities as the preferred providers of urban services and urban growth. GMA hearings board decisions, as well as regional goals and policies, promote incorporation of all lands within urban growth areas. However, fiscal impacts, community opposition, cumbersome and costly annexation methods, uncertainty, and lack of incentives serve as barriers to annexation.



STRATEGY #2:

Identify City code and process barriers for permit efficiencies.

The city should identify potential improvements and efficiencies within development standards and the development permitting process reviews. By making appropriate improvements and efficiencies, the development review process can be further streamlined and decrease pass-through costs.

Recommended Actions

2.1 *Identify strategic amendments to development standards:*

- *Increase SEPA Threshold Exemptions:* Flexible thresholds in SEPA rules allows the city to increase the number of dwelling units exempt from SEPA review to the allowable maximum. To take advantage of the increased exemption option, amendments to PMC 16.04 are necessary.
- *Raise Short Subdivisions from 4 to 9 lots:* Short Subdivisions, or short plats, differ from full subdivisions in the number of lots and procedural path to approval and recording. The State Legislature increased the allowable short plat lots from 4 to 9 in 2002. Poulsbo has chosen to remain at 4 lots; however, increasing the short plat allowable 9 lots to the state's maximum would provide permit pathway efficiencies. To take advantage of the increased lot option, amendments to PMC 17.40 are necessary.
- *Review dimensional standards for additional incentives/flexibility:* There may be opportunities to revise dimensional standards to provide additional incentives and be more flexible and responsive to changing conditions.

2.2 *Evaluate permit processes and identify opportunities to streamline and provide permit efficiencies.* Faster permit reviews, predictable timelines, and an easy-to-understand process and requirements would reduce the administrative and carrying costs for development projects in the community. This may be accomplished in multiple ways, such as by increased department staffing during busy cycles, clear and informative reference materials, and easy access for applicants.

STRATEGY #3:

Identify opportunities to provide financial incentives and/or fee waivers to support affordable housing.

For many low-income households with incomes 60 percent of AMI or below, it is unlikely that the market can provide housing that is affordable. Actions should be taken by the city to support and encourage the development of income-restricted housing through direct funding, reducing costs to build new affordable housing projects, and incentives to include affordable units in new market-rate developments.

Recommended Actions

3.1 *Evaluate fee waivers for affordable housing projects.* Fee waivers reduce the up-front cost of construction for residential development. Fees, such as impact fees, utility connection fees and project review fees can run in the thousands per residential unit. Waiving some or all of these for income-restricted units can be a valuable incentive for encouraging the creation of income-restricted units. Loss of revenue for public amenities such as parks, schools and infrastructure improvements for impact fees, municipalities may need to backfill a portion of payments for waived fees (RCW 82.02.060(3))

3.2 *Increase funding for affordable housing through local option taxes, fees, and levies.* Cities can provide direct funding to encourage the production of income-restricted affordable housing and/or supporting affordable housing through three main methods. The city has implemented the Affordable Housing Sales tax per RCW 82.14.530 and Ordinance 2021-07. The city can consider implementing other available programs as well.

- Affordable Housing Property Tax Levy. Up to \$0.50 per \$1,000 of property tax can be allocated toward an affordable housing fund for projects serving very low-income households (<50% AMI). If approved by a majority of voters in a taxing district. Funds can be used for a variety of purposes, such as:
 - Matching funds for nonprofit housing developments, which increases competitiveness for receiving additional financings from state or national sources.



- Affordable homeownership, owner-occupied home repair, and foreclosure prevention for households up to 80% of AMI.
- Real Estate Excise Tax (REET 2). A city or town planning under GMA can impose an additional 0.25% real estate excise tax (REET 2). Revenues can only be used to finance capital projects in the Capital Facilities Plan of the comprehensive plan, which until January 1, 2026, may include up to \$100,000 or 25% (up to \$1M) of its available funds to rehabilitate/repair and/or purchase affordable housing.

3.3 *Provide density bonuses for projects that set aside income-restricted units.* The city should identify locations where increases in density or building heights could be allowed, in exchange for a percentage of the units being allocated to income-restricted housing for a specified period. This program would be a voluntary incentive to encourage more multifamily housing production as well as income-restricted housing production.

STRATEGY #4:

Partner with faith-based, non-profit and government housing programs that produce affordable housing stock.

Coordinating with housing providers can help the city identify production barriers and identify opportunities to encourage a variety of housing types that meet the community's income needs. Non-profit and faith-based organizations often have unique assets and resources, as well as a desire to better the community, that makes them key partners in our local response to provide housing to vulnerable groups and residents with lower incomes.

Recommended Actions

- 4.1** *Continue to partner and collaborate with non-profit and faith-based organizations, Housing Kitsap, and social services community to support and create affordable housing.* The City's Housing and Human Services Department currently partners with various local non-profits and faith-based organizations to support affordable and transitional housing, as well as referrals for food, rental and utility assistance, and employment. The City acknowledges it cannot provide and manage housing services, and therefore, these partnerships are of high importance to be successful in providing affordable housing stock in Poulsbo and supporting vulnerable groups.
- 4.2** *Continue implementing the Poulsbo Affordable Housing Task Force's recommendations as identified in Resolution 2020-03.* The Poulsbo Affordable Housing Task force convened in September 2019 to provide recommendations to the Poulsbo City Council on how funds from a new sales tax revenue sharing program should be spent. The Task Force focused on affordable housing needs for individuals with low and very low income (at or below 60% area median income). The Task force met in late 2019 and consisted of the mayor, members of the City Council, representatives of local nonprofit and faith-based organizations, Housing Kitsap, and other local housing providers. The Poulsbo Affordable Housing Task Force recommended the following housing priorities:
- Support the creation of temporary shelter.
 - Provide temporary rental assistance for individuals experiencing crisis and displacement.
 - Preserve existing affordable housing, including workforce housing.
 - Support the creation of temporary affordable housing for low and very low-income individuals.
 - Support the creation of long-term affordable housing for chronically vulnerable individuals.
 - Support the creation of an Affordable Housing Advisory Committee to continue to advise the City on issues of affordable housing.
- 4.3** *Explore the creation of a Poulsbo Housing Authority.* Chartered under state law, a housing authority is an autonomous, not-for-profit public corporation. This organizational structure allows housing authorities to work in conjunction with local governments and agencies to develop long-term housing strategies for communities. Though independently run, housing authorities are required to follow federal regulations. In addition, housing authorities receive a subsidy from the U.S. Department of Housing and Urban Development (HUD). Housing authorities do not receive any funds from state or local governments.



STRATEGY #5:

Increase diversity in housing choice through expanding “missing middle” development opportunities

The housing market in Poulsbo is primarily composed of single-family homes. The development of a wider variety of housing products is essential to meet the diverse needs of different populations. Households at various income levels and stages in their life cycle (ranging from young one-person households to retirees) will have different space needs and financial capacities. This range of conditions can be addressed more efficiently in the market by providing units in “missing middle” housing types – such as townhomes, duplexes, tri-plex, courtyard apartments, cottage housing, or small-lot single-family units. These types of housing can be some of the most affordable forms of housing in terms of construction-cost-per-square-foot. {See Missing Middle Considerations in Appendix D.}

Recommended Actions

- 5.1 **Develop a Missing Middle Housing Design Toolkit.** Encouraging a greater variety of housing types (such as duplexes and townhomes) in residential neighborhoods can reduce the cost of development and increase housing stock. Design standards should be identified to minimize impacting neighborhood character and ensuring compatibility. A Missing Middle Housing Design Toolkit is a graphically rich document where residents, stakeholders and housing providers can visualize how to increase density and infill within existing and new neighborhoods, where design is the key focus. The city has identified two examples of the MM Design Toolkit, in conjunction with a consultant, that it wishes to develop:
 - https://www.portland.gov/sites/default/files/2020-01/toolkit1208-optimized_bkmrks.pdf
 - <https://www.norfolk.gov/DocumentCenter/View/66555/MissingMiddlePatternBook>
- 5.2 **Develop Unit Lot Subdivision standards.** The unit lot subdivision process provides opportunities for dividing fee simple ownership of land to create townhouses, rowhouses and similar fee-owned dwelling units as an alternative to both condominium ownership and traditional single-family detached subdivision.
- 5.3 **Revise ADU standards to allow increased flexibility.** Accessory Dwelling Units (ADUs) are housing units that share a lot with another housing structure, typically a single family detached home. Structures are smaller than the main housing unit and can be attached or detached from the main structure. They expand housing supply and promote affordability and variety through their smaller sizes. Potential options to increase ADU housing production would be to eliminate the owner-occupancy requirement, create pre-approved ADU designs, expand homeowner awareness, and allow two units instead of one per lot. Neighborhood sensitivity and compatibility are important considerations.
- 5.4 **Review street standards to identify barriers.** Substantial portions of new development are taken up by the provision of roads and streets. If fire life safety issues are addressed by the road design and on-street parking is available proportionate to the surrounding uses, narrower public streets or private roads can reduce impervious surface, allow more units to be built, and improve the built environment for residents, especially pedestrians.
- 5.5 **Allow more housing diversity in some single-family areas.** Many households cannot afford to live in a single-family home. In locations near transit and commercial centers, it may make sense to allow for a greater variety of housing types that still fit the character of the surrounding community. These could include townhomes, duplexes, cottage housing, or small-lot single-family units.

STRATEGY #6:

Evaluate the Multifamily Tax Exemption (MFTE) Program for affordable housing.

The Multifamily Tax Exemption (MFTE) program provides a property tax exemption on eligible multifamily structures to encourage housing in targeted areas. Cities designate areas and additional requirements for their program. The MFTE program is a voluntary incentive program, where multifamily housing developments can be exempted from property taxes for up to 12 years if income-restricted units are maintained in the development. MFTE can be a successful incentive to provide affordable housing through the tax exemption timeframe.

Recommended Action

- 6.1 **Evaluate the MFTE program to incentivize the construction of affordable housing units.** Nearly 40% of Poulsbo’s renters are either cost burdened or severely cost burdened. Enacting a MFTE program for



affordable housing units would increase housing stock and ensure availability of income-restricted units. Identification of specific geographic locations for the MFTE program is necessary, as well as evaluation of property tax implications.

STRATEGY #7:

Protect tenants and support pathways to homeownership.

Throughout Poulsbo, the largest share of housing that is accessible to households with middle and low incomes is provided by private owners in the open market. Housing in Poulsbo also includes naturally occurring affordable housing that is affordable by nature of its age, location, condition, or amenities. Current market conditions include a deficit of affordable housing options, and households that rent are vulnerable to exploitation given the lack of housing options in the community.

Another important way to provide more housing and economic security for renter households is to provide better pathways to homeownership. Increased homeownership rates can also improve the stability of neighborhoods and formation of longer-term social ties among residents.

Recently, housing displacement due to loss of affordable rental rates has occurred. As section 8 subsidized programs have begun to sunset, displacement of long-time residents is occurring due to rising rents and finding similarly affordable housing in Poulsbo is challenging. The City recently (10/2021) initiated an emergency rental assistance program in partnership with Fishline.

Recommended Actions

- 7.1 *Partner to distribute fair housing information.* The City could make information available to tenants regarding tenant rights and property manager responsibilities under federal fair housing laws.
- 7.2 *Consider the creation of property maintenance incentive program.* Need-based rehabilitation assistance in older neighborhoods encourages community longevity and preserves existing housing that serves low-income, disabled, or senior residents. Property maintenance assistance helps qualified homeowners make needed home repairs and safety upgrades by offering direct grant assistance, favorable financing terms, or time-limited tax abatements. Most municipalities offering this assistance use federal Community Development Block Grant (CDBG) grant funds, HOME Investment Partnership (HOME) grant funds, or HUD/FHA lending programs. The city may directly provide the grants or loans, or partner with non-profit organizations specializing in this of work.
- 7.3 *Partner to provide first time homebuyer education programs.* The city could provide information and referrals for first time homebuyer education programs through the City's Housing, Health and Human Services department.
- 7.4 *Partner to provide tenant financial assistance.* The city should consider continuing or expanding the recent emergency rental assistance through partnership with Fishline Comprehensive Services. The financial assistance is restricted to individuals who, because of age or disability, live on a fixed income and are substantially impacted by rent increases.
- 7.5 *Support third-party purchases of existing affordable housing to keep units affordable.* Poulsbo renters face higher affordability challenges than owners, and displacement of residents is occurring. Acquiring existing affordable units can preserve existing housing and prevent displacement. Maintaining existing naturally occurring and income restricted affordable housing is less expensive than construction new units. RCW 35.61.685 allows for cities to use public resources to construct, acquire, or rehabilitate housing that is or will be occupied by households making 80% or less of the area median income. Partnerships for acquisition and management is essential for implementation.
- 7.6 *Provide support for the preservation of mobile/manufactured home parks.* Manufactured home parks provide some of the most affordable, non-subsidized forms of housing in Poulsbo. Occupants of manufactured and mobile homes who own their unit lease the land under the unit. As property values rise, pressure to redevelop manufactured home parks increases, putting unit owners at risk of having to move (which can be costly) and being unable to find a new place to establish their home. The city could consider the following to support the preservation of manufactured home parks:
 - Rezone properties to a manufactured home park zone to promote their preservation.



- Establish procedures or guidelines to support non-profit housing providers that might be interested in acquiring and managing manufactured home parks.
- Explore opportunities to collaborate with government and non-profit partners to fund the repair, maintenance, or rehabilitation of units in manufactured home parks and the private utility infrastructure within them as this is the source of a significant cost burden on tenants.

7.7 *Monitor the impacts of short-term rentals on long-term housing availability.* When a property owner rents out an entire living unit on a short-term basis (generally a period of time less than 30 days), that housing unit cannot be used for the community's long-term housing needs. Some jurisdictions, particularly in places with higher levels of tourism and visitation, have taken steps to regulate short-term rentals in an effort to maintain existing housing stock to meet the needs of residents. Poulsbo could consider such regulations if it determined that short-term rentals are negatively impacting housing availability for full-time residents. Poulsbo should monitor the impact of short-term rentals on housing availability and housing price before determining whether such regulations are necessary. Short-term rentals can have positive economic impacts by increasing visitation and visitor spending at local businesses.

STRATEGY #8:

Support the needs of an aging population.

Nearly 28% of Poulsbo's population is over age 60 and an additional 11% of the population will reach age 60 within the next 10 years. Many of these residents will have specific and changing housing needs as they age. A diversity of housing types can be an important asset to support independent adults that are aging in place. Single family homes may work for some aging adults, but others may require or desire maintenance-free housing or need accommodations for limited mobility or sensory impairments. Services, health care, social opportunities, shopping, transportation, and other needs may be more accessible to older adults who live in denser neighborhoods with those opportunities nearby. While many of the older households in Poulsbo have the financial means to afford adequate housing and services, many others will not.

Recommended Actions

- 8.1** *Pursue partnerships to support aging in place.* One way to address the housing needs of aging residents is to provide resources to support aging in place and provide options for long-term care in current housing units. Such programs could include home modification, shared housing, transportation, recreation and socialization, yard care, or care management and counseling. This may be pursued in partnership with other organizations involved with elder care.
- 8.2** *Examine property tax relief and utility rate/tax relief programs.* Low-income homeowners, especially seniors, can be at risk of economic displacement when property tax or utility charges increase. Kitsap County has a property tax exemption and deferral programs for senior and disabled persons as well as property tax deferral program for limited income homeowners. The city could expand participation in these programs through increased outreach and education. Additionally, the city could develop similar programs to provide relief for the cost of utilities to provide support to seniors and other groups.
- 8.3** *Examine development regulations if there are barriers to senior housing.* Housing in retirement and assisted living communities in Poulsbo, including nursing homes or memory care facilities, may have certain code requirements (e.g., vehicle parking) that are less applicable to the needs for seniors or other group home residents. Modifications or relaxations of code requirements can help to reduce the costs of development, as well as the associated costs of housing for seniors and other special needs populations.
- 8.4** *Promote design that ensures accessibility for ages and abilities (e.g., universal design).* Universal design refers to a home environment that anybody can use, whether they are old or young, with or without disabilities. People without disabilities can age in place, staying in their homes well into their senior years if their homes are already designed for their needs. As more residents choose to age in place, the demand for universal design homes and products is likely to increase.



STRATEGY #9:

Encourage the development of multifamily housing.

Poulsbo needs to increase the supply of market-rate multifamily housing such as apartments or condominiums to provide a greater variety of housing options and reduce upward pressure on housing costs. This can be facilitated by providing new market-based incentives. These actions typically focus on units appropriate for smaller households with one to two members and between 60 and 120 percent of AMI, including some low- and middle-income workers.

Recommended Actions

- 9.1 *Support transit-oriented development along current transit corridors.* Some areas which have higher levels of transit service can support transit-oriented development (TOD). This can include not only targeted rezoning and code refinement for more intensive development, but also support for a mix of residential, retail, and service offerings, multi-modal transportation options, and parking management that can support walkability and transit use. The city has preliminarily identified the SR-305 corridor as a potential location for TOD considerations. Development of a transit-oriented development plan, in coordination with Kitsap Transit, should be considered. This may also be in conjunction with a center designation from PSRC's Centers of Growth policy directive.
- 9.2 *Allow greater flexibility in multifamily zones.* Providing more flexibility for new development, including greater building heights or densities on a site allows more units to be accommodated on available land in areas zoned for multifamily development. This not only increases potential housing supply in Poulsbo, it can also spur redevelopment of older housing by permitting larger projects that would be more economically feasible to develop. The city should identify targeted areas where increases building heights or density levels would be appropriate and supportable by local infrastructure and services.
- 9.3 *Consider flexible use on first floors in C zones.* The city currently requires retail/commercial/office use in the ground floors of new mixed-use buildings (except in the C-1 zone outside of the shopfront overlay). This requirement may reduce the financial feasibility of projects that would increase multifamily housing units. Consideration of flexible use on first floors may incentivize mixed use developments. The City has preliminarily identified the SR-305 corridor (see action item 9.1) as a location for additional flexible use consideration.
- 9.4 *Explore "micro-housing" style developments.* "Micro-housing" typically refers to multifamily buildings with very small efficiency units (usually less than 200 square feet) or congregate housing with private rooms and shared kitchens and other facilities. Micro-housing projects can provide lower-cost options for one or two-person households that do not need significant amounts of living space. Modifications of zoning and code requirements should be explored to determine the feasibility of micro-housing in key locations, perhaps along transit corridors (see action 9.1).

STRATEGY #10:

Participate in strategies to reduce homelessness.

People experiencing homelessness are often struggling with issues that are beyond the scope of this strategy such as addiction, mental illness, or domestic violence. The city can and should coordinate with nonprofit and regional partners to identify roles it can play in helping to tackle these problems. One of these roles could be identifying and eliminating barriers to the development of emergency, transitional, and permanent supportive housing for the homeless.

Recommended Actions

- 10.1 *Explore partnerships with the County and nonprofit service providers.* Work with nonprofits and/or regional partners to identify opportunities to acquire and/or operate facilities that provide both transitional housing and social services for the purpose of helping homeless people overcome barriers to productive livelihood.
- 10.2 *Support and reduce barriers to the development of permanent supportive housing.* The city could partner with nonprofits or regional partners to develop new permanent supportive housing intended to provide stability and integrate services that attend to necessities like food and shelter without preconditions such as sobriety, treatment, or service participation requirements.



- 10.3 Continue to support winter shelter programs.** The city should continue to support and partner with faith-based and nonprofit organizations to provide emergency overnight shelter programs that operate during the winter months. Such programs can also help connect homeless individuals with services and other resources, including support services provided by the city and the broader region.
- 10.4 Evaluate if there are barriers to single room occupancy housing.** Options for permanent or semi-permanent housing for low-income and formerly homeless individuals can include individual room rentals with shared bathrooms and/or kitchens. There may be code requirements that limit this kind of housing.

Implementation

Strategies and actions proposed in this HAP must be implemented by the city to have an impact on housing development. Implementation will require significant staff time and resources as well as coordination with non-city partners. The HAP is intended to be reviewed in conjunction with the Comprehensive Plan periodic review every eight years.

The Implementation Matrix and Priority Schedule below lists each strategy and notable actions. It also includes additional information to inform implementation planning and prioritization.

- **Priority** Each strategy and action will require different levels of partnership, staff time, and potential funding to be fully implemented. Each of the actions includes a prioritization of **short-term** (0-3 years), **medium-term** (3-7 years), and **long-term** (7 or more years). These timeframes assume full and timely resource allocation of staff and necessary funds.
- **Level of Effort** refers to the anticipated resources as well as costs for technical studies, and years to implement the actions if staff and resources are available. **Low-effort** actions can be implemented without the allocation of additional resources. **Medium-effort** actions will require additional staff time or resources and possibly consultant support to implement. **High-effort** actions will likely require significant additional staff time, funding resources, and possibly consultant support to implement.
- **Department/Partners** lists the city department responsible for implementation as well as other collaborators necessary for the action to be a success.
- **Implementation Milestones** lists milestones for tracking successful implementation, such as adopting a plan or code amendment.





Exhibit 10. Implementation Matrix and Priority Schedule

No.	Strategy/Action	Priority	Level of Effort	Department/Partners	Implementation Milestones
1. Advocate removing barriers at the state level in order to increase housing stock.					
1.1	Advocate for state legislation to amend condominium laws.	Short-term	Low	City Lobbyist, Mayor City Council	Amendments to state condo law
1.2	Advocate for state legislation to streamline and simplify annexation processes.	Short-term	Low	City Lobbyist, Mayor City Council	Amendments to state annexation law
2. Identify City code and process barriers for permit efficiencies.					
2.1	Identify strategic amendments to development standards.	Short-term	High	PED Department City Council action	Amendments to PMC
2.2	Evaluate permit processes and identify opportunities to streamline and provide permit efficiencies.	Short-term	High	PED Department City Council action	Amendments to PMC
3. Identify opportunities to provide financial incentives and/or fee waivers to support affordable housing.					
3.1	Evaluate fee waivers for affordable housing projects.	Medium-term	High	PED Department Engineering Department Building Department Finance Department City Council action	Adjustments to fee waivers adopted
3.2	Increase funding for affordable housing through local option taxes, fees, and levies.	Medium-term	High	HHH Department City Council action	Amount of funding generated for affordable housing
3.3	Provide density bonuses for projects that set aside income-restricted units.	Short-term	High	PED Department City Council action	Amendments to PMC
4. Partner with faith-based, non-profit and government housing programs that produce affordable housing stock.					
4.1	Continue to partner and collaborate with non-profit and faith-based organizations, Housing Kitsap, and social services community to support and create affordable housing.	Long-term	Medium	HHH Department Mayor City Council	Continue to maintain partnerships and prioritize efforts.
4.2	Continue implementing the Poulsbo Affordable Housing Task Force's recommendations as identified in Resolution 2020-03.	Long-term	Medium	HHH Department Mayor HHH Council Committee City Council action	Develop multi-year work plan for implementation; prioritize actions
4.3	Explore the creation of a Poulsbo Housing Authority.	Long-term	Low	HHH Department Mayor HHH Council Committee City Council action	Develop feasibility study
5. Increase diversity in housing choice through expanding "missing middle" development opportunities.					
5.1	Develop a Missing Middle Housing Design Toolkit	Short-term	High	PED Department Consultant	Secure funding for consultant; Develop toolkit



No.	Strategy/Action	Priority	Level of Effort	Department/Partners	Implementation Milestones
5.2	Develop Unit Lot Subdivision standards.	Short-term	High	PED Department City Council action	Amendments to PMC
5.3	Revise ADU standards to allow increased flexibility.	Short-term	High	PED Department City Council action	Amendments to PMC
5.4	Review street standards to identify barriers.	Short-term	High	PED Department Engineering Department City Council action	Amendments to PMC
5.5	Allow more housing diversity in some single-family areas.	Short-term	High	PED Department City Council action	Amendments to PMC
6. Evaluate the Multifamily Tax Exemption (MFTE) Program.					
6.1	Evaluate the MFTE program to incentivize the construction of affordable housing units.	Medium-term	High	PED, Finance, Executive Depts City Council action	Adoption of MFTE program Units produced due to MFTE
7. Support current tenants and pathways to homeownership.					
7.1	Partner to distribute fair housing information.	Short-term	Low	HHH Department	Partnerships established; materials available
7.2	Consider the creation of property maintenance incentive program.	Long-term	High	HHH Department, Building Department	Incentivizes identified Program developed
7.3	Partner to provide first time homebuyer education programs.	Short-term	Low	HHH Department	Partnerships established; materials available
7.4	Partner to provide tenant financial assistance.	Short-term	Low	HHH Department	Partnership established; materials available
7.5	Support third-party purchases of existing affordable housing to keep units affordable.	Long-term	High	HHH Department Executive Department HHH Committee City Council action	Partnerships established to support and/or participate in acquisition and management
7.6	Provide support for mobile home park preservation.	Long-term	Medium	HHH Department PED Department City Council action	Partnerships established, Amendments to PMC
7.7	Monitor the impacts of short-term rentals on long-term housing availability.	Long-term	Low	PED Department	Develop monitoring program
8. Support the needs of an aging population.					
8.1	Pursue partnerships to support aging in place.	Short-Term	Low	HHH Department	Partnerships established



<i>No.</i>	<i>Strategy/Action</i>	<i>Priority</i>	<i>Level of Effort</i>	<i>Department/Partners</i>	<i>Implementation Milestones</i>
8.2	<i>Examine property tax relief and utility rate/tax relief programs.</i>	Medium -Term	High	HHH Department Finance Department Executive Department HHH Council Committee	Identify tax and utility relief programs Adopt relief program if appropriate
8.3	<i>Examine development regulations if there are barriers to senior housing.</i>	Short-term	High	PED Department	Amendments to PMC
8.4	<i>Promote design that ensures accessibility for ages and abilities (e.g. universal design).</i>	Short-term	High	PED Department Building Department	Amendments to PMC
9. Encourage the development of multifamily housing.					
9.1	<i>Support transit-oriented development along current transit corridors.</i>	Short-term	High	PED Department City Council action	Amendments to PMC
9.2	<i>Allow greater flexibility in multifamily zones.</i>	Short-term	High	PED Department City Council action	Amendments to PMC
9.3	<i>Consider flexible use on first floors in C zones.</i>	Short-term	High	PED Department City Council action	Amendments to PMC
9.4	<i>Explore “micro-housing” style developments.</i>	Short-term	High	PED Department City Council action	Amendments to PMC
10. Participate in strategies to reduce homelessness.					
10.1	<i>Explore partnerships with the County and nonprofit service providers.</i>	Short-term	Medium	HHH Department	Partnerships established
10.2	<i>Support and reduce barriers to the development of permanent supportive housing.</i>	Long-term	High	HHH Department Executive Department HHH Council Committee City Council action	Partnerships established to support and/or participate in acquisition and management
10.3	<i>Continue to support winter shelter programs.</i>	Short-term	Medium	HHH Department	Partnerships established
10.4	<i>Evaluate if there are barriers to single room occupancy housing</i>	Short-term	High	PED Department Building Department	Amendments to PMC