



Chapter 7. Housing

7.1 PLAN CONTEXT

Housing for people is the foundation of any community. Most people identify strongly with the community in which they live. Cities that grow in number of people and jobs are the most vibrant—and the most in need of housing. To serve a variety of household sizes, ages, incomes, and preferences, a variety of housing choices are critical.

Poulsbo is a city with many assets that make it a desirable community of over 13,000 residents. While the city has benefited in years past from relatively lower costs compared to King, Pierce, and Snohomish Counties, rapid population growth coupled with a lack of housing supply has resulted in an increased demand for housing and rising costs. The limited supply of certain housing types and resulting cost pressure is contributing to some long-term residents being unable to remain in Poulsbo, while also presenting a barrier for middle to low-income households to find housing.

Local governments mainly do not provide housing directly. Typically, private developers produce most housing units in a jurisdiction. Local governments set the conditions in place to encourage the market to develop housing affordable to all members of the community. 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.

The Housing chapter addresses the major housing issues facing the City over the next 20 years. These issues include maintaining the quality of existing neighborhoods, encouraging the availability of affordable housing for all economic segments, and encouraging creative solutions to housing issues through flexible development standards and quality design.



Future Housing Projections

In 2021, the Washington Legislature changed the way communities are required to plan for housing. House Bill 1220 amended the Growth Management Act (GMA) to instruct local governments to “plan for and accommodate housing affordable to all economic segments of the population of the state.” These requirements include an inventory and analysis of existing and projected housing needs, including “units for moderate, low, very low and extremely low-income households” as well as “emergency housing, emergency shelters and permanent supportive housing (PSH).

The Washington State Department of Commerce provided countywide projections of housing needs for all counties in Washington State. In Kitsap County, the county and its cities collaboratively decide how to allocate its 20-year housing allocation. For Poulsbo, the 2044 housing allocation that it must plan for and accommodate is 1,977 new housing units. The Housing Needs Assessment (HNA) (Appendix A.1) outlines the housing units needed for each income level, as defined by the percentage of Area Median Income. Table HS-1 below provides a summary. The purpose of these housing allocations is for jurisdictions to provide capacity for housing and to remove barriers to developing housing. Additionally, the city is required to accommodate 83 beds of emergency housing by 2044.

Table HS-1 Permanent Housing Needs by Income Level				
	Total	0-80% AMI	>80-120% AMI	>120% AMI
Projected Housing Needs ¹	1,977	1,139	278	560
Existing Capacity ²	2,578	476 (-663)	590 (+312)	1,512 (+952)
Projected Capacity ³	3,491	1,525 (+386)	541 (+263)	1,425 (+865)

¹ Kitsap County Countywide Planning Policies, ² Revised Land Use Capacity (Appendix A.5), ³ Projected Land Use Capacity (Appendix A.5)

This analysis finds there is a deficiency (-663) in projected permanent housing needs at 0-80% AMI under existing capacity and zoning and development regulations. However, implementation of policies in 7.2 below provides additional housing capacity and a surplus of 386 units in 0-80% AMI.

Under the provisions of the GMA, an inventory of existing and projected housing needs should inform the housing element of a city's comprehensive plan. The HNA, Appendix A.1, serves as a foundation for policy recommendations designed to provide housing units that meet the city's housing needs across the income spectrum. It also contains data on Poulsbo's current housing stock, and demographic and economic characteristics of people and families that live and work in Poulsbo.

Appendix A.5 provides a detailed summary of the Poulsbo city and urban growth area residential land capacity analysis, and its ability to accommodate new housing units and projected population growth.



7..2 GOALS AND POLICIES

Housing Choice

Perhaps the most pressing and complex challenge facing Poulsbo is housing affordability for all economic segments of the community. The quality of any city is defined, in large part, by whether families and individuals are able to find the type and size of housing that fits their household needs at a price they can afford. Communities that offer a range of housing types and affordability provide more opportunity for families and individuals to live where they choose. This allows workers to live near their jobs, older family members to continue to live in the communities where they raised their families, and younger adults to establish new households. The Housing Choice Goals and Policies encourage improved availability of diverse housing types, price points, sizes, and preferences.

GOAL HS-1

Plan for sufficient housing and housing types to meet the needs of the existing and projected population at all income levels while also meeting the changing demographic needs and preferences.

Policy HS-1.1

Provide sufficiently zoned land for the city's projected population and housing growth targets.

Policy HS-1.2

Safeguard that the local housing market provides housing opportunities regardless of race, color, religion, gender, national origin, handicap disability, economic status, familial status, or age.

Policy HS-1.3

Plan for a range of housing choices near job centers that are attainable for workers at all income levels.

Policy HS-1.4

Encourage and expand opportunities for a variety of infill housing options within existing residential neighborhoods so vacant or underutilized land can be converted to residential uses.

Policy HS-1.5

Encourage development of accessory dwelling units (ADUs) through streamlined permitting, education and resources, and regular monitoring of the ADU regulations.

Policy HS-1.6

Encourage new multi-family housing in a variety of types and sizes in areas designated for such use in the Land Use Chapter and Map.

Policy HS-1.7

Encourage additional housing units through the provisions of mixed-use development in commercially zoned areas and consider allowing, in certain circumstances, residential uses to develop independent of or through flexible space provisions.

Policy HS-1.8

Consider innovative techniques, development standards, and incentives to accommodate higher-density housing where transit, employment and other services are present.



Policy HS-1.9

Review and streamline development standards and regulations to improve their public benefit, provide flexibility, and minimize additional costs to housing.

Policy HS-1.10

Continue to implement the recommendations of the 2021 Housing Action Plan, as amended, and as resources allow.

Policy HS-1.11

Expand housing capacity for moderate density housing to bridge the gap between single-family and more intensive multifamily development and provide opportunities for more affordable ownership and rental housing that allows more people to live in neighborhoods across the city.

Policy HS-1.12

Promote socioeconomic integration by allowing for a variety of housing types and sizes together in new residential and redevelopment projects. In the RL zoning district, continue the use of the planned residential developments to promote a variety of housing types, sizes, and site planning techniques that can achieve the maximum housing potential of the site while being designed in consideration of surrounding properties and the natural environment.

Policy HS-1.13

Encourage and support accessible design and housing strategies that provide seniors the opportunity to remain in their own neighborhood as their housing needs change.

Policy HS-1.14

Support agency and nonprofit organizations in the creation of housing opportunities to accommodate the homeless, elderly, physically or mentally challenged, and other segments of the population who have special needs.

Policy HS-1.15

Encourage and support the development of emergency, transitional and permanent supportive housing with appropriate on-site services for persons with special needs.



Existing Neighborhoods

The policy intent is to preserve and enhance the value and character of neighborhoods by improving and extending the life of existing housing stock. Preserving existing housing allows residents to stay in their homes, fostering a sense of community continuity. This social cohesion can be vital for the well-being of residents and neighborhood stability. Older homes can be more affordable than new construction. Preserving existing housing stock can help maintain a mix of housing options, including affordable ones.

GOAL HS-2

Strengthen and preserve the City's existing neighborhoods and housing stock.

Policy HS-2.1

Promote private efforts to preserve the existing quality housing stock by maintaining sound units, rehabilitating substandard units, and replacing severely deteriorated units.

Policy HS-2.2

Program regular infrastructure maintenance in residential neighborhoods to ensure its ability to support existing housing.

Policy HS-2.3

Initiate a program that provides financial assistance through grants or low-interest loans to repair and rehabilitate aging or substandard housing.

Policy HS-2.4

Encourage the maintenance, restoration, and rehabilitation of locally significant residences in which these residences are retained instead of redeveloped.

Policy HS-2.5

Encourage the preservation and enhancement of existing neighborhoods throughout the city.

Policy HS-2.6

Recognize the role of mobile and manufactured housing as an important component of Poulsbo's housing stock by creating a more stable planning and zoning environment for their continuation and by providing flexible and effective development regulations that will allow the upgrading and modernizing of older manufactured/mobile home parks.



Affordable and Subsidized Housing

An increasing challenge for Poulsbo is to provide affordable housing opportunities for all economic segments of the population. Housing is a fundamental human need. When people can secure stable and affordable housing near locations of jobs and opportunity, they are able to focus on achieving other life goals, such as education, career advancement, health, happiness, and social connections. Without stable and affordable housing, they face significant and sometimes insurmountable barriers to these goals.

The relationship between household income and housing cost is the main factor in the ability of Poulsbo residents to afford adequate housing. Housing costs have increased at a faster rate than employment wages. Because housing costs have been inflating faster than wages, households must spend a greater percentage of their income on housing. This “wage-housing mismatch” is most difficult for low and moderate-income households.

Poulsbo is planning for a housing supply that will meet the needs of all economic segments of the community. The City carries out affordable housing goals and policies through development regulations and the support of Housing Kitsap.

GOAL HS-3

Promote and facilitate the provision of affordable housing in all areas and zoning districts of the city.

Policy HS-3.1

Identify and implement strategies to meet affordable housing targets identified in the Kitsap County Countywide Planning Policies.

Policy HS-3.2

Identify potential physical, economic, and cultural displacement of low-income households and marginalized populations that may result from planning, public investments, private redevelopment, and market pressure. Use a range of strategies to mitigate displacement impacts to the extent feasible.

Policy HS-3.3

Disperse housing for low- and moderate-income households through Poulsbo and its Urban Growth Area and discourage the disproportionate concentration of such housing in any one geographical area of the city.

Policy HS-3.4

Continue to support the regionally coordinated provision of low-income housing through the City’s participation with the Kitsap Regional Coordinating Council and Housing Kitsap. The City shall support and encourage Housing Kitsap’s pursuit of funding for low- and moderate- income housing through the Community Development Block Grant program, state and federal programs, and other available funding opportunities.

Policy HS-3.5

Promote and encourage private developers and nonprofit organizations that seek to create increased housing and home ownership opportunities for low- and moderate-income households, such as Housing Kitsap’s Self-Help Housing program, Habitat for Humanity, shared or limited-equity housing, lease-purchase options, cohousing, and land trusts and cooperatives.



Policy HS-3.6

Provide density bonus opportunities and other incentives for development proposals that provide low- to moderate-income housing units. Provide criteria and process for ensuring that those units remain affordable over time.

Policy HS-3.7

Research emerging housing options or development incentives that are appropriate to be included in the City's zoning ordinance that will provide an increase of affordable housing units into the City's housing stock.

Policy HS-3.8

Encourage as affordable housing options, rooms for rent and boarding houses - which benefit those on a fixed income with those of low income - and thereby strengthening their social safety net and increased sense of community.

Policy HS-3.9

Continue to support the Department of Housing, Health and Human Services and its efforts to acquire grants and facilitate projects that provide affordable and transitional housing and financial support to our most vulnerable populations.

