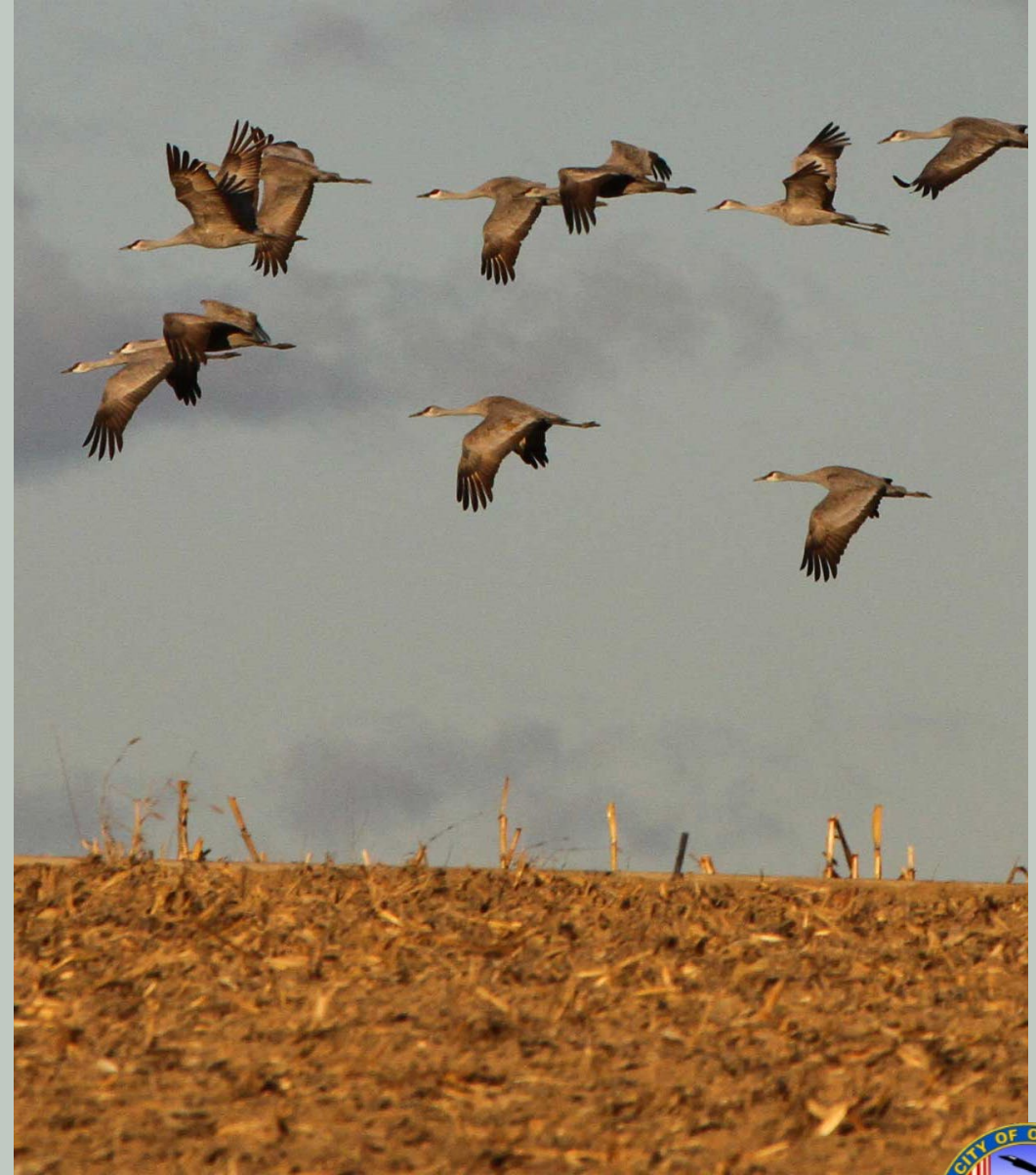


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# Housing Needs Assessment & Policy Review

City of Othello

Components of the Housing Action Plan  
October 26, 2020



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# Agenda

01 Grant Purpose & Schedule

02 Needs Assessment

03 Housing Policy Review

04 Next Steps

# 01 Grant Purpose & Schedule

# 01 Grant Purpose

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Encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices accessible to a greater variety of incomes, including strategies aimed at the for-profit single family home market.

# 01 Schedule

■ Council/Planning Commission



## Existing Conditions & Needs Analysis

Review existing conditions, needs, and housing policies/regulations. Revised version will be finalized by November 30, 2020.

## Online Housing Survey

Results from the online survey and feedback from Council/Commission will be incorporated into the revised Existing Conditions & Needs Analysis.

## Draft HAP

Develop the Draft Housing Action Plan. Will be made available for public review and comment at the end of February.

## Public Workshop & Targeted Interviews

Opportunities for the public to review materials, talk to the project team, and engage in interactive activities to provide feedback on local goals and objectives and collaboratively develop recommendations for action. Targeted interviews will be held to gather additional insight from local stakeholders.

## Revise HAP

Revise the Housing Action Plan based on public comments and workshop, targeted interviews, and council and planning commission feedback.

## Hearing & Adoption Process

# 02 Needs Assessment

# 02 What Is a Needs Assessment?

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A report to identify existing and future housing needs to serve **all economic segments** of the community.

## Components of a Housing Needs Assessment

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### Community Profile

Who lives in Othello?

What are their household characteristics?

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### Workforce Profile

Who works in Othello?

What are their incomes?

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### Housing Inventory

What types of housing are available in Othello?

How much does housing cost in Othello?

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### Housing Gaps & Needs

What housing is needed to meet current and future housing needs (types and affordability levels)?

# 02 Draft Needs Identified

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## Finding #1

Home ownership is unaffordable for many households and supply is limited.

## Finding #2

Rental housing costs are rising, and options are limited for low- and moderate-income households.

## Finding #3

There is a lack of diversity in the housing options available to local households and a misalignment between the size of housing units and the size of households.

## Finding #4

Affordable and sufficiently large enough housing options for families with children are limited.

## Finding #5

There is a lack of permanent and seasonal housing for farmworkers – especially for those in low-income households – despite Othello being a service/retail, manufacturing, and agriculture-based economy.

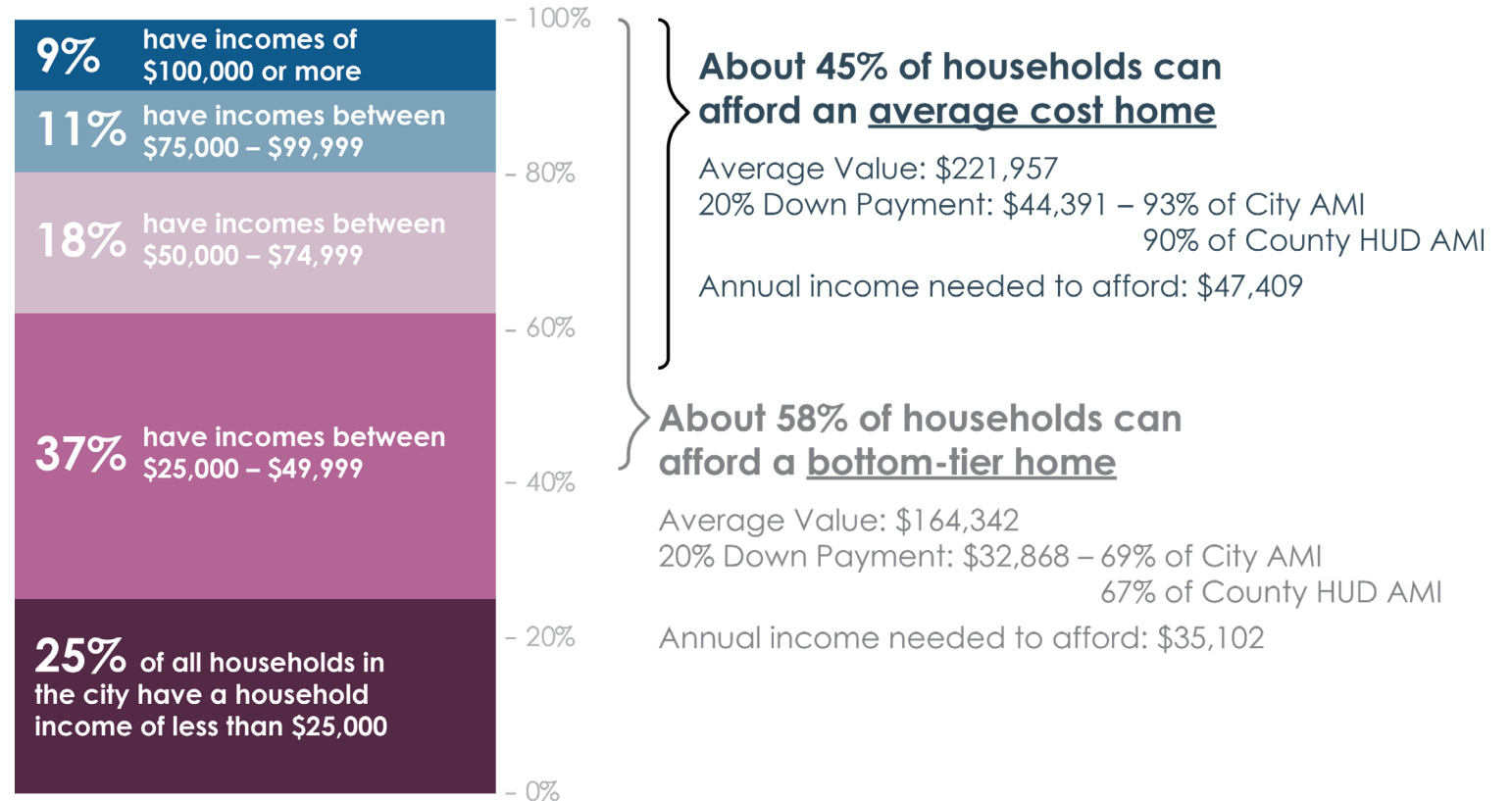


# 02 Draft Housing Needs Assessment Findings

## Finding #1

Home ownership is unaffordable for many households and supply is limited.

Percentage of All Households by Income Bracket, 2018



Sources: Zillow Data, 2020; US Census, 2014-2018 ACS 5-year Estimates (Table S1901); BERK, 2020.

# 02 Draft Housing Needs Assessment Findings

## Finding #2

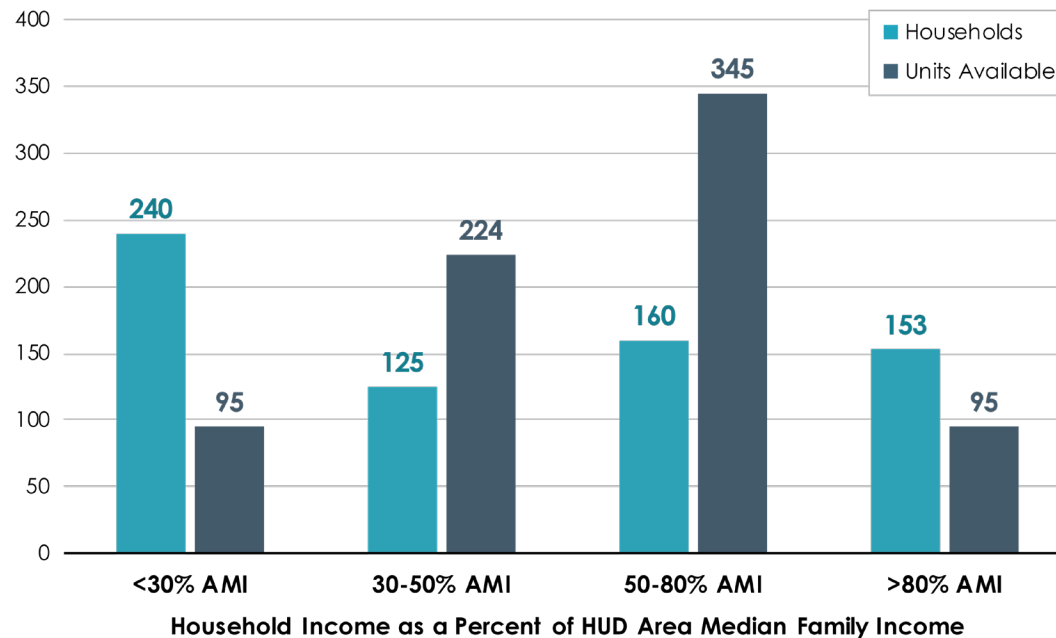
Rental housing costs are rising, and options are limited for low- and moderate-income households.

Sources: Interview with Brian Gentry, 2020; HUD CHAS (based on 2012-2016 ACS 5-year estimates); HUD Income Limits, 2018; BERK, 2020.

Affordability of Average Cost Rental Units in Othello by Income Level, Summer 2020

Household Income (% of 2018 Adams County AMI of \$52,400)	Affordability of Avg. Cost Rental Units	
	2-bedroom	3-bedroom
120%	YES	YES
100%	YES	NO
80%	YES	NO
60%	NO	NO
50% or less	NO	NO

Total Affordable and Available Rental Units in the City of Othello, 2016



### Rental Rates and Affordability, 2020

#### 2-Bedroom

Average Rent: **\$1,038**

Annual Income Needed to Afford: **\$41,500**

% City of Othello AMI Needed to Afford: **81%**

% HUD AMI Needed to Afford: **79%**

#### 3-Bedroom

Avg. Rent: **\$1,314**

Annual Income Needed to Afford: **\$52,571**

% City of Othello AMI Needed to Afford: **103%**

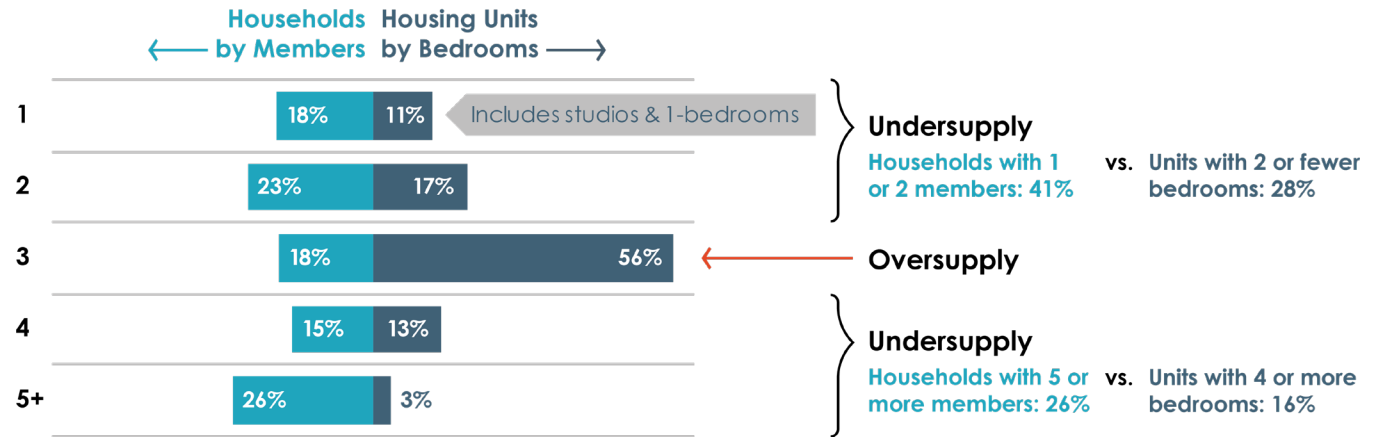
% HUD AMI Needed to Afford: **100%**

# 02 Draft Housing Needs Assessment Findings

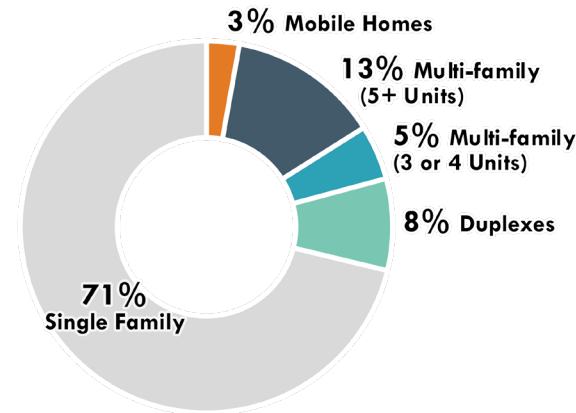
## Finding #3

There is a lack of diversity in the housing options available to local households and a misalignment between the size of housing units and the size of households.

Household Size vs. Number of Bedrooms, 2018



Housing Inventory by Type, 2019



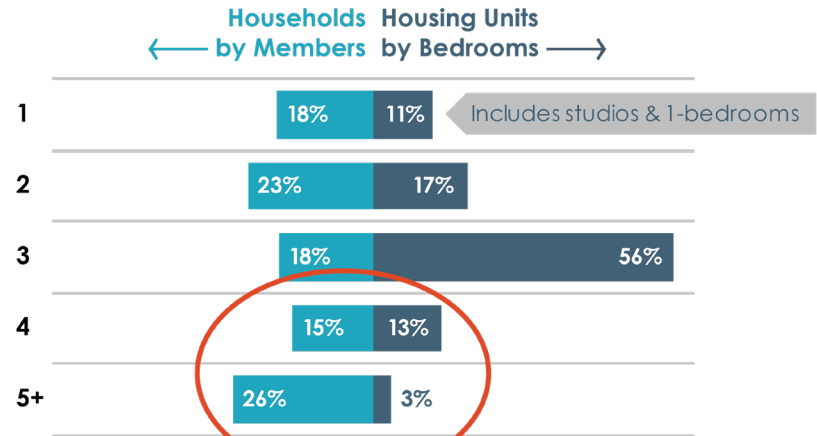
Sources: U.S. Census Bureau, 2014-2018 ACS 5-year estimates (Tables B25041 and B2500); OFM, 2018; BERK, 2020.

# 02 Draft Housing Needs Assessment Findings

## Finding #4

Affordable and sufficiently large enough housing options for families with children are limited.

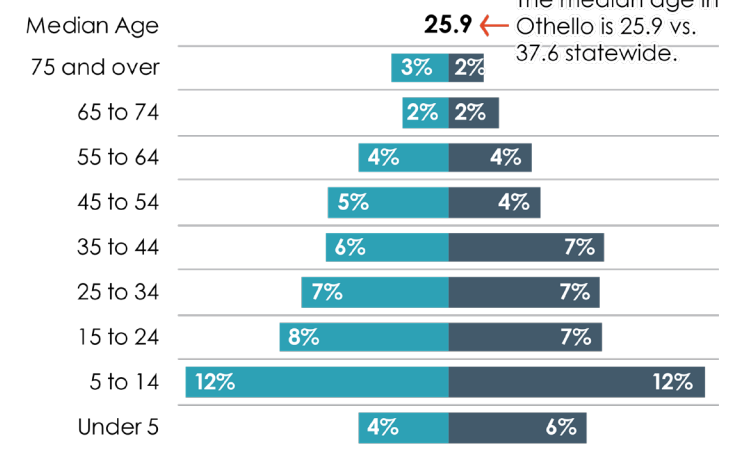
Household Size vs. Number of Bedrooms, 2018



**About 38% of the population is under 18 & 41% of households have 4 or more members.**

This reveals a significant need for housing for families with children, particularly those with multiple children. Families with children often require larger housing with multiple bedrooms. However, **just 16% of housing units have 4 or more bedrooms.**

Population by Age Range, 2018



	Female	Male
<b>Totals:</b>	<b>3,961</b>	<b>4,019</b>
65 and over	368 (5%)	312 (4%)
50 to 64	458 (6%)	400 (5%)
18 to 49	1,665 (21%)	1,735 (22%)
<b>Under 18</b>	<b>1,470 (18%)</b>	<b>1,572 (20%)</b>

Sources: U.S. Census Bureau, 2014-2018 ACS 5-year estimates (Tables B25041, B2500, and S0101); BERK, 2020.

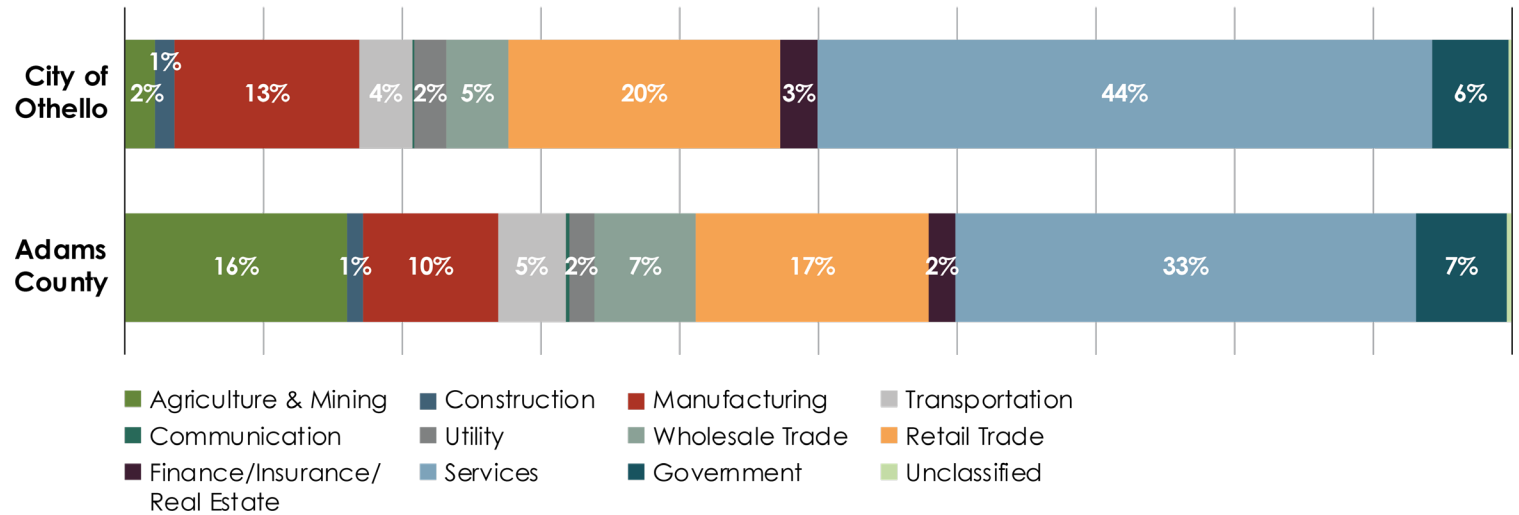
# 02 Draft Housing Needs Assessment Findings

## Finding #5

There is a lack of permanent and seasonal housing for farmworkers – especially for those in low-income households – despite Othello being a service/retail, manufacturing, and agriculture-based economy.

Sources: ESRI Business Analyst, 2020; Washington State ESD, 2019; U.S. Department of Labor, 2020; Washington State Finance Committee, 2019; Washington State Department of Health, 2019; BERK, 2020.

Employment by Industry in the City of Othello and Adams County, 2020



Agricultural Employment in Adams County, 2018

2018 Agricultural Job Types	Number	Share
Permanent, Covered	1,353	28%
Variable, Covered (Highest month)	2,808	58%
H2A Visa Requests	707	15%
<b>TOTAL</b>	<b>4,869</b>	<b>100%</b>

Farmworker Housing Needs and Gaps in Adams County, 2018

Housing Type	Provided	Est. Need	Est. Gap
Permanent Housing (Units)	84	1,353	1,269
Seasonal Housing (Beds)	1,134	3,515	2,381

# 03 Policy Review Findings

# **OS** Housing Policy Review Findings

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## **Finding #1**

Vacant residential land will not accommodate anticipated growth if development continues at existing rates.

## **Finding #2**

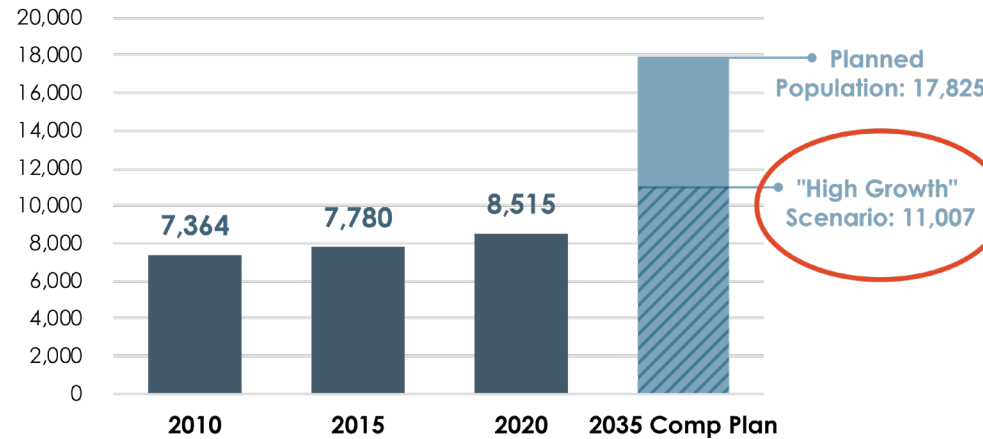
Some of Othello's development regulations make it hard to achieve the maximum densities allowed, and the existing code lacks incentives to develop at the higher densities.

# 03 Housing Policy Review Findings

## Finding #1

Vacant residential land will not accommodate anticipated growth if development continues at existing rates.

Historical and Projected Population Change, 2010-2035



**Need about 805-1,029 new units by 2035** to achieve an average household size consistent with Adams County (3.26) or the state (2.55).

Capacity of Remaining Vacant Residential Land in City Limits (~88 Acres Zoned R-4), 2020

Type of Development	Max Density of Development	New Units
<b>Existing Rate</b>	<b>3.5 du/ac</b>	<b>311</b>
Single Family	5.1 du/ac	447
Duplex	10.2 du/ac	894
4-Plex	13.3 du/ac	1,167

**Additional ~70 acre parcel has preliminary plan for 250 single family homes.**

**At the existing rate of development, vacant residential land could supply 561 new units** (includes the planned 250 single family homes).

- Vacant commercial areas could accommodate some of the needed housing per the 2020 zoning code updates.
- Simply accommodating projected growth will not address existing issues of affordability and overcrowding.

Sources: City of Othello, 2015, 2020; OFM, 2020; BERK, 2020.



# 03 Housing Policy Review Findings

## Finding #2

Some development regulations make it hard to achieve the implied maximum densities, and the existing code lacks incentives to develop at the higher densities.

*Key examples include...*

*Sources: City of Othello, 2020; BERK, 2020.*

**Maximum allowed residential densities for tri-plex and quad-plex development are currently lower in the R-4 zone than the R-3 zone.**

Type of Development	R-3 Minimum Lot Size	R-4 Minimum Lot Size
Tri-plex	7,000 ft <sup>2</sup>	7,600 ft <sup>2</sup>
4-Plex	7,000 ft <sup>2</sup>	9,200 ft <sup>2</sup>

◀ **The R-4 zone requires an additional 1,600 ft<sup>2</sup> per unit** above the 6,000 ft<sup>2</sup> minimum lot size when developing more than 2 dwelling units.

**Maximum allowed lot area covered by buildings/accessory buildings (35%).**

- Limits the type of development and unit sizes.
- Limits effective densities.

**Off-street parking requirements for mid- and high-density housing.**

- Require large amounts of land and increase development costs.
- Currently no residential parking standards for commercial zones.
- Related: current street width requirements, particularly for neighborhood streets with lower speed limits, restrict the amount of land available for housing.

# 04 Potential Strategies & Next Steps

# 04 Potential Strategies

Commerce released a draft [Guidance for Developing a Housing Action Plan](#) in June 2020, including a matrix of recommended strategies to increase the supply, diversity, and affordability of housing in communities (Exhibit 22 on page 55). Potential strategies for Othello are based on the needs assessment, policy review, discussions with City staff, and Commerce's matrix of strategies.

## Others we should consider?

### Remove extra lot area requirements in the R-4 zone.

Gaps Addressed:  
1, 2, 3, 4

### Modify off-street parking requirements.

Gaps Addressed:  
1, 2, 4

### Offer density bonuses or alt. development standards for affordable housing.

Gaps Addressed:  
1, 2, 3, 4

### Add provisions for ADUs or smaller lot homes in some residential zones.

Gaps Addressed:  
1, 2, 4

### Streamline permit or subdivision process.

Gaps Addressed:  
1, 2, 3

### Modify setback, lot coverage, and landscaping standards.

Gaps Addressed:  
1, 2, 3

### Encourage or require alley-accessed, rear, or shared parking.

Gaps Addressed:  
1, 2

### Offer fee waivers for affordable housing.

Gaps Addressed:  
1, 2, 3, 4

### Adopt design standards or guidelines.

Gaps Addressed:  
2

### Require a minimum density.

Gaps Addressed:  
1, 3

## Gaps:

**1** Cost of ownership or rental housing.

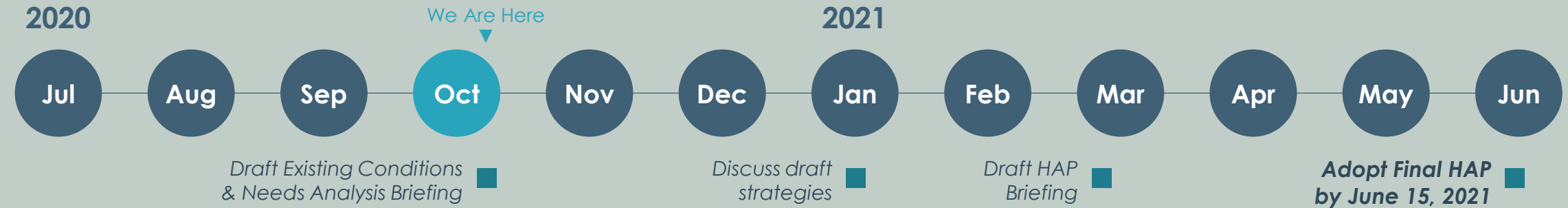
**2** Diverse housing types for different household sizes.

**3** Options for families with children.

**4** Lack of housing for seasonal workers.

# 04 Next Steps

■ Council/Planning Commission



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