

Monday, June 13, 2022

College Place Economic Development, Tourism, and Events Commission/College Place Planning
Commission- Joint Meeting - Hybrid (In-Person & Electronic)

5:00 PM

In-Person at City Hall, 625 S College Ave, College Place Washington

Meeting may be viewed at: Live Stream on City of College Place, Washington YouTube at https://www.youtube.com/channel/UCbx3qrqzLDL_05NusReSI-g/featured

Zoom Attendee Link: <https://us06web.zoom.us/j/89535383442>

Or you may call this number to listen: 1-669-900-9128 ID# 895 3538 3442 Phone controls: *6 - toggle mute/un-mute and *9 - raise hand

1. Opening Items

Subject :	1.01 Call To Order
Meeting :	Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)
Category :	1. Opening Items
Access :	Public
Type :	Procedural
Subject :	1.02 Roll Call
Meeting :	Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)
Category :	1. Opening Items
Access :	Public
Type :	Information

Public Content

EDTEC:

Voting Members

Position 1 - Jennifer Fuchs - term expires 12/31/2022

Position 2 - Kelli Leen - term expires 12/31/2024- Chair

Position 3 - Doug Case - term expires 12/31/2022

Position 4 - Christopher Murray-term expires 12/31/2024

Position 5 -Susan Sanders- term ends 12/31/2022

Position 6 - Bruce Morehead - term ends 12/31/2024

Ex-Officio - Kyle Tarbet- WW Valley Chamber of Commerce Representative

Advisory Members

Mike Rizzitiello-City Administrator

Brian Carleton-Finance Director

Lisa Neissl- City Clerk

Planning Commission:

Members:

Position 1 - Wrandoll Brenes-Morua - term expires 12/31/2023

Position 2 - Brian Roth - term expires 12/31/2025

Position 3 - Ben Dawson - term expires 12/31/2024

Position 4 - Dennis Olson - term expires 12/31/2024

Position 5 - VACANT - term expires 12/31/2025

Position 6 - Leroy Waggoner - term expires 12/31/2024

Position 7 - Todd Reiswig - term expires 12/31/2023

Support Staff:

Community Development Director - Jon Rickard

CD Administrative Assistant - Kristi Scherger

Subject :	1.03 Public Comment
Meeting :	Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)
Category :	1. Opening Items
Access :	Public
Type :	Procedural

Public Content

Commission meetings are primarily structured to permit Membersto arrive at the decisions necessary to make recommendations to the City Council.

Meeting Protocol for Public Comment:

When submitting public comments, include the following information regardless of the manner you are using:
Note that there are deadlines for writtencomments to be included in the meeting documents.

- Your Name

- Your Address

Written Public comments may be provided by submitting comment to Clerk@cpwa.usno later than 4:30PM on the meeting date to be included in the record. (If typewritten, no less than 11 pt font).

Verbal Public Comments may be made during the meeting:

- In-person at the meeting location - provided at the beginning of each agenda.
- Telephone comment - Call 1-669-900-9128, entering the meeting ID (provided at beginning of agenda) and raise your hand (*9 to raise hand, *6 to mute/un-mute) when comments are requested.
- Virtual comment - Join using the Zoom Attendee link (provided at beginning of agenda) and raise your hand when comments are requested.

Once recognized, you will have five minutes to speak on any subject that is under the control of the Commission.

2. Consent Agenda

Subject :	2.01 Approve Agenda for June 13, 2022
Meeting :	Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)
Category :	2. Consent Agenda
Access :	Public
Type :	Action (Consent)

Consent

Our adopted rules of Parliamentary Procedure, The Standard Code of Parliamentary Procedure by Alice Sturgis, 4th Edition, provide for a consent agenda listing several items for approval of the Board by a single motion. Most of the items listed under the consent agenda have gone through Board subcommittee review and recommendation. Documentation concerning these items has been provided to all board members and the public in advance to assure an extensive and thorough review. Items may be removed from the consent agenda at the request of any board member.

Subject :	2.02 Approve Minutes from May 2, 2022
Meeting :	Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)
Category :	2. Consent Agenda
Access :	Public
Type :	Action (Consent), Minutes

File Attachments

[2022-05-02_EDTEC_Minutes.pdf \(966 KB\)](#)

Consent

Our adopted rules of Parliamentary Procedure, The Standard Code of Parliamentary Procedure by Alice Sturgis, 4th Edition, provide for a consent agenda listing several items for approval of the Board by a single motion. Most of the items listed under the consent agenda have gone through Board subcommittee review and recommendation. Documentation concerning these items has been provided to all board members and the public in advance to assure an extensive and thorough review. Items may be removed from the consent agenda at the request of any board member.

Subject : 2.03 Excuse Absence of Commissioner Leen

Meeting : Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)

Category : 2. Consent Agenda

Access : Public

Type : Action (Consent)

Consent

Our adopted rules of Parliamentary Procedure, The Standard Code of Parliamentary Procedure by Alice Sturgis, 4th Edition, provide for a consent agenda listing several items for approval of the Board by a single motion. Most of the items listed under the consent agenda have gone through Board subcommittee review and recommendation. Documentation concerning these items has been provided to all board members and the public in advance to assure an extensive and thorough review. Items may be removed from the consent agenda at the request of any board member.

Subject : 2.04 Approve Consent Agenda - Our adopted rules of Parliamentary Procedure, The Standard Code of Parliamentary Procedure, provide for a consent agenda listing items for approval of the Commission by a single motion. Typically the items listed under the consent agenda are the minutes from previous meetings and the agenda for the current meeting. Documentation concerning these items has been provided to all Commission Members and the public in advance to assure an extensive and thorough review. Items may be removed from the consent agenda at the request of any Commission Member.

Meeting : Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)

Category : 2. Consent Agenda

Access : Public

Type : Action (Consent)

Recommended Action : Motion to approve the consent agenda

Consent

Our adopted rules of Parliamentary Procedure, The Standard Code of Parliamentary Procedure by Alice Sturgis, 4th Edition, provide for a consent agenda listing several items for approval of the Board by a single motion. Most of the items listed under the consent agenda have gone through Board subcommittee review and recommendation. Documentation concerning these items has been provided to all board members and the public in advance to assure an extensive and thorough review. Items may be removed from the consent agenda at the request of any board member.

3. Guest Presentations-None.

4. Action Agenda

Subject : 4.01 Downtown Catalyst Incentive Program Tweak

Meeting :	Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)
Category :	4. Action Agenda
Access :	Public
Type :	Action
Recommended Action :	Motion to approve recommendation of proposed changes to the Downtown Catalyst Incentive Program Code to the City Council for adoption.

Public Content

The code has been in place since early 2020.

It is appearing that the demand for both residential and commercial as outlined in the existing code is a deal killer to getting participation in this program due to the bizarre shape of taxlots throughout the College Avenue Downtown Business District.

The proposal is to alter 3.50.020 and change a requirement to either five residential dwelling units or 3,000 feet of commercial space. Not both. We have evidence to believe that if we alter this code it will get the interest of developers to put in money into projects throughout the College Avenue Business District.

File Attachments

[Draft_DtownCatalystProgram_EDTECRecommended.pdf \(303 KB\)](#)
[Ordinance.pdf \(133 KB\)](#)

5. Staff Reports

Subject :	5.01 Multi Family Tax Exemption (MFTE)
Meeting :	Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)
Category :	5. Staff Reports
Access :	Public
Type :	Discussion, Information

Public Content

In 2021 RCW 84.14 was amended to enable cities such as College Place to approve property tax exemptions for qualifying multi-family housing developments that are affordable to low- and moderate-income households. The tax exemption applies to the property tax due on the construction or rehabilitation of qualified multi-family housing for a 12- or 20- year period and may provide a valuable incentive for developers to build affordable housing. The [Washington State Department of Commerce](#) has additional information on MFTE.

There are several steps that the City must take before it can offer this tax incentive to qualifying projects, including the designation of residential target areas. The criteria for the designation of these target areas includes:

1. The area must be zoned to have an average minimum density equivalent to 15 dwelling units or more per gross acre.
2. The area must be in a designated urban center which is defined as a compact identifiable district, where residents may obtain a variety of products and services. An urban center must contain:
 - a. Several existing or previous, or both, business establishments that may include but are not limited to shops, offices, banks, restaurants, governmental agencies.
 - b. Adequate public facilities including streets, sidewalks, lighting, transit, domestic water, and sanitary sewer systems; and
 - c. A mixture of uses and activities that may include housing, recreation, and cultural activities in association with either commercial or office, or both, use.
3. The area must lack, as determined by the governing authority, sufficient available, desirable, and convenient residential housing, including affordable housing, to meet the needs of the public who would be likely to live in the urban center, if the affordable, desirable, attractive, and livable places to live were available.

If offering this tax incentive is of interest to the City, it would appear at first glance that property zoned Downtown Mixed-Use or General Commercial could potentially meet the residential target area criteria, but that the maximum density of the Multi-Family Residential zoning district would need to be increased from 12 dwelling units per acre up to 15 dwelling units per acre or more.

File Attachments

[MFTE Draft Map.pdf \(1.578 KB\)](#)

[20211207 2021-Legislative-Changes_MFTE \(2\).pdf \(479 KB\)](#)

[IWalla Walla HAP Final Report 7.21.pdf \(4.626 KB\)](#)

[Planning Commission Memo on Affordable Housing 02-08-22.pdf \(226 KB\)](#)

[Property Tax Worksheet 06-13-22.pdf \(407 KB\)](#)

Subject :	5.02 Broadband
Meeting :	Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)
Category :	5. Staff Reports
Access :	Public
Type :	Discussion, Information

File Attachments

[Bus Dev Intro Presentation College Place WA.pdf \(5.740 KB\)](#)

Administrative File Attachments

[Bus Dev Intro Presentation College Place WA.pptx \(24.120 KB\)](#)

Subject : 5.03 Main Street Week

Meeting : Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)

Category : 5. Staff Reports

Access : Public

Type : Discussion, Information

File Attachments

[Main-Streets-Impact-in-Washington-State-June-2020-Spreads-1.pdf \(10,403 KB\)](#)

[MainStreetWeekAdvertising.jpg \(677 KB\)](#)

Subject : 5.04 Community Events

Meeting : Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)

Category : 5. Staff Reports

Access : Public

Type : Discussion, Information

File Attachments

[2022_Freedom_Festival_Vendor_Application-fillable.pdf \(814 KB\)](#)

[2022FreedomFestivalAdvertisement.jpg \(66 KB\)](#)

[MoviesatthePark.png \(270 KB\)](#)

[2022_June_Market_Schedule_\(4.66 × 16.25 in\).pdf \(2,659 KB\)](#)

[Cooking Class.pdf \(1,671 KB\)](#)

Subject : 5.05 Development Update

Meeting : Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)

Category : 5. Staff Reports

Access : Public

Type : Information

File Attachments

[DevelopmentTrackSheet_June2022xlsx.pdf \(446 KB\)](#)

6. Closing Items

Subject : 6.01 No July or August Meeting

Meeting : Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning

Commission- Joint Meeting - Hybrid (In-Person & Electronic)

Category :

6. Closing Items

Access :

Public

Type :

Information

Subject :

6.02 Conclude

Meeting :

Jun 13, 2022 - College Place Economic Development, Tourism, and Events Commission/College Place Planning Commission- Joint Meeting - Hybrid (In-Person & Electronic)

Category :

6. Closing Items

Access :

Public

Type :

Procedural

College Place Economic Development, Tourism, and Events Commission- Hybrid (In-Person & Electronic) (Monday, May 2, 2022)

Generated by Lisa Neissl on Monday, May 2, 2022

1. Opening Items

Procedural: 1.01 Call To Order

Chair Leen called the meeting to order at 5:02 PM.

Information: 1.02 Roll Call

PRESENT:

Commission Members	Kelli Leen - Chair, Doug Case, Bruce Morehead
Ex- Officio	Kyle Tarbet - Walla Walla Chamber of Commerce
Staff	City Administrator, Mike Rizzitiello Finance Director, Brian Carleton; City Clerk, Lisa Neissl;

MEMBERS EXCUSED:

MEMBERS ABSENT: Jennifer Fuchs, Christopher Murray, Susan Sanders

Information: 1.03 Public Comment - None.

2. Consent Agenda

Action (Consent): 2.01 Approve Agenda for May 2, 2022

Action (Consent), Minutes: 2.02 Approve Minutes from March 7, 2022

Action (Consent): 2.03 Approve Consent Agenda - Our adopted rules of Parliamentary Procedure, The Standard Code of Parliamentary Procedure, provide for a consent agenda listing items for approval of the Commission by a single motion. Typically the items listed under the consent agenda are the minutes from previous meetings and the agenda for the current meeting. Documentation concerning these items has been provided to all Commission Members and the public in advance to assure an extensive and thorough review. Items may be removed from the consent agenda at the request of any Commission Member.

Commissioner Case made a motion to approve the consent agenda. Second by Commissioner Morehead and the motion passed 4-0.

3. Guest Presentations - None

4. Action Agenda

Action: 4.01 Downtown Association - Affiliate Capacity Building Grant -

Mr. Rizzitiello presented information on a potential grant to help staff a downtown association director. Discussion ensued.

Commissioner Morehead made a motion to pursue the grant monies for this position. Second by Commissioner Case and the motion passed 4-0.

Action: 4.02 Federal Infra Grant - College Place East-West Connector Program (SE 12th & SW Mojonner) Support Letter -

Mr. Rizzitiello presented information on a Federal Infrastructure Grant that could provide funding for improvements to SE 12th and SW Mojonner creating a College Place East-West Connector route. He asked for a letter of support from the commission to include with the grant application. Discussion ensued

Commissioner Morehead made a motion to issue a Letter of Support for Federal Infrastructure Grants for College Place East-West Connector Project (SE 12th & SW Mojonner). Second by Commissioner Case and the motion passed 4-0.

5. Staff Reports

Discussion, Information: 5.01 Farmers Market Update -

Ms. Neissl provided an update on the upcoming market and opening day kick-off event.

Discussion, Information: 5.02 2022 Youth Recreation Program -

Mr. Rizzitiello reported on the various programs to offer 2022 youth recreation opportunities in College Place.

Information: 5.03 Development Update -

Mr. Rizzitiello provided an update on various development projects throughout the city.

6. Closing ItemsInformation: 6.01 Next Meeting is scheduled for June 6, 2022 at 5:00 PMProcedural: 6.02 Conclude -

Commissioner Morehead made a motion to Conclude the meeting at 5:52 PM. Second by Commissioner Case and, with no objection, the meeting concluded.

Approved:

Kelli Leen - Chair

Attest:

Lisa Neissl, MMC – City Clerk

The foregoing minutes are the official record of the Economic Development, Tourism, and Events Commission meeting that occurred May 2, 2022. Further detail may be obtained by reviewing the actual audio recording made during this session.

Chapter 3.50

DOWNTOWN CATALYST INCENTIVE

Sections:

- 3.50.010 Purpose and intent.
- 3.50.020 Downtown catalyst criteria.
- 3.50.030 Catalyst benefit area.
- 3.50.040 Process.
- 3.50.050 Limitations.
- 3.50.060 Catalyst Review Committee.
- 3.50.070 Scoring categories.
- 3.50.080 Catalyst project designation.

3.50.010 Purpose and intent.

A. The City of College Place seeks to establish a time-limited incentive for promoting the development of significant mixed-use buildings within the downtown core, for the purpose of catalyzing further development and redevelopment within the area.

B. Up to one project which meet the minimum requirements of this program, including minimum thresholds for size, number of residential units, architectural design, parking configuration, and a four-element scoring system, shall be eligible for a waiver of partial or all City fees specified in CPMC 3.50.020 (A).

C. The intent of the catalyst incentive is to restore and enhance College Place's downtown core, and encourage key goals for development downtown, by:

1. Diversifying residential housing options with an emphasis on increasing the numbers of townhouses, condominiums, and apartment units within the downtown core;
2. Promoting development adjacent to College Avenue and areas adjacent to Walla Walla University;
3. Increased public space;
4. Encouraging redevelopment of nonconforming or underdeveloped sites;
5. Increasing art in the public space;
6. Supporting the assemblage of small lots that cannot be efficiently redeveloped on an individual basis;

D. Catalyst projects shall be exempted from the special height limits described in CPMC Title 14; provided, that structures satisfy the Downtown Design Standards. Height restrictions required by the shoreline master program shall be maintained.

3.50.020 Downtown catalyst criteria.

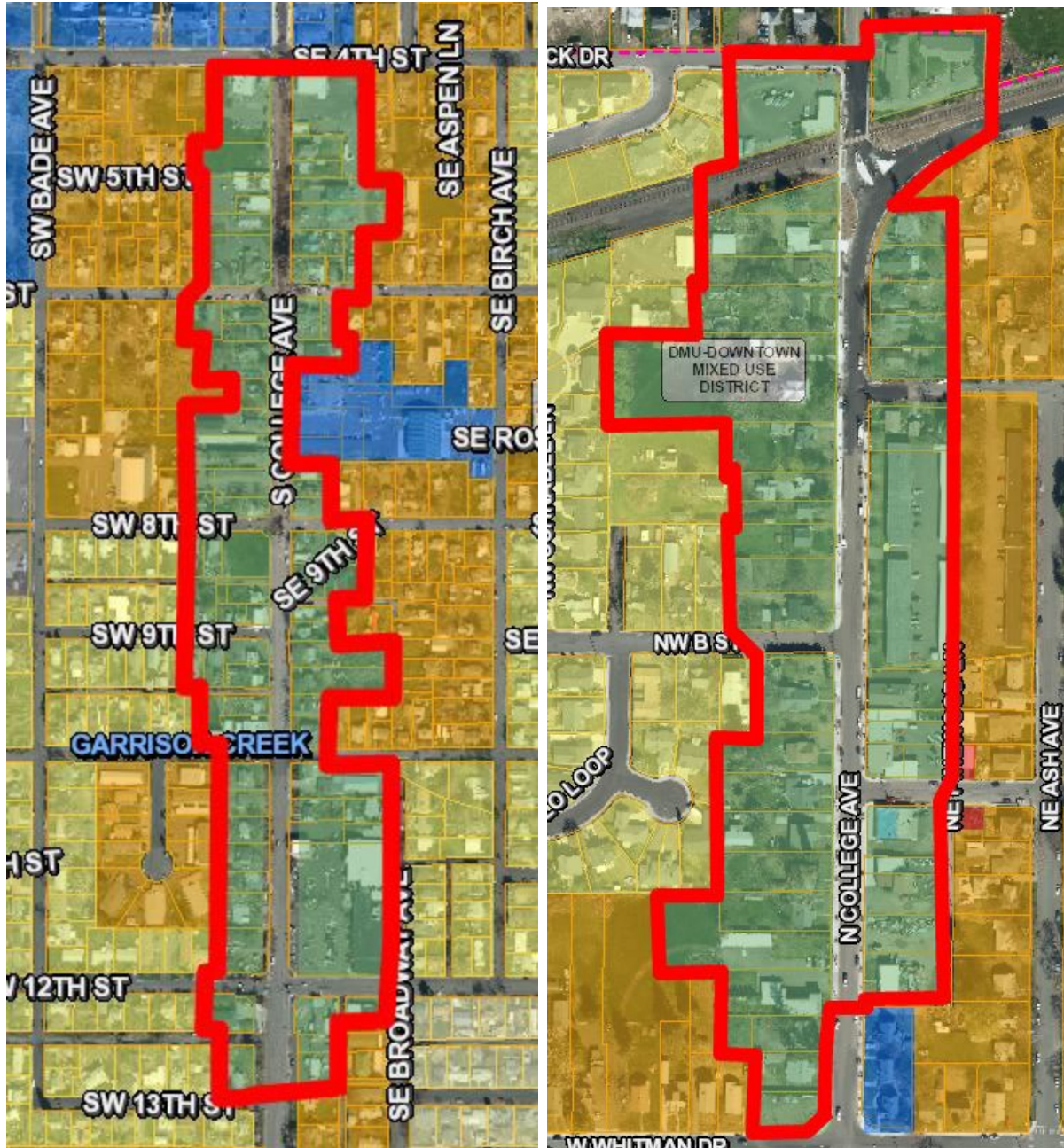
A. The City of College Place may waive partial or full administrative (SEPA, civil plan review, building permit, grading) and impact for up to one development project that meet all of the following criteria. The development project must consist of:

1. A minimum of two stories.
2. A minimum of 5 residential dwelling units or 3,000 square feet of commercial space.
3. ~~A minimum of 3,000 square feet of first floor commercial area.~~
4. New construction or renovation equaling at least 50% of assessed value of existing structure.

5. All required on-site parking shall be placed within the footprint of the building and/or on private property behind the building, with no off-street parking credits for residential uses.
6. Architecture complies with Downtown Design Standards, in the judgment of the Community Development Director.
7. Projects maximizing the goals established by CPMC 3.50.010, as well as CPMC 3.50.070, which are listed below:
 - a. Public benefit.
 - b. Architectural design.
 - c. Site design.
 - d. Catalyst effectiveness.
8. Development must be initiated within six-months of being awarded Catalyst Incentive, in order to be eligible, and must demonstrate a plan to complete construction within two years after award of Catalyst Incentive. For the purposes of this section, initiated shall mean the issuance of either a grading permit for full civil work associated with the project, or, in the absence of a grading permit, the issuance of a building permit representing all or a majority of the total square footage for the proposed development.
9. A maximum of one development project a fiscal year shall be eligible for this incentive, processed based on the timing of the submittal of complete application and the applicant's ability to demonstrate adequate capital/funding to complete the project.
10. Following designation as a catalyst project, material changes to catalyst projects shall not be allowed without prior review by the Economic Development, Tourism, and Events Commission (EDTEC). For the purposes of this section, substantive changes shall mean any of the following:
 - a. A 10 percent change in the number of residential units or to the gross size of the commercial area;
 - b. Disclosure of a phased development approach not identified in the original application materials;
 - c. A substantive change, in the judgment of the Community Development Director, to elements for which the development was scored pursuant to CPMC Title 14, the Downtown Design Standards, or to purpose and intent categories for which points have been awarded, regardless of whether such points would have altered the projects eligibility as a catalyst development; or
 - d. The increase or decrease of roof height by more than 10 percent.

3.50.030 Catalyst benefit area.

The catalyst benefit area shall include all properties in the Downtown Mixed Use Zone which are the highlighted properties in the maps below.



3.50.040 Process.

A. Application. Applicants wishing to participate in the program shall schedule a preapplication meeting with City staff. The applicant shall complete an intent to develop a downtown catalyst project form by the close of the last business day in May. The applicant shall submit that form together with a site plan review application to the Community Development Department. Applications shall be accepted on a rolling basis within the five-month application period from January through May of each year. Those applications, and only those applications, that are submitted prior to the close of this application period will be reviewed and considered for the incentive. At the close of the application period, the City may consider a one-time extension to the application period only if less than three eligible projects are proposed.

B. Technical Review. The City shall then conduct a Technical Review Committee meeting consisting of City staff including the Community Development Director, Building Official, Fire Marshal, Public Works Director, and City Engineer, to review the proposed development based on typical City regulations, and to verify that the

application conforms to the catalyst incentive criteria listed in CPMC 3.50.020. The City will endeavor to expedite reviews of these catalyst projects. The Technical Review Committee may conduct its reviews on a rolling basis during the five-month application period.

C. The EDTEC shall review and score all applications, and shall determine which applications are eligible for the catalyst incentive benefit. The EDTEC shall seek to complete its review within 30 days of the receiving the application from the Technical Review Committee and all applications are considered complete by the City, subject to change depending upon the accuracy of the development application.

D. Certification. Once the EDTEC identifies eligible proposals, the Commission shall forward its recommendation to the City Council for consideration and certification. Those proposals that are approved by the City Council shall be certified as catalyst projects.

3.50.050 Limitations.

This catalyst program shall not be interpreted as a guarantee of City approval of any development project, nor shall the program imply additional flexibility from the City in the form of development standards, street vacations, environmental protection, building code or life safety requirements, architectural or site design, or any other regulation. The catalyst program represents a broad public purpose that will benefit the College Place community, intended to restore and enhance College Place's College Avenue Downtown core.

3.50.060 Economic Development, Tourism, and Events Commission.

A. The EDTEC shall consider all catalyst applications and will select one application per year as being eligible for a full or partial waiver of fees. The goal of the EDTEC will be to evaluate projects based upon the scoring criteria described in CPMC 3.50.070.

B. Following technical review of eligible applications by City staff, and following the close of the application period, the EDTEC shall be provided a technical review of each project's eligibility by City staff. City staff will score each project on automatic bonus points based on seven critical criteria described in CPMC 3.50.010(C). Bonus points will be full points or none for each of the seven criteria, with no judgment or partial consideration by staff. Each applicant shall be given the opportunity to present their project before the EDTEC, and Commission members shall be authorized to ask technical questions of the applicant.

C. Each EDTEC member shall score the project independently, based upon the four categories listed in CPMC 3.50.070(A). Nothing shall prevent EDTEC members from discussing the elements of the project at a public meeting amongst themselves prior to scoring the project. Each EDTEC member may award up to 10 points for each category, assigning no more than 40 points total per project, per committee member, or a total of 200 points per project, and 240 points maximum per project when points associated with the critical criteria (CPMC 3.50.010(C)) are included.

D. Following the independent scoring exercise, the EDTEC members shall provide their scoring sheets to City staff, who shall then tabulate all scores and announce the results, with the scores of individual members remaining confidential. The score sheets are subject to the Public Records Act, the meetings are subject to the Open Public Meetings Act

E. The three projects with the highest scores above 190 combined points shall be forwarded to the City Council for final consideration. The Council shall review the scores of the EDTEC and shall be authorized to allow members of the public, staff and the applicant to speak on the subject. The City Council shall then be authorized to approve (certify) or deny the recommendations of the EDTEC. Those application(s) that is/are approved shall be invited to enter into a catalyst development agreement as described in CPMC 3.50.080(A).

F. If less than three projects score above 190, any projects scoring between 170 and 190 points shall be invited to modify their proposals based on feedback from the Committee. The Commission may allow up to three weeks (21 days) for applicants to submit modified project(s) for review. The commission shall seek to review these modifications within three weeks (21 days) of resubmittal.

3.50.070 Scoring categories.

A. The EDTEC shall evaluate eligible projects based on the four categories described below. In evaluating projects, EDTEC members shall seek to identify points based on the general compliance with the category itself; there is not a specific number of points that must be provided for compliance or noncompliance with any one element described in the category.

Points shall be based on the following scale: 0 = no attempt, 3 = moderate attempt at one category aspect, 5 = moderate attempts at two category aspects, 7 = good attempt at two aspects or excellent attempt at one category aspect, 10 = good attempt at three or more aspects and/or excellent attempt at one or more aspects.

1. **Public Benefit.** In what manner does the development directly benefit the public? The EDTEC may consider public benefits derived from the land use or types of land use proposed, the density of the development, and any amenities that are enhanced or made available to the public as a result of the development. Examples of public benefit could include, but are not limited to: inclusion of affordable housing units; expansion or incorporation of recreation areas; public gathering areas, whether as part of a business or as a designated open space; publicly viewable art.
2. **Architectural Design.** Does the development reflect design details or include architectural concepts that are compatible with the vision for the downtown core? Or, does the design of the buildings create an unwelcoming impression that may tend to limit further development in the surrounding area? Examples of desired architectural design include but are not limited to: development which incorporates tasteful, unique, and iconic elements; development which includes low impact or energy-efficient design; development which expands and enhances the City's skyline.
3. **Site Design.** Has the applicant arranged the development site in a manner that effectively takes advantage of public space, including adjacent public or private rights-of-way? Or, does the site limit interaction with the general public? Examples of desired site design could include but are not limited to: orientation to Garrison Creek, Blue Mountains, and the southern sun; engagement with the adjacent street; full use of the subject property; on-site parking in excess of minimum City requirements, integration of stormwater requirements with site design, and other elements.
4. **Catalyst Effectiveness.** If developed, is there a reasonable expectation that given favorable market and growth conditions, this project would have a direct positive impact on the surrounding area, as measured by additional development, increased investment in existing buildings or businesses, etc.? Examples of catalyst effectiveness could include but are not limited to: development on or in close proximity to College Avenue and the traditional downtown core; the redevelopment of properties that have remained vacant or underdeveloped for a prolonged period of time; development of properties in close proximity to other catalyst projects or emerging areas; removal of nonconforming buildings or uses; consolidation of small properties; expansion or extension of infrastructure that may support future development; inclusion of housing units.

B. Staff shall award automatic bonus points for the following key goals, with no grading or judgment:

1. Project has a residential component on the second story or above.
2. Fronting College Avenue.
3. Art dedicated to the City as Public Art. Public Art in this section shall be governed by [College Place Municipal Code 12.28-Public Art](#).
4. Public Space

Examples: courtyard, plaza, or landscaped open space with a minimum of 100 square feet, public parking equal to at least 10 percent more than the sum of the total required residential parking and any additional mixed use or commercial parking required by code.

5. Redevelopment of a site with existing improvements.
6. Assemblage of smaller sites.

7. LEED Gold or higher.

3.50.080 Catalyst project designation.

A. The EDTEC may recommend approval of one application per fiscal year as a downtown catalyst project, and the City Council shall consider whether to certify those projects as a downtown catalyst. The applicant and the City shall enter into an agreement through which the City will waive all or partial City fees; provided, that the applicant can meet the construction deadlines identified in the agreement.

B. With the exception of serious injury or an act of nature, should the applicant fail to meet the construction deadlines the agreement shall be considered null and void, and the applicant shall be required to either reapply for a catalyst incentive, shall pay the current fees owing, or shall cancel the project.

C. Applications that have failed to meet construction deadlines as specified in the catalyst agreement shall lose project vesting with regard to this program. Should other eligible projects be proposed prior to the applicant regaining vesting, these projects may be incorporated into the program, superseding the prior vesting of those applications that have lost vested status within the program.

City of College Place, Washington
ORDINANCE NO. 22-xxx

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF COLLEGE PLACE, WASHINGTON TO REVIZE CPMC 3.50.020 DOWNTOWN CATALYST CRITERIA.

Whereas, the City of College Place is a non-charter code city governed by the rules and regulations of RCW 35A; and

Whereas, the City fully reconstructed College Avenue in 2016 helping to achieve the vision of making the corridor a walkable Downtown mixed-use District; and

Whereas, the Economic Development, Tourism, and Events Commission (EDTEC) felt that some type of incentive program is needed to jump start development in the College Avenue Downtown Corridor ; and

Whereas, after several meetings the EDTEC decided to recommend this Downtown Catalyst Incentive proposal to City Council at its November 4th, 2019 meeting; and

Whereas, the College Place City Council voted to adopt Ordinance #20-001 creating CPMC 3.50 Downtown Catalyst Incentive during its January 14th, 2020 meeting; and

Whereas, based upon economic market activity it appears the City needs to tweak the program to encourage investment into the Business District; and

Now therefore, the City Council of the City of College Place do hereby Ordain as follows:

Section 1: Revision of CPMC 3.50.020 to include provided replacement language as attached.

Section 2: Clerical Corrections. The City Clerk and the codifiers of this ordinance are authorized to make necessary clerical corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 3: Severability. If any section, subsection, paragraph, sentence, clause, or phrase of this ordinance is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 4: Effective Date. This ordinance shall take effect and be in full force five days after its passage and publication as provided by law.

PASSED by the City Council of the City of College Place, Washington, this 28th day of June, 2022.

Norma L. Hernández, Mayor

Attest:

Approved as to form:

Lisa R. Neissl, City Clerk

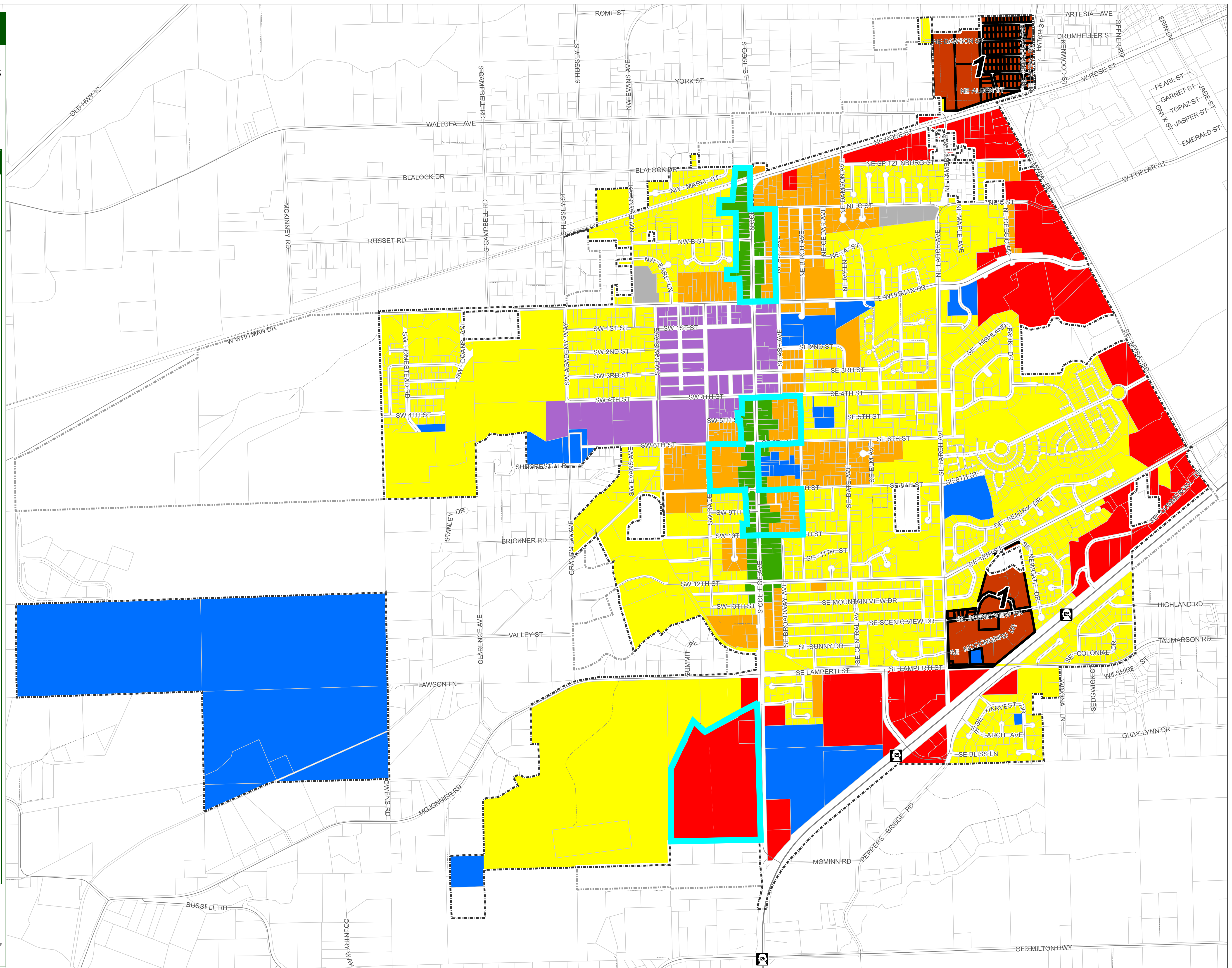
Rea Culwell, City Attorney

Approved: October 9, 2018
Potential Amendments: August 12, 2021

Zoning Designations

City Limits
UGA
Proposed

1. Multi-Family Residential (MFR) to
Manufactured Home Park (MHP)



GXT Consulting

Disclaimer The information on this map is intended for general reference use only. The City of College Place, and those operating on their behalf, cannot guarantee the accuracy or usefulness of the information shown. The user of this map assumes all responsibility for inappropriate use of the information provided herein.

Overview of 2021 Changes to the Multifamily Housing Tax Exemption Program

Introduction

In 2021, [SB 5287](#) made substantial changes to the Multifamily Housing Tax Exemption (MFTE) Program.¹

Washington state adopted the program in 1995, and it has been amended several times since. The Legislature intends to achieve multiple goals through these changes by:

- Incentivizing the development of multiple-unit housing including creating additional affordable housing;
- Encouraging urban development and density;
- Increasing market rate workforce housing;
- Developing permanently affordable housing opportunities;
- Promoting economic investment and recovery; and
- Creating family-wage jobs.²

This is preliminary guidance intended as an overview of the 2021 changes to RCW 84.14. Commerce will issue additional program guidance during 2022.

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¹ The program, nicknamed the MFTE program, is codified in RCW 84.14 as “New and Rehabilitated Multiple-Unit Dwellings in Urban Centers”

² RCW 84.14.005(2)

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What is the Multifamily Housing Tax Exemption and Why Does it Matter?

The Multifamily Housing Tax Exemption (MFTE) is a tax incentive for the purpose of expanding available housing and affordable housing within designated areas. It encourages the development of multifamily housing in designated “residential target areas”³ by exempting the value of new housing construction, conversion or rehabilitation from property taxes. However, the exemption does not apply to the value of the property itself or non-residential improvements to the property. A local government may choose to offer an 8-, 12-, or 20-year tax exemption. Twelve and 20-year programs must require that a certain percentage of the housing be affordable to low or moderate income households.

A 2019 study showed that since formation of the MFTE incentive in 1995, 424 developments received a tax exemption, and 34,885 new housing units were produced. Of these units, 21% are designated as affordable, while Renton, Seattle, Spokane, and Tacoma produced 82% of the new housing units overall.⁴

Overview of Recent Legislative Changes

The 2021 Legislature amended the MFTE program through [SB 5287](#). In the sections that follow, we will walk you through the revisions and spotlight opportunities to increase the supply of housing and affordable housing.

Extension for completion of MFTE projects delayed by COVID-19

Applicants have three years to complete MFTE buildings, with the option to extend the completion timeline an additional 24 months. To mitigate delays associated with COVID-19, for applicants that submitted prior to February 15, 2020, local governments may choose to extend the completion deadline for an additional five years. The five-year extension would begin immediately following the completion of any outstanding applications or previously authorized extensions, whichever is later.⁵

Smaller jurisdictions now eligible to offer tax exemptions

Until 2021, only the largest jurisdictions in Washington were able to offer an MFTE program. In 2021, the Legislature provided an opportunity for any city that was not already eligible to offer MFTE programs. Cities who qualify under this new provision⁶ may provide the following programs:

- A 12-year exemption where the applicant must commit to renting or selling at least 20% of the multifamily housing units as affordable housing units to low and moderate-income households, and any additional income eligibility conditions adopted by the local government. The area must be zoned to have an average minimum density equivalent to 15 dwelling units or more per gross acre, or for cities with a population over 20,000, the area must be zoned to have an average minimum density equivalent to 25 dwelling units or more per gross acre. This opportunity is available until December 31, 2026.⁷
- A 20-year exemption, where at least 25% of the units must be sold to a qualified nonprofit or local government partner that will assure permanent affordable homeownership. The remaining 75% of units may

³ A residential targeted area must be within an urban center or urban growth area. Urban centers are defined by RCW 84.14.010 to mean a compact identifiable district where urban residents may obtain a variety of products and services. It must contain several businesses that may include but are not limited to shops, offices, banks, restaurants, or governmental agencies; adequate public facilities, including streets, sidewalks, lighting, transit, domestic water, and sanitary sewer systems; and a mixture of uses and activities that may include housing, recreation, and cultural activities in association with commercial or office use.

⁴ JLARC (2019) Tax preference. Retrieved August 11, 2021 from https://leg.wa.gov/jlarc/taxReports/2019/MFTE/f_ii/default.html

⁵ RCW 84.14.090(5)

⁶ RCW 84.14.010(3)(d)

⁷ RCW [84.14.020](#)(1)(a)(iii)

be rented or sold at market rates. The area must be zoned to have an average minimum density equivalent to 15 dwelling units or more per gross acre, or for cities with a population over 20,000, the area must be zoned to have an average minimum density equivalent to 25 dwelling units or more per gross acre. This opportunity is available until December 31, 2031⁸.

A 12-Year extension for existing MFTE projects⁹

Before 2021, the MFTE program had two options for qualifying local governments:

- **An eight-year program:** intended to incentivize the development of multifamily housing for rent or ownership in areas that cities designate as needing a greater diversity of housing, specifically multiunit housing. Affordable housing is not mandatory, but local governments may require affordable housing and other public benefits. The local government may determine the level and duration of affordability.¹⁰
- **A 12-year program:** intended to increase the supply of affordable housing in rental and ownership housing. A minimum of 20% of units must be affordable to low- and moderate-income households for rental, or moderate-income households for units intended exclusively for owner occupancy.¹¹ The level of affordability may be specified by the local government, and may be further detailed by unit size.

With SB 5287, MFTE projects may be extended for an extra 12 years for 8- or 12-year programs that have existing property tax exemptions that are within 18 months of expiration.¹² This action requires city or county approval. Multifamily housing, for which a continuing 12-year exemption is approved, must include 20% of units as affordable units for low-income households, and should no longer include provisions for moderate-income in the 20% affordable units.¹³ Eight-year projects must convert to 12-year programs and include 20% of units as affordable units.

Requirements for buildings that received extensions. Applicants must provide notice to tenants in rent-restricted units at the end of the tenth and eleventh years of the continued 12-year exemption that the exemption will expire and the landlord will provide relocation assistance. Landlords must provide one month's rent as relocation assistance to a qualified tenant in their final month when affordability requirements no longer apply, even when the affordable rent period extends beyond the expiration of the tax exemption. New extensions are not permitted after January 1, 2046. This program is currently time-limited but may be extended if a JLARC review demonstrates that the 12-year extension is well-used.¹⁴

New, 20-year exemption for permanently affordable ownership housing¹⁵

Until January 1, 2032, local governments may offer a 20-year property tax exemption if 25% of the units are sold as "permanently affordable" to households earning 80% area median income (AMI) or less. The other units may be rented or sold at market rates. The jurisdiction may charge a fee to cover administrative fees to manage the units. The development must be sponsored by a non-profit or governmental entity, and is subject to a 99-year resale restriction to ensure permanent affordability. Note the following specifications based on the entity offering the exemption:

- Previously eligible local governments may offer the new 20-year MFTE program and may develop terms that are consistent with RCW 84.14.021(1)(a).
- Newly eligible jurisdictions (under 20,000) must include density requirements of at least 15 dwelling units per acre consistent with RCW 84.14.021(1)(b).

⁸ RCW [84.14.021](#)(1)(b)

⁹ RCW 84.14.020(6)

¹⁰ RCW 84.14.020(1)(a)(ii)(A)

¹¹ RCW 84.14.020(1)(a)(ii)(C)

¹² Commerce assumes this means projects that are within 18 months before expiration of the tax exemption, so that there would be time for new contracts to be negotiated.

¹³ As this component of the program is intended to prevent displacement when a tax exemption ends, building owners are not required to evict moderate-income tenants with the new certificate, but must ensure that new tenants meet the new criteria.

¹⁴ RCW [84.14.020](#), see notes, Tax preference performance statement- 2021 c 187§3

¹⁵ RCW [84.14.021](#)

- Certain cities, such as Shoreline or Bothell, which are along transit lines and have an inclusionary zoning program, are to refer to RCW 84.14.020(1)(a)(ii)(C).

Permanently affordable homeownership units or permanently affordable rental units must be sold or rented to households earning no more than 80% of the area median income for the city or local jurisdiction in which the unit is located. A local jurisdiction may assign and collect an administration fee at each point of sale to cover the administrative costs for oversight of the program to maintain permanently affordable housing units.

For purposes of the 20-year exemption, "**permanently affordable homeownership**" is defined as homeownership that, in addition to meeting the definition of "affordable housing" in RCW 43.185A.010, is:

- Sponsored by a nonprofit organization or governmental entity;
- Subject to a ground lease or deed restriction with a duration of at least 99 years at the initial sale and with each successive sale that includes:
 - A resale restriction designed to provide affordability for future income-qualified homebuyers;
 - A right of first refusal for the sponsor organization to purchase the home at resale;
 - A requirement that the sponsor must approve any refinancing, including home equity lines of credit; and
- The sponsor supports homeowners and enforces the ground lease or deed restriction.

Commerce will provide a template for permanently affordable housing for home or condo ownership through deed restrictions that can be used by a city or local government to ensure compliance. Local governments and their partners may use this template as a basis for their local contracts.

More revised definitions for your code

SB 5287 revised the definitions of several key MFTE terms.

“City” is revised to add subsection d) below.

- A city or town with a population of at least 15,000.
- The largest city or town, if there is no city or town with a population of at least 15,000, located in a county planning under the growth management act.
- A city or town with a population of at least 5,000 located in a county subject to the provisions of RCW 36.70A.215 (Clark, King, Kitsap, Pierce, Snohomish, Thurston, and Whatcom counties).
- NEW: Any city that otherwise does not meet the qualifications under (a) through (c),¹⁶ until December 31, 2031. These cities may offer:
 - A 12-year exemption, subject to certain criteria, mainly that the density is 15 units per gross acre, and at least 20% of the units must be rented or sold to low- or moderate-income households.¹⁷
 - A “Permanently affordable housing” program until December 31, 2031. Residential improvements are exempt for 20 years and at least 25% of the units must be sold to a non-profit or local government partner that will assure permanent affordable home ownership to homeowners at 80% AMI or below. The remaining 75% of units may be rented or sold at market rates.¹⁸

NOTE: Any city that was already authorized to offer an MFTE program may offer the new 20-year program. However, the new cities under part d may only offer the 12- and 20-year programs as listed above. New cities are only granted temporary authority to offer the program, unless a state review shows increasing and compliant use of the 20-year program.

¹⁶ RCW 84.14.010(3)(d)

¹⁷ RCW 84.14.020(1)(a)(iii), may be offered until Dec 31, 2026

¹⁸ RCW 84.14.021(1)(b)

“County” is revised to mean counties with an unincorporated population of at least 170,000, which means that Clark, King, Kitsap, Pierce, and Snohomish counties may now offer an MFTE program.¹⁹

“High cost areas” are removed from the program. This previously allowed a higher rent limit for “affordable” units.²⁰ Any community that currently offers a 12-year property tax exemption based on being a “high cost” area, must remove this provision, and revert to low and moderate income, or in the case of permanently affordable housing, only low income. Any new conditional certificates should not be based on “high cost” rents. Any projects that are completing should be based on the agreement in the conditional certificate, or may offer new regulations to the applicant at the time of the final certificate.

“Multiunit housing” revised to be “a building or a group of buildings.” This changes the statute so that units that are not required to be part of a large building. However, they must still meet the definition of multifamily or multiunit housing, which may include duplex, triplex, townhouse, row house or cottage housing, where the development contains at least four units. Commerce suggests that a city require minimum densities to be sure the meet the legislative goals of increased variety of residential opportunities within urban centers, and encouraging development and density. Multifamily units may result from new construction or rehabilitated or conversion of vacant, underutilized, or substandard buildings to multifamily housing. The program still does not apply to transient accommodations or hotels and motels.

Low and moderate income households definitions are both revised to require area median income (AMI) for the county, city or metropolitan statistical area where the project is located. Cities, for which AMI reports are available, should review both city and the county median family income, and choose the value that meets local goals, such as aligning with other affordability programs, or addresses regional housing issues. The [Washington Center for Real Estate Research Housing Market Data Toolkit](#) provides city specific median income data under RCW 36.70A.610. Commerce will also provide links to available data.

Additional criteria for counties to set residential target areas²¹

Counties that choose to designate transit-oriented residential target areas (RTAs)²² may do so until July 15, 2024.

Any counties designating RTAs must evaluate displacement risk of people living in the potential RTAs. In addition to meeting the other criteria, the area can only be designated as a RTA if the displacement risk is minimal or mitigated by locally adopted mitigation measures, which may include offering first right of refusal of new MFTE units to those at risk of displacement.

Local governments may choose to add contracting requirements

Local governments may impose additional contracting requirements on MFTE projects, such as prevailing wage, payroll record requirements, apprenticeship, or inclusionary contracting.²³

Reporting to Commerce

Local government reports to Commerce are now due by April 1 following the year final certificates are issued.²⁴

This allows sufficient time for county assessors to provide updated assessments. Reporting requirements have been

¹⁹ RCW 84.14.010(4)

²⁰ “High cost area” was defined as a county where the third quarter median house price for the previous year as reported by the Washington center for real estate research at Washington State University is equal to or greater than one hundred thirty% of the statewide median house price published during the same time period.

²¹ RCW 84.14.040

²² RCW 84.14.040(1)(d)(iii) is specific about the area, “that is located within a designated urban growth area and within 0.25 miles of a corridor where bus service is scheduled at least every thirty minutes for no less than 10 hours per weekday and is in service or is planned for service to begin within five years of designation.”

²³ RCW 84.14.040 (6)

²⁴ RCW 84.14.100

slightly amended to improve accountability, and the following information must be submitted to Commerce each year, for MFTE projects that were finalized in the previous year.²⁵ Reporting requirements include:

1. The number of tax exemption certificates granted.
2. The total number and type of units produced.
3. The number, size, and type of units produced meeting affordable housing requirements.
4. The development cost of each unit produced.²⁶
5. The total monthly rent or total sale amount of each unit produced, affordable and market rent.
6. The annual income and household size of each renter household for each of the affordable units.²⁷
7. The value of the property tax exemption for each project.

A city or county must be in compliance with the reporting section to offer MFTE certificates.

Future Commerce Work Plan for the MFTE Program

The 2021 legislative session brought significant resources to Commerce to implement the MFTE program, along with a significant task list (see Table One below).

- The [State Operating Budget](#) (Section 111, Page 69) provides funding for Commerce to conduct a study and report to the Legislature on city and county implementation of the multifamily housing property tax exemption.
- [SB 5287](#) requires Commerce to develop guidance on the program, develop a template for permanently affordable units, and develop and implement an auditing system.

Commerce intends to hire a consultant to implement much of this work. The consultant will work with a technical advisory committee composed of local government MFTE program administrators and other stakeholders. The study and recommendations are to be completed by June of 2023. The work includes:

- 1) Developing guidance for local governments on the MFTE program, identifying areas where further clarification and study is needed;
- 2) Conducting the study, which may be further scoped by a technical advisory committee; and
- 3) Recommending changes to statute (both technical corrections and substantive amendments).

Commerce is providing this brief overview of 2021 changes and anticipates providing the following items required by SB 5287.

Table One: Commerce Task List to Support the MFTE Program

Commerce Task List	Anticipated Timeline
Develop a template for permanently affordable housing.	Winter 2022
Provide detailed guidance to cities and counties on managing MFTE programs and reporting requirements within them.	Summer 2022
Conduct a required study of the MFTE program.	Winter 2022
Design and implement a plan for auditing or reviewing the number of units at rents the applicant intends to offer.	Spring 2023

²⁵ Annual forms will be available on the Commerce site. Any local government that fails to report to Commerce may not offer new MFTE certificates.

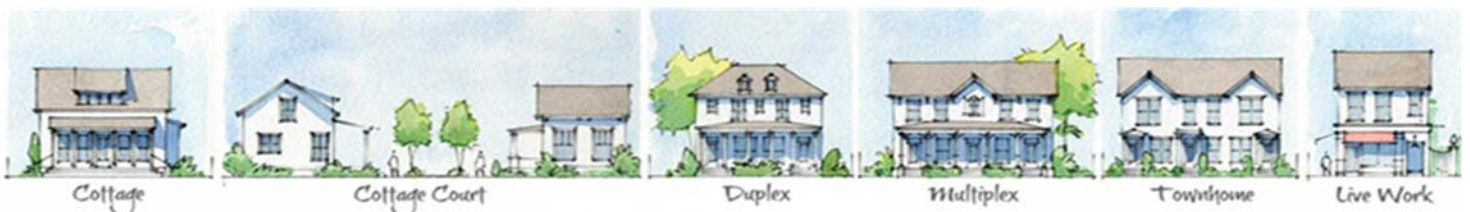
²⁶ Commerce will provide guidance on how to estimate the development cost.

²⁷ Commerce will also provide guidance on how to gather this data as projects are still leasing up in the first year.

Walla Walla Regional Housing Action Plan

*Cities of College Place,
Dayton, Waitsburg and
Walla Walla*

July 21, 2021



ACKNOWLEDGEMENTS

This work is made possible through a grant provided by the Washington Department of Commerce, and the dedicated work of the Plan Advisory Committee and the Stakeholder Advisory Committee. We specifically recognize and appreciate the time and attention provided by the following people.

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GLOSSARY

Accessory Dwelling Unit (ADU): A small living space located on the same lot as a single-family house.

Affordable For-Sale Housing: An owner-occupied dwelling with a monthly mortgage and property tax payment that equates to no more than 30% of household income.

Affordable Rental Housing: A dwelling that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed 30% of the household's monthly income. If income-restricted or government supported, U.S. Housing and Urban Development (HUD) income restrictions vary by family size.

Buildable Lands Inventory (BLI): An assessment of the capacity of land to accommodate forecasted housing and employment needs.

Buildable Residential Land: Includes land that is designated for residential development that is vacant and part-vacant and not constrained by existing buildings or environmental issues.

Cost Burdened: Defined by US Department of Housing and Urban Development (HUD) as households who spend over 30% of their income on housing.

Cottages: Small, single-level, detached units, often on their own lots and sometimes clustered around pockets of shared open space. A cottage is typically under 1,000 square feet in footprint.

Density: Defined by the number of housing units on one acre of land.

Development density: Expected number of dwelling units (per acre) based on current zoning designations.

Family: A group two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together.

High Density: Lots with the average density of 12+ dwelling units per acre. Best suited for multifamily housing such as apartments and condos.

Housing Unit (or Dwelling Unit): A house, an apartment or other group of rooms, or a single room is regarded as a housing unit when it is occupied or intended for occupancy as separate living quarters; that is, when the occupants do not live and eat with any other person in the structure and there is direct access from the outside or common hall.

Household: Consists of all people that occupy a housing unit.

HUD: Acronym for US Department of Housing and Urban Development, the federal agency dedicated to strengthening and supporting the housing market.

Low Density: Lots with the average density of 3-4 dwelling units per acre. Best suited for family housing such as single-family detached homes.

Manufactured Housing: is a type of prefabricated home that is largely assembled of site and then transported to sites of use. The definition of the term in the United States is regulated by federal law (Code of Federal Regulations, 24 CFR 3280): "Manufactured homes are built as dwelling units of at least 320 square feet in size, usually with a permanent chassis to assure the initial and continued transportability of the home. The requirement to have a wheeled chassis permanently attached

differentiates "manufactured housing" from other types of prefabricated homes, such as modular homes.

Median Family Income (MFI): The median sum of the income of all family members 15 years and older living in the household. Families are groups of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

Medium Density: Lots with the average density of 6-12 dwelling units per acre. Best suited for small lot housing such as single family attached, townhomes, plexes and cottages.

Middle Housing: Housing types that is generally attainable for households earning less than 120% of the area median income level. Typically includes plexes (2-4 units per structure), townhomes, apartments, accessory dwellings, cottage homes and manufactured homes.

Mixed Use: Characterized as two or more residential, commercial, cultural, institutional, and/or industrial uses into one combined building or building(s) on the same parcel of land.

Multi-Family Housing: Stacked flats in a single buildings or groups of buildings on a single lot with 5 or more units per structure. Parking is shared, and entrance to units is typically accessed through a shared lobby.

Part-vacant land: Unconstrained land that has some existing development but can be subdivided to allow for additional residential development.

Plexes and Apartments: Multiple units inside one structure on a single lot. Usually each unit has its own entry.

Seasonal dwellings: These units are intended by the owner to be occupied during only certain seasons of the year. They are not anyone's usual residence. A seasonal unit may be used in more than one season; for example, for both summer and winter sports. Published counts of seasonal units also include housing units held for occupancy by migratory farm workers. While not currently intended for year-round use, most seasonal units could be used year-round.

Residual Land Value: The amount a developer would typically be willing to pay for the land/site in order to build a specific real estate improvement based on underlying assumptions and market conditions.

Severely Cost Burdened: Defined US Department of Housing and Urban Development (HUD) as households who spend over 50% of their income on housing.

Single Family Attached: Residential structures comprised of two to four housing units with a shared wall that separates each unit. "Attached" duplexes require a single building permit for both dwelling units.

Single Family Detached: Free standing residential building, unattached, containing separate bathing, kitchen, sanitary, and sleeping facilities designed to be occupied by not more than one family, not including manufactured and mobile homes.

Townhome (also known as duplexes, rowhouse, etc.): Attached housing units, each on a separate lot, and each with its own entry from a public or shared street or common area.

Vacant housing unit: A housing unit is vacant if no one is living in it at the time of enumeration unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere are also classified as vacant.

Vacant land: Vacant and part-vacant land identified within the local buildable land inventory that is not developed and unconstrained for future planned residential development.

SUMMARY

The demand for adequate, safe and affordably-priced housing continues to far outpace new housing production. This Walla Walla Regional Housing Action Plan provides a strategy for strengthening and enhancing the inventory of affordable housing and less expensive market-rate housing in southeast Washington. This growing region includes a network of small and medium historic cities, that are rich in agricultural, viticulture, and education.

This Plan highlights existing housing conditions and issues and forecasts future needs based on changing demographic and socio-economic conditions. Using feedback from a dedicated project advisory committee and stakeholder committee and survey input from over 400 citizens, this plan reflects current attitudes regarding housing priorities. While significant steps have already been taken by the cities of College Place, Dayton, Waitsburg and Walla Walla, this Plan lists new housing policies and actions that can be taken for each city to further enhance housing opportunities.

As shown in the following graphic, the Housing Action Plan will be used to inform future Comprehensive Plans, Capital Facilities Plans and Land Use Policies. The Plan also guides decisions regarding implementation strategies that can affect development regulations, infrastructure spending priorities, permitting procedures, fee structures and other housing actions.



Source: Washington Dept. of Commerce and BERK, 2020.

Highlights of the Walla Walla Regional Housing Action Plan

Walla Walla Regional Housing Survey (over 400 respondents) lists the **top 5 housing issues** as:

1. Housing Cost/Affordability
2. Inadequate Housing Availability
3. Homelessness
4. Range of Housing Types
5. Housing Quality

The top 5 Housing Actions recommended by survey respondents include:

1. Development Partnerships
2. Multifamily Tax Incentives
3. Grants for First time Homebuyers
4. Housing Rehabilitation Grants
5. Increase Residential Land Inventory

The Walla Walla Region should plan to add approximately 4,685 net new housing units over the next 20 years. Future housing demand in the Region is likely to include 1,523 standard-lot single family detached homes; 1,104 small-lot detached homes; 732 townhomes/plexes; 894 multi-family units (includes some group quarters demand), and 443 affordable housing units (government supported), manufactured homes and/or ADUs.

While the overall land capacity within the Region appears to be adequate for addressing the long-term housing need for Waitsburg and Dayton, nearly half of new construction that is planned to occur in College Place and Walla Walla would need to occur on under-developed (part vacant) tax lots. If property owners do not wish to subdivide their tax lots, the likelihood of meeting housing needs through “infill” is unlikely.

These findings also indicate that the current zoning and related land capacity within the College Place and Walla Walla UGAs (combined) may not be sufficient to fully accommodate multi-family demand. This issue is particularly acute in College Place, where the housing demand for single family and middle housing (672 units) is expected to exceed its zoned land capacity by 412 dwellings.

Based on the residential capacity analysis and this housing needs assessment, the following conclusions are made:

- **College Place UGA:** the projected 20-year housing need of 747 dwelling units is far greater than the potential UGA capacity of 345 units, even after accounting for recent code changes and assuming 60% of net new housing will need to be constructed on infill and redevelopment lands.
- **Walla Walla UGA:** the projected 20-year housing need of 3,570 dwelling units is below the potential UGA capacity of 3,740 dwelling units. However, the current amount of land zoned for multi-family structures appears to be inadequate to meet overall housing needs, even after assuming 55% of the net new housing will be constructed on infill and redevelopment lands.
It is recommended that the cities of College Place and Walla Walla continue to work with Walla Walla County and regional housing advocates to ensure that new housing density can be optimized within current UGAs, and new areas be identified for potential UGA expansion.
- **Waitsburg and Dayton UGAs:** the combined projected housing demand of 200 dwellings for these two small cities can be accommodated by their existing UGAs if adequate water and wastewater infrastructure is provided.

Additional policy actions and housing program considerations are provided in Section III.

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I. INTRODUCTION

PURPOSE

Communities across the state of Washington are facing unprecedented challenges with providing safe and affordable housing.¹ In response, the Washington state legislature passed a measure designed to encourage cities and counties to proactively work together to identify housing needs and implement local actions to preserve affordable housing and spur new housing development.

Within the Walla Walla Region, the Community Council facilitated a community-led study regarding regional housing issues, needs and local policy recommendations in a landmark report: *Affordable Housing Study (A report to the residents of Columbia and Walla Walla counties and the Milton-Freewater area)*, 2019. That report raised local awareness about issues pertaining to housing affordability and laid the foundation for advocacy around a number of recommendations to address the need for safe and affordable housing. The Affordable Housing study recommended the completion of a study on housing needs in the region and strategies for improvement; the cities of College Place, Dayton, Walla Walla, and Waitsburg applied for and were awarded a grant from the Washington State Department of Commerce to prepare this regional housing action plan.

A regional Housing Action Plan (HAP) is intended to examine housing affordability, access and structural diversity issues, as well as strategies and actions to be taken to create a more equitable housing environment. The HAP process includes a review of the region's comprehensive plans, policies, past actions, partnerships, and current regulations to determine

Housing Action Plans address the following questions:

- *Who lives and works here and what are their socioeconomic characteristics?*
 - *What types of housing are available?*
 - *Are there any groups of people who are not able to find housing that is safe, affordable, and meets their household needs?*
 - *How much housing, and what types of housing, are needed to meet current and future housing needs?*
 - *Is there sufficient buildable land capacity to accommodate this growth and housing diversity?*
 - *What local policies and actions can be taken to produce additional affordable and market rate housing?*
-

¹ Unless otherwise specified, "affordable housing" in this report is defined as government-supported housing that is income restricted as well as market-rate housing where residents pay no more than 30% of their income on housing costs (monthly rents or mortgage payments).

existing conditions of the housing ecosystem. Community input is obtained to identify and evaluate potential policy changes that can be implemented to increase production of affordable and market-rate housing.

At its core, the regional HAP identifies future housing needs to serve all economic segments of the community. Based on the 20-year growth target, the housing needs assessment identifies how many units of different types are needed to optimize housing affordability.

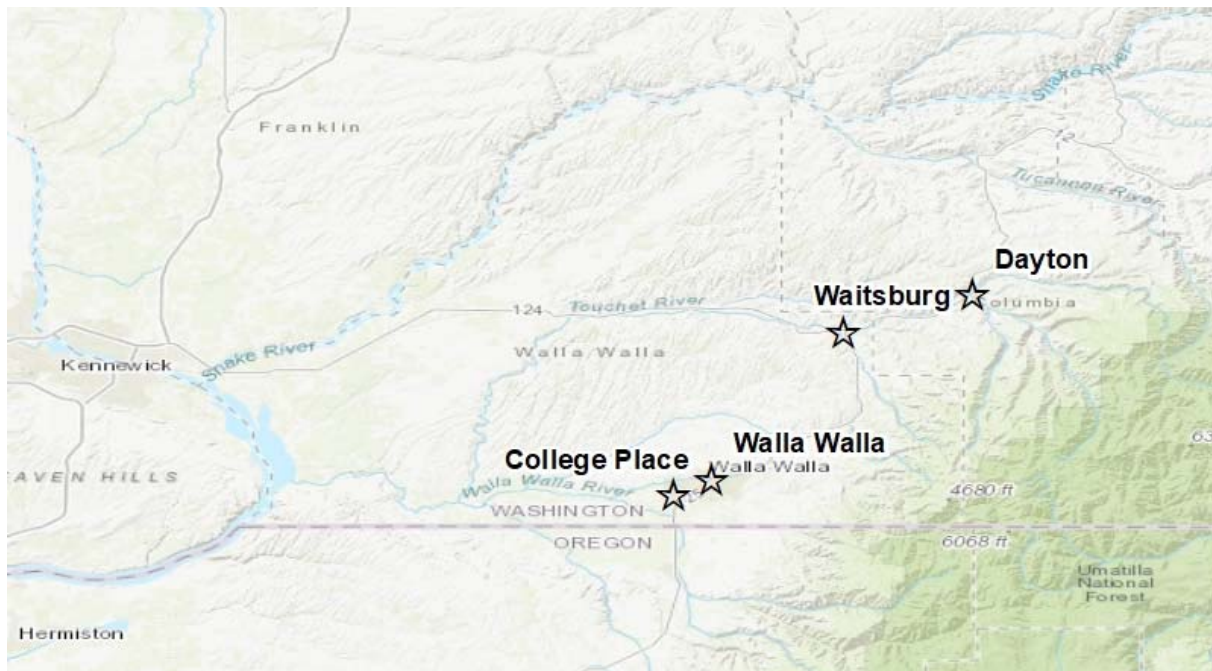
Based on Washington Department of Commerce grant funding guidelines, the focus of this study is on the existing urban growth areas (UGAs) surrounding the cities of Walla Walla, College Place, Dayton and Waitsburg. For purpose of this plan, these areas are collectively referred to as the Walla Walla Region.

REGIONAL CONTEXT

Because housing ecosystems are rarely contained within a single jurisdiction, regional analysis and coordination are necessary to understand market dynamics. For example, if safe and affordable housing is not sufficient in one community, residents are likely to search for housing in an adjacent jurisdiction rather than leave the region altogether.

The focus of this plan is on the Walla Walla Region, which includes the urban growth areas of Walla Walla, College Place, Dayton, and Waitsburg and the surrounding unincorporated areas of Walla Walla and Columbia counties (**Exhibit 1**). While the community of Milton-Freewater in Oregon is often included in the greater Walla Walla region, this analysis is limited to communities in Washington by dint of its focus on the Urban Growth Area structure laid out in Washington's Growth Management Act. The cities of College Place and Walla Walla currently function as the business and regional service center for this region. Each of the four cities provide a unique mix of housing opportunities, growth potential and community character.

Exhibit 1: Walla Walla Region



Recent Accomplishments

Prior to undertaking this work, communities within the Walla Walla Region have made strides in advancing affordable housing. Efforts completed to date include the following:

Regional Planning Coordination (Walla Walla, College Place, Waitsburg and Dayton)

- The cities of Walla Walla, College Place and Waitsburg have coordinated with Walla Walla County) to update their comprehensive plans with new growth forecasts and sections focused on housing policies.
- The city of Dayton has also coordinated with Columbia County and cities in Walla Walla County (through this planning effort) to evaluate their buildable land inventory.
- Community Council, a regional policy advocacy and education organization, convened civic, private and non-profit representation on the Affordable Housing Study Workgroup to identify housing issues and barriers to affordable housing, and to recommend policy strategies.

City of Walla Walla

- As mentioned above, the city of Walla Walla undertook a significant update of its comprehensive plan, with a new housing policy section that includes objectives aimed at expanding housing opportunities.
- 2018 Code Updates: this resulted in changes to local zoning that collapsed three single family residential zones into one zone called Neighborhood Residential. This new zone supports additional housing density in low density zone by allowing development of (up to) fourplexes on a single lot. The city also relaxed road access standards for short plats to permit private lanes to serve up to 9 dwelling units. Other changes included permitting multifamily units outright and removing the owner occupancy requirement for accessory dwelling units.
- Utility Rate Discounts: the city provides a program for providing water and sewer utility rate discounts to low-income citizens.
- The city is using Community Development Block Grant funds to provide micro-grants for property owners to complete home repair projects through a contract with the Blue Mountain Action Council.

City of College Place

- Recent Code Updates:
 - College Place created a new single-family residential zoning district and reduced minimum single-family residential lot sizes to 6,000 square feet.
 - The city increased flexibility in short plat standards.
 - Accessory dwelling units are now permitted in all residential zones.
 - Cottage and co-housing are now permitted in the Single-Family and Multi-Family Zoning Districts.
 - The City now permits dwelling units in commercial developments in both the Downtown Mixed-Use and General Commercial Zoning Districts
 - Three or more single-family dwelling units may be attached as townhomes or zero-lot line developments and the City may waive the minimum lot size and width requirement. Tiny Homes Permitted

- Tiny homes, also known as Park Model Recreation Vehicles, are now permitted for temporary or recreational use in mobile home and RV parks and may be approved for use as a dwelling unit subject to conditions.
- Manufactured homes, mobile homes, RV's, park models, tiny homes, and campers are now permitted for residential use in mobile home parks, manufactured housing communities, and manufactured/mobile home communities.
- Recreational Vehicles may now be used as a residence in RV and Mobile Home Parks subject to conditions.
- Dwelling Units of 600SF or less now qualify for reduced wastewater & water capital facility charges. This includes all categories of dwelling units.

City of Dayton

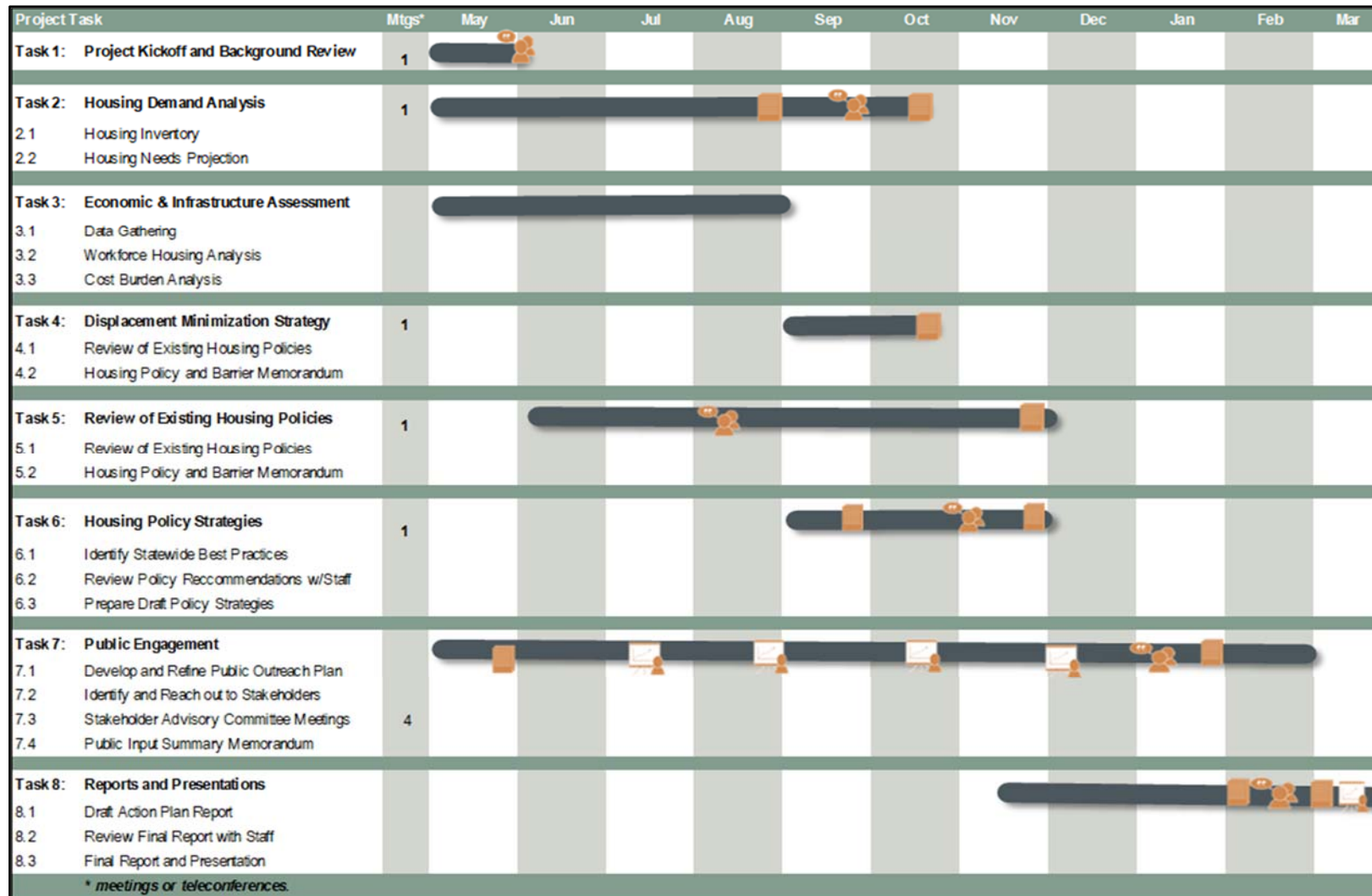
- In addition to mapping their buildable lands, the city revised its zoning code to increase future development potential by allowing plexes in and reducing setbacks in single family zones.
- The city has drafted an ordinance to streamline surplus property procedures.

APPROACH

The overall project approach/schedule is shown in **Exhibit 2**. Key steps taken to create this report include the following:

- Project coordination meetings: Interim findings were shared with the HAP Plan Advisory Team (PAT) and a Stakeholder Advisory Committee (SAC) made up of regional civic leaders.
- Housing trends and forecasts: the consultant team analyzed most recent available data from a mix of sources, such as the U.S. Census Bureau, American Community Survey, Washington Office of Financial Management to confirm the existing housing inventory, quantify market gaps in housing products, and to establish baseline housing demand forecast.
- Housing gentrification and displacement risk assessment: included analysis of the availability of naturally occurring affordable housing (non-government supported) as well as income-restricted government supported housing in context with local demographic and socio-economic data. Locations where the risk of housing displacement are relatively high were mapped for each community in the region.
- Review of existing housing policies and draft policy recommendations: this included a synthesis of the current housing policies for each community, and identification of potential housing policies and actions that can be taken to address issues identified the HAP.
- Community engagement: the HAP process included stakeholder interviews, PAT and TAC meetings and public surveys with the broader community to identify and evaluate housing issues and policy actions.

Exhibit 2: Project Approach



COMMUNITY ENGAGEMENT PROCESS

Public Engagement Plan and Groups Contacted

The Public Engagement Plan (provided in **Appendix A**) for this regional plan is consistent with local and state requirements and reflects best practices. In light of the global Covid-19 pandemic that was in-place during the planning process, the community outreach process utilized virtual video conference meetings/presentations and interactive surveys to evaluate housing affordability, availability and local policies. At the outset of the HAP, a draft Public Engagement Plan was developed and refined based on input from the Project Advisory Team. The engagement plan had four objectives:

1. To provide a forum to share, develop and refine useful information and data,
2. To ensure a shared understanding of current conditions, issues, concerns, and opportunities,
3. To provide avenues for the public, applicable committees, and supporting agencies to be involved,
4. To build support for eventual adoption and implementation.

Project Advisory Team (PAT) Meetings (4): PAT members were comprised of planning staff from the cities of Walla Walla, College Place, Waitsburg, and Dayton, and Walla Walla County and the consultant team. The PAT directed and reviewed the research, outreach, and work products in support of the Walla Walla Regional Housing Action Plan. The PAT met four times from May to November 2020

Stakeholder Advisory Committee Meetings (3): The Stakeholder Advisory Committee represented a range of informed and committed stakeholder interests. It included representatives of city and county agencies, direct service providers, and other public agencies, along with local property owners, residents, and community organizers. The Committee provided recommendations on key project issues and decisions, helped to shape housing policy options, guided stakeholder and community engagement strategies, and encouraged community members to participate in the planning process. The SAC met three times from July to November 2020.

Input regarding housing issues, goals and objectives

Two housing surveys were conducted during the HAP planning effort, with input from the PAT and the SAC. The initial Housing Policy Survey was distributed to local planners, developers and housing experts in the region. The survey focused on housing development issues, barriers and policy preferences. Survey respondents were asked to identify the most effective housing policies in their jurisdiction (city and county) and were asked to identify housing actions suggested within HB 1923.

The Housing Policy Survey received five responses. The top housing issues and policies identified for the Walla Walla region included:

- Overall need for additional construction of quality market-rate housing, additional vacant developable land, the need for less development regulations, and the need for new housing development incentives.
- Survey respondents supported local implementation actions regarding: use of cluster zoning (such as lot size averaging with reduced setbacks for new buildings), a shortened subdivision

approval process, clear and objective accessory dwelling unit standards, and increased categorical exemptions for multifamily developments.

Public Input

The second survey included an electronic Regional Housing Action Plan Survey that was also developed with input from the PAT and TAC and provided in both English and Spanish. The survey focused on the identification of community-defined housing issues, housing affordability perceptions, and barriers to renting or owning a home. Survey respondents were asked to identify actions local officials could take to address housing issues in their community. While the survey is not a statistical representation of all regional residents, the issues and perceptions provided by the respondents are generally consistent with other survey input received during the recent Walla Walla (city and county) Comprehensive Plan updates.

The English survey received 419 responses and the Spanish survey received 3 responses. Survey responses were primarily from residents living in the Walla Walla zip code 99362 (80%), the College Place zip code 99324 (11%), and the Dayton zip code 99328 (4%). Detailed survey results are included in **Appendix B** and are summarized below. While the survey is not considered statistically valid, it does provide a reliable indication of community perceptions regarding housing issues.

Top 5 Perceived Housing Issues

1 Housing Cost / Affordability

2 Inadequate Housing Availability

3 Homelessness

4 Range of Housing Types

5 Housing Quality

Top 5 Housing Actions

1 Development Partnerships

2 Multifamily Tax Incentives

3 Grants for First-time Homebuyers

4 Housing Rehabilitation Grants

5 Increase Residential Land Inventory

Top Barriers to Homeownership

Barriers to Home Ownership	Count	Percent
Limited Housing Supply	249	21.9%
Availability of Living Wage Jobs	290	25.5%
Affordability of Available Homes	371	32.6%
Programs for Homeowners	124	10.9%
Lack of Resources/Education on Home Ownership	63	5.5%
Other	40	3.5%
Total	1,137	100.0%

Top Barriers to Rental Housing

	Count	Percent
Low Vacancy Rates	298	30.0%
Lack of Affordable Rentals	351	35.3%
Strict Rental Requirements	196	19.7%
Confusing Rental Application Process	48	4.8%
Other	101	10.2%
Total	994	100.0%

II. HOUSING MARKET OVERVIEW

Housing demand is driven by a combination of population growth, household formations and regional economic activity. Population within the Walla Walla Region (includes the cities of Walla Walla, College Place, Dayton and Waitsburg) reached a record high of 47,695 year-round residents in 2019 (*according to the WA Office of Financial Management*).

Population within the Region has been increasing at an annual average rate of 0.68% between 2010-2018, which is three times faster than unincorporated Walla Walla County, but only half the statewide average (**Exhibit 3**).

Exhibit 3: Population Trends

Population Trends			
	2010	2018	AGR
Washington	6,561,297	7,294,336	1.33%
Columbia County	3,957	4,001	0.14%
Dayton	2,463	2,682	1.07%
Walla Walla County	57,585	60,236	0.56%
College Place	8,502	9,136	0.90%
Waitsburg	1,194	1,188	-0.06%
Walla Walla	31,177	32,731	0.61%
Walla Walla Region	43,336	45,737	0.68%
Unincorp. Walla Walla County	14,249	14,499	0.22%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table B01003)

AGR: average annual growth rate.

Household income and housing price/rent levels are good indicators of housing attainability. Median household income in Walla Walla County (\$56,533) is currently well below the Washington average (\$70,116). However, overall income levels in Walla Walla County and the city of Walla Walla recorded a slightly faster growth rate than the state average between 2010 and 2018 (**Exhibit 4**).

Exhibit 4: Median Income Trends, 2010-2018

	2010	2018	AGR
Washington	\$57,244	\$70,116	2.6%
Walla Walla County	\$45,575	\$56,533	2.7%
College Place	\$40,137	\$47,525	2.1%
Dayton	\$39,861	\$44,524	1.4%
Waitsburg	\$45,568	\$48,403	0.8%
Walla Walla	\$39,397	\$48,678	2.7%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table B25119)

AGR: average annual growth rate.

To meet HUD guidelines for housing affordability, no more than 30% of income should be allocated to housing. Hence, middle-income families earning 80% to 120% of the median household income (MHI) should be able to afford monthly rents at \$1,131 to \$1,696; or homes priced between \$194,000

and \$291,000. If middle-income households pay more than this, they would be “cost burdened” to some degree. As indicated in **Exhibit 5**, using current statistics, affordable monthly housing cost for low-income families is as follows:

- Low Income, \$707 to \$1,131
- Very Low Income, \$424 to \$707
- Extremely Low Income, \$424 or less

Exhibit 5: Analysis of Attainable Housing Prices/Rents

Walla Walla County Median Household Income (2018)*		\$56,533
Market Segment by Income Level		Lower-end Upper-End
Upper (120% or more of MHI)		120%
Middle (80% to 120% of MHI)	80%	120%
Low (50% to 80% of MHI)	50%	80%
Very Low (30% to 50% of MHI)	30%	50%
Extremely Low (less than 30% of MHI)	30%	
Qualifying Income Level		Lower-range Upper-range
Upper (120% or more of MHI)	\$67,840	or more
Middle (80% to 120% of MHI)	\$45,226	\$67,840
Low (50% to 80% of MHI)	\$28,267	\$45,226
Very Low (30% to 50% of MHI)	\$16,960	\$28,267
Extremely Low (less than 30% of MHI)		\$16,960
Attainable Monthly Rent or Payment (@30% of income level)		Lower-range Upper-range
Upper (120% or more of MHI)	\$1,696	or more
Middle (80% to 120% of MHI)	\$1,131	\$1,696
Low (50% to 80% of MHI)	\$707	\$1,131
Very Low (30% to 50% of MHI)	\$424	\$707
Extremely Low (less than 30% of MHI)		\$397
Approximate Attainable Home Price**		Lower-range Upper-range
Upper (120% or more of MHI)	\$291,000	or more
Middle (80% to 120% of MHI)	\$194,000	\$291,000
Low (50% to 80% of MHI)	\$116,000	\$185,000
Very Low (30% to 50% of MHI)	\$69,000	\$116,000
Extremely Low (less than 30% of MHI)	n/a	n/a

Notes:

* based on current U.S. Census estimates of household income for Walla Walla County.

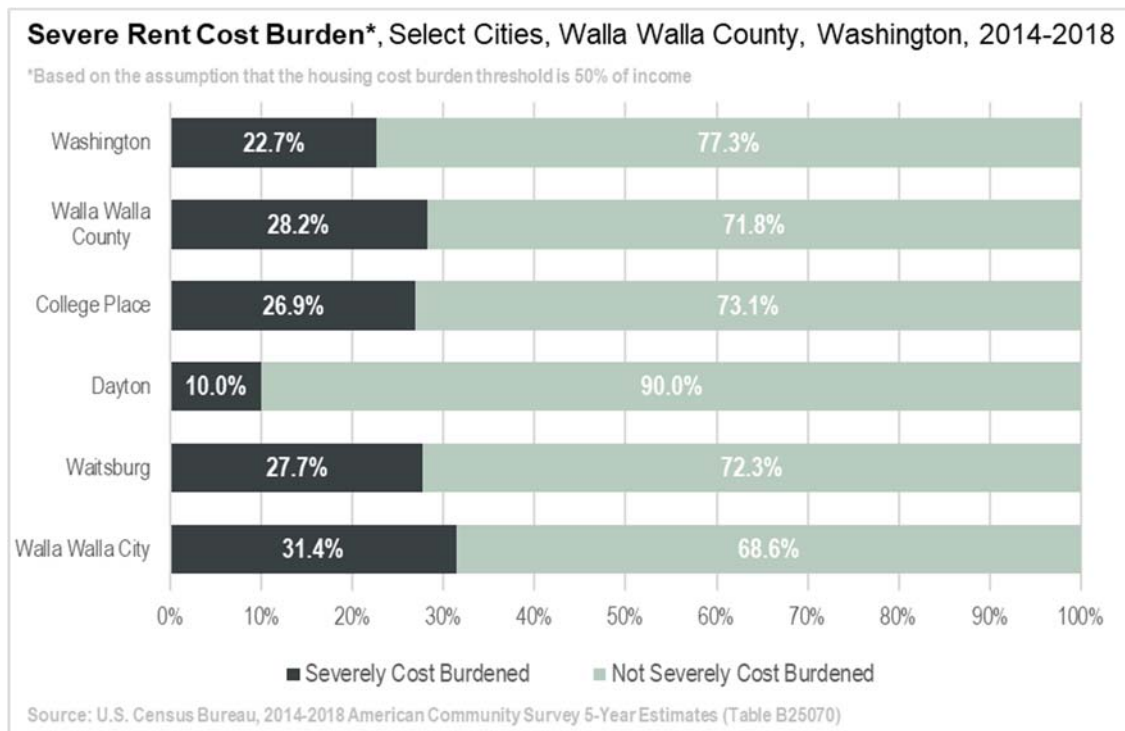
** assumes 5% down (zero down payment for low income purchasers) on 30-yr mortgage @ 3.6% interest; and 1.89% for taxes and insurance.

Source: analysis by FCS GROUP using U.S. Census, American Community Survey data.

According to the U.S. Housing and Urban Development (HUD), households are considered “cost burdened” if they pay over 30% of their gross income on housing and utilities. Households are “severely cost burdened” if they pay over 50% of their gross income on housing and utilities.

As of 2018, nearly 3 in 10 renters (28%) in Walla Walla County were severely cost burdened by housing expenses alone (**Exhibit 6**). If housing costs continue to rise faster than income levels, the share of severely cost burdened households will continue to increase.

Exhibit 6: Severe Housing Cost Burden by Locality



Measures of Economic Hardship

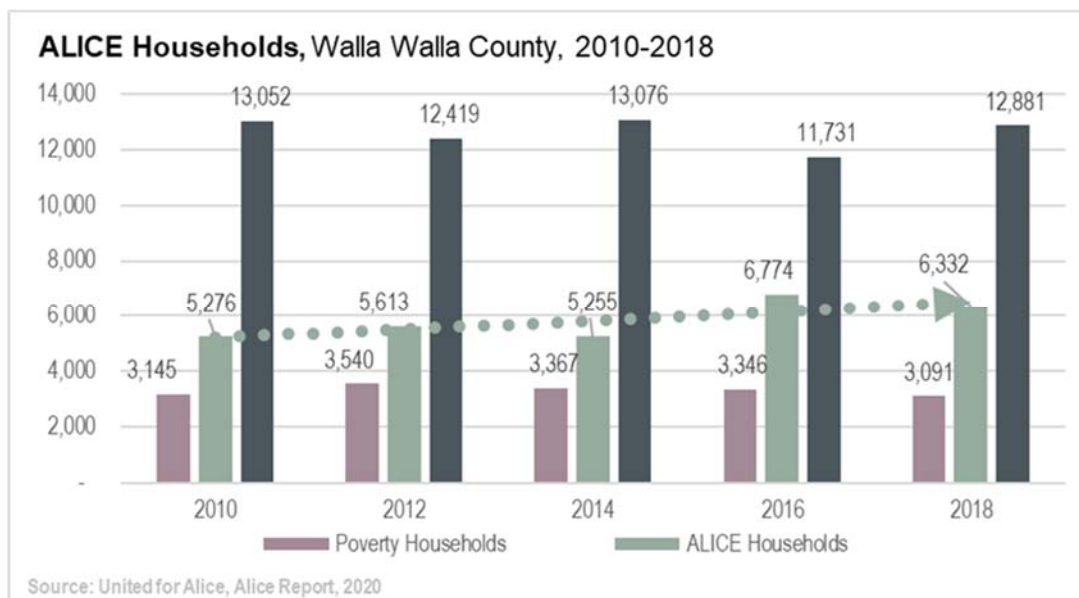
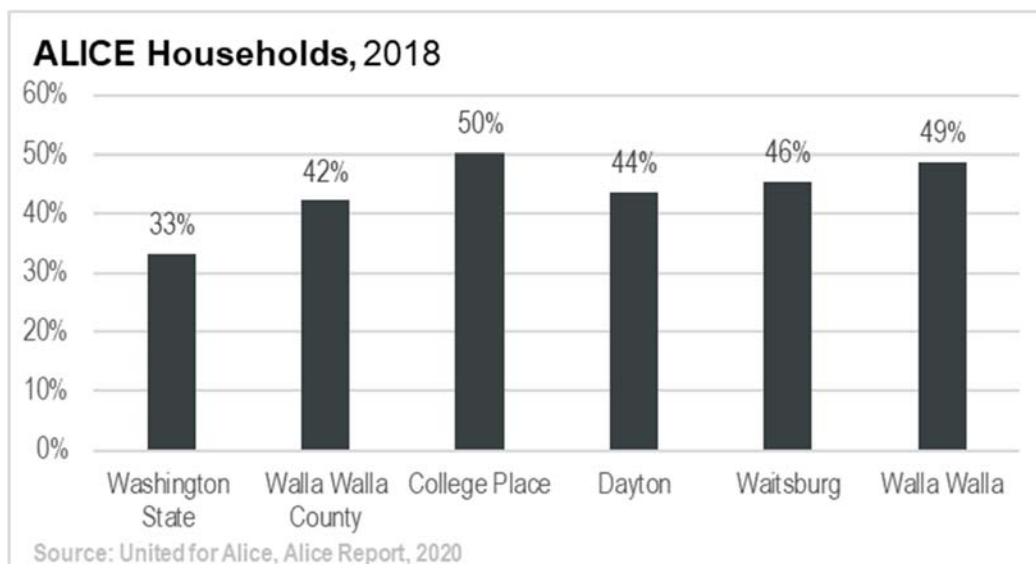
Like many rural communities across the U.S., an increasing share of households in the Region are experiencing economic hardship as the cost of living rises faster than income levels.

Since the War on Poverty began in 1965, the Federal Poverty Level (FPL) has provided a standard for determining the proportion of people living in poverty in the U.S. Despite the FPL's benefit of providing a nationally recognized income threshold for determining who is poor, its shortcomings include the fact that the FPL is not based on the current cost of basic household necessities, and except for Alaska and Hawaii, it is not adjusted to reflect cost of living differences across the U.S. In fact, federal poverty statistics indicate that the number of Walla Walla County households living in poverty decreased by 54 between 2010 and 2018.

In recognition of the short comings associated with federal poverty statistics, the United Way now provides a new measure of economically distressed households struggling in each county in a state. This effort provides a framework, to measure households that do not earn enough to afford basic necessities, with a population segment called **ALICE (Asset Limited, Income Constrained, Employed)**. The ALICE methodology takes into account the total cost of household essentials – housing, child care, food, transportation, technology, and health care, plus taxes and a 10 percent contingency. ALICE data are calculated separately for each county, and for six different household types. For more information check out: <https://www.unitedforalice.org/methodology>

In 2018, 42% of the households in Walla Walla County were either in poverty or in the ALICE category, which is well above the Washington statewide average of 33%. Within the Walla Walla Region, the share of households in poverty and ALICE categories ranged from 44% in Dayton to 50% in College Place (**Exhibit 7**).

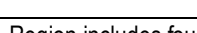
Exhibit 7: ALICE Household as Share of Total Households



Employment

Employment in the cities of the Walla Walla region has been on a steady upward trajectory since 2002, with an estimated 13,281 jobs in 2002 and 14,006 jobs in 2017 (latest available data) a 5.5% overall increase in that timeframe. Job gains varied by sector, with industries such as Transportation and Utilities, Industrial Trades, and Agriculture recording job losses, while Health Care, Services and Education sectors recording the most job gains during this time frame (**Exhibit 8**).

Exhibit 8: Employment Trends: 2002-2017

Segment	2002 - 2017 Job Growth	2002	2010	2017	Change
Agriculture, Forestry, Fishing and Hunting		230	184	150	(80)
Transportation, Communications & Utilities		700	509	427	(273)
Industrial Trades & Construction		1,978	1,642	1,594	(384)
Retail Trade		2,392	2,911	2,337	(55)
Other Services, Restaurants & Lodging		3,673	4,129	4,022	349
Educational Services		1,042	1,033	1,288	246
Health Care and Social Assistance		3,083	3,396	4,012	929
Public Administration		183	173	176	(7)
Total		13,281	13,977	14,006	725

Source: US Census Bureau, On the Map.com. Region includes four cities: Walla Walla, College Place, Waitsburg and

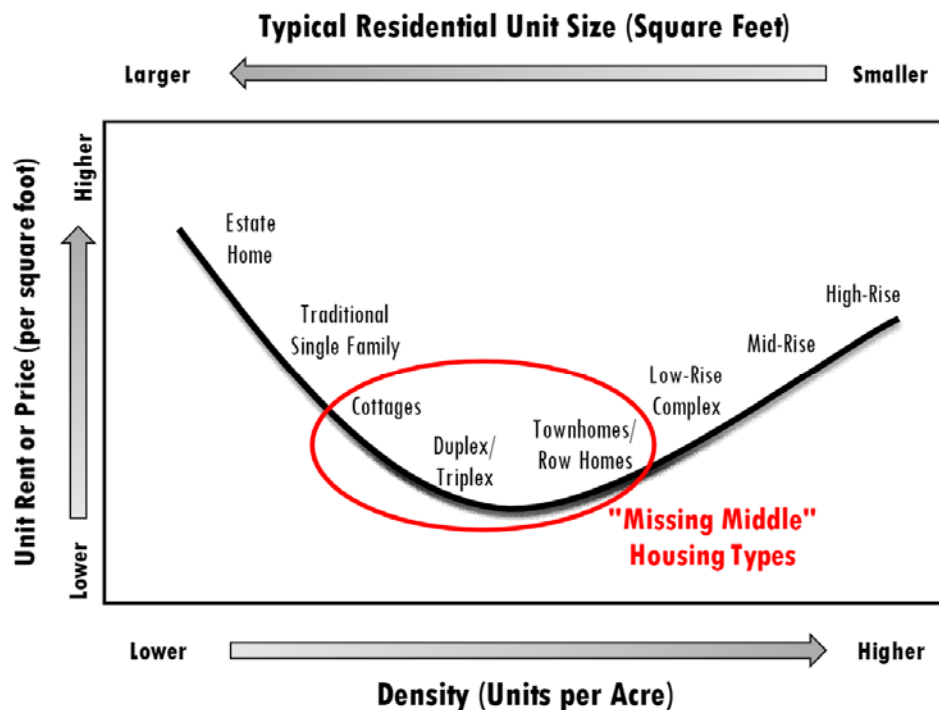
In that same timeframe in the Walla Walla MSA (Walla Walla and Columbia Counties) the civilian labor force increased by 1.9%, a figure well outpaced by job growth in the area according to the US Bureau of Labor Statistics. Unemployment in the area also dropped from 6.9% in 2002 to 4.9% in 2017.

HOUSING NEEDS FORECAST

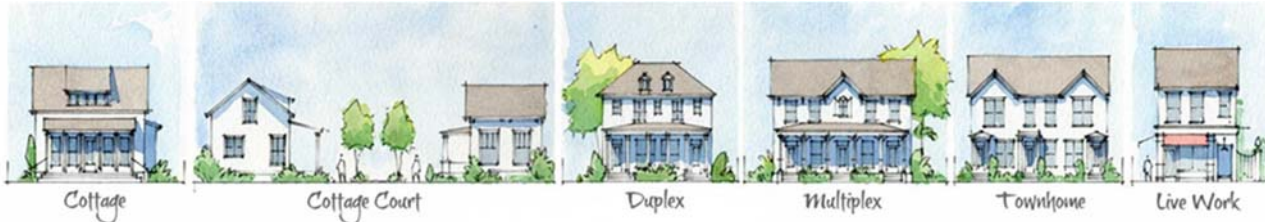
Representatives from public agencies have expressed concern over the lack of attainable and good quality housing for middle income families and local workers. To find attainable housing, some workers must travel long distances between their homes and their jobs to find attainable housing.

The Region would benefit from development of “middle income” housing types, such as apartments, duplexes, townhomes, cottages, manufactured homes and accessory dwelling units (ADUs). These housing types can be delivered at a lower cost and rent level per square foot than standard single family detached and mid-rise housing types (**Exhibit 9**).

Exhibit 9: Middle Housing Types



Source: Washington Department of Commerce Housing Memorandum (PNW Economics and LDC)



Housing Market Gaps

Low vacancy rates and rising home prices have resulted in deficiencies in the regional housing inventory that could largely be addressed by new housing construction. The regional *Community Council's Affordable Housing Study Report*, Summer 2019, found that median income levels in the City of Walla Walla and College Place would need to increase by at least \$5,400 to enable families to purchase a home at 2018 prices.

The housing affordability gap within the region does vary significantly by location. As shown in **Exhibit 10**, regional home prices are highest in College Place (\$281,000) and lowest in the cities of Dayton (\$152,000) and Waitsburg (\$230,000). As a result of this wide disparity in home prices, approximately 69% of the region's households could likely afford to buy a home in Dayton, but less than half of the households can afford to buy a median priced home in College Place.

Exhibit 10: Median Home Price Sales Trends & Affordability

	5/19/2019	5/20/2020	Change from prior year %	Min. Income Needed to purchase median priced home*	Share of Regional HHs that qualify based on income**
Washington	\$403,000	\$425,000	5.5%	\$83,332	
Columbia County	\$186,400	\$208,300	11.7%	\$40,842	63.1%
Dayton	\$149,000	\$152,000	2.0%	\$29,803	69.3%
Walla Walla County	\$268,000	\$273,000	1.9%	\$53,528	49.5%
College Place	\$276,000	\$281,000	1.8%	\$55,097	48.9%
Waitsburg	\$226,000	\$230,000	1.8%	\$45,097	60.4%
Walla Walla City	\$268,000	\$273,000	1.9%	\$53,528	49.5%

Source: Zillow, (6/1/2020), Compiled by FCS GROUP.

* Assumes 30-year mortgage, 3.6% interest, 1.89% property tax & insurance; 5%

** Assumes 30% of household income dedicated to payments.

The Region's housing gap is most prevalent for long-term rentals as well as less-expensive for sale housing. In other words, there is an inadequate supply of deed-restricted rental housing as well as high-quality market rate apartments and for-sale housing priced under \$300,000. Housing needs reflect an increase in demand for homes in the \$291,000 to \$300,000 price range, which are affordable to households earning around the median income.

As reflected in **Exhibit 11**, the lack of affordable rental housing (priced at \$707/month or lower) has resulted in 791 households living in higher-cost housing than they can afford, which leads to severe rent burdens. If we assume that 33% of the housing gap can be addressed by new policies that encourage near term housing construction, we expect the Region could absorb nearly 240 market rate rentals units and at least 261 deed-restricted rental units within 1 or 2 year (**Exhibit 11**).

Exhibit 11: Rental Housing Market Gaps, Walla Walla Region, 2017

Median Household Income Range	Lower-end	Upper-End	Renter Households Counted	Affordable Monthly Rent Costs *	Level of subsidy required	Estimated Rental Units Counted	Year 2017 Housing (Gap) or Surplus
Upper (120% or more of MFI)	\$67,840 or more		1,304	\$1,696 & Above	Zero	580	(400)
Middle (80% to 120% of MFI)	\$45,226	\$67,840	1,173	\$1,131-\$1,686	Zero	1,497	
Low (50% to 80% of MFI)	\$28,267	\$45,226	1,518	\$707-\$1,131	Low	2,709	1,191
Very Low (30% to 50% of MFI)	\$16,960	\$28,267	1,177	\$424-\$707	Medium	1,541	(791)
Extremely Low (less than 30% of MFI)	\$16,960 or less		1,830	Less than \$424	High	674	
Total			7,001			7,001	

Source: US Census Bureau 2013-2017 ACS, analysis by FCS GROUP.

* Calculated at 30% of Walla Walla County median family income based on HUD guidelines

Analysis of Pent-Up Rental Housing Demand, Walla Walla Region

Median Household Income Range	Renter Households in 2017	Rental Units in 2017	Housing (Gap)	Potential Capture Rate	Pent-up Housing Demand Capture
Upper (120% or more of MFI)	1,304	580	(724)	33%	239
Middle (80% to 120% of MFI)	1,173	1,497	324		
Low (50% to 80% of MFI)	1,518	2,709	1,191		
Very Low (Less than 50% of MFI)	3,006	2,215	(791)	33%	261

Source: US Census Bureau 2013-2017 ACS, analysis by FCS GROUP.

Regional Housing Need

The 20-year regional housing demand forecast takes into account a share of the current market gap for rental housing along (noted in the preceding section) plus the amount of housing required to address demand from the projected changes in population for cities and unincorporated areas of Walla Walla and Columbia counties. Population growth rates are consistent with the adopted comprehensive plans for Walla Walla County and the cities of College Place, Walla Walla, Dayton and Waitsburg.

These plans anticipate a population increase of approximately 9,668 year-round residents by 2040 within Walla Walla County. According to the Walla Walla County Comprehensive Plan, the vast majority of population (and housing) growth is expected to occur within the Walla Walla, College Place and Waitsburg urban areas. Unincorporated areas of the county are projected to add 2,802 people. Since that forecast also reflects unincorporated portions of UGAs for the cities, we expect the majority of new population growth to occur within future annexation areas of local cities.

To estimate urbanization requirements for the four-city region, this regional housing action plan assumes that 70% of the housing growth and 90% of the group quarters population growth within unincorporated Walla Walla County will occur within the UGAs of Walla Walla, College Place, and Waitsburg. As indicated in **Exhibit 12**, this allocation of county growth equates to approximately 107 group quarters residents and 657 dwelling units. A more detailed breakdown of this analysis can be found in **Appendix C**.

Exhibit 12: Projected Regional Housing Capture of Unincorp. Walla Walla County, 2020 to 2040

	Walla Walla County	Unicorp. Walla Walla County**	Regional Housing Capture of Unincorp. County %	Regional Housing Capture of Unincorp. County
Net New Population	9,668	2,802		
New Pop in Group Quarters*	773	119	90%	107
Population in Households	8,894	2,683		
Housing Need for Permanent Residents (dwellings)	3,601	865		
Seasonal & Vacancy Allowance (@9.4 %)	358	74		
Growth-related Housing Demand (dwelling units)	3,959	939	70%	657

Source: FCS GROUP based on local pop. growth forecasts and current ACS data for local areas. *Group quarters reflects people in dormitories, group homes, institutions, etc. ** Includes unincorporated areas within urban growth areas of local cities.

The baseline housing demand forecast converts future population growth into housing needs. To address changing demographic and householder preferences, the baseline housing demand forecast also takes into account the following assumptions:

- Future population growth forecasts for each city within the Walla Walla Region will be consistent with adopted local comprehensive land use plan forecasts (extrapolated).
- The tenancy mix and rate of homeownership will increase slightly overtime to the Washington statewide average (63% owners and 37% renters). Note, this results in a modest increase in homeownership rates within the Region from 60% currently to 63% by year 2040.
- Housing needs reflect increasing demand for attainably-priced middle housing types consistent with 30% of household income allocated to rent or mortgage (principal and interest).

- The housing needs forecast assumes a moderate shift toward middle housing types, including townhomes, plexes, apartments, ADUs and manufactured housing.

Given these assumptions, the Walla Walla Region should plan to add approximately 4,685 net new housing units over the next 20 years. Future housing demand in the Region is likely to include 1,523 standard-lot single family detached homes; 1,104 small-lot detached homes; 732 townhomes/plexes; 894 multi-family units (includes some group quarters demand), and 443 government-supported affordable housing units, manufactured homes and/or ADUs (**Exhibit 13**).

Exhibit 13: Walla Walla Region Housing Needs Forecast, 2020 to 2040

	Walla Walla City	College Place	Waitsburg	Dayton	Region Total
Projected Baseline Housing Demand	2,362	494	153	11 +	3,021
Plus Share of Housing Within Unincorp. UGAs	514	107	33	2 +	657
Plus Demand to Address 33% of Housing Gap	414	87			500
Total Housing Need	3,290	688	187	13 +	4,178
Plus Group Quarters Housing Units (@1.5 people per unit)*	420	88			762
Grand Total (units)	3,710	776	187	13 +	4,685
percent of total	79%	17%	4%	0.3%	100%

Source: FCS GROUP based on local pop. growth forecasts and current ACS data for local areas. *Group quarters reflects people in dormitories, group homes, institutions, etc.

Projected Housing Need by Housing Type

Projected 2040 Housing Needs	Walla Walla UGA	College Place UGA	Waitsburg UGA	Dayton UGA	Walla Walla Region	Remainder of Walla Walla County
Housing Type						
Single-Family Detached						
Standard Lots	1,142	261	112	9 +	1,523	225
Small Lots, cottages, mfg. homes (lots)	899	205	-	-	1,104	-
Townhouses / Plexes (units)	556	155	19	1 +	732	-
Multi-family units (5+ units per structure)	816	78 +	-	-	894	-
Mobile homes/ADUs/other (units)	297 +	78 +	56 +	3 +	433	56 +
Total Dwelling Units	3,710	776	187	13 +	4,685	282

Projected Housing Need by Income Level

Family Income Level	Owner-Occupied	Renter-Occupied	Total	Dist. %	Attainable Housing Products
Upper (120% or more of MI)	2,361	260	2,621	56.0%	Single Family Lots
Upper Middle (80% to 120% of MI)	384	347	730	15.6%	Cottage Homes, Townhomes, Apartments
Lower Middle (50% to 80% of MI)	207	693	900	19.2%	Townhomes, Mfgd. Homes, Plexes, Apartments
Low (less than 50% of MI)	0	433	433	9.3%	ADUs, Govt. Assisted Apts.
Total	2,952	1,734	4,685	100.0%	

*Derived from Appendix A.

A more detailed analysis of group quarters housing demand indicates that the majority of this segment is likely to be supported by seniors that desire assisted living facilities, and to a lesser extent university students and special needs population segments (including inmates at the correctional center). As indicated in **Exhibit 14**, the senior housing segment is projected to account for about three quarters of the overall group quarters demand, with the need for almost 380 units of shared senior housing required by year 2040.

Exhibit 14: Projected Senior Housing Demand: Walla Walla Region

	Region Total within UGAs
Current Population	48,363
Proj. Net New Population within Region UGAs (@2.3 persons/HH)	8,485
Future Population year 2040	56,848
Population over Age 65	20%
Share of pop. over Age 65 in Nursing Homes	5.0%
Avg. Household Size within Nursing Homes	1.50
Proj. Net New Population in Nursing Homes	568
Proj. Senior Housing Need (dwelling units)	379

Source: population estimates and forecasts based on WA Office of Financial Management data; nursing home capture rates based on National Institute of Aging estimates, 2015.

Land Sufficiency Findings

According to the June 2019 Walla Walla County buildable land inventory and development capacity study, Walla Walla, College Place and Waitsburg UGAs had the potential to accommodate over 4,100 net new dwellings at full utilization (**Exhibit 15**). Note, the City of Dayton was included in a separate land capacity study for Columbia County.

Exhibit 15: Land Capacity Analysis (2019)

	Minimum Lot Size (SF)	Net Res. Land Inventory (acres)	Vacant percent	Under- developed percent	Net New Pop. Capacity	Net New Dwelling Capacity	Infill & redevelop- ment Dwellings	Dwellings on Vacant Land	% infill & redevelop- ment
Waitsburg					1,466	621	284	337	46%
R96 Suburban Residential	9,600	50.7	62%	38%	538	228	86	142	
Residential (incorporated)	10,000	92.7	49%	51%	875	371	189	182	
Flexible Comm./Res (Incorp.)	10,000	5.6	61%	39%	53	22	9	13	
College Place					588	249	139	110	56%
Multiple Family Residential	n/a	2.1			59	25	-	25	
R-60 Single Family Residential*	6,000	21.6	30%	70%	361	153	107	46	
R-72 Single Family Residential*	7,200	0.3			4	2	-	2	
R-96 Suburban Residential (incorp.)	9,600	6.3	58%	42%	67	28	12	16	
R-96 Suburban Residential (area 2B)**	9,600	39.8	75%	25%	425	180	46	134	
R-96 Suburban Residential (area 2C)	9,600	9.2	51%	49%	97	41	20	21	
Walla Walla City					7,641	3,238	1,632	1,606	50%
Multiple Family Residential	n/a	-			-	-			
R-60 Single Family Residential ***	6,000	-			-	-			
R-72 Single Family Residential ***	7,200	54.7	21%	79%	813	344	271	73	
R-96 Suburban Residential (incorp.)	9,600	569.0	51%	49%	6,116	2,592	1,260	1,332	
R-96 Suburban Residential (other)	9,600	60.8	67%	34%	712	302	101	201	

Source: Revised Land Capacity Analysis, Technical Memorandum, June 2019, the Watershed Company. Note, this analysis was completed prior to the City of Walla Walla creating a Neighborhood Residential zone to allow reduced lot sizes.

* After 2019, College Place combined zones R-60/R-72/R-75 into a one SF District zone and allows up to two dwellings per lot.

** Area 2B urban growth area expansion request was denied after 2020.

*** After 2019, Walla Walla changed code to allow 2-4 unit structures and ADUs in all single family zones.

In the years since the aforementioned land capacity analysis was conducted, the cities of Walla Walla and College Place amended their respective zoning codes to allow development of plexes (up to 4 units per structure) within their low density zones. The estimated residential land capacity for the Walla Walla Region assumes there will be a moderate increase in housing density on single family zones in the cities of College Place and Walla Walla, and reflects significant growth potential for the city of Dayton.

As indicated **Exhibit 16**, the Walla Walla Region is now be expected to accommodate nearly 5,058 dwelling units, including 4,611 dwellings with 1 to 4 units per structure, and approximately 447 multi-family dwellings with 5+ units per structure.

Exhibit 16: Regional Residential Land Capacity and Housing Need (2021)

	Infill & Dwellings redevelop- ment Dwellings	on Vacant Land	Total Dwelling Capacity	Projected 20-Year Housing Need	Net Housing Surplus or (Gap)
College Place	206	140	345	747	(402)
1 to 4 units per structure *	146	115	260	672	(412)
5 or more units per structure	60	25	85	75 +	10
Walla Walla City	2,054	1,686	3,740	3,570	170
1 to 4 units per structure *	1,714	1,686	3,400	2,785	615
5 or more units per structure **	340		340	785	(445)
Waitsburg	306	367	673	178	495
1 to 4 units per structure	298	353	651	124 +	527
5 or more units per structure	9	13	22	53	(31)
Dayton	100	200	300	12	288
1 to 4 units per structure ***	100 +	200 +	300 +	12 +	288 +
5 or more units per structure			-	-	-
Region Total	2,665	2,393	5,058	4,507	552
1 to 4 units per structure	2,257	2,354	4,611	3,593	1,018
5 or more units per structure	409	38	447	913	(466)

Findings are derived from prior tables and input provided by project advisory and stakeholder committees, Washington Dept. of Commerce staff, and the following notations.

** Assumptions for College Place and Walla Walla take into account recent code changes; assumes 5% of the land zoned for single family will be utilized by plexes or ADUs.*

*** Multi-family capacity analysis (5+ units per structure) for Walla Walla reflects current development applications.*

**** Dayton capacity analysis derived from City of Dayton Buildable Land Inventory maps.*

While the overall land capacity within the Region appears to be adequate for addressing the long-term housing need for Waitsburg and Dayton, the analysis cited above indicates that nearly half of new construction would need to occur on under-developed (part vacant) tax lots. If property owners do not wish to subdivide their tax lots, the likelihood of meeting housing needs through “infill” is unlikely.

These findings also indicate that the current zoning and related land capacity within the College Place and Walla Walla UGAs (combined) may not be sufficient to fully accommodate multi-family demand. This issue is particularly acute in College Place, where the housing demand for single family and middle housing (672 units) is expected to exceed its zoned land capacity by 412 dwellings.

Based on the residential capacity analysis and this housing needs assessment, the following conclusions are made:

College Place UGA: the projected 20-year housing need of 747 dwelling units is far greater than the potential UGA capacity of 345 units, even after accounting for recent code changes and assuming 60% of net new housing will need to be constructed on infill and redevelopment lands.

Walla Walla UGA: the projected 20-year housing need of 3,570 dwelling units is below the potential UGA capacity of 3,740 dwelling units. However, the current amount of land zoned for multi-family structures may be inadequate to meet overall housing needs, even after assuming 55% of

the net new housing will be constructed on infill and redevelopment lands (including residential and commercial housing zones).

During the next round of local comprehensive land use plan updates, it is recommended that the cities of College Place and Walla Walla continue to work with Walla Walla County and regional housing advocates to ensure that new housing density can be optimized within current UGAs, and new areas be identified for potential UGA expansion.

Waitsburg and Dayton UGAs: the combined projected housing demand of 200 dwellings for these two small cities can be accommodated by their existing UGAs if adequate water and wastewater infrastructure is provided.

Additional policy actions and housing program considerations are provided in the next section.

III. HOUSING POLICY, PROGRAMS & ACTIONS

The Walla Walla Region is facing unprecedented challenges to its ability to provide safe and affordable housing. Like many areas across the USA, housing costs are rising faster than income levels and there is a limited supply of skilled workers, inadequate supply of developable lots, and restrictions attributed to development regulations.² Local policies and actions aimed at reducing barriers to new construction can help. It is more important than ever for local jurisdictions to work together with public, private and non-profit developers, homeowners and land trusts to identify lasting solutions.

This section identifies potential code changes, affordable housing programs, and strategies to mitigate housing displacement for the most vulnerable population segments. A summary of strategies that can increase the housing supply is provided in **Exhibit 17**.

STRATEGIES TO INCREASE HOUSING SUPPLY

Code-Related Policies

In general, development regulations need to be clear and objective, and less restrictive code requirements can lower development costs and lead to a greater variety of housing types. In the Walla Walla Region, the need for code amendments varies by city. While Walla Walla and College Place have already implemented many of the state recommendations regarding increased flexibility in the types of housing allowed in low-density zones, Dayton and Waitsburg may benefit from additional code updates.

It is recommended that cities within the region consider reducing or eliminating minimum lot size requirements and removing parking and owner occupancy requirements for accessory dwelling units. All cities can strive to improve the efficiency of their permitting process.

² American Planning Association. "APA Policy Guide on Housing" (2019). Guide available at <https://www.planning.org/publications/document/9178529/>

Some code-related best practices include the following:

1. Single Family Zones
 - Authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences to allow developers to incorporate natural features into their site plans and minor partitions.
2. Accessory Dwelling Units
 - Remove owner occupancy requirements related to accessory dwelling units.³
 - Remove minimum residential parking requirements related to accessory dwelling units.⁴
3. Middle Housing Types
 - Ensure that local zoning ordinances do not unduly hinder the functioning and placement of manufactured homes.
 - Ensure local zoning ordinances specifically allow slightly used manufactured homes.
 - Reduce the minimum lot size for duplex and multifamily developments to 7,500 square feet or less or eliminate minimum lot size requirements to promote the development of greater diversity of housing types.
 - Adopt other permit process improvements where it is demonstrated that the code, development regulation, or ordinance changes will result in a streamlined and more efficient permit process to attract interest from developers.⁵

Development Incentive Programs

To better understand the feasibility of developing multifamily apartments in the Region, FCS Group conducted a supplemental analysis of two prototypical multifamily developments (garden apartments and flats) in the city of Walla Walla, which is summarized in **Appendix D**. The analysis evaluated financial feasibility from the perspectives of either a for-profit or a non-profit developer. Key conclusions from the financial analysis are:

- The current housing market is strong enough to attract for-profit developers
- Garden apartments are viable without incentives
- Market rate flats over parking will likely require some form of development incentive (see list below)
- Income-restricted affordable housing developments and mixed-income housing by a for-profit developer, will also require incentives to be market feasible, such as:
 - 12-year tax abatement (for affordable housing element)

³ RCW 36.70A.600. (2020). Washington State Legislature. <https://app.leg.wa.gov/RCW/default.aspx?cite=36.70A.600>

⁴ RCW 36.70A.600. (2020). Washington State Legislature. <https://app.leg.wa.gov/RCW/default.aspx?cite=36.70A.600>

⁵ RCW 36.70A.600. (2020). Washington State Legislature. <https://app.leg.wa.gov/RCW/default.aspx?cite=36.70A.600>.

- Impact fee reduction (e.g. lower utility connection charges) for deed restricted affordable housing elements.
 - Land write-down
 - Parking reductions
 - The use of a non-profit developer for a 100% affordable development could make the development “pencil” with fewer incentives than would be required with a for-profit developer.
- There are specific strategies that can be considered to increase the production of affordable housing and to reduce the cost of owning or renting a home:

1. Incentives for affordable housing:
 - Multifamily Tax Exemption (applies to City of Walla Walla only) is currently allowed for cities with over 15,000 people and is now a policy that applies in downtown Walla Walla. This program includes an 8 or 12-year property tax exemption based on the value of improvements for 4+ housing units, depending on the share of units that are to be set aside for low-income families. This program is designed to promote needed housing development in targeted areas of the urban core by directly addressing the financial feasibility gap.
 - It is recommended that Walla Walla consider expanding this program by including areas outside downtown that have proximity to public transit and community services.
 - Consider allowing bonus density increases for any deed-restricted affordable housing development, including single-family or multifamily residences located on real property owned or controlled by a religious organization.⁶
2. Incentives for home ownership:
 - Enhance and promote existing programs that supply down payment assistance and application support a matching grant program for first-time homebuyers.

Other Actions that can help lower development costs and housing costs

1. **Sponsor Construction-related Workforce Training:** Economic development strategies that improve local resiliency through workforce training bolster opportunity for existing residents. Each city in the region can work with higher and secondary educational institutions to take advantage of sector-based partnerships. Construction-related training and volunteer programs (such as Habitat for Humanity) that deliver housing improve the supply of low-income housing and improve skills for workers. The goal is to create programs that offer training/apprenticeships and future job opportunities that improve the quality of jobs in the area.
2. **Pursue Public/Private Developments:** Cities and county governments can leverage private or non-profit development of under-utilized public lands. Typically formulated as private

⁶ 2019-2020 Housing Laws. Washington State Department of Commerce.
<https://deptofcommerce.app.box.com/s/uvqd9297a8tisplk0jjulwe97fnr66px>

construction of housing and/or commercial space on public land public/private partnerships can lead generate both market rate and affordable housing in the region.

3. **Support Development of a Community Land Trust:** Community land trusts create additional affordable home ownership opportunities by removing land from the costs of real estate. In a traditional Community Land Trust model, the homeowner owns the home (and the value of any improvements), but a nonprofit owns the land. Developments that are constructed on land trust parcels tend to have more stable housing values, which are somewhat insulated from the overall real estate market and reflective of the local cost of living.

Community land trusts can be granted the right of first offer or right of first refusal to allow them to purchase homes in specifically vulnerable communities to provide homeownership opportunities to households with low-income households. Right of first offer places very minimal requirements on property owners. Notice would be sent that a property will be for sale and either the trust or the owner sets and offer price depending on the program framework.

DISPLACEMENT MINIMIZATION STRATEGIES

Many of the policy measures and programs listed above will help increase the housing supply while enhancing housing affordability. Additional measures are needed to address displacement that tends to occur with major redevelopment. Displacement occurs when households or businesses are involuntarily forced out of an area due to increasing housing prices/property taxes or due to economic and demographic changes that alter the neighborhood's character. Gentrification, a well-documented housing issue since the 1960s, has traditionally been associated with urban cores, but rural gentrification is now an issue in light of the ever-expanding digital workforce and access to goods online.

Gentrification typically occurs in areas with relatively low property values and nearby amenities. As demand in the region grows, areas with relatively low rents/home values and/or areas perceived as having lower-quality housing become more attractive and profitable for redevelopment. Some housing experts expect that the recent global pandemic will only increase gentrification in smaller communities.

Findings for Walla Walla Region

Vulnerability is calculated using factors closely associated with an increased probability of redevelopment coupled with the evaluation of local demographic conditions. US Census data depicting housing tenure, poverty rates, educational attainment, median home value, median gross rent, and race/ethnicity are considered in order to identify specific Census Block Groups that may be most vulnerable to displacement. While Walla Walla was the only city in the region with vulnerability on five out of six data variables, each jurisdiction in the region contains populations vulnerable to displacement. Please refer to the detailed analysis provided in **Appendix E**.

Strategies to Address Physical Displacement

- Require a displacement impact assessment to be provided by the applicant for major redevelopment projects. An impact assessment is a method of tracking how many net new housing units are being developed in a specific location after accounting for existing housing units (and households) that are likely to be displaced.

- Partner with groups offering weatherization and energy efficiency services for low-income homeowners and seniors.

Strategies to Address Economic Displacement

Strategies to improve housing outcomes for economically vulnerable populations and seniors:

- Support programs that provide emergency rental assistance for families facing eviction and/or homelessness due to temporary economic hardship.
- Consider adoption of a resolution to extend the notice period for no-cause evictions to 60 days for landlords with five or more units to allow renters additional time to plan, contact services, and hopefully relocate without a disruption in adequate housing.
- Consider new policies that preserve existing manufactured housing parks, including a new manufactured housing park zone classification.
- Address the causes of homelessness by working with local agencies and non-profits that provide direct services to this community.⁷
- Encourage the development and retrofitting of housing for seniors and people living with disabilities that is physically accessible and adheres to Universal Design Principles.⁸

Strategies to Address Cultural Displacement

Locating rental opportunities and completing multiple applications with individual documentation requirements and fees is often listed as a major barrier to obtaining adequate housing. This is particularly true for families facing unforeseeable displacement and possible homelessness and is compounded in rural areas often overlooked by statewide databases and national tenant resource websites. As regional population grows and rents increase, local government agencies can become more directly involved in the rental market and application process. As with other recommendations, this involvement exists on a spectrum depending on the severity of housing issues and the success of initial programs.

Strategies to Streamline Rental Application Process

A registration program would create a consolidated database of available government-supported affordable housing units in the region, along with cost estimates. Cities like Seattle have instituted a Rent Registration and Inspection Ordinance (RIIO)⁹ that requires all rental

⁷ Walla Walla Comprehensive Plan Update. (2018). City of Walla Walla.
<https://www.wallawallawa.gov/home/showdocument?id=854>.

⁸ Universal Design in Housing. (2006). The Center for Universal Design.
https://projects.ncsu.edu/ncsu/design/cud/pubs_p/docs/UDinHousing.pdf.

⁹ City of Seattle, Rental Registration and Inspection Ordinance, accessed March 25, 2021 via
<https://www.seattle.gov/sdci/codes/licensing-and-registration/rental-registration-and-inspection-ordinance>

properties to register with the City and demonstrate adequate habitability. A similar database could also serve as a resource for families searching for housing.

Searchable databases of available rentals in the region could also be linked to websites providing tenant information on applications and screening. A small fee per unit could be established to fund the program, which could include a streamlined application process.

The King County Housing Authority website¹⁰ contains housing listings for various government subsidized apartments at different eligibility requirements and market rate housing at different price points. Market rate housing listings are included by linking to Apartments.com, which appears to have a streamlined tenant screening and application process. While not a requirement, inclusion of Apartments.com serves as a powerful incentive for local landlords to list their apartments on the website.¹¹ New York City has created a similar searchable database called NYC Housing Search¹² and a streamlined application process for all available government subsidized housing, called NYC Connect.¹³

A streamlined and affordable mechanism for locating available housing in the region would mitigate the impacts of displacement by aiding families in locating alternative housing within their existing community. Partnering with housing groups in the area could help mitigate initial program costs. For example, Tenants Union of Washington State has a variety of resources online regarding the screening process and fees.¹⁴

Land Supply Strategies

In active collaboration with the cities of Walla Walla, College Place, and Waitsburg, work with Walla Walla County to review and update the 1993 Countywide Planning Policies to actively promote the development of new affordable housing opportunities. This may include, but is not limited to:

- a. Updating the methodology for more realistically determining the development capacity of existing lands.

¹⁰ King County Housing Authority Apartment Search Resource <https://www.kcha.org/>

¹¹ Online Rental Application for Apartments.com: https://www.apartments.com/rental-manager/features/online-rental-applications?gclid=Cj0KCQjwo-aCBhC-ARIsAAkNQiuOFW_vSyyGBrtVpNem93vueHCgD_FTlwTVBQYigk6flvC50vJQ2w0aAkFpEALw_wcB&gclsrc=aw.ds

¹² New York City Housing Search database: <https://www.nyhousingsearch.gov/index.html>

¹³ New York City Housing Connect centralized government housing application process and fee schedule: <https://www1.nyc.gov/site/hpd/services-and-information/housing-connect-rentals.page>

¹⁴ Tenants Union of Washington State, Tenant Screening Information Hub: <https://tenantsunion.org/rights/tenant-screening>

- b. Exempting the new construction of affordable housing on publicly owned land from the assessment of the need for new housing.
- c. Increase the percentage of projected new growth allocated to the cities of Walla Walla and College Place.
- d. Increasing the market factor to allow for the addition of land to urban growth areas based on a finding that there is a critical shortage of affordable housing.
- e. Authorizing further increases in the market factor to support specific strategies to increase the construction of new multi-family housing in cities. This may include affordable housing “bonuses”.
- f. Monitoring new residential development and providing for more frequent updates of the Countywide Planning Policies.
- g. Ensuring that there is an adequate supply of new commercial development to serve new residential development.
- h. Supporting the cost-effective planning, construction, and use of public infrastructure to serve new residential development.

It is recommended that Walla Walla County, in active collaboration with the cities of Walla Walla, College Place, and Waitsburg, inventory and assess publicly owned lands in urban growth areas as sites suitable for the construction of affordable housing.

Exhibit 17: Housing Action Plan Policy Recommendations*
City of Walla Walla Implementation Approach

FOCUS AREA	POLICY/ACTION	DETAILS	CITIES	TIMELINE	LEAD DEPT.	ASSISTING DEPT. OR ORG.	APPLICABLE TO WALLA WALLA
Code Changes	Authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences. (RCW 36.70A.600)	Allows developers to navigate around natural features and reduces development costs. May be most appropriate for large subdivisions or planned urban developments.	College Place, Dayton, Waitsburg				N/A
Code Changes	Allow for the division or redivision of land into the maximum number of lots through the short subdivision process. (RCW 36.70A.600)	"The legislative authority of any county planning under RCW 36.70A.040 that has adopted a comprehensive plan and development regulations in compliance with chapter 36.70A RCW may by ordinance increase the number of lots, tracts, or parcels to be regulated as short subdivisions to a maximum of nine in any urban growth area" (RCW 58.17.020 Definitions)	Dayton, Waitsburg				N/A
Code Changes	Adopt increase in categorical exemptions for residential or mixed-use development. (RCW 36.70A.600)	Categorically exempts government action related to development proposed to fill in an urban growth area, designated according to RCW 36.70A.110, where current density and intensity of use in the area is roughly equal to or lower than called for in the goals and policies of the applicable comprehensive plan. (RCW 43.21C.229)	ALL	Near term (1-2 years)	Develop. Services	Public Works Support Services WW Planning Commission WW City Council	

Code Changes	Authorize at least one duplex, triplex, quadplex, six-plex, stacked flat, townhouse, or courtyard apartment on each parcel in one or more zoning districts that permit single-family residences unless a city documents a specific infrastructure of physical constraint that would make this requirement unfeasible for a particular parcel. (RCW 36.70A.600)	Creates more housing options.	All cities in the region allow duplexes in single family zones; College Place and Walla Walla allow up to 4-units			N/A
Code Changes	Authorize a minimum net density of six dwelling units per acre in all residential zones, where the residential development capacity will increase within the city. (RCW 36.70A.600)	For purposes of this subsection, the calculation of net density does not include the square footage of areas that are otherwise prohibited from development, such as critical areas, the area of buffers around critical areas, and the area of roads and similar features	ALL	Near term (1-2 years)	Develop. Services	Public Works Fire Dept. Support Services WW Planning Commission WW City Council
Code Changes	Remove minimum residential parking requirements related to accessory dwelling units. (RCW 36.70A.600)	Reduces barriers to ADU development.	ALL	Near term (1-2 years)	Develop. Services	Public Works Fire Dept. Support Services WW Planning Commission WW City Council
Code Changes	Remove owner occupancy requirements related to accessory dwelling units (RCW 36.70A.600)	Creates more flexibility for owners who may wish to rent their ADU. Provides additional rental housing.	Dayton, Waitsburg			N/A

Code Changes	Adopt other permit process improvements where it is demonstrated that the code, development regulation, or ordinance changes will result in a more efficient permit process for customers (RCW <u>36.70A.600</u>)	Streamlining can generate development interest.	ALL	Near term (1-3 years)	Develop. Services	Public Works Fire Dept.
Code Changes	Reduce the minimum lot size for duplexes and multifamily development to 7,500 square feet or less or eliminate minimum lot size requirements.	Reducing or eliminating lot sizes promotes the development of a greater diversity of housing types.	Waitsburg			N/A
Code Changes	Reduce the required minimum lot area for new platted lots to 7,500 square feet or less or eliminate minimum lot size requirements.	Reducing or eliminating lot sizes promotes the development of a greater diversity of housing types.	Waitsburg			N/A
Code Changes	Remove "are compatible with the neighborhood characteristic" from the definition of Neighborhood Residential or clearly define how to achieve this in the code.	Best practices support using terms that are clearly defined. "Neighborhood character" may be interpreted in many different ways.	Walla Walla	Near term (1-2 years)	Develop. Services	WW Planning Commission WW City Council
Code Changes	Reduce the minimum lot size for multifamily development from 3,600 square feet per unit to less than 2,000 square feet per unit.	Reducing or eliminating lot sizes promotes the development of a greater diversity of housing types.	Dayton			N/A
Code Changes	Remove guest parking space requirements for multifamily dwelling units.	Reduces barriers to the development of multifamily housing.	Waitsburg			N/A
Code Changes	Remove conditional use permit requirements for manufactured homes.	This creates an additional cost burden for a type of home that is valued for its affordability.	Waitsburg			N/A

Anti-Displacement	Integrate displacement into the analysis and review of potential policies, programs, and development applications by creating a standardized assessment of potentially unintended consequences upfront and enforcing reasonable mitigation efforts directly connected to the proposal.	An impact assessment tracks how many affordable units are being developed and at the cost of how many existing units. The assessment can be conducted by the applicant or city staff.	ALL	Long-term (5-7 years)	Develop. Services	Support Services (CDBG) WW Planning Commission WW City Council Community Council
Anti-Displacement	Create a rental registration program to track available units in the region and rental costs. (Affordable Housing Report)	This program would work to improve access to rental information and reduce the burden of multiple applications, fees, and credit checks.	Regional Effort	Long-term (5-7 years)	Support Services	Develop. Services WW Planning Commission Private Sector (landlords) Housing Providers Community Council
Anti-Displacement	Extend the notice period for no cause evictions to 60 days for landlords with five or more units.	Provides renters with time to plan, contact services, and relocate.	ALL	Mid-term (3-5 years)	Support Services	Housing Providers Private Sector CA Office WW City Council
Anti-Displacement	Enhance and promote existing programs that supply down payment assistance and application support to first time homebuyers.	Washington offers the Home Advantage Needs Based Downpayment Assistance Loan Program to eligible homebuyers.	ALL	Near term (1-2 years)	Support Services (CDBG)	Common Roots

Anti-Displacement	Identify job training partnerships to foster local opportunities and prosperity through improved workforce development initiatives.	Economic development strategies that improve local resiliency through workforce training bolster opportunity for existing residents. Focus on both higher and secondary educational institutions in the region to take advantage of sector-based partnerships. Construction based partnerships in particular are likely to improve the supply of low-income housing.	ALL	Long-term (5-7 Years)	Support Services	Develop. Services Colleges/ Universities Private Sector
Anti-Displacement	As neighborhoods change, work to eliminate the displacement of those who are under-served or under-represented.	Promotes equitable housing practices.	ALL	On-going	Develop. Services	Support Services
Anti-Displacement Affordable Housing	Support existing programs that provide emergency rental assistance for families facing homelessness due to temporary economic hardship.	Many state and county programs offer emergency rental assistance.	ALL	On-going	Support Services	BMAC WW County Dept. of Comm. Health
Anti-Displacement Affordable Housing	Identify and acquire sites suitable for affordable housing.	Cities can work with state agencies and an community land trust to identify "surplus property" and acquire tax lots in foreclosure. Sites should be evaluated based on cost, density, environmental quality, access to transportation, community services, and housing types that can be produced.	ALL	Long-term (5-7 years)	Support Services	WW City Council Common Roots
Anti-Displacement Affordable Housing	Establish a community land trust to create additional affordable home ownership opportunities.	In a traditional Community Land Trust model, the homeowner owns the home (and the value of any improvements), but a nonprofit owns the land. Thus, creating additional affordable opportunities for homebuyers by removing land from the cost of real estate.	College Place, Dayton, Waitsburg			N/A

Anti-Displacement	Create a right of first offer/refusal program for the community land trust.	Community land trusts can be granted the right of first offer or right of first refusal to allow them to purchase homes in specifically vulnerable communities to provide homeownership opportunities to households with low-income households.	ALL	Long-term (5-7 years)	Support Services	CA Office WW City Council Common Roots
Anti-Displacement Energy Efficiency	Partner with groups offering weatherization and energy efficiency services.	Weatherization and energy efficiency services can reduce housing costs, increasing the affordability of owning a home.	College Place, Dayton, Waitsburg			N/A
Affordable Housing	Work with the state to identify opportunities for affordable housing on public land.	Washington state (through RCW 43.63A.510 and RCW 39.33.015) directs specific state agencies to inventory under-utilized or surplus state-owned land, which can be used to develop housing for low- and very-low-income households.	ALL	Mid-term (3-5 years)	Support Services	State agencies CA Office
Affordable Housing	Multifamily tax exemption	Promotes the development of multifamily housing.	Walla Walla	Near term (1-2 years)	Support Services	Develop. Services
Affordable Housing	Local community land trust	Support the development of a local community land trust	ALL	On-going	Support Services	Common Roots
Energy Efficiency	Encourage residential development that conserves water, reduces energy use, and uses sustainable materials.	Energy efficiency services can reduce housing costs and sustainable materials reduce the home's environmental impact.	ALL	Mid-term (3-5 years)	Develop. Services	State Building Code Council
Accessibility and Seniors	Encourage the development and retrofitting of housing for seniors and people living with disabilities that is physically accessible and adheres to Universal Design Principles.	Accessible homes provide seniors and people living with disabilities independence.	ALL	On-going	Develop. Services	Fire Dept. Public Works

Accessibility and Seniors	Allow for housing types and designs that allow seniors to age in place.	Neighborhoods with diverse housing types allow seniors to age in place by remaining in their home or moving to a smaller home in the same neighborhood.	ALL				N/A – permitted in WW
Homelessness	Address the causes of homelessness by working with local agencies and non-profits that provide services to this community (Walla Walla City policy 1.2)	Example policy that addresses underlying causes of homelessness.	Waitsburg, Dayton				N/A
Homelessness	Allow an increased density bonus consistent with local needs for any affordable housing development of any single-family or multifamily residence located on real property owned or controlled by a religious organization. (2019-2020 Housing Laws)	Provides a density bonus for affordable housing on religious organizations' land.	ALL	Mid-term (3-5 years)	Develop. Services	Support Services Public Works Fire Dept. WW Planning Commission WW City Council	
Land Supply	Walla Walla County, in active collaboration with the cities of Walla Walla, College Place, and Waitsburg review and update the Countywide Planning Policies to address the methodology for buildable lands, population allocation, and other strategies to support housing development.	Housing needs assessment identified potential concern that over 50% of the housing capacity available in the cities of College Place and Walla Walla are redevelopable lands and is that a reasonable assumption.	College Place, Waitsburg, and Walla Walla	Near term (1-2 years)	Develop. Services	Support Services WW Planning Commission WW County WW City Council	

* In this table, the term “affordable housing” refers to income-restricted housing units.

Sources:

RCW 36.70A.600. (2020). Washington State Legislature. <https://app.leg.wa.gov/RCW/default.aspx?cite=36.70A.600>.

Affordable Housing Community Council Report. (2019). Community Council. https://res.cloudinary.com/dpmykpsih/image/upload/ww-community-council-site-354/media/1125/affordable-housing-study-report_2019.pdf.

Walla Walla Comprehensive Plan Update. (2018). City of Walla Walla. <https://www.wallawallawa.gov/home/showdocument?id=854>.

2019-2020 Housing Laws. Washington State Department of Commerce. <https://deptofcommerce.app.box.com/s/uvqd9297a8tisplk0jjulwe97fnr66px>

APPENDIX A: PUBLIC OUTREACH PLAN

Walla Walla Regional Housing Action Plan

Public Outreach Plan

August 2020

1. Overview: FCS GROUP and Fregonese Associates will assist local staff in executing a public outreach strategy that is consistent with local and state requirements and best practices. The outreach process will:
 - Assist local communities of College Place, Walla Walla, Dayton and Waitsburg with identifying current and future housing needs.
 - Consider housing policies to improve housing availability and affordability.
2. Objective: To provide opportunities for community participation throughout the planning process.
 - The community participation process is designed to meet the following objectives:
 - i. Provide a forum to share, develop and refine ideas and data.
 - ii. Develop a shared understanding of current housing conditions, issues, concerns, and opportunities.
 - iii. Provide avenues for the public, applicable committees, and supporting agencies to be involved during the planning process.
 - iv. Build support for adoption of local housing policies.
3. Activities:
 - Stakeholder Advisory Committee: The Advisory Committee will represent a range of informed housing perspectives. The committee will include representatives of city and county agencies, housing providers, and other public agencies, along with local property owners, residents, and community organizers.
 - i. The Committee will assist local planning staff and consultants with reviewing housing issues and helping to shape housing policy options, guiding community engagement strategies, and encouraging community members to participate in the planning process.
 - ii. The Committee will meet up to four (4) times during the project at regular intervals consistent with significant milestones in the project.
 1. July 2020: Introductory Goal Setting & Outreach Strategies
 2. September 2020: Housing Gaps and Needs Assessment
 3. November 2020: Draft Housing & Displacement Minimization Strategies
 4. February 2021: Existing Policy Barriers & Final Recommendations for Housing Strategies
 - iii. Consultants will conduct survey of committee members and other identified stakeholders prior to the first meeting to frame discussion of existing and suggested housing policies.
 - Stakeholder Interviews (August -September 2020)

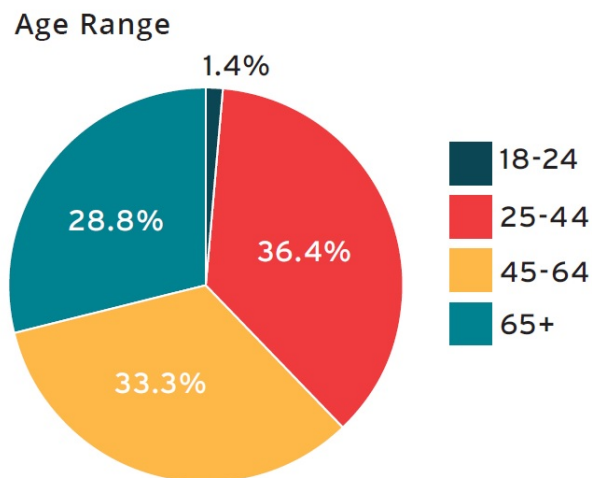
- i. Consultants will interview local, regional, and state housing experts regarding housing conditions, barriers, opportunities, and potential policy solutions. Developers of both affordable housing and higher market rate units will provide insight into existing tools they use to make projects ‘pencil’ and the regulatory barriers that can preempt new housing development.
 - ii. A mix of virtual meetings and telephone interviews are planned.
 - iii. Specific stakeholder groups are to be identified by City staff and include, but are not limited to:
 1. Walla Walla Housing Authority,
 2. Blue Mountain Action Council,
 3. Identified local community or neighborhood groups
 4. Housing developers and real estate brokers.
 - In addition, any input received from the public during the development and adoption of the regional housing action plan will be summarized by local city representatives as part of the public record.
4. Potential Additional Tools:
 - Email blasts from mailing list
 - Project website(s) with infographics, reports, and presentation summaries
5. Adoption Outreach (April to March 2021)
 - Public Comment via websites

APPENDIX B: WALLA WALLA REGIONAL HOUSING ACTION PLAN SURVEY RESULTS

Question 1: What is Your Home ZIP Code?

Zip Code	Count	Percent
87505	1	0%
97862	1	0%
99323	1	0%
99324	44	11%
99328	15	4%
99348	1	0%
99352	1	0%
99360	1	0%
99361	3	1%
99362	322	81%
99363	2	1%
98188	1	0%
89119	1	0%
90009	1	0%
98204	1	0%
85737	1	0%
99205	1	0%
98146	1	0%
99365	1	0%
Total	400	100%

Question 2: What is Your Age Range?



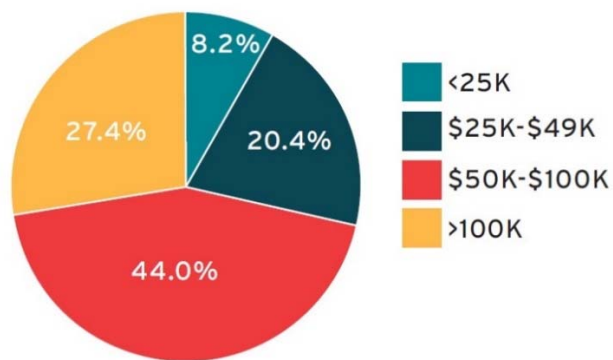
423 Total Responses

Question 3: How do you identify your race or ethnicity? (check all that apply)?

Race or Ethnicity	Count	Percent
Hispanic Latino/a/x	38	8%
White	362	80%
Native Hawaiian or Other Pacific Islander	1	0%
Multiracial or Multiethnic	10	2%
Middle Eastern or North African	2	0%
American Indian or Alaskan Native	9	2%
Asian	8	2%
Black or African	3	1%
Other	17	4%
Total	450	100%

Question 4: What is the annual income range of your household?

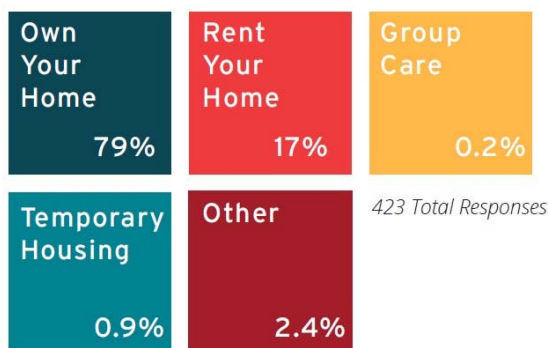
Annual Household Income



416 Total Responses

Question 5: Do you currently:

Living Situation



423 Total Responses

Question 6: What type of building do you currently live in?

Housing Type	Count	Percent
ADU/Tiny Home	2	0.5%
Apartment	22	5.2%
Attached house (duplex, triplex, townhouse)	27	6.4%
Condominium	1	0.2%
Group quarters	1	0.2%
I am currently unhoused	1	0.2%
Manufactured home	9	2.1%
Other	2	0.5%
Single family house detached	358	84.6%
Total	423	100.0%

Question 7: Please Rank the Top Five Housing Issues in the Region

Top 5 Housing Issues

1 Housing Affordability

2 Housing Availability

3 Homelessness

4 Range of Housing Types

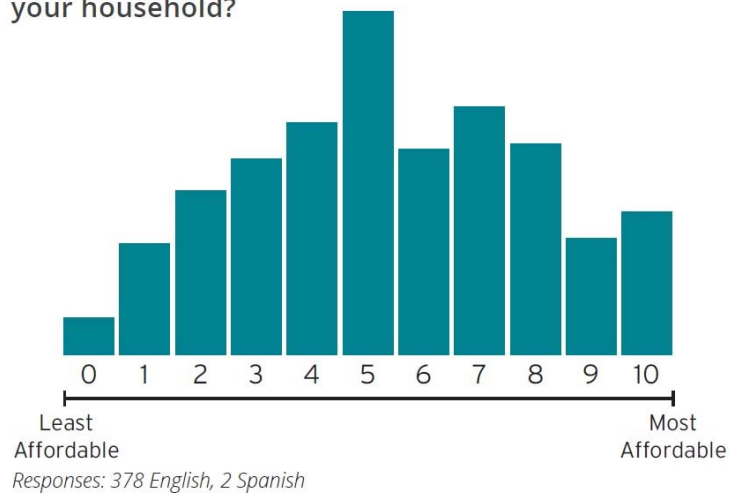
5 Housing Quality

Question 8: If you selected "Other in the question above, please describe the housing issue or issues below:



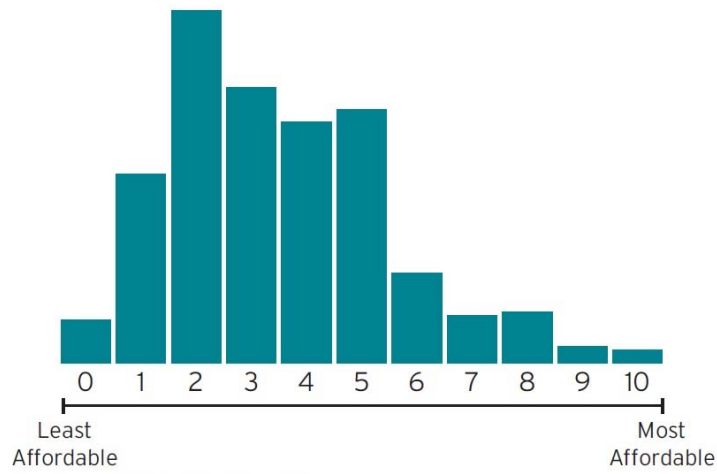
Question 9: How affordable do you thinking housing is for you and your household?

How affordable do you think housing is for you and your household?



Question 10: How affordable do you think housing is for the larger community?

How affordable do you think housing is for the larger community?



Responses: 364 English, 2 Spanish

Question 11: What are the top three barriers to affordable housing development in your community?

	Count	Percent
Regulations	112	10.4%
Construction Costs	246	22.7%
Lack of Incentives for Developers	151	14.0%
Cost of Infrastructure	200	18.5%
Cost of Land	257	23.8%
Other	116	10.7%
Total	1,082	100.0%

Other Responses:



Question 12: What are the top three barriers to home ownership in your community?

Barriers to Home Ownership	Count	Percent
Limited Housing Supply	249	21.9%
Availability of Living Wage Jobs	290	25.5%
Affordability of Available Homes	371	32.6%
Programs for Homeowners	124	10.9%
Lack of Resources/Education on Home Ownership	63	5.5%
Other	40	3.5%
Total	1,137	100.0%

Other Responses:



Question 13: What are the top three barriers to renting in your community?

	Count	Percent
Low Vacancy Rates	298	30.0%
Lack of Affordable Rentals	351	35.3%
Strict Rental Requirements	196	19.7%
Confusing Rental Application Process	48	4.8%
Other	101	10.2%
Total	994	100.0%

Other Responses:



Question 14: Please identify up to three actions officials should consider in addressing the housing issues you noted above.

Housing Actions	Count	Percent
Increase the supply of land for housing within the urban growth area	94	8.3%
Encourage construction of accessory dwellings by offering "how to" programs for local property owners	62	5.5%
Encourage local home ownership by providing a \$5,000 matching down payment for first time homebuyers	150	13.3%
Create low interest loan or grant matching programs for homeowners that invest over \$5,000 in qualifying improvements to their homes	124	11.0%
Provide tax incentives for developers that build apartments, townhomes, and plexes (eg. duplex)	52	4.6%
Provide new tax incentives for developers that build affordable housing specifically for low-income households (at/below 80% area median income)	155	13.7%
Change development standards (e.g. building height, minimum parking, setbacks)	27	2.4%
Create public-private partnerships to attract affordable housing development through a Community Housing Trust	190	16.8%
Change zoning requirements to make it easier to construct townhomes, plexes (eg. duplex), and cottage clusters in areas with low housing density	136	12.0%
Change zoning to create new opportunities for multifamily apartments	85	7.5%
Other	56	5.0%
Total	1,131	100.0%

Other Responses



APPENDIX C: HOUSING NEEDS

ASSESSMENT MEMORANDUM

To: Project Advisory Team: Elizabeth Chamberlain, City of Walla Walla; Jon Rickard, City of College Place; Meagan Bailey, City of Dayton; Randy Hinchliffe, City of Waitsburg; Nikki Sharp, Walla Walla County

Date: October 23, 2020 (Revised)

From: Todd Chase & Tim Wood, FCS GROUP

CC: Violet Brown & Scott Fregonese, Fregonese & Associates

RE: **Walla Walla Regional Housing Action Plan, Task 2: Housing Needs Assessment**

This memorandum describes the existing housing inventory, evaluates market trends and establishes a baseline housing needs forecast for the Walla Walla Region.

Demographic Trends

The Region is growing! Population within the Walla Walla Region (includes the cities of Walla Walla, College Place, Dayton and Waitsburg) reached a record high of 47,695 year-round residents in 2019 (*according to the WA Office of Financial Management*). Population within the Walla Walla Region has been increasing at an annual average rate of 0.68% since 2010, which is three times faster than unincorporated Walla Walla County, but almost half the statewide average (**Figure 1**).

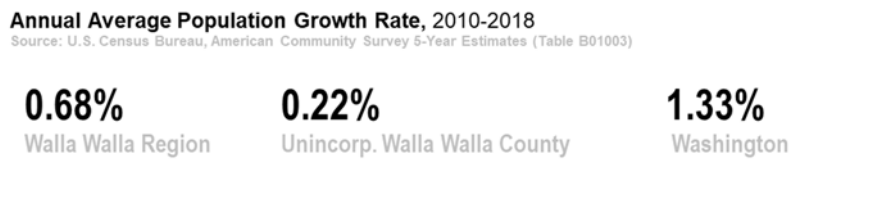


Figure 1. Population Trends

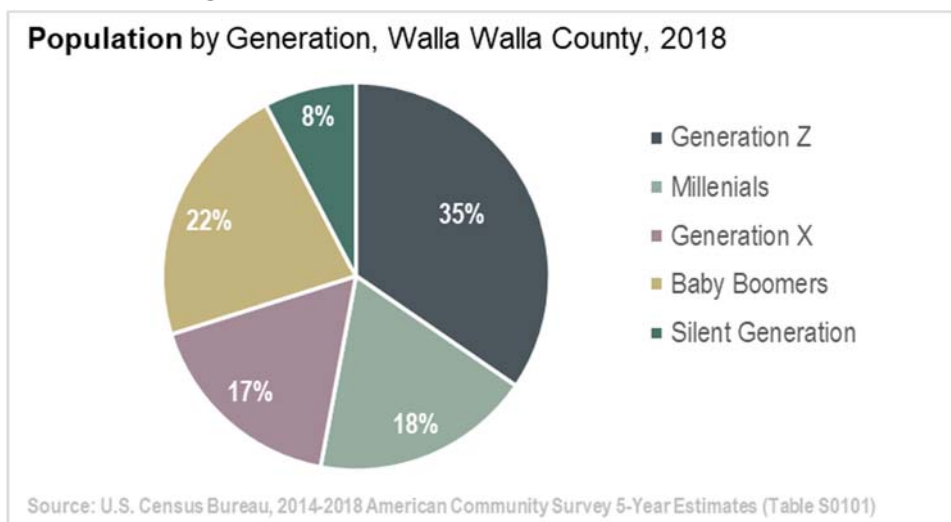
Population Trends	2010	2018	AGR
Washington	6,561,297	7,294,336	1.33%
Columbia County	3,957	4,001	0.14%
Dayton	2,463	2,682	1.07%
Walla Walla County	57,585	60,236	0.56%
College Place	8,502	9,136	0.90%
Waitsburg	1,194	1,188	-0.06%
Walla Walla	31,177	32,731	0.61%
Walla Walla Region	43,336	45,737	0.68%
Unincorp. Walla Walla County	14,249	14,499	0.22%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table B01003)

AGR: average annual growth rate.

The relationship between demographic changes, income levels and housing preferences can shed light on future housing needs for the Walla Walla Region. The primary demographic age cohorts are shown in **Figure 2** and described below.

Figure 2. Population by Age Cohort Generation



Overall, the Region has a relatively younger (Generation Z) and older (Silent Generation) share of population than the statewide average, and a lower share of Millennials, Generation X and Baby Boomers.

Silent Generation (those born before 1925 to 1945)

This includes retirees over age 75, who were raised during the Great Depression or World War II. This cohort currently accounted for 8% of the Region's population in 2018 and is projected to be one of the fastest growing segment over the next 20 years. As people reach their 80s, a large share desire to move into assisted living or senior housing facilities with nearby health care and transit access.

Baby Boom Generation (born 1946 to 1964)

Baby boomers (currently age 56 to 75) accounted for 22% of the Region's residents. The boomer segment has been growing more rapidly than the other cohorts over the past 10 years and many are now entering their retirement years. Boomers prefer to "age in place" until after age 80, then may downsize or move in with family members (sometimes opting to reside in accessory dwellings).

Generation X (born 1965 to 1980)

Gen X is the demographic cohort following the baby boomers and preceding the Millennials. This cohort (currently includes people between age 40 to 55) accounts for 17% of the Region's residents and is expected to overtake the baby boom cohort in numbers within the next decade. GenX households often include families with children, and many prefer to live in single family detached dwellings.

Millennials (born 1980 to early 2000s)

Millennials (currently in their twenties or thirties) account for 18% of the Region's residents and is expected to increase moderately in the near future. Younger millennials tend to rent as they establish their careers and/or payback student loans. However, working millennials in their thirties often become first-time homebuyers, opting to purchase smaller single family detached homes or townhomes.

Generation Z (born mid-2000s or later)

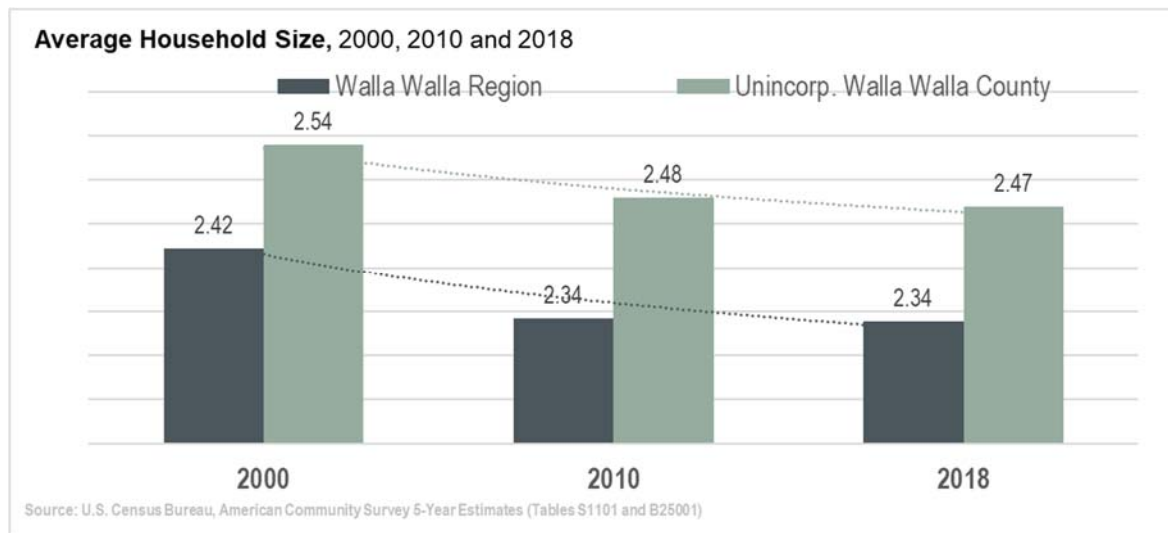
GenZ includes residents under age 20. This is the Region's largest demographic segment with 35% of the overall population. It includes people studying at Whitman and other higher education institutions and those living with GenXers and Baby Boomers. This segment has been increasing in over the past several years, but growth will likely slow down as people delay starting families and now tend to have fewer children than past generations.

Hispanic and other ethnic groups

The largest ethnic group in the Region includes the Hispanic/Latino segment, which is spread among all demographic cohorts. Hispanic/Latino population accounts for 21% of all residents within the Region compared with 12% statewide. While overall growth in this group may slow in comparison to the past, it is still projected to be the fastest growing racial/ethnic group over the next few decades.

These trends reflect a need for a mix of housing types to support demand from young families as well as aging seniors. Consistent with national trends, the average household size is also falling, as people delay starting families, families have fewer children, and seniors reach their lifespans (**Figure 3**).

Figure 3. Trends in Declining Average Household Size



Employment Trends

Long-term employment growth is also positive within the Walla Walla Region. As indicated in **Figure 4**, the region added 725 net new jobs between 2002 and 2017. Most new Regional job growth has occurred within the health care and social assistance sector (929 jobs added) followed by the service and education sectors (595 jobs added). The largest declines in employment occurred within the industrial and construction sectors (384 jobs lost) and the transportation, communications and utilities sectors (373 jobs lost).

Figure 4. Employment Trends

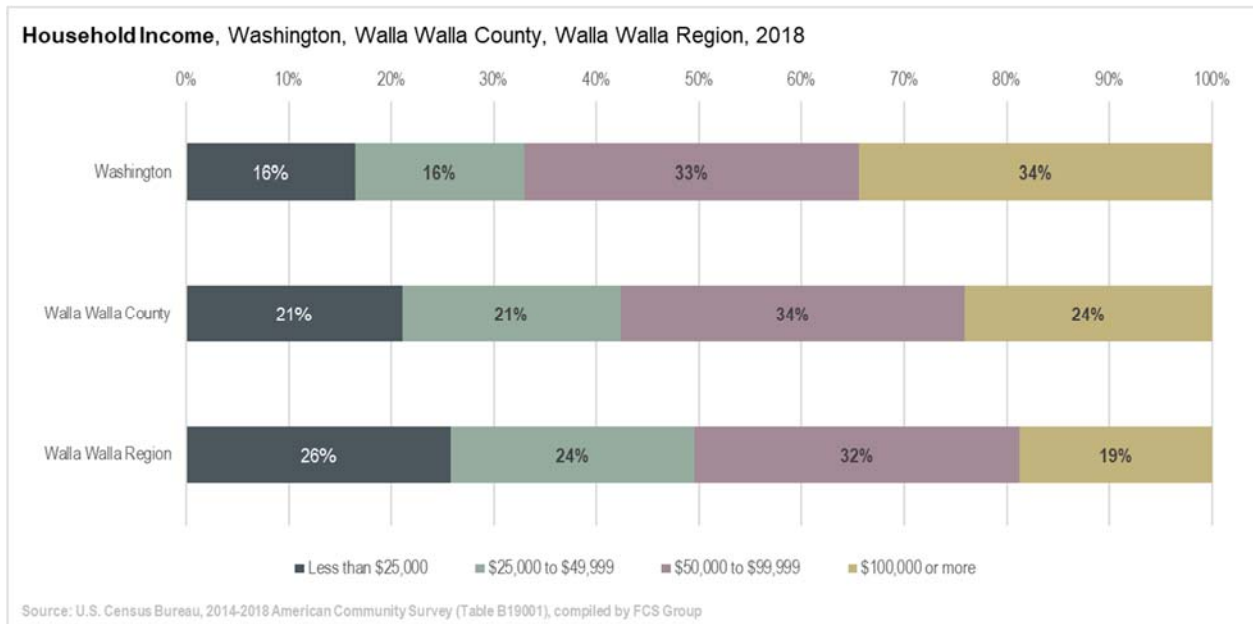
Walla Walla Region Employment Trends (at place of work employment)

Segment	2002 - 2017 Job Growth	2002	2010	2017	Change
Agriculture, Forestry, Fishing and Hunting		230	184	150	(80)
Transportation, Communications & Utilities		700	509	427	(273)
Industrial Trades & Construction		1,978	1,642	1,594	(384)
Retail Trade		2,392	2,911	2,337	(55)
Other Services, Restaurants & Lodging		3,673	4,129	4,022	349
Educational Services		1,042	1,033	1,288	246
Health Care and Social Assistance		3,083	3,396	4,012	929
Public Administration		183	173	176	(7)
Total		13,281	13,977	14,006	725

Source: US Census Bureau, On the Map.com. Region includes four cities: Walla Walla, College Place, Waitsburg and Dayton.

If the Region continues to shift away from higher paying industrial jobs to lower paying service jobs, income levels will remain well below statewide averages. Currently, the median income for Walla Walla County was \$56,533 in 2018, which compares to \$70,116 for Washington state. As shown in **Figure 5**, during 2018, half of all workers within the Region received under \$50,000 per year.

Figure 5. Household Income

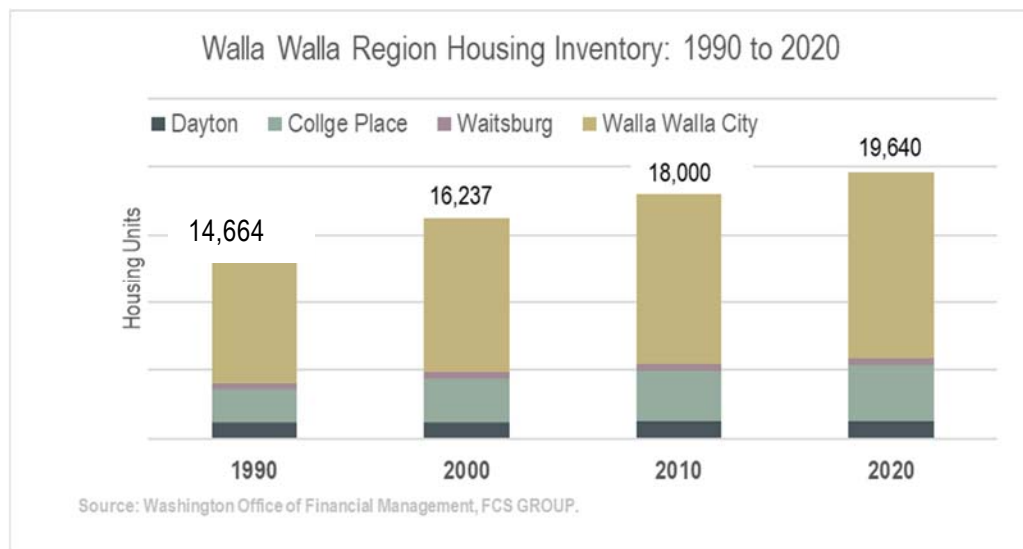


Housing Inventory

As of 2020 Q1, the four-city Region had a total housing inventory of 19,640 dwelling units. In comparison, there were 25,205 dwelling units in Walla Walla County and 2,219 units in Columbia County (**Figure 6**).

The Region's housing inventory is primarily comprised of single family detached homes (65%). Townhomes, duplexes and multifamily structures make up 29% of the inventory, followed by mobile homes with 6% of the inventory.

Figure 6.



In order to address gaps in the current housing inventory, and meet future demand for attainable housing prices, the Walla Walla Region's housing inventory will need to accommodate a wide variety of housing types. The current mix of housing types is depicted in **Figure 7**.

Figure 7. Current Housing Mix by Location, 2018

Housing Types	Walla Walla County	College Place	Dayton	Waitsburg	Walla Walla City	Walla Walla Region
Single Family Detached	70%	59%	81%	66%	65%	65%
Townhouses / Plexes	11%	26%	11%	4%	11%	14%
Multi-family (5+)	12%	7%	5%	0%	19%	15%
Mobile homes/other	7%	9%	2%	30%	5%	6%
Total	100%	100%	100%	100%	100%	100%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table B25024)

Housing growth in the Walla Walla Region has been driven by a combination of in-migration, natural increases in population, university student housing, second home investors and seasonal rentals. Between 2000 and 2018, the Region added 2,246 households and the average household size fell from 2.42 to 2.34 people per household (**Figure 8**).

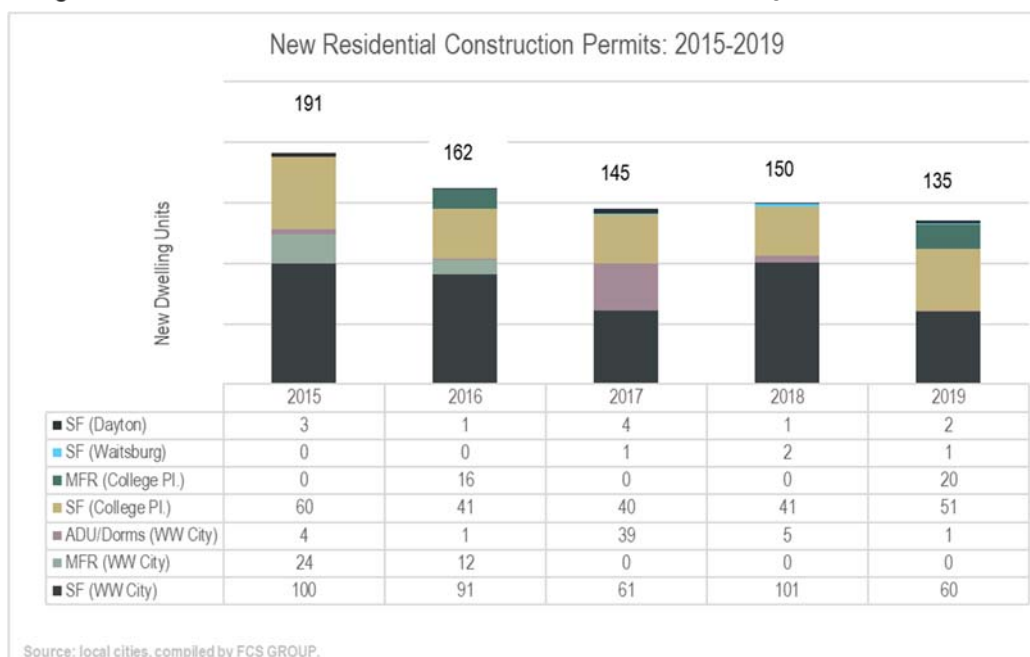
Figure 8. Trends in Household Formations and Occupied Housing Units, Walla Walla Region

	2000	2010	2018	Change: 2000-18	Annual Change
Households	15,076	16,528	17,322	2,246	125
Average household size	2.42	2.34	2.34		
Occupied Dwelling Units	16,237	18,032	19,092	2,855	159

Source: U.S. Census Bureau, 2000 Census (Tables P015, P017, H001), American Community Survey 5-Year Estimates (Tables S1101 and B25001)

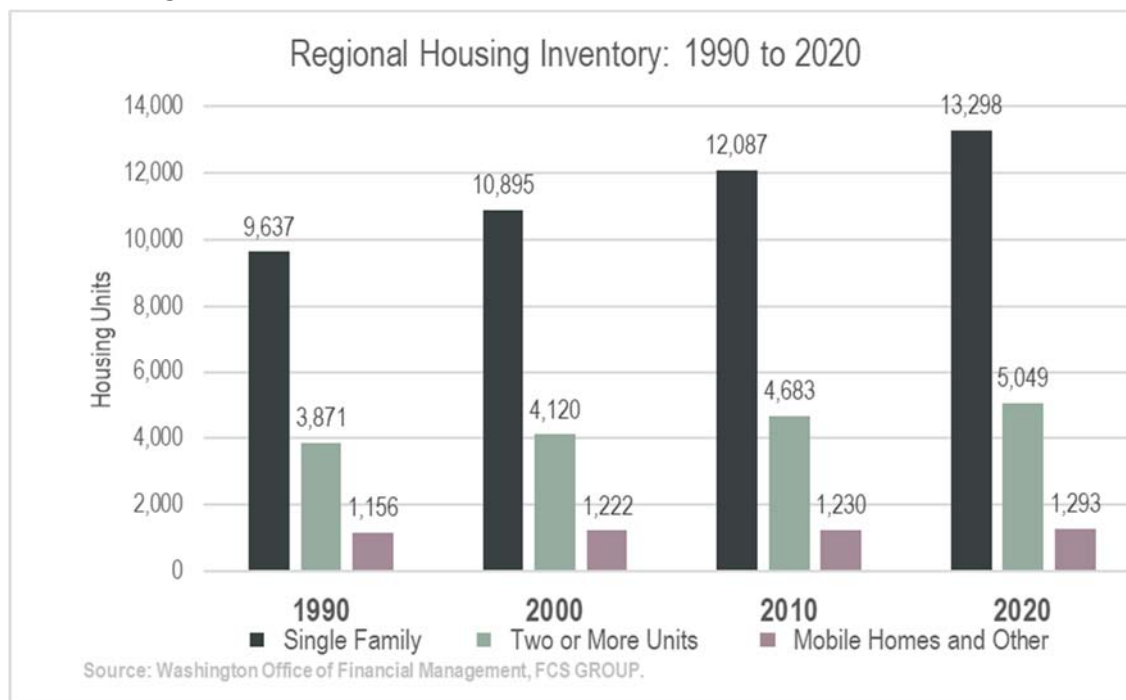
In recent years, housing production has not kept pace with housing demand. As shown in **Figure 9**, new residential construction within the Region declined from 191 permits issued in 2015 to 135 permits in 2019.

Figure 9. New Residential Construction Permits, Walla Walla Region, 2015 to 2019



Housing inventory data provided by the Washington Office of Financial Management indicates that there have been net increases in all housing types within the Region over the past two decades (**Figure 10**).

Figure 10. Housing Inventory Trends, Walla Walla Region, 1990 to 2020



Unfortunately, not all new construction has occurred without displacement of some existing housing. As indicated in **Figure 11**, the Region recorded a net increase of 1,159 single family detached homes and 62 townhomes/plexes, between 2010 and 2018, but displaced at least 80 multifamily units and 81 mobile homes during that time.

Figure 11. Net Change in Housing, Walla Walla Region, 2010 to 2018

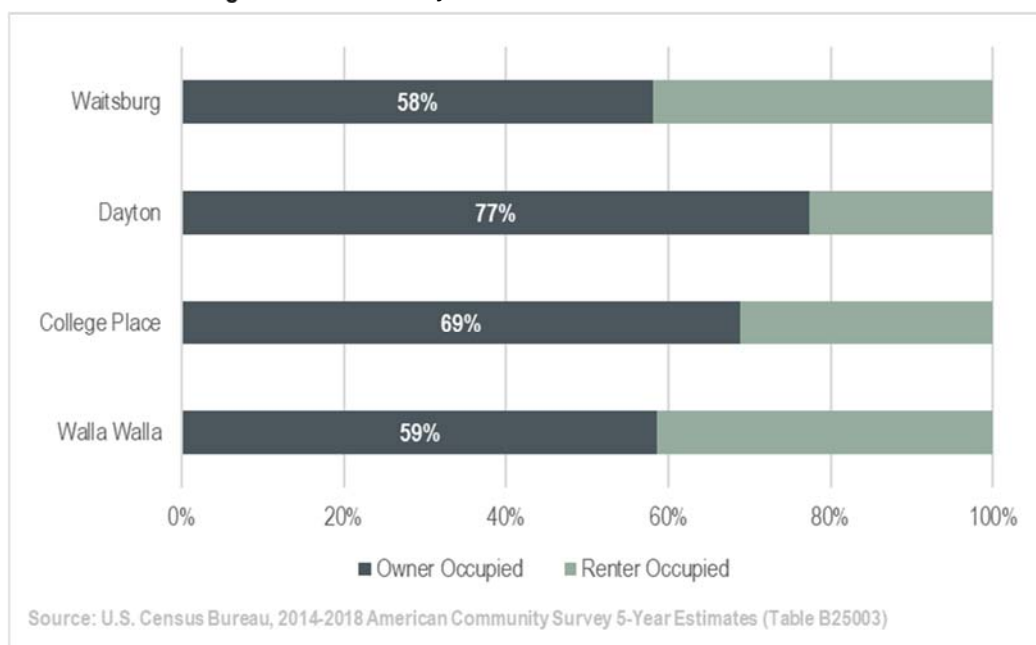
Housing Type	2010 Est. (2006-2010 ACS)	2018 Est. (2014-2018 ACS)	Change
Single Family Detached	11,235	12,394	1,159
Townhouses / Plexes	2,631	2,693	62
Multi-family (5+)	2,936	2,856	(80)
Mobile homes/other	1,230	1,149	(81)
Total	18,032	19,092	1,060

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Table B25024).

Tenancy and Vacancy Levels

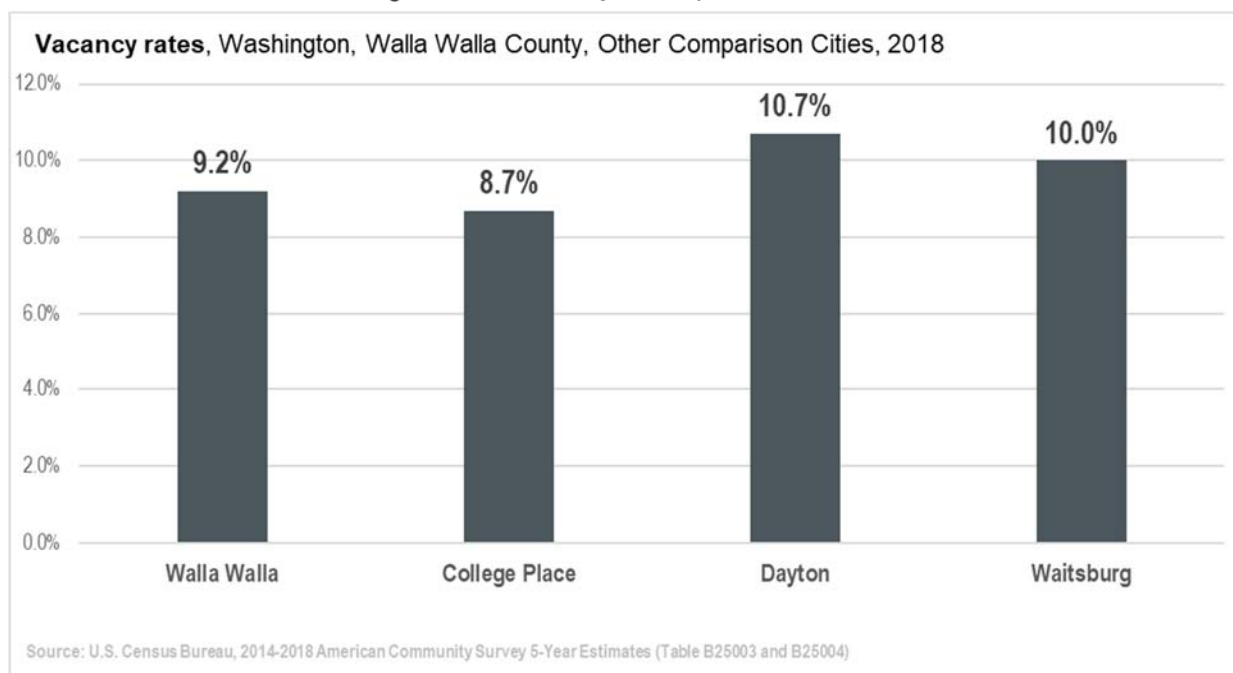
The Region's tightening housing supply is impacting homeowners and renters. Overall tenancy within the Region is comprised of 60% owners and 40% renters. As shown in **Figure 12**, the rate of homeownership varies significantly among the region's four cities.

Figure 12. Tenancy Characteristics, ACS 2014-2018



Housing vacancy rates were mostly around 10% in 2018 within the cities of College Place, Dayton, Waitsburg and Walla Walla, and are reported to be lower today (**Figure 13**). Within the Region, the highest vacant rates are in Dayton, which has a vacancy rate of 10.7%.

Figure 13. Housing Vacancy Rates, 2018



Home Prices and Rents

As vacancy rates decline, home prices and rent levels are increasing. Median home prices have increased steadily over the past several years within the Region to record levels (**Figures 14 and 15**).

Figure 14. Median Home Prices

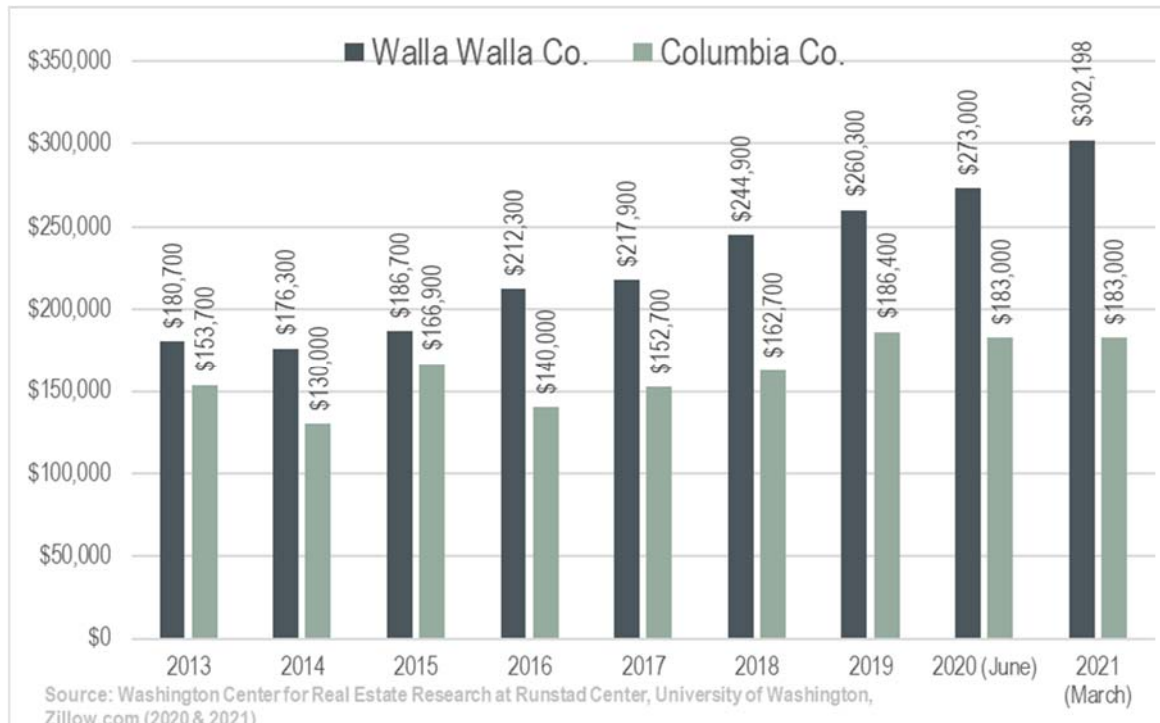


Figure 15. Median Home Prices

	3/1/2020	3/1/2021	Change from prior year %
Washington	\$429,000	\$488,000	13.8%
Columbia County	\$182,000	\$183,000	0.5%
Dayton	\$172,000	\$171,000	-0.6%
Walla Walla County	\$283,000	\$302,000	6.7%
College Place	\$289,000	\$309,000	6.9%
Waitsburg	\$235,000	\$250,000	6.4%
Walla Walla City	\$283,000	\$301,000	6.4%

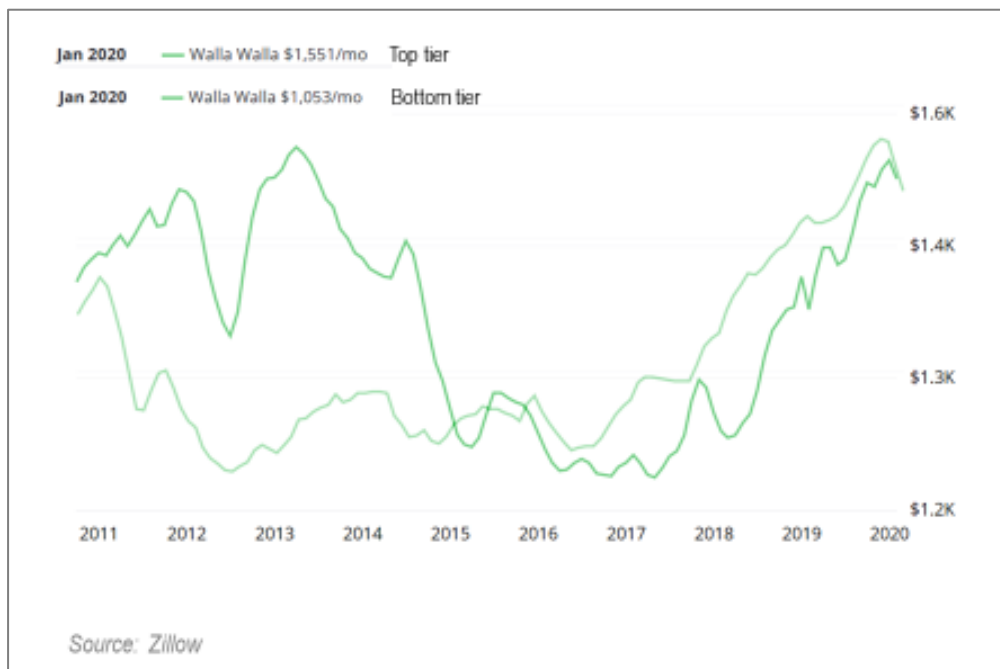
Source: Zillow, (6/1/2020), Compiled by FCS GROUP.

* Assumes 30-year mortgage, 3.6% interest, 1.89% property tax & insurance; 5% downpayment.

** Assumes 30% of household income dedicated to payments.

Monthly rents have also increased to record levels. As shown in **Figure 16**, the median rent within the Region is currently \$1,486, and the price difference between the top quality and lowest quality rental housing units has narrowed considerably.

Figure 16. Median Housing Rent, Walla Walla Region, 2011 to 2020



By comparison, the current U.S. Housing and Urban Development (HUD) Fair Market Rents in Walla Walla County range from \$680 for an efficiency to \$1,509 for a four-bedroom unit, as shown below. According to input received from stakeholders, there are very few (if any) non-government subsidized properties that would meet HUD fair market rents in the Walla Walla Region.

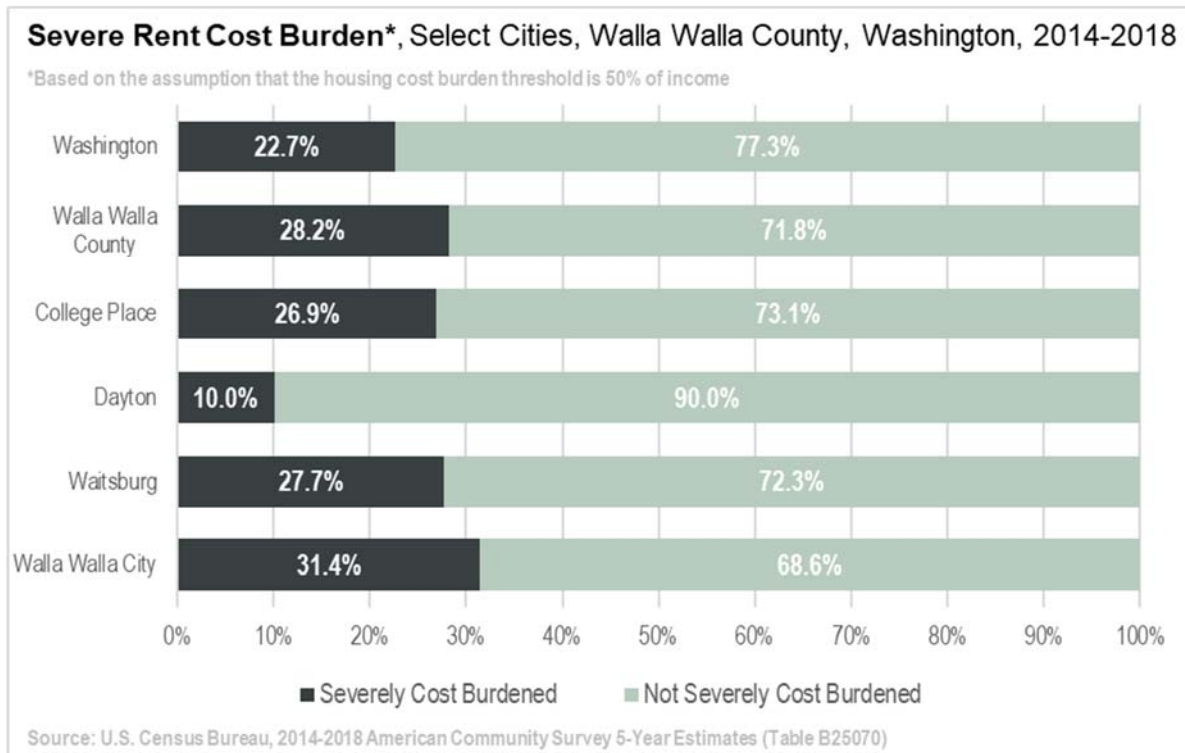
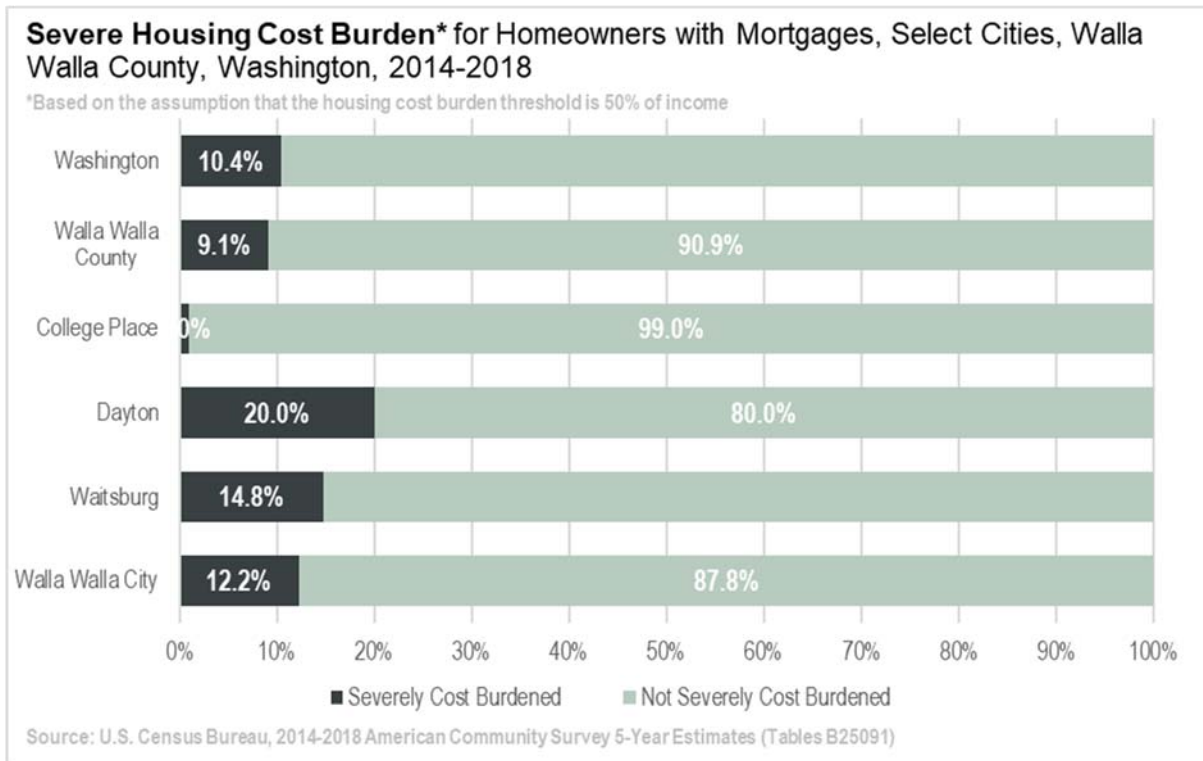
HUD Fair Market Rent (FMR) by Unit Type, Walla Walla County, 2020				
Source: U.S. Department of Housing and Urban Development				
\$680	\$792	\$1,043	\$1,505	\$1,509
Efficiency	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom

Housing Attainability

According to the U.S. Housing and Urban Development (HUD), households are considered “cost burdened” if they pay over 30% of their gross income on housing and utilities. Households are “severely cost burdened” if they pay over 50% of their gross income on housing and utilities.

As of 2018, approximately 9% of homeowners and 28% of the renters in Walla Walla County were severely cost burdened by housing expenses alone (**Figure 17**). If housing costs continue to rise faster than incomes, the share of severely cost burdened households will continue to increase.

Figure 17. Severe Housing Cost Burden by Locality



To help gauge housing attainability, FCS GROUP examined median household income (MHI) data for selected cities within Walla Walla and Columbia counties. Median household income in Walla Walla County (\$56,533) is currently well below the Washington average (\$70,116). However,

income levels for households in Walla Walla County have been increasing slightly faster than the state average (**Figure 18**).

Figure 18. Median Income Trends, 2010-2018

	2010	2018	AGR
Washington	\$57,244	\$70,116	2.6%
Walla Walla County	\$45,575	\$56,533	2.7%
College Place	\$40,137	\$47,525	2.1%
Dayton	\$39,861	\$44,524	1.4%
Waitsburg	\$45,568	\$48,403	0.8%
Walla Walla	\$39,397	\$48,678	2.7%

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates (Table B25119)

AGR: average annual growth rate.

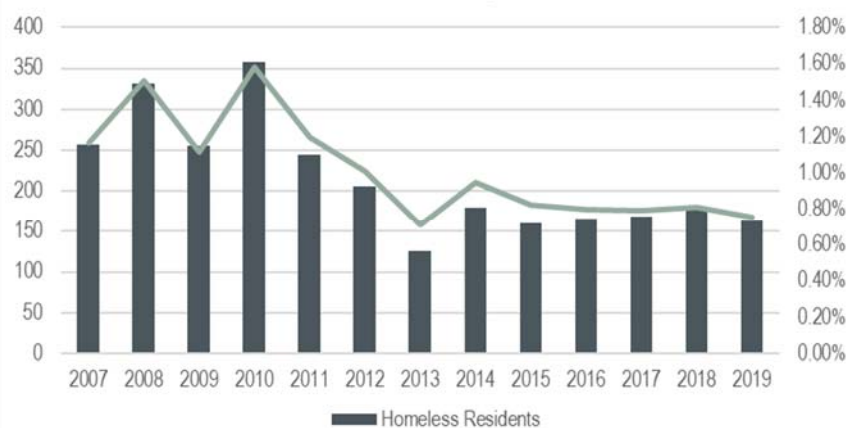
To meet HUD guidelines for housing affordability, no more than 30% of income should be allocated to housing. Hence, middle-income families earning 80% to 120% of the median household income (MHI) should be able to afford monthly rents at \$1,131 to \$1,696; or homes priced between \$194,000 and \$291,000. If middle-income households pay more than this, they would be “cost burdened” to some degree. As indicated in **Exhibit 19**, using current statistics, affordable monthly housing cost for low-income families is as follows:

- Low Income, \$707 to \$1,131
- Very Low Income, \$424 to \$707
- Extremely Low Income, \$424 or less

Point in Time Homeless Residents

The homeless population in Walla Walla County has fluctuated between 126 and 358 over the past decade. In 2019, Walla Walla County’s homeless population included an estimated 163 people or about 0.75% of the statewide homeless count, which is less than the county’s 0.82% overall share of statewide population. Stakeholder input indicates that the number of homeless residents appears to have increased since the global Covid-19 pandemic began in 2020.

Homeless Residents, Walla Walla County, 2007-2019



Source: Washington State Department of Commerce Annual Point in Time Count

Figure 19. Analysis of Attainable Housing Prices/Rents

Housing Attainability Analysis

Walla Walla County Median Household Income (2018)*		\$56,533
Market Segment by Income Level		Lower-end Upper-End
Upper (120% or more of MHI)		120%
Middle (80% to 120% of MHI)	80%	120%
Low (50% to 80% of MHI)	50%	80%
Very Low (30% to 50% of MHI)	30%	50%
Extremely Low (less than 30% of MHI)	30%	
Qualifying Income Level		Lower-range Upper-range
Upper (120% or more of MHI)	\$67,840	or more
Middle (80% to 120% of MHI)	\$45,226	\$67,840
Low (50% to 80% of MHI)	\$28,267	\$45,226
Very Low (30% to 50% of MHI)	\$16,960	\$28,267
Extremely Low (less than 30% of MHI)		\$16,960
Attainable Monthly Rent or Payment (@30% of income level)		Lower-range Upper-range
Upper (120% or more of MHI)	\$1,696	or more
Middle (80% to 120% of MHI)	\$1,131	\$1,696
Low (50% to 80% of MHI)	\$707	\$1,131
Very Low (30% to 50% of MHI)	\$424	\$707
Extremely Low (less than 30% of MHI)		\$397
Approximate Attainable Home Price**		Lower-range Upper-range
Upper (120% or more of MHI)	\$291,000	or more
Middle (80% to 120% of MHI)	\$194,000	\$291,000
Low (50% to 80% of MHI)	\$116,000	\$185,000
Very Low (30% to 50% of MHI)	\$69,000	\$116,000
Extremely Low (less than 30% of MHI)	n/a	n/a

Notes:

* based on current U.S. Census estimates of household income for Walla Walla County.

** assumes 5% down (zero down payment for low income purchasers) on 30-yr mortgage @ 3.6% interest; and 1.89% for taxes and insurance.

Source: analysis by FCS GROUP using U.S. Census, American Community Survey data.

Measures of Economic Hardship

Like many rural communities across the U.S., an increasing share of Walla Walla Region's households are experiencing economic hardship as the cost of living rises faster than income levels.

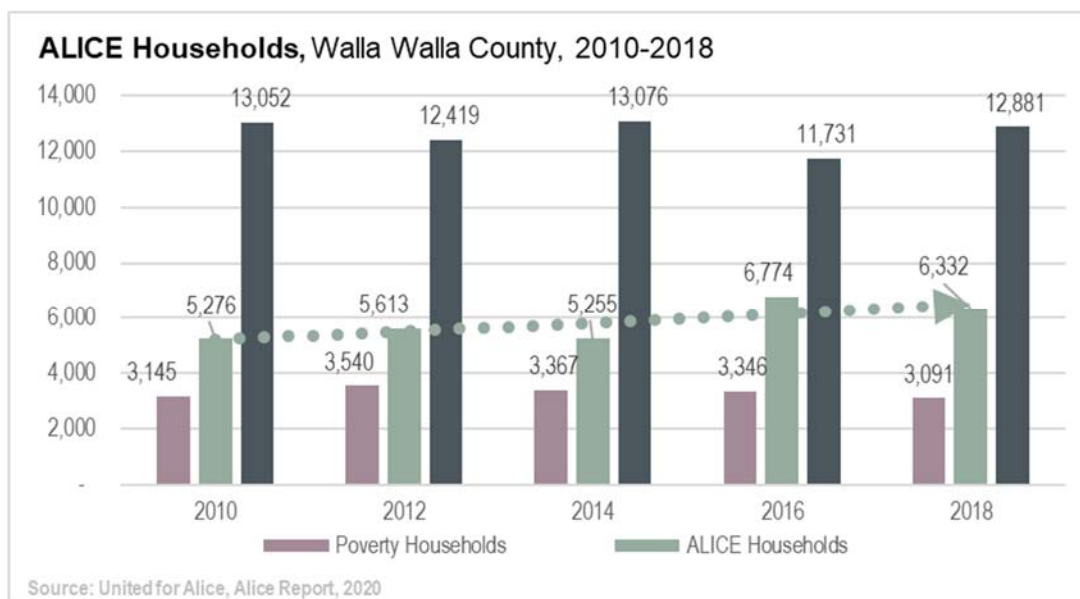
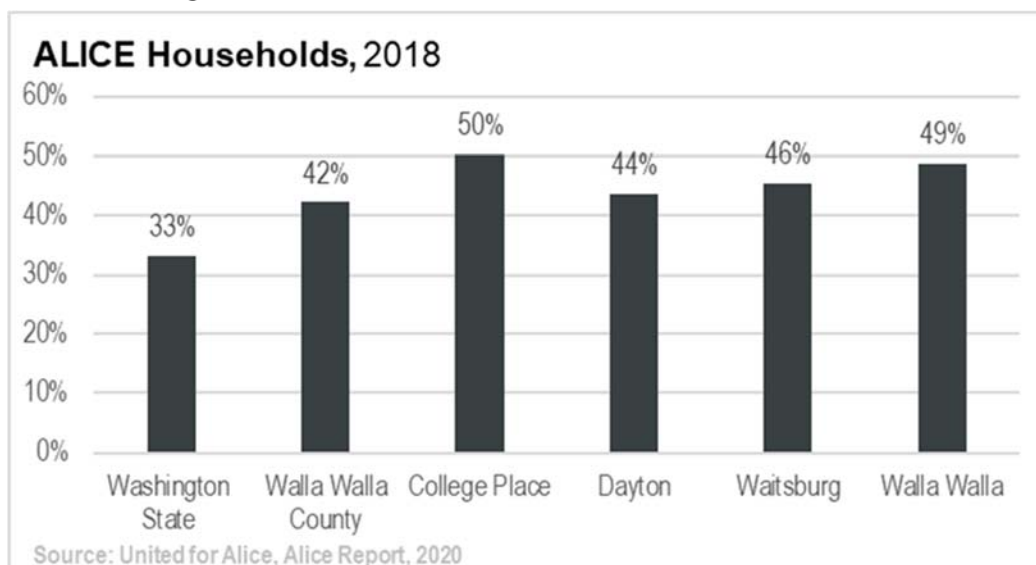
Since the War on Poverty began in 1965, the Federal Poverty Level (FPL) has provided a standard for determining the proportion of people living in poverty in the U.S. Despite the FPL's benefit of providing a nationally recognized income threshold for determining who is poor, its shortcomings include the fact that the FPL is not based on the current cost of basic household necessities, and except for Alaska and Hawaii, it is not adjusted to reflect cost of living differences across the U.S. In fact, federal poverty statistics indicate that the number of Walla Walla County households living in poverty decreased by 54 between 2010 and 2018.

In recognition of the short comings associated with federal poverty statistics, the United Way now provides a new measure of economically distressed households struggling in each county in a state. This

effort provides a framework, to measure households that do not earn enough to afford basic necessities, with a population segment called ALICE (Asset Limited, Income Constrained, Employed). The ALICE methodology takes into account the total cost of household essentials – housing, child care, food, transportation, technology, and health care, plus taxes and a 10 percent contingency. ALICE data are calculated separately for each county, and for six different household types. For more information please check out: <https://www.unitedforalice.org/methodology>

In 2018, 42% of the households in Walla Walla County were either in poverty or in the ALICE category, which is well above the Washington statewide average of 33%. Within the Walla Walla Region, the share of households in poverty and ALICE categories ranged from 44% in Dayton to 50% in College Place (Figure 20).

Figure 20. ALICE Household as Share of Total Households

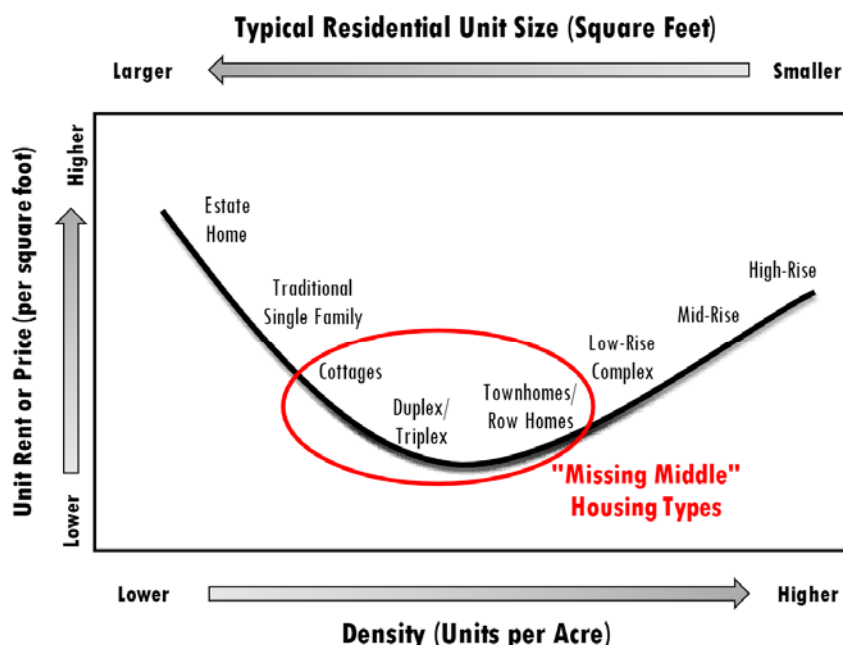


Housing Supply Gaps

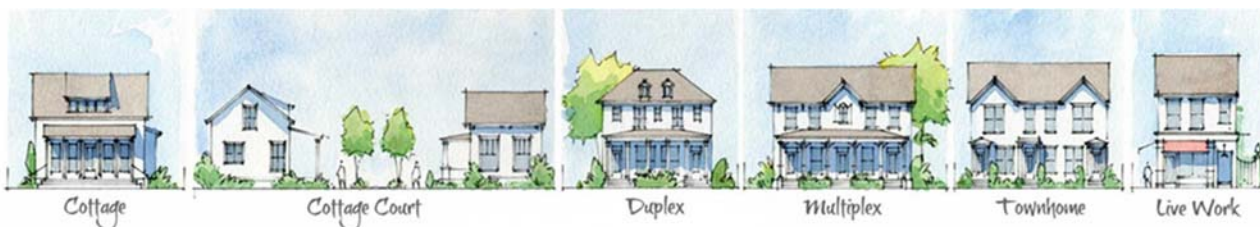
Representatives from public agencies have expressed concern over the lack of attainable and good quality housing for middle income families and local workers. To find attainable housing, some workers must travel long distances between their homes and their jobs to find attainable housing.

Given the need for workforce housing, the Region would benefit from development of “middle income” housing types, such as apartments, duplexes, townhomes, cottages, manufactured homes and accessory dwelling units (ADUs). These housing types can be delivered at a lower cost and rent level per square foot than standard single family detached and mid-rise housing types (**Figure 21**).

Figure 21. Middle Housing Types



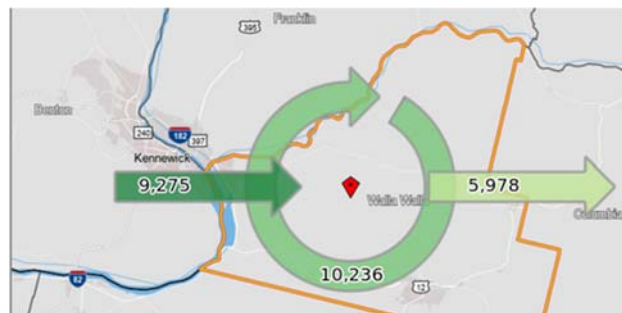
Source: Washington Department of Commerce Housing Memorandum (PNW Economics and LDC)



Transportation Considerations

Long commutes into the Walla Walla Region may represent potential pent-up demand for new housing. According to U.S. Census On-the-Map data, in 2017 there were 9,275 workers who commuted to work in Walla Walla County and 5,978 county residents who commuted to work outside the County (**Figure 22**). **One in five workers in the County commute over 100 miles per day; which is 55% higher than the statewide average.**

Figure 22. Commute Patterns, Walla Walla County, 2017



Affordability and Current Market Gaps

Low vacancy rates and rising home prices have resulted in market gaps that could be filled only by new housing construction. The regional *Affordability Housing Community Council Report*, Summer 2019, found that median income levels in the City of Walla Walla and College Place would need to increase by at least \$5,400 to enable families to purchase a home at 2018 prices. This affordability gap has increased since.

The Region's rental housing gap is most prevalent at the highest and lowest income levels. In other words, there is currently an inadequate supply of quality market rate apartments (at \$1,131/month or higher) or for-sale housing (at \$279,000+). This is partially the reason why 400 middle and upper income households currently live in lower-quality *middle-income* rental housing. And the lack of affordable housing (at \$707/month or lower) has resulted in 791 households living in higher-cost housing which leads to severe rent burdens. This analysis assumes that 33% of the current housing gap can be addressed by new policies that help stimulate near-term housing construction with 239 market rate units and 261 affordable units (**Figure 23**).

Figure 23. Rental Housing Market Gaps, Walla Walla Region, 2017

Median Household Income Range	Lower-end	Upper-End	Renter Households Counted	Affordable Monthly Rent Costs *	Level of subsidy required	Estimated Rental Units Counted	Year 2017 Housing (Gap) or Surplus
Upper (120% or more of MFI)	\$67,840 or more		1,304	\$1,696 & Above	Zero	580	(400)
Middle (80% to 120% of MFI)	\$45,226	\$67,840	1,173	\$1,131-\$1,686	Zero	1,497	
Low (50% to 80% of MFI)	\$28,267	\$45,226	1,518	\$707-\$1,131	Low	2,709	1,191
Very Low (30% to 50% of MFI)	\$16,960	\$28,267	1,177	\$424-\$707	Medium	1,541	(791)
Extremely Low (less than 30% of MFI)	\$16,960 or less		1,830	Less than \$424	High	674	
Total			7,001			7,001	

Source: US Census Bureau 2013-2017 ACS, analysis by FCS GROUP.

* Calculated at 30% of Walla Walla County median family income based on HUD guidelines

Analysis of Pent-Up Rental Housing Demand, Walla Walla Region

Median Household Income Range	Renter Households in 2017	Rental Units in 2017	Housing (Gap)	Potential Capture Rate	Pent-up Housing Demand Capture
Upper (120% or more of MFI)	1,304	580	(724)	33%	239
Middle (80% to 120% of MFI)	1,173	1,497	324		
Low (50% to 80% of MFI)	1,518	2,709	1,191		
Very Low (Less than 50% of MFI)	3,006	2,215	(791)	33%	261

Source: US Census Bureau 2013-2017 ACS, analysis by FCS GROUP.

Regional Housing Needs Forecast

The Regional housing needs forecast takes into account the potential to capture a share of the current market gap for rental housing along with the projected population growth based on the adopted comprehensive plans for Walla Walla County and the cities of College Place, Walla Walla, Dayton and Waitsburg.

These plans anticipate a population increase of approximately 9,668 year-round residents by 2040 within Walla Walla County. According to the Walla Walla County Comprehensive Plan, the unincorporated areas of the county are projected to add 2,802 people. Since that forecast also reflects unincorporated portions of UGAs for the cities, we expect the majority of new population growth to occur within future annexation areas of local cities.

This analysis assumes that 70% of the housing growth and 90% of the group quarters population growth within unincorporated Walla Walla County will occur within the UGAs of Walla Walla, College Place, Waitsburg and Dayton. As indicated in **Figure 24**, this allocation of county growth equates to approximately 107 group quarters residents and 657 dwelling units.

Figure 24. Projected Regional Housing Capture of Unincorp. Walla Walla County, 2020 to 2040

	Walla Walla County	Unicorp. Walla Walla County**	Regional Housing Capture of Unincorp. County %	Regional Housing Capture of Unincorp. County
Net New Population	9,668	2,802		
New Pop in Group Quarters*	773	119	90%	107
Population in Households	8,894	2,683		
Housing Need for Permanent Residents (dwellings)	3,601	865		
Seasonal & Vacancy Allowance (@9.4 %)	358	74		
Growth-related Housing Demand (dwelling units)	3,959	939	70%	657

Source: FCS GROUP based on local pop. growth forecasts and current ACS data for local areas. *Group quarters reflects people in dormitories, group homes, institutions, etc. ** Includes unincorporated areas within urban growth areas of local cities.

To address changing demographic and householder preferences, the baseline housing demand forecast also takes into account the following assumptions:

- Future population growth forecasts for each city within the Walla Walla Region will be consistent with adopted local comprehensive land use plan forecasts (extrapolated).
- The tenancy mix and rate of homeownership will increase slightly overtime to the Washington statewide average (63% owners and 37% renters). Note, this results in a modest increase in homeownership rates within the Region from 60% currently to 63% by year 2040.
- Housing needs reflect more attainably priced housing types consistent with attainability levels with 30% of income allocated to rent or mortgage (principal and interest).
- The housing needs forecast assumes a moderate demand shift to middle income housing types, including townhomes, plexes, apartments, ADUs and manufactured housing.

To address future housing growth, the Walla Walla Region should plan to add approximately 4,685 net new housing units over the next 20 years. Future housing demand is likely to include 1,523 standard lot single family detached homes; 1,104 small lot detached homes; 732 townhomes/plexes; 894 multi-family

units (includes some group quarters demand) and 443 government-assisted housing units, manufactured homes and/or ADUs (**Figure 25**).

Figure 25. Walla Walla Region Housing Needs Forecast, 2020 to 2040

	Walla Walla City	College Place	Waitsburg	Dayton	Region Total
Projected Baseline Housing Demand	2,362	494	153	11 +	3,021
Plus Share of Housing Within Unincorp. UGAs	514	107	33	2 +	657
Plus Demand to Address 33% of Housing Gap	414	87			500
Total Housing Need	3,290	688	187	13 +	4,178
Plus Group Quarters Housing Units (@1.5 people per unit)	420	88			762
Grand Total (units)	3,710	776	187	13 +	4,685
percent of total	79%	17%	4%	0.3%	100%

Source: FCS GROUP based on local pop. growth forecasts and current ACS data for local areas. *Group quarters reflects people in dormitories, group homes, institutions, etc.

Projected Housing Need by Housing Type

Projected 2040 Housing Needs						
Housing Type	Walla Walla UGA	College Place UGA	Waitsburg UGA	Dayton UGA	Walla Walla Region	Remainder of Walla Walla County
Single-Family Detached						
Standard Lots	1,142	261	112	9 +	1,523	225
Small Lots, cottages, mfg. homes (lots)	899	205	-	-	1,104	-
Townhouses / Plexes (units)	556	155	19	1 +	732	-
Multi-family units (5+ units per structure)	816	78 +	-	-	894	-
Mobile homes/ADUs/other (units)	297 +	78 +	56 +	3 +	433	56 +
Total Dwelling Units	3,710	776	187	13 +	4,685	282

Projected Housing Need by Income Level

Family Income Level	Owner-Occupied	Renter-Occupied	Total	Dist. %	Attainable Housing Products
Upper (120% or more of MI)	2,361	260	2,621	56.0%	Single Family Lots
Upper Middle (80% to 120% of MI)	384	347	730	15.6%	Cottage Homes, Townhomes, Apartments
Lower Middle (50% to 80% of MI)	207	693	900	19.2%	Townhomes, Mfgd. Homes, Plexes, Apartments
Low (less than 50% of MI)	0	433	433	9.3%	ADUs, Govt. Assisted Apts.
Total	2,952	1,734	4,685	100.0%	

*Derived from Appendix A.

The group quarters demand generated by 762 residents accounts for demand generated by seniors in group homes and to a lesser extent university students and special needs population segments (including inmates at the correctional center). As indicated in **Figure 26**, the senior housing segment is projected to account for about three quarters of the overall group quarters demand, with the need for almost 380 units of shared senior housing required by year 2040.

Figure 26. Projected Senior Housing Demand

	Region Total within UGAs
Current Population	48,363
Proj. Net New Population within Region UGAs (@2.3 perso	8,485
Future Population year 2040	56,848
Population over Age 65	20%
Share of pop. over Age 65 in Nursing Homes	5.0%
Avg. Household Size within Nursing Homes	1.50
Proj. Net New Population in Nursing Homes	568
Proj. Senior Housing Need (dwelling units)	379

Source: population estimates and forecasts based on WA Office of Financial Management data; nursing home capture rates based on National Institute of Aging estimates, 2015.

Please refer to **Appendix A** for a Regional forecast of owner and renter housing needs by income level.

Reconciliation of Housing Needs and Land Supply

According to the June 2019 Walla Walla County buildable land inventory and development capacity study, Walla Walla, College Place and Waitsburg UGAs had the potential to accommodate over 4,100 net new dwellings at full utilization (**Exhibit 27**). Note, the City of Dayton was included in a separate land capacity study for Columbia County.

Figure 27. Land Capacity Analysis

	Minimum Lot Size (SF)	Net Res. Land Inventory (acres)	Under- developed percent	Net New Pop. Capacity	Net New Dwelling Capacity	Infill & redevelopment Dwellings	Dwellings on Vacant Land	% Infill & redevelopment
Waitsburg				1,466	621	284	337	46%
R96 Suburban Residential	9,600	50.7	62%	38%	538	228	86	142
Residential (incorporated)	10,000	92.7	49%	51%	875	371	189	182
Flexible Comm./Res (Incorp.)	10,000	5.6	61%	39%	53	22	9	13
College Place				588	249	139	110	56%
Multiple Family Residential	n/a	2.1		59	25	-	25	
R-60 Single Family Residential*	6,000	21.6	30%	70%	361	153	107	46
R-72 Single Family Residential*	7,200	0.3		4	2	-	2	
R-96 Suburban Residential (incorp.)	9,600	6.3	58%	42%	67	28	12	16
R-96 Suburban Residential (area 2B)**	9,600	39.8	75%	25%	425	180	46	134
R-96 Suburban Residential (area 2C)	9,600	9.2	51%	49%	97	41	20	21
Walla Walla City				7,641	3,238	1,632	1,606	50%
Multiple Family Residential	n/a	-		-	-			
R-60 Single Family Residential ***	6,000	-		-	-			
R-72 Single Family Residential ***	7,200	54.7	21%	79%	813	344	271	73
R-96 Suburban Residential (incorp.)	9,600	569.0	51%	49%	6,116	2,592	1,260	1,332
R-96 Suburban Residential (other)	9,600	60.8	67%	34%	712	302	101	201

Source: Revised Land Capacity Analysis, Technical Memorandum, June 2019, the Watershed Company. Note, this analysis was completed prior to the City of Walla Walla creating a Neighborhood Residential zone to allow reduced lot sizes.

* After 2019, College Place combined zones R-60/R-72/R-75 into a one SF District zone and allows up to two dwellings per lot.

** Area 2B urban growth area expansion request was denied after 2020.

*** After 2019, Walla Walla changed code to allow 2-4 unit structures and ADUs in all single family zones.

While the overall land capacity within the Region appears to be adequate for addressing the long-term housing need for Waitsburg and Dayton, the analysis cited above indicates that nearly half of new construction would need to occur on under-developed (part vacant) tax lots. If property owners do not wish to subdivide their tax lots, the likelihood of meeting housing needs through “infill” is unlikely.

These findings also indicate that the current zoning and related land capacity within the College Place and Walla Walla UGAs (combined) may not be sufficient to fully accommodate multi-family demand. This issue is particularly acute in College Place, where the housing demand for single family and middle housing (672 units) is expected to exceed its zoned land capacity by 412 dwellings.

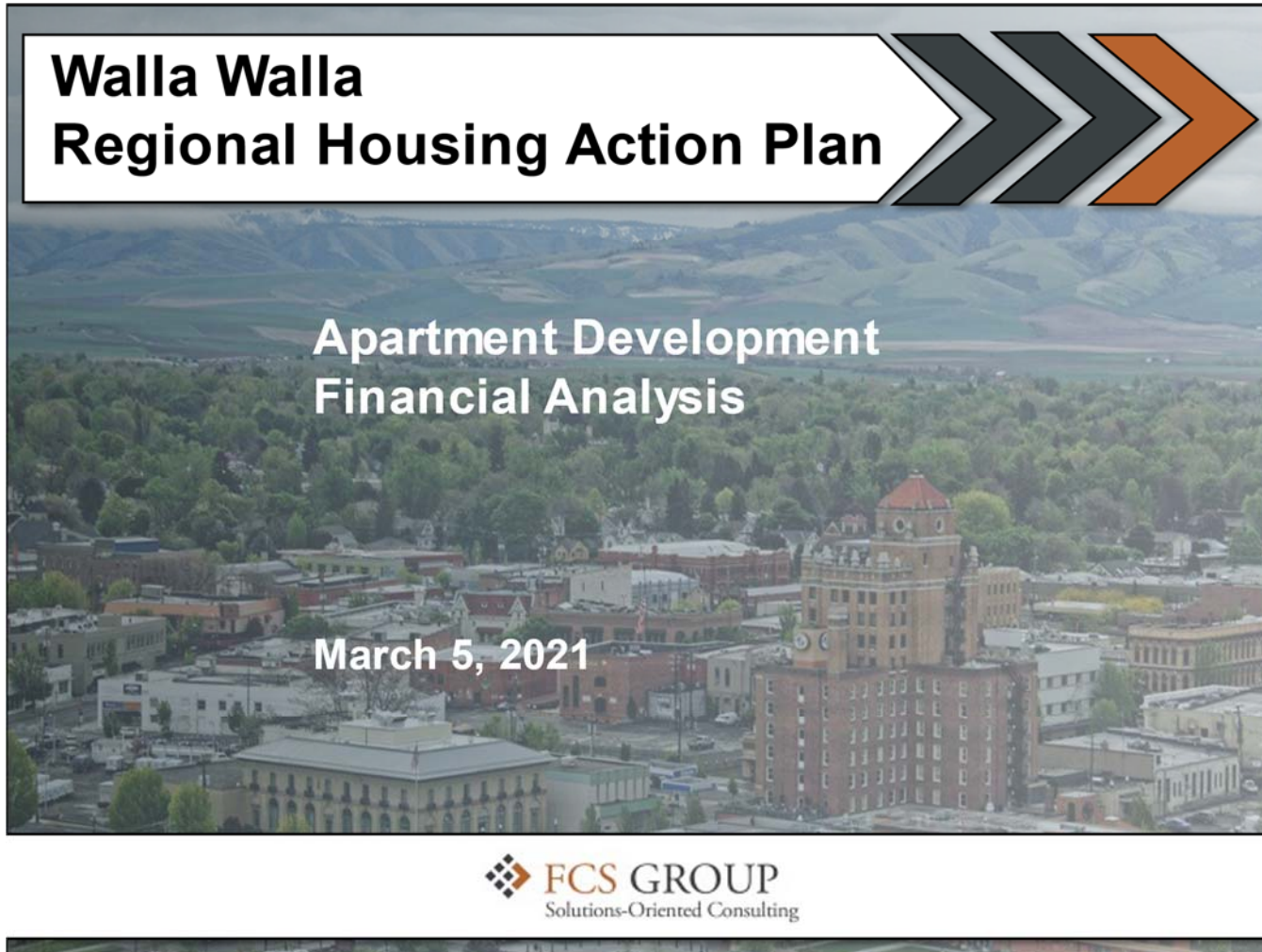
Based on the residential capacity analysis and this housing needs assessment, the following conclusions are made:

College Place UGA: the projected 20-year housing need of 776 dwelling units is far greater than the potential UGA capacity of 429 units, even after assuming 43% of net new housing will be constructed on infill and redevelopment lands.

Walla Walla UGA: the projected 20-year housing need of 3,710 dwelling units is greater than the potential UGA capacity of 3,238 dwelling units, even after assuming 50% of the net new housing will be constructed on infill and redevelopment lands.

Waitsburg and Dayton UGAs: the combined projected 20-year housing need of 200 or more dwelling can be accommodated by their existing UGAs, since Waitsburg alone is presumed to have the UGA capacity to add 621 dwelling units, after assuming 46% of the net new growth occurs on infill and redevelopment lands.

APPENDIX D: FINANCIAL ANALYSIS



**Walla Walla
Regional Housing Action Plan**

**Apartment Development
Financial Analysis**

March 5, 2021

 **FCS GROUP**
Solutions-Oriented Consulting

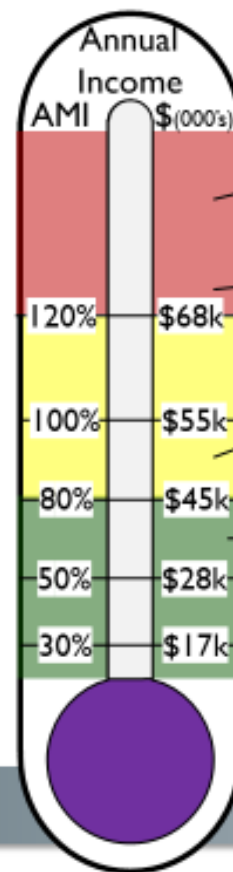
Financial Feasibility Objectives

- ◆ Test financial viability from developer's perspective
- ◆ With and without affordable housing
 - Scenario 1: 3-level garden apartments
 - Scenario 2: 5-level flats (over parking)
- ◆ Evaluate incentives
 - 12-year property tax abatement
 - Impact fee reduction
 - Land write-downs
 - Parking reductions



Housing Affordability Thermometer

- HUD uses median income to measure affordability
- HUD bases affordability on household size
- Affordability Thermometer conveys prices or rents based on expected payments
- Helps determine the market need for various housing types



Local Labor Force Demographics Example:

- **Manager**
\$96,000 (max rent: \$2,600)
(168% of AMI if HH size = 2)
- **Teacher (middle school)**
\$68,000 (max rent: \$1,800)
(121% AMI if HH size = 2)
- **Industrial worker**
\$55,511 (max rent: \$1,500)
(98% AMI, low income if HH size = 2)
- **Medical Assistant**
\$37,690 (max rent: \$1,000)
(67% AMI if HH size = 2)
- **Average SSA recipient:**
\$19,251 (max rent: \$500)
(33% AMI HH size = 1)

Regional Housing Needs

Walla Walla Region will need 4,500+ dwellings over next 20 years

- ♦ Range of dwelling types needed
- ♦ Need for more affordable units for owners and renters
- ♦ Residual Land Value Analysis: how much would a developer be willing to pay for the land for the right to build this project?



Garden
Apartments



Flats

Apartment Proforma Assumptions

	Scenario 1A	Scenario 1B	Scenario 1C	Scenario 2A	Scenario 2B	Scenario 2C
Particulars	Apts. (100% market rate)	Apts. (mixed income)	Affordable Apts.	Flats (100% market rate)	Flats (mixed income)	Affordable Flats
Site Size (acres)	2.0	2.0	2.0	2.0	2.0	2.0
Building Levels (above grade)	3	3	3	5	5	5
Dwelling Units	107	107	107	167	167	167
Affordable Units (@80% to 110% AMI)	0	15	107	0	30	167
Parking stalls	128	128	128	249	249	249
Parking Ratio (stalls per dwelling unit)	1.2	1.2	1.2	1.2	1.2	1.2
Dwellings per Acre	53	53	53	84	84	84
Est. Construction Cost*	\$23 M	\$23 M	\$23.5 M	\$41 M	\$41 M	\$40.6 M
Cost per Dwelling, excl. land	\$ 219,615	\$ 219,615	\$ 219,615	\$ 242,559	\$ 242,559	\$ 242,559
Targeted Developer Return on Equity (annual)						
with private developer	7.0%	7.0%		7.0%	7.0%	
with non-profit developer			4.0%			4.0%

Project Income Assumptions	Units	Scenario 1	Scenario 2
Market-rate units under 900 SF	per SF/month	\$1.71	\$2.00
Market-rate units over 900 SF	per SF/month	\$1.71	\$1.85
Affordable dwellings (@90% AMI)	per SF/month	\$1.71	\$1.74
Parking charge	per Stall/month	\$0	\$0

Financial Analysis: Findings

Scenario	Developer	Dwellings	Residual Land Value Per Dwelling Unit		Relative Financial Feasibility	Annual Prop. Tax Revenue to City after abatement	Cumulative Prop. Tax Revenue to City Years 1-20
			no incentives	w/ tax abatement			
1A Apts. (100% market rate)	For Profit	107	\$7,921		Good	\$56,387	\$1,127,736
1B Apts. (mixed income)	For Profit	107	(\$3,926)	\$12,255	Excellent after incentives	\$56,387	\$451,094
1C Affordable Apts.	Non Profit	107		\$48,950	Excellent		
2A Flats (100% market rate)	For Profit	167	(\$8,882)	\$8,984	Good after incentives	\$97,517	\$1,950,337
2B Flats (mixed income)	For Profit	167	(\$15,951)	\$1,915	Fair after incentives	\$97,517	\$780,135
2C Affordable Flats	Non Profit	167		\$22,988	Excellent		

* R.O.E. denotes estimated annual rate of targeted return on developer equity investment after debt service and before income taxes and depreciation.

- ♦ **Currently: only the market rate apartments are financially viable without incentives**
- ♦ **Non-profit developer greatly helps with affordable housing**
- ♦ **Tax Incentives plus land write-downs needed to create mixed-income apts.**

Summary

- ♦ **Housing market is strong enough to attract for-profit developers**
- ♦ **Garden apartments are viable without incentives**
- ♦ **Market rate flats over parking is not viable without some type of incentive**
- ♦ **Affordable or mixed-income housing requires incentives with for-profit developer, such as**
 - 12-year tax abatement (for affordable housing only)
 - Impact fee reduction (for affordable housing only)
 - Land write-down
 - Parking reductions
- ♦ **Non-profit developer could make affordable housing “pencil” with fewer incentives**
- ♦ **Recommend pilot program of multifamily incentives for next 3 years**
- ♦ **Identify public-owned potential catalyst site(s) for future developments**

APPENDIX E: DISPLACEMENT MINIMIZATION STRATEGY

To: Project Advisory Team: Elizabeth Chamberlain, City of Walla Walla; Jon Rickard, City of College Place; Meagan Bailey, City of Dayton; Randy Hinchliffe, City of Waitsburg; Nikki Sharp, Walla Walla County

Date: September 28, 2020

From: Violet Brown & Scott Fregonese, Fregonese Associates

CC: Todd Chase & Tim Wood, FCS GROUP

RE: Walla Walla Housing Action Plan Task 4 Anti-Displacement Best Practices

The purpose of this memorandum is to analyze the risk of displacement and gentrification in the region and to summarize best practices strategies to mitigate the impacts on local households and businesses. It builds on the findings included in FCS Group’s Task 1 Issues Memo and Task 2 & 3 Trends and Needs Memo and on the work previously published in the Affordable Housing Community Council Report.ⁱ

SUMMARY

Housing Action Plans must, in accordance with HB1923, “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 “should consider strategies to minimize displacement of low-income residents resulting from redevelopment.” This is particularly true in neighborhoods with communities at high risk of displacement.

As growth trends in the region predict significant opportunities for future development, that development will likely exacerbate existing issues of affordability and result in market and socioeconomic shifts linked to displacement of households and businesses in vulnerable communities. Each jurisdiction in the Walla Walla region contains populations vulnerable to displacement. However, this memo identifies individual block groups particularly susceptible to these forces. It also recommends mitigation strategies. These recommendations represent a three-pronged approach to anti-displacement strategies:

1. Mitigation for Individuals and Families Experiencing Displacement,
2. Land Use & Development Strategies to Increase Production of Affordable Housing, and
3. Economic Strategies to Increase Opportunity.

Combating displacement requires cities to proactively apply a variety of different approaches, each supported by best practices research. The strategies are organized as a three-prong approach to anti-displacement to address the different aspects of displacement. Various action steps or programs appear

under each prong. The concept is to move forward on all three fronts in ways that are customizable for each jurisdiction.

VULNERABILITY ASSESSMENT

Displacement occurs when households or businesses are involuntarily forced out of an area due to increasing housing prices or due to economic and demographic changes that alter the neighborhood's character. Gentrification, a well-documented housing issue since the 1960s, has traditionally been associated with the urban core, but rural gentrification is gaining ground in the face of an ever-expanding digital workforce and access to goods online. These changes allow what is a traditionally urban workforce to work remotely from rural and suburban areas, benefitting from the amenities and relative affordability these areas have to offer. Gentrification typically occurs in areas with relatively low property values with amenities that have become attractive or trendy.

As demand in the region grows, areas with relatively low rent/home value or perceived as lower quality housing become more attractive and profitable for redevelopment opportunities, and thus more vulnerable to displacement of existing residents. Some experts expect that the recent pandemic will only increase the pressure on smaller communities as families seek the “suburbs and rural periphery”.ⁱⁱ This post-Covid-19 migration to rural areas and small towns will be driven by a number of factors: increase remote work opportunities, perceptions of increased safety in less-dense communities, and a desire to live in rural areas for their scenery, access to nature, and other amenities.

Vulnerability calculations compare local geographies to regional averages across six variables reported by the US Census. The analysis below uses ACS 2014-2018 (five-year estimates) via Social Explorer reported by state, county, city, census tract, and block group:

- Percent of households that are renters
- Percent of households that are low-income
- Percent of adults (25 or older) without a four-year degree
- Percent of population who identify with a community of color
- Median home value
- Median gross rent

These factors are closely associated with an increased probability of redevelopment coupled with an increased difficulty in weathering rising housing costs and a higher susceptibility to involuntary displacement for both households and small business. This analysis has been adapted from work published by Dr. Lisa Bates of Portland State University for the Portland Bureau of Planning and Sustainability in 2012 and their subsequent *2018 Gentrification and Displacement Neighborhood Typology Assessment*ⁱⁱⁱ. Changes to the methodology are designed to reflect concerns regarding smaller sample sizes and promoting easy replicability as local jurisdictions continue to monitor these variables into the future with readily available data sets.

For the purposes of this report, geographies with 5 or 6 of the variables reporting higher figures than regional thresholds are identified as areas vulnerable to displacement.

Thresholds	Walla Walla County
% People of Color	>28%
% Without College Degree	>71%
% Rentals	>35%
Poverty Status: % Doing Ok	<66%
Median Home Value	<\$209,800
Median Gross Rent	<\$893

Thresholds	State
% People of Color	>31%
% Without College Degree	>65%
% Rentals	>37%
Poverty Status: % Doing Ok	<73%
Median Home Value	<\$311,700
Median Gross Rent	<\$1,194

Vulnerability Levels	
High	>5 indicators
Moderate	3-4 indicators
Low	<3 indicators

Cities

Indicators	Walla Walla	Waitsburg	College Place	Dayton	Walla Walla County
Poverty Status: % Doing OK	60%	64%		68%	62%
% Rentals	42%	23%		41%	31%
Median Home Value	\$ 190,000	\$150,000	\$ 190,000	\$ 156,200	\$ 209,800
Median Gross Rent	\$ 919	\$ 688	\$ 890	\$ 775	\$ 893
% Without Degree	74%	80%	65%	77%	71%
% POC	33%	10%	25%	16%	28%
Total Indicators	5	4	3	4	

Table 1a. Vulnerability Analysis: Walla Walla County Cities to County Comparison.

Indicators	Walla Walla	Waitsburg	College Place	Dayton	Washington
Poverty Status: % Doing OK	60%	64%		68%	62%
% Rentals	42%	23%		41%	31%
Median Home Value	\$ 190,000	\$150,000	\$ 190,000	\$ 156,200	\$ 311,700
Median Gross Rent	\$ 919	\$ 688	\$ 890	\$ 775	\$ 1,194
% Without Degree	74%	80%	65%	77%	65%
% POC	33%	10%	25%	16%	31%
Total Indicators	6	4	4	4	

Table 1b. Vulnerability Analysis: Walla Walla County Cities to State Comparison.

All cities show vulnerability to displacement when compared to the region, which increases when compared to the state. This is particularly true for poverty rates and educational attainment, where county figures differ significantly from the state. City of Walla Walla has the highest vulnerability score when compared to both county and state thresholds. City of Walla Walla has the lowest percentage of people “doing ok”, the highest percentage of rentals, and the highest percentage of people of color when compared to other cities.

Census Tracts

City	Census Tract	Poverty Status: % Doing OK	% Rentals	Median Home Value	Median Gross Rent	% Without Degree	% POC	Total Indicators
Walla Walla	9204	100%	0%	NA	NA	97%	57%	2
	9205	46%	54%	\$ 102,600	\$ 851	87%	66%	6
	9206	54%	51%	\$ 134,200	\$ 891	84%	45%	6
	9207.01	67%	53%	\$ 198,800	\$ 878	67%	20%	3
	9207.02	68%	28%	\$ 224,100	\$ 1,023	56%	21%	0
	9208.01	48%	42%	\$ 186,500	\$ 1,000	76%	20%	4
	9208.02	49%	55%	\$ 208,500	\$ 831	65%	24%	4
Waitsburg	9201	80%	17%	\$ 254,300	\$ 870	70%	12%	2
College Place	9203	69%	41%	\$ 190,000	\$ 890	66%	25%	3
Dayton	9602	68%	31%	\$ 170,800	\$ 740	75%	14%	3

Table 2. Vulnerability Analysis: Census Tract to County Comparison. Bolded data indicates the highest or lowest value for the category.

Census Tract analysis reveals two highly vulnerable tracts for City of Walla Walla (9205 and 9206). Tract 9205 has the lowest percentage of people “doing ok”, the lowest median home value, and the highest percentage of people of color when compared to all census tracts in the study area. Census tracts that may become more vulnerable overtime (moving from a rank of moderate to high), include tract 9208.01 and 9208.02. These tracts exceed county thresholds for poverty, rentals, and home value.

Census tracts in the remaining cities have vulnerability ranks of low to moderate when compared to the county. No tract in the remaining cities exceeds three total indicators.

Block Groups

City	Block Group	Poverty Status: % Doing OK	% Rentals	Median Home Value	Median Gross Rent	% Without Degree	% POC	Total Indicators
Walla Walla	BG1 T9204	100%	0%	NA	NA	97%	57%	2
	BG1 T9205	37%	53%	\$ 90,000	\$ 867	91%	63%	6
	BG2 T9205	54%	60%	\$ 99,200	\$ 1,009	89%	79%	5
	BG3 T9205	50%	48%	\$ 134,900	\$ 775	78%	52%	6
	BG1 T9206	69%	43%	\$ 73,800	NA	93%	41%	4
	BG2 T9206	14%	63%	\$ 90,900	\$ 709	88%	72%	6
	BG3 T9206	60%	40%	\$ 119,100	NA	89%	69%	5
	BG4 T9206	64%	32%	\$ 191,800	\$ 900	75%	37%	4
	BG5 T9206	50%	74%	\$ 260,100	\$ 1,051	74%	14%	3
	BG1 T9207.01	60%	78%	\$ 193,100	\$ 714	46%	19%	4
	BG2 T9207.01	57%	41%	\$ 162,200	\$ 880	82%	33%	6
	BG3 T9207.01	65%	38%	\$ 196,600	\$ 955	60%	12%	3
	BG4 T9207.01	81%	53%	\$ 218,900	\$ 1,269	74%	15%	2
	BG1 T9207.02	71%	23%	\$ 254,900	\$ 1,291	53%	28%	0
	BG2 T9207.02	73%	17%	\$ 196,100	\$ 828	65%	17%	2
	BG3 T9207.02	55%	38%	\$ 213,900	\$ 786	40%	13%	3
	BG4 T9207.02	73%	35%	\$ 175,000	\$ 820	69%	27%	2
	BG1 T9208.01	58%	7%	\$ 233,300	NA	76%	12%	2
	BG2 T9208.01	52%	52%	\$ 164,900	\$ 1,127	76%	33%	5
	BG3 T9208.01	58%	47%	\$ 172,900	\$ 845	69%	13%	4
	BG4 T9208.01	30%	45%	\$ 183,800	\$ 999	83%	16%	4
Waitsburg	BG1 T9208.02	35%	67%	\$ 165,400	\$ 897	77%	26%	4
	BG2 T9208.02	69%	38%	\$ 238,500	\$ 788	55%	19%	2
College Place	BG4 T9201	66%	20%	\$ 154,700	\$ 688	80%	10%	3
	BG1 T9203	73%	34%	\$ 192,700	\$ 657	71%	34%	3
	BG2 T9203	63%	66%	\$ 190,400	\$ 861	67%	29%	5
	BG3 T9203	44%	69%	\$ 99,500	\$ 828	76%	20%	5
Dayton	BG4 T9203	79%	26%	\$ 200,900	\$ 1,125	60%	19%	1
	BG2 T9602	56%	27%	\$ 139,300	\$ 795	72%	21%	4
	BG3 T9602	70%	34%	\$ 226,800	\$ 914	81%	13%	1
	BG4 T9602	67%	27%	\$ 158,300	\$ 752	77%	14%	3

Table 3. Vulnerability Analysis: Bolded data indicates the highest or lowest value for the category.

Block group analysis reveals more detailed trends in vulnerability. Overall, ten block groups are considered highly vulnerable. These block groups are in City of Walla Walla and College Place.

For City of Walla Walla, seven block groups (30.4% of all block groups in City of Walla Walla and 22.6% of all block groups in the study area) have high vulnerability rankings. Out of the seven block groups, BG2 T9206 has the lowest poverty status (14% of people “doing ok”) out of all block groups in the study area. BG1 T9206 has the lowest median home value (\$73,800) out of all block groups in the study area. For moderate ranking block groups, it is important to consider which indicators exceed county thresholds. Block groups that exceed thresholds for poverty, percentage of rentals, and home value (BG3-BG4 T9208.01, BG1 T9208.02) may be more vulnerable than block groups that exceed thresholds for education and people of color but have higher median home values and low poverty. A total of 20% of Walla Walla residents live within block groups that have high vulnerability ratings.

The remaining three cities include block groups with moderate to high vulnerability rankings. City of College Place has two block groups that rank high for vulnerability (BG2 T9203, BG3 T9203). BG3 has the lowest poverty score, highest percentage of rentals, lowest median home value, and highest percentage of people without a college degree for the city. A total of 35% of College Place residents live in block groups that have high vulnerability rankings.

City	Block Group	Population	% City Pop
Walla Walla	BG1 T9205	1,144	3%
	BG2 T9205	957	3%
	BG3 T9205	584	2%
	BG2 T9206	948	3%
	BG3 T9206	1,027	3%
	BG2 T9207.01	968	3%
	BG2 T9208.01	1,503	5%
College Place	BG2 T9203	1,800	20%
	BG3 T9203	1,384	15%

Table 4. High Vulnerability Block Group Population.

In response to concerns raised by the Stakeholder Advisory Committee for this project and in furtherance of state guidelines for specific consideration of vulnerable populations, the below chart includes the percentage of seniors within each population listed by block group and that block groups vulnerability index. Most of the areas with the highest concentration of seniors are not within block groups considered the most vulnerable. While this analysis does not indicate any alarming patterns, it is important that anti-displacement strategies take special note of seniors and recognize that displacement can occur across the region.

City	Block Group	% 65+	Total Indicators
Walla Walla	BG1 T9204	4%	2
	BG1 T9205	8%	6
	BG2 T9205	4%	5
	BG3 T9205	8%	6
	BG1 T9206	39%	4
	BG2 T9206	10%	6
	BG3 T9206	21%	5
	BG4 T9206	6%	4
	BG5 T9206	43%	3
	BG1 T9207.01	22%	4
	BG2 T9207.01	8%	6
	BG3 T9207.01	18%	3
	BG4 T9207.01	35%	2
	BG1 T9207.02	17%	0
	BG2 T9207.02	21%	2
	BG3 T9207.02	18%	3
	BG4 T9207.02	12%	2
	BG1 T9208.01	24%	2
	BG2 T9208.01	14%	5
	BG3 T9208.01	13%	4
	BG4 T9208.01	8%	4
	BG1 T9208.02	15%	4
	BG2 T9208.02	27%	2
Waitsburg	BG4 T9201	20%	3
College Place	BG1 T9203	28%	3
	BG2 T9203	5%	5
	BG3 T9203	18%	5
	BG4 T9203	21%	1
Dayton	BG2 T9602	24%	4
	BG3 T9602	35%	1
	BG4 T9602	23%	3

Table 5. Percent Seniors (65+) by block group.

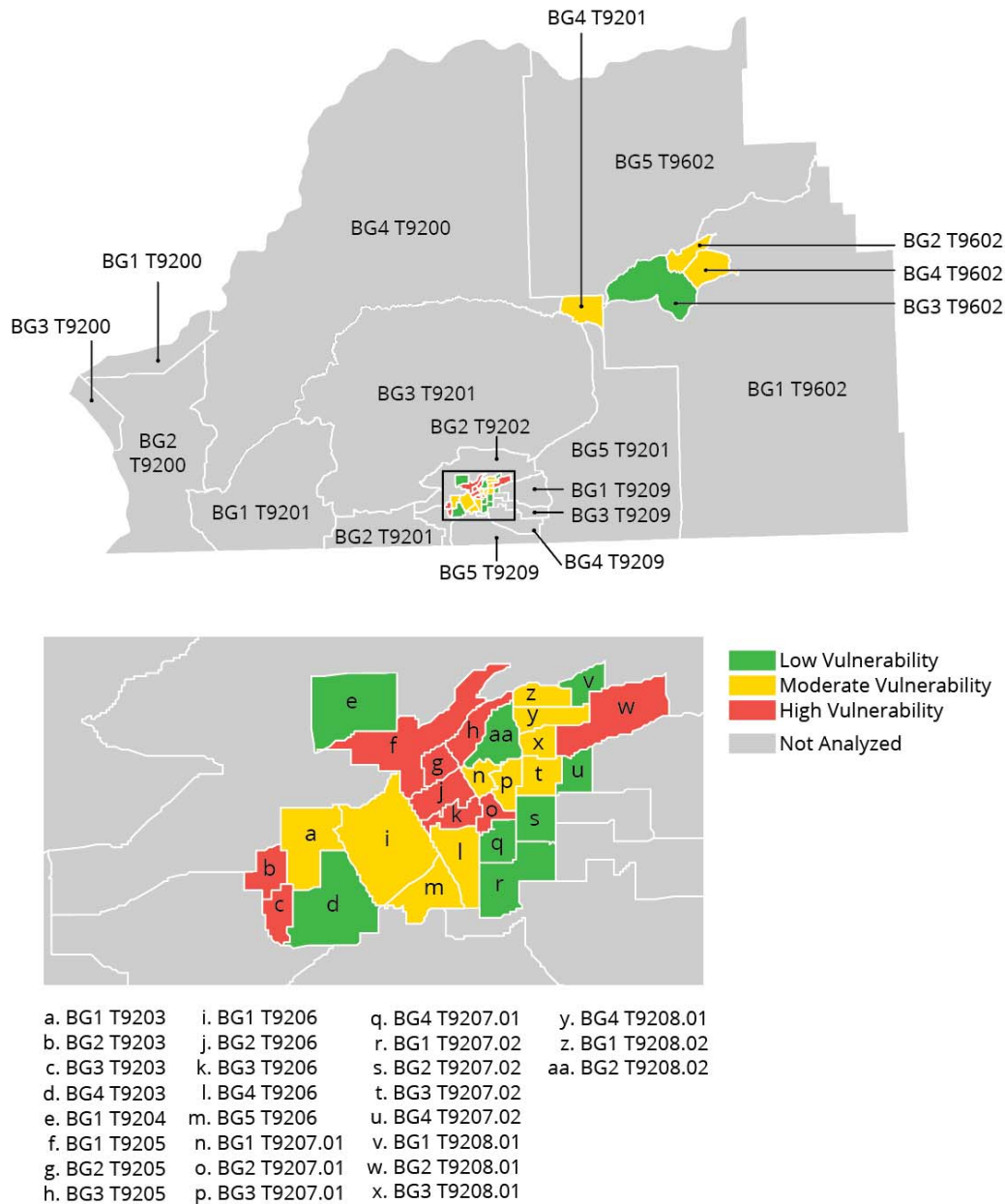


Figure 1. Block Group Map for Study Area with inset of Walla Walla and College Place.

Recommended Strategies to Mitigate Displacement

While the City of Walla Walla has the highest number of residents and blocks groups experiencing displacement vulnerability, all four cities in this study have either areas of high vulnerability or meet metrics that indicate increased susceptibility to displacement. Each of the cities should pursue a three-pronged approach to reducing displacement risk:

1. Mitigation for Individuals and Families Experiencing Displacement,
2. Land Use & Development Strategies to Increase Production of Affordable Housing, and
3. Economic Strategies to Increase Opportunity.

Each city does not necessarily need to carry out each of the strategies below. Instead, the recommended strategies should be viewed as a “menu” of policy and program choices to be implemented based on each community’s risk level and the viability of the strategy based on local conditions. Reducing displacement risk should be a regional effort, but the specific approach taken can (and should) differ on the local level.

1. Create Stability for Local Residents by Mitigating the Impact of Displacement:
 - o Anti-Displacement Impact Assessments

Integrate displacement into the analysis and review of potential policies, programs, and development applications by creating a standardized assessment of potentially unintended consequences upfront and enforcing reasonable mitigation efforts directly connected to the proposal.^{iv} Anti-Displacement measure must include a reliable way to track the impact new development has on Naturally Occurring Affordable Housing (NOAH). While increased production of new housing is essential to preserving supply, NOAH is frequently seen as ripe for redevelopment as soon as market rates surpass current value to create a ‘rent gap’ making redevelopment profitable. An impact assessment is one tool to track how many affordable units are being developed and at the cost of how many existing units. This option can function on a range of intensities with the obligation and cost either assigned applicants or city staff and the weight of the assessment varying depending on the severity of the issue within each jurisdiction and the viability of the requirement within local markets.

- o Rental Registration Program

A registration program would create a consolidated database of available units in the region, rental costs, and local practices. A small fee per unit could be set to fund the program, which could include a streamlined application process. The costly and time-consuming housing application process is often listed as a practical barrier to housing access. Multiple application forms, with slightly different requirements, and compounded credit check fees are prohibitively onerous. While some local service organizations provide some assistance, a streamlined process eases the burden on renters and landlords alike and help jurisdictions track relevant data.

- o Tenant Protection Enhancements

As vacancy rates decrease, an ordinance extending the notice period for no cause evictions to 60 days for landlords with five or more units would allow renters additional time to plan, contact services, and hopefully relocate without a disruption in adequate housing. Washington State already requires a 60-day period for tenants facing eviction because the owner lost the building in a foreclosure.

- o Emergency Rental Assistance

Aiding families facing homelessness due to temporary economic hardship in the form of Emergency Rental Assistance. Washington State Department of Social & Human Services (DSHS) offers one-time cash payment to get or keep safe housing or utilities in emergency situations to families eligible for the Additional Requirements for Emergent Needs (AREN) or the Diversion Program. The Eviction Rent Assistance Program (ERAP) Grant is part of Washington State’s short-term response to the COVID-19 disaster and offers three months of rent payment to prevent evictions.^v

- o Home Ownership Assistance

Enhance and promote existing programs that supply down payment assistance and application support to first time homebuyers. Washington offers the Home Advantage Needs Based Downpayment Assistance Loan Program with up to \$10,000 to eligible homebuyers.^{vi}

- o Utility Payment Financial Assistance & Homeowner Assistance

Homeowners are also subject to raising housing costs as property taxes, maintenance, heating, and cooling costs increase. This is particularly true for seniors on fixed incomes. Partnering with groups such as BMAC/The Healthy Homes Program, which provides weatherization and energy efficiency services, can reduce the burden on seniors. Washington State Department of Commerce's Home Rehabilitation Loan Program provides low-interest loans to low-income homeowners for repairs and necessary improvements.

2. Protect Regional Housing Stock: Increase Production of Affordable Housing Options

- o Affordable Housing Fund

In 2016, Vancouver voters authorized the use of property tax revenue (residential and commercial) to create an Affordable Housing Fund that can be used “for the purpose of buying, building and preserving low-income rental housing and preventing homelessness through rental assistance and housing services.”^{vii} The tax is capped at \$6 million and expected to generate \$43M dollars before it expires in 2023. At which point, Vancouver City Council can seek an extension or let it expire. Property tax exemptions are included for seniors and people with disabilities who earn less than \$40,000 a year.

- o Land Banking

Cities can reserve or ‘bank’ land for affordable housing, similar to a popular program created in Eugene, Oregon.^{viii} Sites being considered for purchase should be evaluated based on cost, density, environmental quality, and access transportation, community services, and jobs. Gentrification in more rural areas often results in lower-income households moving further away from city centers with longer commutes to jobs and services. Priority areas should be based on a combination of community vulnerability, recent Anti-Displacement Impact Assessments, and on the area’s potential for offering meaning opportunities for safe and affordable housing close to jobs and services.

- o Community Land Trusts

Community land trusts create additional affordable home ownership opportunities by removing land from the costs of real estate. In a traditional Community Land Trust model, the homeowner owns the home (and the value of any improvements), but a nonprofit owns the land. Thus, creating additional affordable opportunities for homebuyers by removing land from the cost of real estate. Resale value is not determined by the real estate market but set based on the local cost of living.

- o Right of First Offer/Refusal Program

Community land trusts can be granted the right of first offer or right of first refusal to allow them to purchase homes in specifically vulnerable communities to provide homeownership opportunities to households with low-income households. Right of first offer places very minimal requirements on property owners. Notice would be sent that a property will be for sale and either the trust or the owner sets and offer price depending on the program framework. Funding assistance for this program could come from an Affordable Housing Fund.^{ix}

- o Affordable Housing on Public Land

Washington state (through RCW 43.63A.510 and RCW 39.33.015) directs specific state agencies to inventory under-utilized or surplus state-owned land, which can be used to develop housing for low- and moderate-income households (up to 115% of AMI).

- Zoning Protection for Manufactured Dwelling Parks

For many families, manufactured homes are an affordable housing option. They are built in a factory and transported to either a leased plot within a manufactured home park or on private property. It is important to ensure that local zoning ordinances do not unduly hinder the functioning and placement of manufactured homes. Protecting existing parks will increase affordable housing supply and mitigate involuntary displacement.

- Multifamily Tax Exemption

The Multifamily Tax Exemption (MFTE) is a tool that incentivizes the development of multifamily housing, described in depth in the Community Council Affordable Housing Report.

Cities with a population of at least 15,000 can use the MFTE to exempt property taxes for 12 years on new multifamily construction (with at least four units), provided 20% of the units are affordable to low- and moderate-income households (up to 115% of the median family income). In this case, the public funds go to the developer in the form of a tax break, not in the form of a rental payment. If the owner of the property decides to increase rates above the established affordability threshold, the tax exemption is cancelled, and the property is subject to additional tax penalties. Cities with populations of less than 15,000 can use this tool, provided they are the largest urban area in a county planning under the Growth Management Act. Small cities, however, may not have the financial resources to feasibly offer a property tax exemption. Another provision to the rule allows cities to exempt property taxes for multifamily development for eight years with no requirement that a percentage of the units be set aside for low-income renters. The area designated for the MFTE is determined by the local governing authority, and the intention of the legislation is to increase mixed-income residential opportunities, including affordable housing, in urban centers. Expansion of the targeted area within the urban core can open additional opportunities for incentivizing multifamily development.

3. Protect the Local Economy: Job Training Partnerships to foster local opportunities and prosperity through improved workforce development initiatives

Economic development strategies that improve local resiliency through workforce training bolster opportunity for existing residents. Focus on both higher and secondary educational institutions in the region to take advantage of sector-based partnerships. Construction based partnerships in particular are likely to improve the supply of low-income housing. The goal is to create programs that offer training/apprenticeships and future job opportunities that improve the quality of jobs in the area.

¹ Community Council Report: Affordable Housing (April 2019) via https://www.wwcommunitycouncil.org/media/1125/affordable-housing-study-report_2019.pdf

ⁱⁱ Florida, Richard. "How Coronavirus Will Reshape U.S. Cities." *Bloomberg.com*, Bloomberg, 2 July 2020, www.bloomberg.com/news/features/2020-07-02/how-coronavirus-will-reshape-u-s-cities.

ⁱⁱⁱ 2018 Gentrification and Displacement Neighborhood Typology Assessment, Key Findings and Methodology Report, Bureau of Planning and Sustainability, City of Portland, Oregon, via https://www.portland.gov/sites/default/files/2020-01/gentrification_displacement_typology_analysis_2018_10222018.pdf

^{iv} King County Washington Equity Impact Review Process Overview (March 2016) via https://www.kingcounty.gov/~media/elected/executive/equity-social-justice/2016/The_Equity_Impact_Review_checklist_Mar2016.ashx?la=en

^v Washington State Department of Commerce, Homeless Assistance via <https://www.commerce.wa.gov/serving-communities/homelessness/>

^{vi} Washington State Housing Finance Commission, Home Advantage Program via <https://www.wshfc.org/buyers/HomeAdvantage.htm>

^{vii} *Affordable Housing Fund | City of Vancouver Washington*, Community Development Programs, May 2020, www.cityofvancouver.us/ced/page/affordable-housing-fund.

^{viii} Landbanking Program for Affordable Housing, Government Innovators Network, Harvard Kennedy School Ash Center for Democratic Governance and Innovation, 2007 Finalist, <https://www.innovations.harvard.edu/landbanking-program-affordable-housing>

^{ix} Kim, Jihyeon; Knapp-Rossi, Malia; Lance, Jeff; Meyers, Joseph; Moulton, Aster; and Stone, Tay, "Reside Vancouver: An Anti-Displacement Plan" (2019). *Master of Urban and Regional Planning Workshop Projects*. 170. <https://archives.pdx.edu/ds/psu/29217>

G. R. Dohrn and Associates

Memorandum

Date: February 8, 2022

To: Jon Rickard

From: Gregg Dohrn

Subject: City of College Place Affordable Housing Strategies

During 2021 the College Place Planning Commission recommended and the City Council approved amendments to the Comprehensive Plan and the Unified Development Code intended to protect existing manufactured housing communities as a source of affordable housing in the community. Subsequently, the Mayor and City Council have asked the Planning Commission to review the Walla Walla Regional Housing Action Plan adopted in July 2021(excerpt attached), and further recommend code-related strategies to increase the housing supply in College Place. This is a very timely request as Governor Inslee signed HB 1220 in May of 2021, effective July 25, 2021 (attached), that includes several important housing related provisions including:

1. Amending one of the Goals of the Growth Management Act to now require cities such as College Place to plan for affordable housing:
 - (4) Housing. ~~((Encourage the availability of affordable))~~ Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
2. A new requirement that cities must update the housing element in their comprehensive plan and in doing so address a new provision that has been added to RCW 36.70A.070:

The housing element should link jurisdictional goals with overall county goals to ensure that the housing element goals are met.

In support of this request from the Mayor and the City Council, I thought it would be helpful to highlight previous steps that the City of College Place has taken in recent years to promote increased housing choices and more affordable housing opportunities. In 2018 the City of College Place Completed a review and update of its Comprehensive Plan. This included the adoption of the following housing policies to the promote more affordable housing in the community:

***Housing Policy #1:** The City shall/should encourage the maintenance and rehabilitation of the existing housing stock within the City.*

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Housing Policy #2: High density residential areas should be located in the vicinity of existing high-density residential areas, the University, shopping areas, and major transportation routes.

Housing Policy #3: Encourage small congregate care centers and group homes in the community, to provide decentralized housing facilities, rather than large, centralized institutions.

Housing Policy #4: Encourage the location of apartments above commercial uses along College Avenue.

Housing Policy #5: The City shall periodically review its development regulations to ensure that multiple options exist to encourage a broader range of housing choices, such as small lot single family residences, smaller scale multiple family housing such as duplexes and four-plexes, mixed-use residential developments, clustered units, and a variety of condominium types, including single story residential developments, etc., as well as to incorporate emergent housing types. This may also include the adoption of standards to govern the development of cottage housing or other innovative affordable housing techniques.

Housing Policy #6: Allow accessory dwelling units in all residential zoning districts as a means to increase the supply and diversity of housing opportunities.

Housing Policy #7: Support the inclusion of low and moderate-income housing units in larger scale residential developments.

Housing Policy #8: Encourage and support social and health service organizations which offer support programs for those with special needs, particularly those programs that help people remain in the community.

Housing Policy #9: The City of College Place should continue to coordinate with Walla Walla County and the City of Walla Walla to address area-wide housing issues.

- a. This may include, but is not limited to, supporting regional emergency and transitional housing options while more permanent housing options are developed.

Housing Policy #10: Support manufactured housing as an affordable housing option.

- a. Manufactured homes shall continue to be permitted as a single-family residence.

Housing Policy #11: Work with Walla Walla University to address future housing needs and opportunities for students.

Housing Policy #12: Identify and evaluate county, regional, state, and federal housing finance options, as well as public-private partnerships to encourage a wider array of housing stock.

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Housing Policy #13: *When reviewing existing and potential new housing regulations, the City shall include an assessment to make sure that fair housing choices are not impeded.*

Housing Policy #14: *Consideration should be given to strategies and incentives that will encourage mobile home parks as they potentially transition to other uses, to continue to provide affordable housing.*

In addition, the City adopted the following land use policies to promote more affordable housing in the community:

Land Use Policy #10: *Merge the R-75 District into the R-60 District so that there is only one single family zoning district.*

a. This may include establishing a larger minimum lot size for duplexes.

Land Use Policy #15: *Review and potentially revise the Development Regulations to integrate the Manufactured Home Park (MHP) zoning district into the Multi-Family Residential (RM) zoning district.*

In 2019 the City of College Place completed a review and update of its Development Regulations in accordance with the Goals and Policies in the updated Comprehensive Plan. The following is a summary listing of revisions that support more affordable housing opportunities.

1. **Creation of a new Single-Family Residential zoning district.** The creation of this new zoning district eliminates the 7,500 square foot minimum lot size and establishes 6,000 square feet as the minimum single-family residential lot size. This will increase the density of development and reduce the fixed costs of constructing single-family residences.
2. **Increased flexibility in short plat standards.** The number of lots in a short plat has been increased from four to nine and the City may now waive the minimum lot size and width standards provided that the density, lot coverage, and setbacks requirements can be met. In addition, frontage improvements may be waived in certain circumstances and access standards have been relaxed.
3. **Accessory Dwelling Units permitted.** Accessory dwelling units are now permitted in all residential zones.
4. **Cottage and co-housing permitted.** Cottage and co-housing are now permitted in the Single-Family and Multi-Family Zoning Districts.
5. **Mixed-Use housing standards improved.** The City now permits dwelling units in commercial developments in both the Downtown Mixed-Use and General Commercial Zoning Districts. Residential and commercial uses may be permitted in the same development as a part of a “vertical” mixed use (housing above ground floor commercial) or a “horizontal” mixed use (housing permitted on the ground floor in buildings not fronting the street).

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6. **Townhomes encouraged.** Three or more single-family dwelling units may be attached as townhomes or zero-lot line developments and the City may waive the minimum lot size and width requirement.
7. **Tiny homes permitted.** Tiny homes, also known as Park Model Recreation Vehicles, are now permitted for temporary or recreational use in mobile home and RV parks and may be approved for use as a dwelling unit subject to conditions.
8. **Manufactured homes, mobile homes, RV's, park models, tiny homes, and campers permitted.** Manufactured homes, mobile homes, RV's, park models, tiny homes, and campers are now permitted for residential use in mobile home parks, manufactured housing communities, and manufactured/mobile home communities.
9. **The use of recreational vehicles for housing expanded.** Recreational Vehicles may now be used as a residence in RV and Mobile Home Parks subject to conditions.

As previously noted in 2021 the Comprehensive Plan was amended to include the following

Governance Policy #14: *The City of College Place, in active collaboration with the cities of Walla Walla and Waitsburg, and Walla Walla County, shall review and update the 1993 Countywide Planning Policies to actively promote the development of new affordable housing opportunities. This may include, but is not limited to:*

- a. *Updating the methodology for more realistically determining the development capacity of existing lands.*
- b. *Exempting the new construction of affordable housing on publicly owned land from the assessment of the need for new housing.*
- c. *Increase the percentage of projected new growth allocated to the cities of Walla Walla and College Place.*
- d. *Increasing the market factor to allow for the addition of land to urban growth areas based on a finding that there is a critical shortage of affordable housing.*
- e. *Authorizing further increases in the market factor to support specific strategies to increase the construction of new multi-family housing in cities. This may include affordable housing "bonuses".*
- f. *Monitoring new residential development and providing for more frequent updates of the Countywide Planning Policies.*

Governance Policy #15: *The City of College Place, in active collaboration with the cities of Walla Walla, and Waitsburg, and Walla Walla County, shall review and update the*

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Countywide Planning Policies to actively promote the sustainable development of new housing. This shall include, but is not limited to:

- a. Ensuring that there is an adequate supply of new commercial development to serve new residential development.*
- b. Supporting the cost-effective planning, construction, and use of public infrastructure to serve new residential development.*

Governance Policy #16: The City of College Place, in active collaboration with the cities of Walla Walla and Waitsburg, and Walla Walla County, shall inventory and assess publicly owned lands in and near urban growth areas as sites suitable for the construction of affordable housing.

Land Use Policy #16: Research and potentially revise the Unified Development Code to include a new Highway Commercial and/or a new general commercial zoning district, provided that:

- a. Light industrial uses that are compatible with commercial uses, such as a business park, may be permitted.*
- b. Storage facilities would not be a permitted use; and*
- c. The construction of multi-family housing on long vacant commercial lots would be permitted*

Housing Policy #1: The City shall encourage the maintenance and rehabilitation of the existing housing stock within the City.

- a. Priority consideration shall be given to the preservation of existing affordable housing, including government-supported housing and manufactured housing. Affordable housing is defined as per Washington State RCW 43.63A.550 as “residential housing that is rented or owned by a person who qualifies as a very low-income, low-income, or moderate-income household or who is from a special needs population, and whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household’s monthly income.”*

Housing Policy #2: New higher density residential developments should be located in the vicinity of existing high -density residential areas, Walla Walla University, shopping areas, and major transportation routes. This may be accomplished through such measures as:

- a. Revisions to the Table of Permitted Uses.*
- b. Establishing a new mixed-use zoning district.*

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- c. Permitting the construction of multi-family housing on long standing vacant properties that do not appear to be suitable for commercial development.*

Housing Policy #3: Encourage small congregate care centers and group homes in the community, to provide decentralized housing facilities, rather than large, centralized institutions.

Housing Policy #4: Encourage the location of apartments above commercial uses along College Avenue.

Housing Policy #5: The City shall continue to periodically review its development regulations to ensure that multiple options exist to encourage a broader range of housing choices, such as small lot single family residences, smaller scale multiple family housing such as duplexes and four-plexes, mixed-income and mixed-use residential developments, clustered units, and a variety of condominium types, including single story residential developments, etc., as well as to incorporate emergent housing types. This may also include the adoption of standards to govern the development of cottage, housing, or other innovative affordable housing techniques.

Housing Policy #6: Continue to review and revise the regulations governing accessory dwelling units as a means to increase the supply and diversity of housing opportunities.

Housing Policy #7: Develop incentives for the inclusion of housing units affordable to low- and moderate-income households in larger scale residential developments.

Housing Policy #14: The City will develop strategies and incentives that will encourage manufactured home parks to remain a source of affordable housing.

- a. Establish manufactured home park zoning in areas where manufactured home parks already exist. Allow for applications of new manufactured home parks and their inclusion within manufactured home park zoning.*
- b. Manufactured home park zoning must include a requirement that residents be given sufficient advance notice of any petition for zoning changes or variances by park owners.*
- c. Consider resident opportunity to purchase laws and other mechanisms that give residents sufficient notice and time to organize as a tenants' committee, homeowners association, or co-operative and notify the owner of their intent to purchase a manufactured home park that is up for sale.*
- d. Establish conditions for mitigating the adverse impacts of addressing the closure of manufactured home parks, including a resident relocation plan.*

Housing Policy #15: Support strategies that minimize displacement of low-income community members. Policies enacted to create more housing through redevelopment will include

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measures that mitigate against the displacement of low- and moderate-income community members. The City will refer to the Walla Walla Housing Action Plan Task 4 Anti-Displacement Best Practices memo to mitigate against potential displacement through redevelopment.

Housing Policy #16: Support the countywide adoption of the local sales and use tax for affordable and supportive housing in Walla Walla County.

Also as previously noted, the Unified Development Code and the Official Zoning Map were amended in 2021 to reinstate the Manufactured Housing Zoning District.

All told, this is an impressive list of actions taken by the City to increase housing choices and opportunities for more affordable housing. But in reviewing the Walla Walla Regional Housing Action Plan, there are more steps that could be taken in College Place including:

1. Work with the City of Walla Walla and Walla Walla County to update the County-wide Planning Policies and provide opportunities to expand Urban Growth Areas with a particular emphasis on increasing the supply of multi-family housing.
2. Revising the Table of Permitted Uses to permit multi-family housing in the General Commercial zoning district without having to be a part of a mixed-use development.
3. Provide a density bonus to Developers of mixed-use projects or that set aside a number of dwelling units as affordable units.
4. Reduce or eliminate the off-street parking requirement for mixed use residential developments in the Downtown Mixed Use zoning district.
5. Review the number of new accessory dwelling units that have been permitted and consider possible revisions to the City standards to increase the number of ADUs.

In addition, although not referenced in the Regional Housing Action Plan, in 2021 RCW 84.14 was amended to enable cities such as College Place to approve property tax exemptions for qualifying multi-family housing developments that are affordable to low- and moderate-income households. The tax exemption applies to the property tax due on the construction or rehabilitation of qualified multi-family housing for a 12- or 20- year period and may provide a valuable incentive for developers to build affordable housing. There are several steps that the City must take before it can offer this tax incentive to qualifying projects, including the designation of “residential target areas”. The criteria for the designation of these target areas includes:

1. The area must be zoned to have an average minimum density equivalent to 15 dwelling units or more per gross acre.
2. The area must be in a designated “urban center” which is defined as a compact identifiable district, where residents may obtain a variety of products and services. An urban center must contain:

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- a. Several existing or previous, or both, business establishments that may include but are not limited to shops, offices, banks, restaurants, governmental agencies.
 - b. Adequate public facilities including streets, sidewalks, lighting, transit, domestic water, and sanitary sewer systems; and
 - c. A mixture of uses and activities that may include housing, recreation, and cultural activities in association with either commercial or office, or both, use.
3. The area must lack, as determined by the governing authority, sufficient available, desirable, and convenient residential housing, including affordable housing, to meet the needs of the public who would be likely to live in the urban center, if the affordable, desirable, attractive, and livable places to live were available.

If offering this tax incentive is of interest to the City, it would appear at first glance that property zoned Downtown Mixed-Use or General Commercial could potentially meet the residential target area criteria, but that the maximum density of the Multi-Family Residential zoning district would need to be increased from 12 dwelling units per acre up to 15 dwelling units per acre or more.

There may be other revisions that may be appropriate to consider, but this is a pretty good start. We look forward to continuing this discussion on February 15th!

	Levy Rate /1000 AV	State School		County	City	Port	Library	EMS	P/R Special	City Special	School Special	School Bond
		Part 1	Part 2									
City of College Place Levy Code 74-77	11.68	1.84	0.99	1.25	1.78	0.29	0.43	0.45		0.55	1.86	2.27
	100%	16%	8%	11%	15%	3%	4%	4%	0%	5%	16%	19%
Property Taxes on a \$200,000 home	\$2,339.19	\$367.93	\$198.23	\$249.40	\$355.01	\$58.56	\$85.31	\$89.38	\$0.00	\$109.19	\$371.24	\$454.94
Property Taxes on a \$1,000,000 property	\$11,695.97	\$1,839.65	\$991.15	\$1,247.02	\$1,775.07	\$292.79	\$426.55	\$446.88	\$0.00	\$545.96	\$1,856.21	\$2,274.70



Committed to our community
It's all about delighting customers with great service.

Today's Agenda

- Introductions
- TDS History/ Overview
- Community Benefits
- Construction
- Questions/Next Steps





- Telephone and Data Systems, Inc. parent company
- Publicly-traded company [NYSE: TDS] and family-owned



About TDS Telecom

- TDS Telecom is headquartered in Madison, WI
- The nation's 7th largest wireline communications company offering broadband, video, and voice.
- Service more than 1,100 rural and suburban communities across the U.S.
- We employ approximately ~3,500 talented professionals



The Places TDS Serves



Fiber Deployments

- TDS has aggressively pursued two fiber strategies:
 - Overbuilding existing areas in our footprint to better serve customers and remain competitive
 - Greenfield builds include deploying next generation fiber versus copper and coax networks
- Fiber results have been exceptional:
 - Overall broadband take rates of 50% in fiber-served areas
 - 44% of customers take a double or triple play (Data and Video and/or Voice)
 - Named Wisconsin's fastest broadband provider by Speed test as reported by the Milwaukee Journal Sentinel



Strong community partnership Sun Prairie, Wisconsin



First partnership outside our footprint



Demonstrated need for better broadband



Committed to building out fiber throughout the city – in 16 months!

3,700+ customers upgraded

Residents and businesses now have access to 2 Gig internet service, state-of-the-art TV, and digital voice service



The Entire Community Benefits

**Future-
proof**



**Speeds
up to
2Gig**



Choice



Reliable

Fiber easily carries today's services (internet, TV, phone) with room to spare for what's to come.

Blazing fast.

Broadband competition and choice in your area.

Fiber is virtually immune to interference and doesn't falter under harsh weather conditions.



Why College Place ?

- During evaluation of communities, College Place was identified:
 - Residents are ready to adopt fiber and the advanced technologies it delivers
 - Demographics match areas TDS has been successful
 - Your community is underserved by existing providers
 - Products and services currently available do not meet the needs of residents or businesses
- Partnership with TDS would deliver College Place with new products including:
 - 2Gig broadband service
 - Fully-featured IP-based TV video service with whole home DVR, wireless set-top boxes, and VoD
 - managedIP, a hosted voice solution for business customers
 - Advanced services (cloud back-up services, network security, and Wi-Fi)
- 24/7 technical support
 - Local technicians/National help desk







TDS Fiber

Written by The Digital Ring [?] · September 13 at 9:01 AM · ⚙️

TDS is bringing lightning-fast Internet speeds and amazingly advanced TV and phone services to your area. Register today!



DON'T GET STUCK WITH PREHISTORIC SLOW INTERNET



TDSFIBER.COM

Come Home to TDS Fiber

Register now—no obligation.

[Learn More](#)

— YOU COULD GET —

1 GIG INTERNET

FREE FOR 1 YEAR*

REGISTER FOR YOUR CHANCE TO WIN AT:

TDSFIBER.COM

*See other rules for details

WE'RE PROUD TO BRING FIBER TO

NORTHERN IDAHO



"I'd like to extend a warm hello from TDS! Northern Idaho is a beautiful part of the country, growing rapidly with tech-savvy residents. That's why we are proud to serve your area with our new, fiber-rich products and services. Please take a look at everything TDS has to offer. I believe you'll like us as much as we like Northern Idaho!"

— Jim Butman, TDS President and CEO

TDS FIBER



HOME AND BUSINESS INTERNET



Committed to our community

Giving back is an integral part of the culture at TDS. From hands-on volunteering, to in-kind and financial support, TDS takes a vested interest in the growth and success of the communities we serve.



Field Marketing

- Hire locally
- Create partnerships with local organizations and businesses
- Volunteer and participate in philanthropic opportunities



Products & Services

All fiber network – fiber to the home or business



Symmetrical Speeds

Internet speeds up to 2Gig for home; up to 10Gig dedicated for businesses

- Internet product offerings start at 300MB x 300MB



TDSTV+ Smart Cloud TV Product

Brings together live, recorded, and streaming TV



Phone

Crystal clear calling, variety of feature-rich plans



About Our Business Solution

- Providing powerful VoIP solutions
- Delivering strong cybersecurity products
- Offering dedicated, fast and highly-reliable internet service
- Deploying data networking solutions
- Offering enterprise-level solutions, including hosted-managed services



*More than 100,000
customers are experiencing
the benefits of TDS business
solutions.*



Network Construction

Aerial Cable Placement (Bucket Truck)



Buried Cable Placement (Directional Bore)



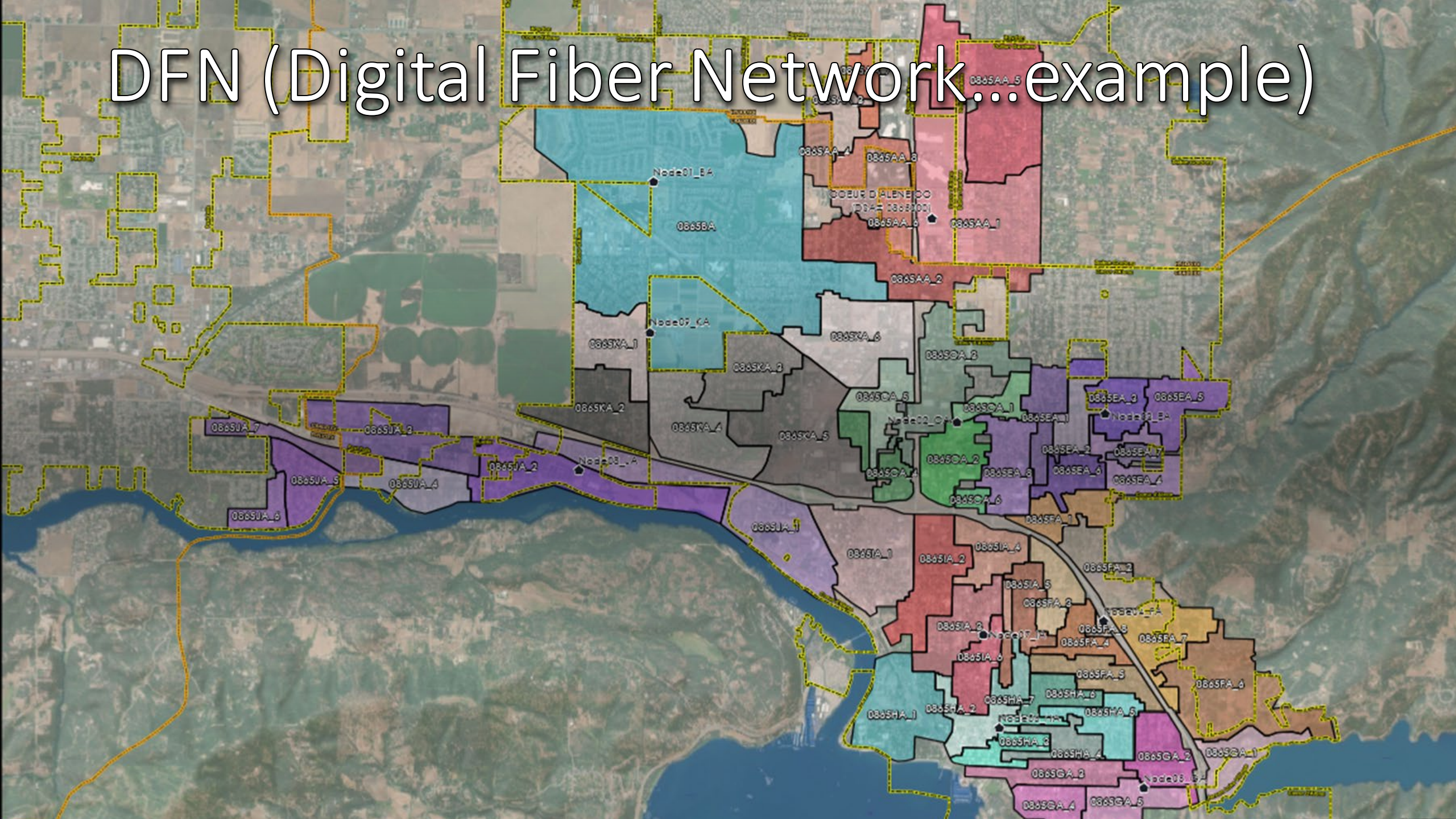
Pedestal



Handhold



DFN (Digital Fiber Network...example)



Prior to Construction Notifications

IMPORTANT CONSTRUCTION NOTICE

TDS FIBER

YOUR NEIGHBORHOOD IS ALMOST READY FOR THE FUTURE! TDS FIBER MEANS:

- Lightning-fast Internet speeds up to 1Gig
- Robust TV programming packages
- Crystal-clear, reliable phone service

Thanks in advance for your patience during the construction process.

Register for Service Today at TDSFIBER.COM/now

202007/15-20/12086

IMPORTANT CONSTRUCTION

1-week postcard

network is about to begin

Before we get started, there are few things you must know.

1. A contractor will be in your area marking underground utilities with flags or spray paint.
2. Property owner is responsible for:
 - ✓ clearly marking any privately owned facility (e.g. watering system, invisible fence, security system, or private power) with flags or spray paint
 - ✓ calling the construction hotline at 1-855-259-8576

Questions? PLEASE CALL

1-855-259-8576

TDS

THE SCOOP ON TDS FIBER CONSTRUCTION



Excitement is in the air, because soon there will be TDS Fiber in the ground! Here are the ins and outs of the construction process that will bring cutting-edge fiber Internet, TV, and phone services to your neighborhood.

> What is a Utility Easement?
Easements grant utility companies, like TDS, the legal right to access areas of a property for running transmission lines, underground electric lines, and water, sewer, and fiber-optic lines.

A crew will mark the easement with utility flags and/or spray paint (see reverse side). You should receive a letter in the mail that notifies you before this work takes place.

Often, easements are in readily accessible parts of a yard. Occasionally, we run across obstructed easements, such as those located in a fenced-in backyard. Please help to ensure any fences are unlocked, so workers may access the easement.

> Safety Is Essential
Once utilities are marked, please do not remove the flags or cut the painted grass—these markings are essential to keeping you and your home safe! Crews will remove flags when it is safe to do so after construction.



Learn more: TDSFIBER.COM/construction

TDS

GIVE FIBER A GOOD HOME. YOURS!

Great news!
TDS® is building a state-of-the-art, all-fiber network that will deliver the area's best Internet, TV, and phone services to your neighborhood. Below you'll find information about what to expect as fiber network construction takes place.

Following this letter, you'll receive:

- A postcard and door hanger reminding you construction begins soon

And you'll notice:

- Existing utilities being marked with colored flags that correspond to each utility to prevent any damage
- Large TDS construction signs at your neighborhood's entrance and smaller signs near your mailbox

TDS is committed to making the construction phase as easy as possible for you. We understand you may have questions about fiber construction. Here are some answers to questions we hear most frequently:

permission to be on my property?
Permits, typically located within a strip of property between two lots. If the easement is within this area.

When can I remove the utility flags and/or paint in my yard?
Markers and paint need to remain in place until construction of the network is complete.

If you have additional questions, please visit TDSFiber.com/construction or call 1-855-259-8576. We look forward to becoming a part of your community and serving you with the best Internet, TV, and phone services.

Sincerely,
The TDS Team

REGISTER TODAY!
And be one of the first in line for installation when fiber service launches.
Register at TDSFiber.com/future

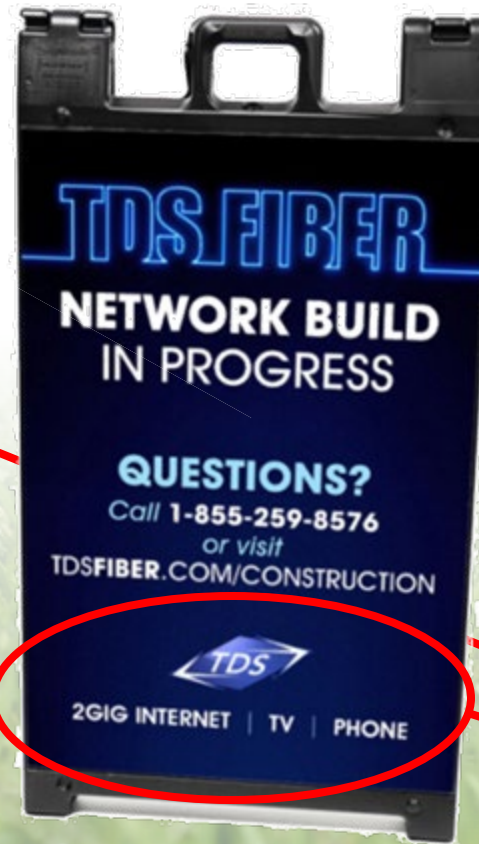
2GIG INTERNET
2GBPS DOWNLOAD/2GBPS UPLOAD SPEEDS

- NO DATA CAPS
- NO THROTTLING

Customer Service Triage Team
Toll free number directs caller to TDS customer contact center



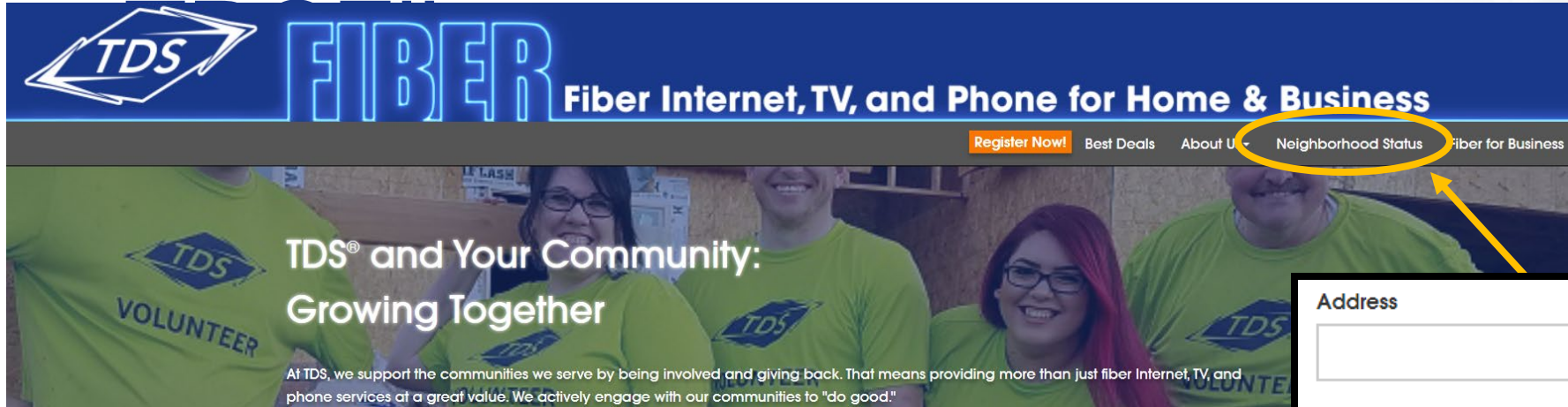
Day of Notifications



Customer Service Triage Team
Toll free number directs caller to
TDS customer contact center



Information –



TDS FIBER Fiber Internet, TV, and Phone for Home & Business

[Register Now!](#) [Best Deals](#) [About Us](#) [Neighborhood Status](#) [Fiber for Business](#)

TDS® and Your Community: Growing Together

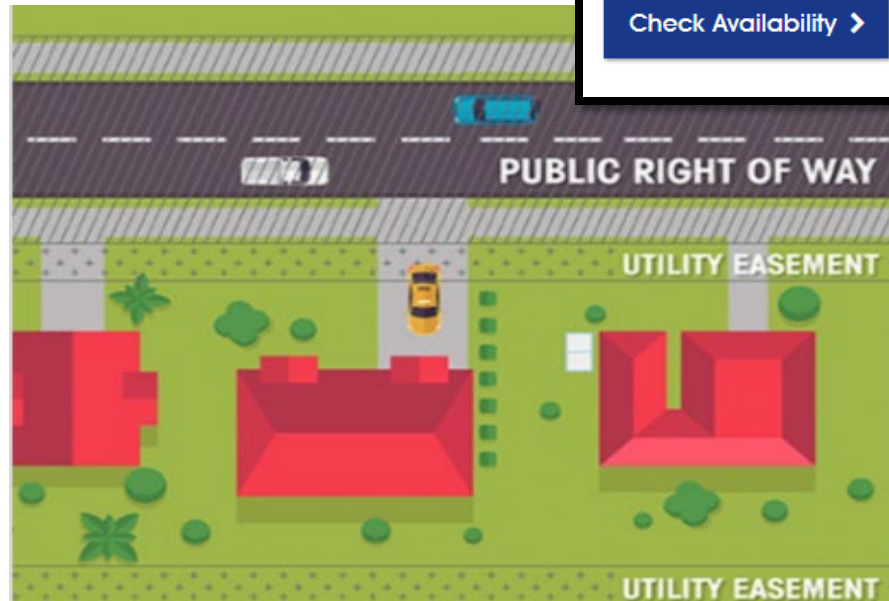
At TDS, we support the communities we serve by being involved and giving back. That means providing more than just fiber Internet, TV, and phone services at a great value. We actively engage with our communities to "do good."

Safety Is Essential

TDS uses an independent contractor specializing in locating any existing underground facilities. This helps prevent damage to those facilities and adds a layer of safety for workers and residents.

When Construction Begins

We'll use cable placement techniques, such as directional drilling, to limit disruptions in the road right of way or utility easements the best we can. However, there will be areas where digging is required, and additional excavation is necessary.



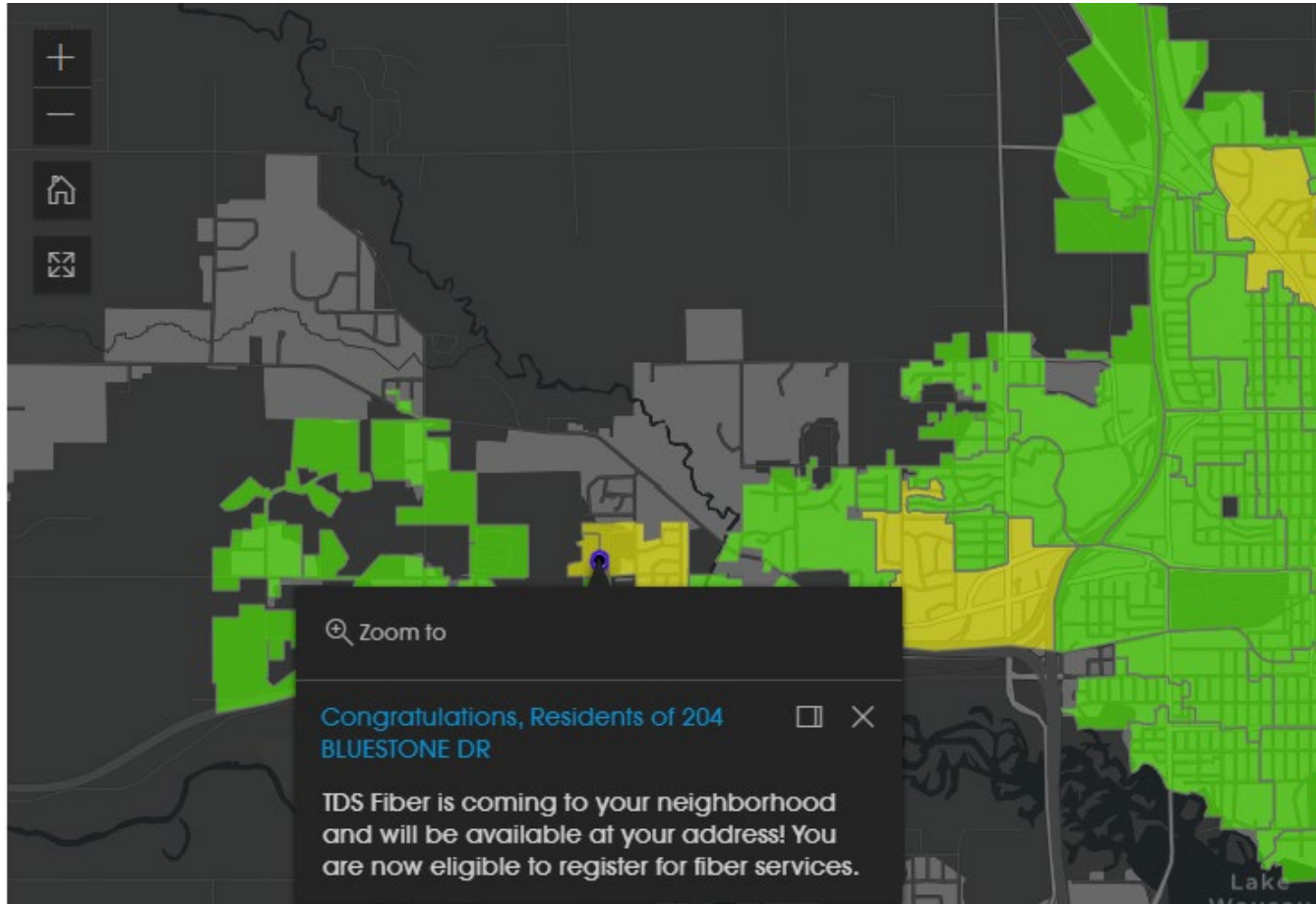
Address

[Check Availability >](#)



AREA STATUS MAPS

YOUR NEIGHBORHOOD STATUS



Congratulations, Residents of 204
BLUESTONE DR

TDS Fiber is coming to your neighborhood
and will be available at your address! You
are now eligible to register for fiber services.

TDS Fiber Build Status

- Construction Complete
- Under Construction
- Construction Pending
- Check Back for Updates



QUESTIONS, CONCERNS & RESOLUTIONS

CUSTOMER SERVICE TRIAGE TEAM



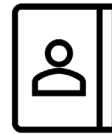
Dedicated team to provide a better customer experience. The one point of contact for all customer construction related inquiries.



Assesses the severity of an issue, identifies the correct course of action to resolve issues in a timely manner.



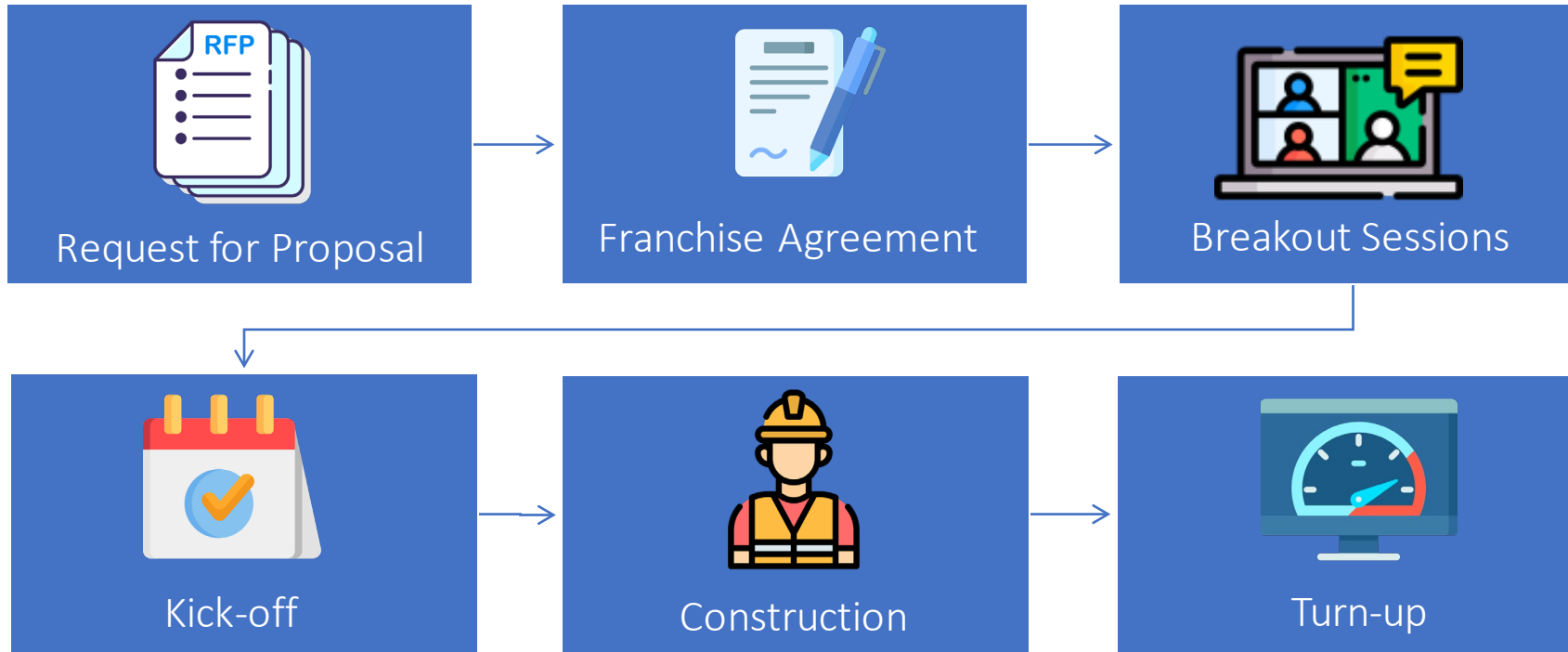
All issues are logged and tracked. If no action is taken on the ticket within the above timelines, ticket is escalated to the Outside Plant Construction Manager in charge of the project.



Response time SLA

- Critical – safety/damage related – 4 hours
- High – damage, no safety concern – 9 hours
- Medium – aesthetic/clean-up – 18 hours
- Low – misc. – 28 hours





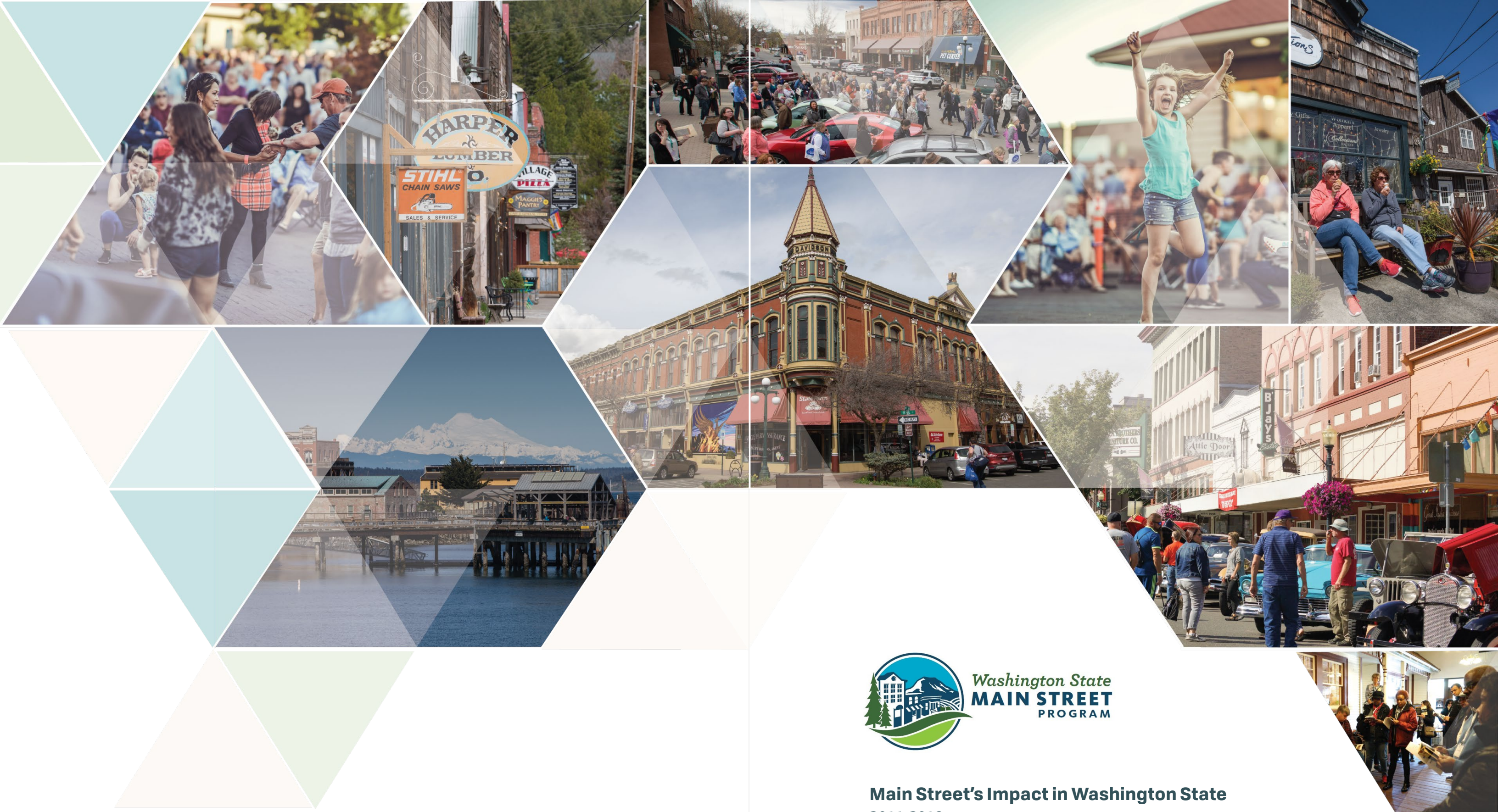
Fiber Videos

- [What is TDS Fiber?](#)
- [Fiber Explainer](#)
- [TDS is Building the Fiber Optic Internet of the future](#)





Questions & Next Steps...



Main Street's Impact in Washington State 2011-2019

Prepared by Jon Stover & Associates
June 2020



Washington Main Street Communities

- | | | |
|--|---|--|
| ① Downtown Aberdeen Association | ⑬ Ellensburg Downtown Association | ②⑤ Historic Downtown Prosser Association |
| ② Bainbridge Island Downtown Association | ⑭ Gig Harbor Downtown Waterfront Alliance | ②⑥ Puyallup Main Street Association |
| ③ Downtown Bellingham Partnership | ⑮ Downtown Issaquah Association | ②⑦ Ridgefield Main Street |
| ④ Downtown Camas Association | ⑯ Historic Downtown Kennewick Partnership | ②⑧ Roslyn Downtown Association |
| ⑤ Centralia Downtown Association | ⑰ Kent Downtown Partnership | ②⑨ Selah Downtown Association |
| ⑥ Chehalis Community Renaissance Team | ⑱ Langley Main Street Association | ③① Stevenson Downtown Association |
| ⑦ Historic Downtown Chelan Association | ⑲ Downtown Moses Lake Association | ③② Vancouver Downtown Association |
| ⑧ Cle Elum Downtown Association | ⑳ Mount Vernon Downtown Association | ③③ Downtown Walla Walla Foundation |
| ⑨ Colfax Downtown Association | ㉑ Oak Harbor Main Street Association | ③④ Wenatchee Downtown Association |
| ⑩ Colville Together | ㉒ Olympia Downtown Alliance | ③⑤ Downtown Association of Yakima |
| ⑪ Coupeville Historic Waterfront Association | ㉓ Downtown Pasco Development Authority | |
| ⑫ Dayton Development Task Force | ㉔ Port Townsend Main Street Program | |

The analysis included in this report reflects the cumulative impact of the above Main Street Communities. The analysis includes Main Street Communities that are no longer active programs but were active between 2011 and 2019 during the period of this analysis.

Image: Downtown Association of Yakima

Front Cover Images: Ellensburg Downtown Association and Coupeville Historic Waterfront Association (Otto Gruele), Downtown Association of Yakima, Centralia Downtown Association (TZ True), Kent Downtown Partnership (WTHP). Back Cover Images: Downtown Association of Yakima, Port Townsend Main Street Program and Roslyn Downtown Association (Otto Gruele)

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How Washington Main Street Communities Create a Place for Social Connection

Executive Summary

“We are cheerleaders for local small businesses, defenders of our historic downtown, promoters of local culture, and ringleaders of those who will help us!”

- Linda Haglund, Wenatchee Downtown Association

Washington's Main Street Communities transform their neighborhoods, celebrate historic character, and revitalize local economies. The purpose of this report is to quantify the positive return on investment Main Streets provide their public, private, and nonprofit partners and tell a complete story about the vital role they play in their communities.

This report summarizes the range of programming and responsibilities assigned to these local Main Street organizations, describes their most common activities, and assesses the impacts these functions have on their local economy, residential community, and the State of Washington. The study analyzes the impacts of eight different Main Street initiatives between 2011 and 2019.

The study finds that Main Street Communities undertake a variety of functions that would be difficult for a city agency, a group of businesses or community representatives to conduct without the presence of a local Main Street program. Main Street programming has a significant positive impact on local communities. The organizations generate more visitors and sales revenue for downtown businesses ("economic impact"), creating more jobs and retaining a healthy economic climate. This business activity generates additional State tax revenue ("fiscal impact"), helping fund programs that serve residents across the State. And importantly, by helping to oversee a vibrant downtown, Main Streets help instill a sense of community and create an environment in which people want to work, visit, and live.

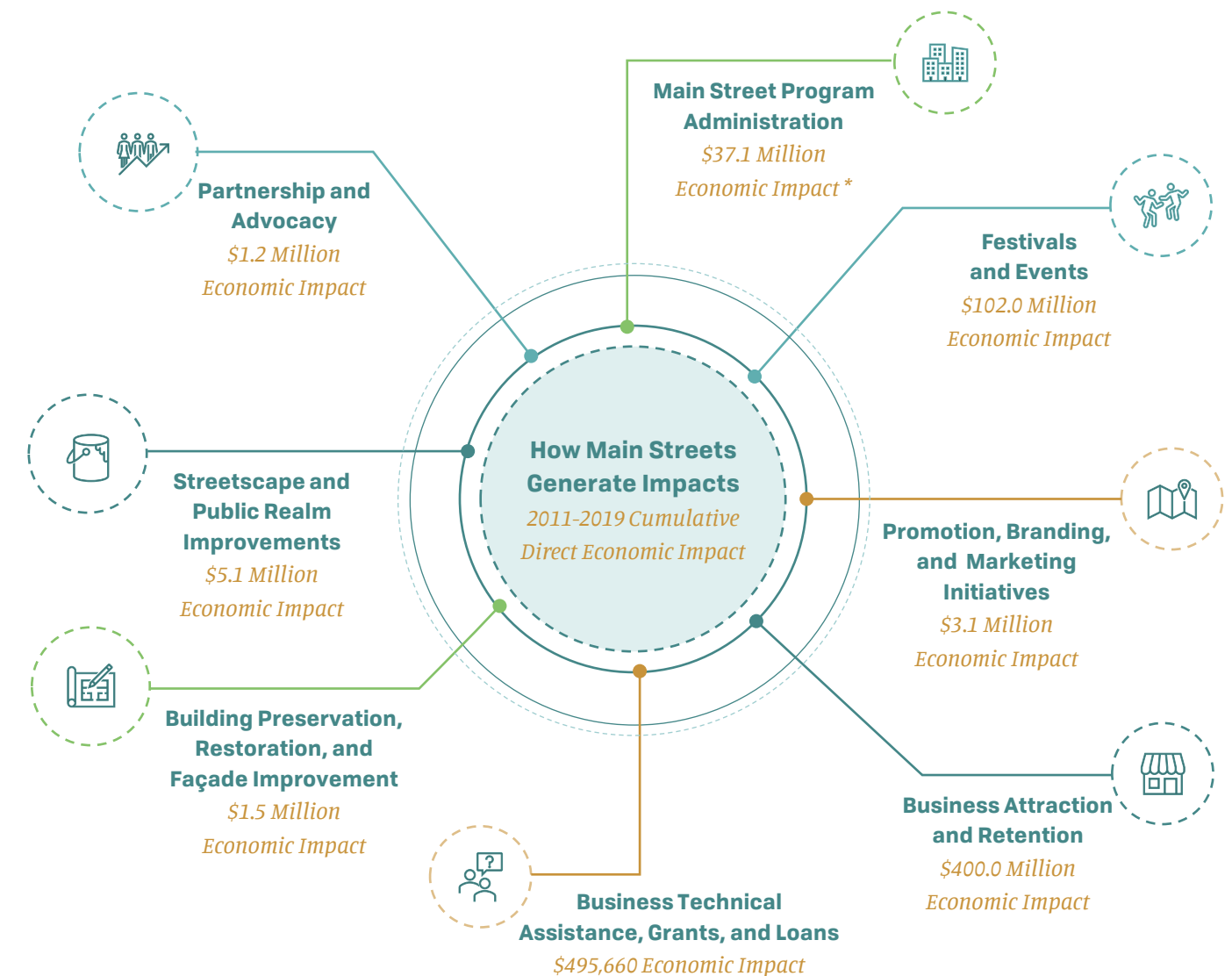


Main Streets foster strong local economies in a variety of essential ways.

Since 2011, the Washington State Main Street Program helped generate \$550.3 million in sales for Main Street businesses, supporting 6,405 jobs at such businesses. When accounting for business-to-business transactions and employee spending, **Main Streets bring 8,537 jobs, \$397.7 million in salaries, and \$821.7 million in sales to the State.**

Beyond the numbers, Main Streets create a sense of community and vibrant, healthy, interconnected neighborhoods.

Image: Downtown Camas Association



Main Street Return on Investment



The Washington State Main Street Program created a positive return on investment for the State of Washington. For every dollar the State allocated to the program, the economic activity generated in Main Street Communities generated \$1.58 back to the State in tax revenues. Between 2011 and 2019, Washington State allocated \$18.3 million (2019 dollars) to the program and received \$28.9 million (2019 dollars) in tax revenues from enhanced Main Street business activity.

* Note: Main Street Program Administration includes staff salaries, administrative expenses, and operating budget excluding figures calculated in other categories. Since this category does not refer to a specific programmatic activity, it does not receive the same detail in this report as Main Street's core programmatic functions. Administrative costs have an economic impact which is accounted for in the economic and fiscal impact assessment. Alternatively, while community engagement and volunteering activity, described in detail in this report, are important Main Street outputs, no money is exchanged for volunteering and as a result this study does not attribute an economic impact nor fiscal impact to community engagement and volunteering.

About This Report

Main Street's Impact in Washington State

Purpose of This Report

Washington's Main Streets are charged with the tall order of helping to transform communities, celebrate historic character, and revitalize local economies. This report summarizes the range of responsibilities assigned to these local programs, describes their most common programmatic activities, and assesses the impacts these functions have on their local economy, their residential community, and the State of Washington at large. The purpose of this report is to quantify the positive return on investment Main Streets provide their public, private, and nonprofit partners and tell a complete story about the vital role they play in their communities and the State at-large.

Study Participants

Washington Trust for Historic Preservation (WTHP) is dedicated to saving the places that matter in Washington State and promoting sustainable and economically viable communities through historic preservation. WTHP facilitates state-funded programs, such as WSMSP, in conjunction with the **Department of Archaeology & Historic Preservation (DAHP)**, Washington State's primary agency with knowledge and expertise in historic preservation. DAHP advocates for the preservation

of Washington's irreplaceable historic and cultural resources - significant buildings, structures, sites, objects, and districts - as assets for the future.

Washington State Main Street Program (WSMSP) helps communities revitalize the economy, appearance, and image of their historic downtown districts by leveraging each community's unique heritage and attributes. WSMSP currently serves a network of 65 towns, including 34 Main Street Communities and 31 Affiliate programs. This report focuses on the 34 Communities that maintain robust nonprofit operations, report statistics to WSMSP, and participate in the Main Street Tax Credit Incentive Program.

Jon Stover & Associates (JS&A) is an Economic Development Consulting firm that bridges the gap between the different worlds of policy, business, real estate development, and community interest to help make neighborhoods great.

Methodology and Data Sources

Key data sources for this analysis include: Local Main Street Reinvestment Statistics, IMPLAN, ESRI Business Analyst, State budget and spending figures, detailed online Main Street community surveys, and program case study interviews.

Understanding the Findings in This Report

Main Streets administer an extensive range of programmatic activities in partnership with a large group of players, making it difficult to isolate the specific impact of any one initiative or even a Main Street Community overall. Many of Main Street's key objectives — such as 'preservation' or 'placemaking' — are built into Main Street ethic rather than standalone projects with measurable outcomes. Unsurprisingly, approaches towards measuring Main Street's impacts are nearly as varied as the types of impacts themselves.

JS&A designed the analysis methodology to articulate the impact of the Washington State Main Street Program clearly, understandably, and honestly. **This report summarizes what Main Streets actually do by describing the core functions of a Main Street and provides simple illustrations and explanations of how each of the activities (a) supports business activities, (b) generates State tax revenue, and (c) helps create a vibrant and inclusive community for workers, residents, and visitors.**



Image: Historic Downtown Chelan Association (Otto Gruele)

What is a Main Street?

Main Street Communities help commercial districts revitalize the economy, appearance, and perceived image of their downtown districts, leveraging the successfully proven Main Street Approach™. In Washington State, designated Main Street Communities are independent 501(c)3 or 501(c)6 nonprofit organizations dedicated to the revitalization of their downtown communities. These nonprofit organizations rally community support, build public and private partnerships and leverage their local community's unique assets, including heritage, entrepreneurship, and expertise.

“Over the last four decades, the Main Street movement has proven that downtowns are the heart of our communities, and that a community is only as strong as its core.”

- Main Street America

The Main Street Four-Point Approach™

The Main Street Approach™ is a national comprehensive framework that allows local communities to take ownership of their futures

through incremental changes in focus areas known as the Four Points. *Economic Vitality* emphasizes economic tools to support both new and existing businesses, catalyze property development, and foster an environment that drives local economies. *Design* focuses on community transformation via enhancing visual and physical assets. *Promotion* leverages the downtown core as the 'hub' of economic activity by emphasizing and showcasing each downtown's unique characteristics. The last point, *Organization*, prioritizes partnerships, community involvement, and resources to create a strong foundation that can sustain changes over time.

Main Street Communities structure their organizations around the Four-Point Approach™ allowing Main Street Communities to achieve a full breadth of impacts and programmatic initiatives for their downtown districts. Importantly, the real effects of Main Streets Communities result from the Four-Points combined rather than a siloed approach; as these Four-Points align and come together within a Main Street, transformational change occurs.



Learn more about Washington State Main Street Program at: www.preservewa.org/mainstreet
More information about Main Street America can be found at: www.mainstreet.org

About the Washington State Main Street Program

Since 1984, the Washington State Main Street Program has been helping communities revitalize the economy, appearance, and image of their downtown commercial districts. In 2010, the Main Street Program moved from the Department of Commerce to the Department of Archaeology & Historic Preservation. The Washington Trust for Historic Preservation manages the program.

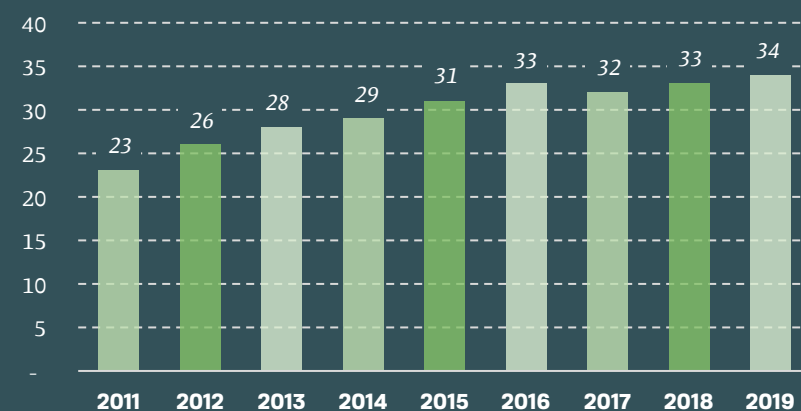
Washington State Main Street Program (WSMSP) is one of 45 Main Street America™ Coordinating Programs, a national network of thousands of Main Streets, that serves as the leading voice for preservation-based economic development and community revitalization.

In Washington, Main Street Communities are nonprofit organizations that maintain adequate staffing and volunteer engagement necessary to implement the Main Street Approach™. They focus their energy on historic downtown commercial

districts, bringing partners and resources together to preserve and build upon their community's unique assets. In addition to 34 Main Street Communities, WSMSP also serves over 30 Affiliate programs interested in revitalizing their downtowns and seeking assistance with getting started.

The proceeding analysis in this report features the impact of Washington's 34 Main Street Communities, which report quarterly Reinvestment Statistics to WSMSP and are eligible to participate in Washington State's Main Street Tax Credit Incentive Program.

Washington State Main Street Programs by the Numbers



The Washington State Main Street Program increased from 23 Main Street Communities in 2011 to 34 Communities by 2019. This rise in the total number of Main Streets in the State is largely attributed to the Main Street model's success and the need and desire for place management and placemaking support throughout the State.

Source: Washington State Main Street Program, Budget data by Main Street Programs

\$235,574

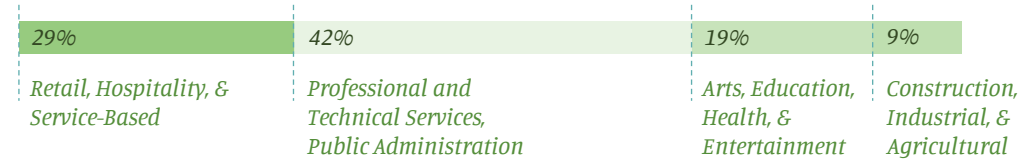
2019 Average Main Street
Community Operating Budget

Over the past ten years, Main Street program operating budgets have increased by 5.7% annually, generating more opportunities to implement initiatives and programs to create increased impacts.

In 2019, Main Street districts collectively represented:



Employment within Main Street districts represent a wide range of industries:



Note: All figures above represent 2019 data. Source: ESRI Community Analyst, InfoGroup (2019)
Image (Below): Centralia Downtown Association (TZ True)



1 in 4

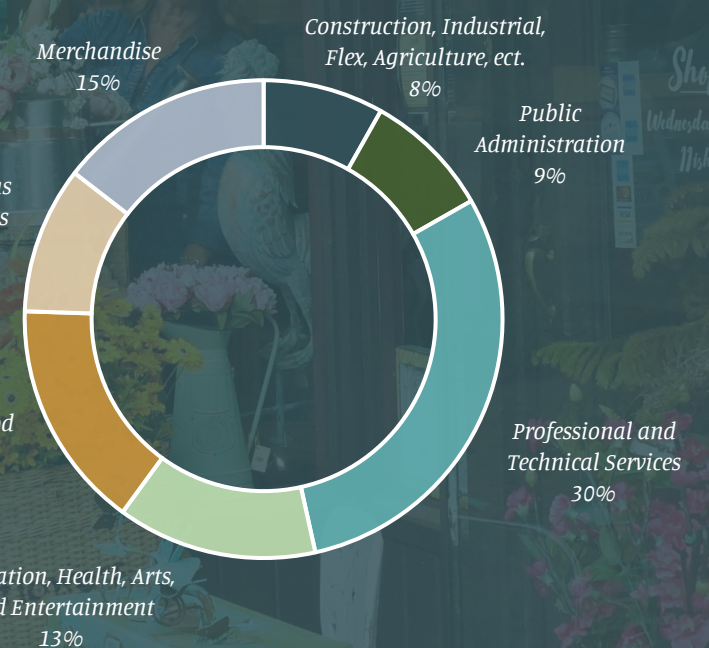
Washington Residents Live Within 5 Miles of a Main Street

In 2019, over 1.9 million people lived within a five-mile radius of a Washington Main Street community.

The business constituency of Main Street Communities includes a wide range of different types of businesses.

While Main Streets are often associated with retail, only 40% of businesses in Main Streets occupy traditional retail space. Another 39% of Main Street businesses in Washington occupy traditional office space.

Note: Business mix represented above based on the geographic boundaries of Main Streets' districts.
Source: ESRI Community Analyst, InfoGroup, 2019



Economic Impact of Washington’s Main Streets

Main Street activities support local economies in a variety of essential ways. Since 2011, Main Street Communities across the State helped generate \$550.3 million in sales for district businesses, supporting 6,405 jobs at those businesses. When accounting for business-to-business transactions and employee spending, the economic impact of Main Streets includes 8,537 jobs, \$397.7 million in salaries, and \$821.7 million in sales.

Direct Economic Impacts

Eight key programmatic initiatives of Main Street Communities, including overall program administration, generate direct economic impacts as articulated below and throughout this report. In 2019, the organizations helped create approximately \$124.4 million in additional sales for local businesses in the downtown districts.

Main Street Initiatives and Programming	2019 Direct Economic Impact	2011-2019 Cumulative Direct Economic Impact
Main Street Program Administration	\$6.1 Million	\$37.1 Million
Festivals and Events	\$13.7 Million	\$102.0 Million
Promotion, Branding, and Marketing Initiatives	\$514,000	\$3.1 Million
Business Attraction and Retention	\$102.6 Million	\$400.0 Million*
Business Technical Assistance, Grants, and Loans	\$85,000	\$495,660
Building Preservation and Physical Improvements	\$278,000	\$1.5 Million
Streetscape and Public Realm Improvements	\$842,000	\$5.1 Million
Partnership and Advocacy	\$190,000	\$1.2 Million
Total Direct Economic Impact:	\$124.4 Million	\$550.3 Million

Note: Main Street Program Administration is the culmination of Main Street operating budgets after operating budget expenditure on the above initiatives and programming.

Methodology and Data Sources. This analysis leveraged an ‘input-output’ impact modeling software, IMPLAN, utilizing multipliers specific to the State of Washington to calculate the indirect and induced economic impacts and direct fiscal contribution. Impact estimates for specific programmatic activities are based on data provided by annual Reinvestment Statistics and from local program surveys. Annual impacts were assessed for 2011, 2015, and 2019, with interim years adjusted at proportional rates based on the number of active programs each year.



*Business attraction and retention impact exemplifies how interrelated these categories are. Revenues stemming from the high business growth rates found in Washington’s Main Streets are not only attributable to specific business attraction efforts— they are as much a result of other Main Street programs as well. As such, the sales attributed to this line item could just as easily be distributed across the other programmatic activities.

Cumulative Economic Impact (2011 - 2019)

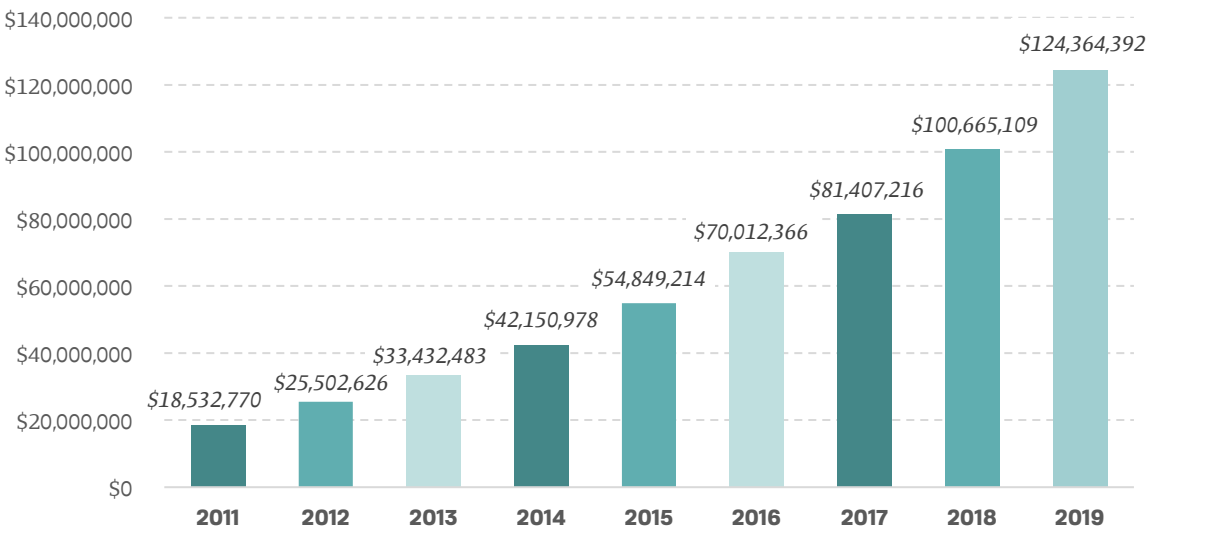
Direct economic impact reflects the impact on business operations of businesses in Main Street districts as a result of the increased customer spending generated by Main Street programming (\$384 million in sales and 6,405 jobs). The business supply chain, or business-to-business purchases that led to a given product or service, are indirect economic impacts (\$129 million in sales and 764 jobs— most of which likely occur outside of a Main Street district). When a worker whose job is supported by the direct economic impact spends their income, this household spending creates an induced economic impact supporting even more business activity and employment. When added together, Main Street activity helps generate \$821.7 million in sales and 8,537 jobs.

Type of Impact	Employment	Labor Income	Total Revenue
Direct Impact (Business Operations)	6,405	\$264,826,281	\$471,265,423
Indirect Impact (Supply Chain)	764	\$52,233,870	\$155,659,594
Induced Impact (Spending of Wages)	1,368	\$80,651,370	\$194,729,608
Total Economic Impact:	8,537	\$397,711,521	\$821,654,625

Note: ‘Direct Impact’ in the table above is defined by IMPLAN as the immediate results of the direct spending, or industry change attributable to the economic activities Main Street Communities generate. The Direct Impact is adjusted with a retailer marginal coefficient deflator. All figures in the above chart are expressed in 2020 dollars.
Source: IMPLAN

Annual Direct Economic Impact of Washington State Main Street Program

The economic impact of Washington’s Main Street Communities increased significantly since 2011 as the number of programs grew from 23 to 34 and is a result of the compounded impact of a Main Street’s ability to retain, attract, and enhance business operations.



Note: Nominal figures, not adjusted for inflation.

Fiscal Impact of Washington’s Main Streets

State Fiscal Impact

The direct economic activity Washington’s Main Street Communities generate in their communities produced an average of \$3.2 million in State tax revenues annually. Between 2011-2019, Main Street activity has contributed towards \$28.9 million in cumulative State taxes. **The largest revenue source is sales tax, totaling \$22.5 million more in downtown areas since 2011 than would be expected without a local Main Street program.**

State Tax Revenue Generated from Main Street Activity	2011-2019 Average Annual State Tax Revenue	2011-2019 Cumulative State Tax Revenue
Social Insurance Tax — Employee Contribution	\$55,000	\$494,000
Social Insurance Tax — Employer Contribution	\$97,000	\$870,000
Sales Tax	\$2.5 Million	\$22.5 Million
Property Tax	\$289,000	\$2.6 Million
Motor Vehicle License	\$32,000	\$284,000
Severance Tax	\$7,000	\$60,000
Other State Taxes*	\$228,000	\$2.1 Million
Total Fiscal Impact	\$3.2 Million	\$28.9 Million

**Other tax categories per IMPLAN category classification.
Note: State Tax Impacts directly pulled from IMPLAN model. All figures in the above chart are expressed in 2019 dollars.
Source: IMPLAN*

State Expenditure

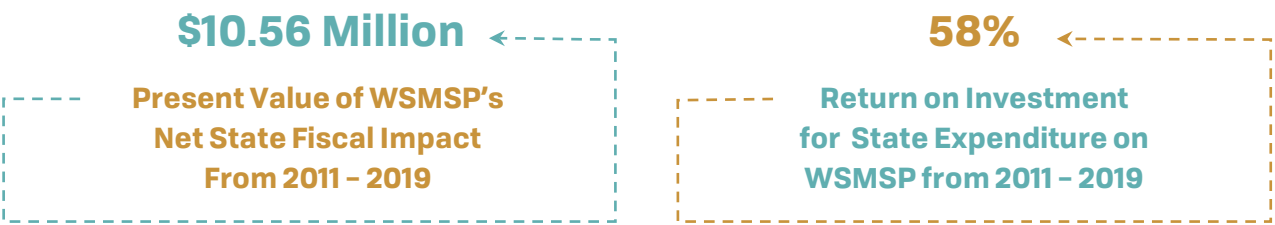
The largest source of funding for Main Streets in Washington is the Main Street Tax Credit Incentive Program, which provides a 75% credit on State B&O or Public Utility Tax for private contributions made to designated Washington Main Street Communities. The State also provides annual funding for the WSMSP and a yearly State Main Street conference through DAHP's general budget.

Washington State Main Street Program Funding	2011-2019 Average Annual State Expenditure	2011-2019 Cumulative State Expenditure
Main Street Tax Credit Incentive Program	\$1.8 Million	\$16.5 Million
WSMSP General Funding	\$170,000	\$1.5 Million
Conference Funding	\$32,000	\$286,000
Total State Funding	\$2.0 Million	\$18.3 Million

*Note: All figures in the above chart are expressed in 2019 dollars.
Source: IMPLAN*

Return on Investment

The Washington State Main Street Program generated a positive return on investment for the State of Washington. For every dollar the State allocated to the program, the economic activity created in Main Street Communities generated \$1.58 back to the State in tax revenues. Between 2011 and 2019, Washington State allocated \$18.3 million (2019 dollars) to the program and received \$28.9 million (2019 dollars) in tax revenues from enhanced Main Street business activity.



Images (Opposite Page)
MAK Daddy Coffee Roasters in Downtown Yakima (Downtown Association of Yakima) (Left)
Sip and Stroll Event (Downtown Association of Yakima) (Right)

Community Impact of Washington's Main Streets

Through a focus on placemaking, community engagement, safety, equity, and sustainability, Main Streets take the lead in creating places wherein people can thrive.



Many of the programs, initiatives, and grants administered by Main Streets directly impact their local economy. However, not everything a Main Street program does is quantifiable nor has an immediate impact on the bottom line of their local businesses. Quality-of-life programming and partnerships aim towards social cohesion, historic preservation, safety, and design. The outcomes of these programs are more qualitative in nature but are some of WSMSP's most significant and valuable work.

Image: Coupeville Historic Waterfront Association (Rick Lawler)
(Opposite Page): Cle Elum Downtown Association (Pioneer Coffee), Kent Downtown Partnership (Pixel Parlor, WTHP)

Types of Community Impact

Main Streets frequently play an active role in addressing the following types of community benefits.

Vibrancy

Main Streets bring a mix of people and activity to their downtowns that generates excitement and promotes social interaction.

Historic Preservation

Historic preservation is a cornerstone of the Main Street Approach™, as programs help rehabilitate historic buildings, leverage historic tax credits, and work to preserve local cultural legacies.

Amenities

Having nearby places to eat, shop, and reach service providers is vital for area residents and visitors.

Safety

Creating clean conditions, reducing storefront vacancy, and adding eyes on the street increases a neighborhood's real and perceived sense of safety.

Aesthetics and Pride in Place

Playing a role in signage, street plantings, façade improvements, art installations, and neighborhood cleanups, Main Streets create atmospheres that promote pride and investment.

Arts and Culture

Supporting arts and culture is a Main Street priority, including facilitating partnerships that fund, operate, and create awareness of local arts programs and events.

Accessibility

Main Streets partner with local transportation agencies to maintain safe sidewalks, provide ample parking for their businesses, and enhance access for all visitors.

Social Capital

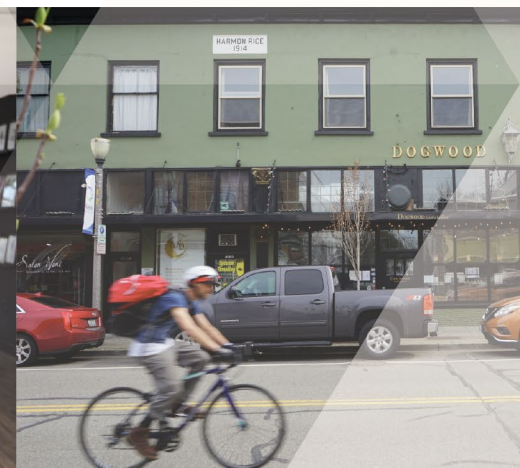
See page 31 for the Social Capital Section this report for the many ways Main Streets strengthen community connections.

Walkability

Bringing a dense range of amenities close to residents creates walkable communities that serve residents of all ages, incomes, and abilities while minimizing their carbon footprint.

Entertainment

Main Street is where life happens, and memories are created. From festivals, events, and recreational activities, to fostering a mix of shopping, dining, services, and cultural establishments, Main Streets have something for everyone!



Impacts of Core Main Street Programming

Main Street Communities achieve the positive economic, fiscal, and community impacts through a comprehensive approach of initiatives to build strong downtown districts across the State. These initiatives align with the structure of the Four-Point Approach™ demonstrating the breadth of work Main Street Communities undertake.



Main Street Festivals and Events

Festivals and events organized and hosted by Main Streets generate substantial visitor spending for local economies.

Promotion, Branding, and Marketing

Main Street promotion, branding, and marketing initiatives attract customers to the downtowns and local businesses and while creating a strong sense of place.

Business Attraction and Retention

From guiding entrepreneurs through the process of opening a business to helping business owners succeed, Main Streets play an essential role in ensuring downtowns are vibrant and filled with local businesses.

Business Technical Assistance, Grants, and Loans

Main Streets act as a supportive partner to local businesses through technical assistance, connecting businesses with local resources, and providing direct financial support.



Building Preservation, Restoration, and Façade Improvement

Historic properties and buildings fill Washington's downtown districts; Main Streets work to help preserve, restore, and celebrate the unique assets of the State's historic communities.



Streetscape and Public Realm Improvements

Main Streets support beautification efforts to foster strong curb appeal and ensure customers' visits to downtown businesses are a positive public realm experience to keep attracting new customers and ensuring repeat downtown trips.

Partnership and Advocacy

As local leaders, Main Streets connect public, private, and nonprofits through strategic partnerships to accomplish shared goals and leverage finite resources.

Community Engagement

To achieve substantial impacts on limited budgets, Main Streets rely on local volunteerism, which enhances social connections in their communities and fosters collective "buy-in" and a sense of pride in the historic downtowns.

Main Street Festivals and Events

Few things signify a healthy downtown more than lively, happy crowds of people. By hosting festivals and events throughout the year, Main Streets bring energy and entertainment to downtowns - providing increased spending and introducing new customers to local businesses.



\$102.0 Million

Direct economic impact of visitor spending at Main Street events and festivals from 2011 through 2019.



5.8 Million Annual Visitors

Estimated attendees of Main Street events and festivals between 2011 and 2019.



2,860

Estimated Main Street events and festivals that occurred between 2011 and 2019.



All Main Streets in Washington organize at least one event annually with 15% of programs facilitating upwards of 30 events.

Why Festivals and Events Matter. Main Street festivals and events are a fundamental programmatic component of the Promotion element of the Main Street Four-Point Approach™. Festivals and activities range from farmers' markets to shopping events and are often funded and operated by Main Street Communities and in collaboration with other local partners.

Economic Impact. Main Streets Communities in Washington organize and host approximately 14 events annually in each Main Street district. Collectively, this attributed to nearly 500 events and festivals throughout the State in 2019 alone. These events attracted together over one million visitors and attendees. Each Main Street Community attracted nearly 29,500 annual visitors to their downtown districts during these events. A substantial portion, almost 40%, of these visitors come from outside their local municipality to Main Street's downtown.

Based on various spending assessments of events across the country and in Washington, the average event attendee spends approximately \$35 during these events. Thus, attendee spending on dining and shopping generated an estimated collective direct economic impact of \$102.0 million between 2011 and 2019.

Community Impact. Main Street festivals and events introduce new audiences and customers to downtowns and bring new customers to businesses which might not have occurred without the event. These festivals and events often become points of pride for the community and actively contribute to the identity of the Main Street.



Image: Coupeville Historic Waterfront Association (Rick Lawler) (Left)
Downtown Association of Yakima (Right)

Spotlight:

First Fridays in Downtown Camas



During the evening hours on the first Friday of each month, Downtown Camas's sidewalks and businesses fill with over 1,000 people socializing, dining, and shopping at the Main Street's local stores and restaurants. Since 2005, the Downtown Camas Association organizes and hosts its well-attended and community-loved event series, First Fridays.

The Main Street's intentional programming provides free entertainment and activities for all ages to attract inclusive participation. The event's well-known Passport Program introduces new customers to businesses as two to three hundred attendees stop into a series of twenty to thirty participating stores. **The lively crowds of the First Friday events bring a substantial increase in spending at local restaurants and shops - retailers see 25% to 50% more sales, and the downtown restaurants frequently double their typical Friday night revenue during these events.**

Images: Downtown Camas Association

Understanding How Festivals and Events Generate Economic Impacts



Main Street events and festivals attracted over **5.8 million attendees** between 2011 and 2019.

These event visitors spend money shopping and dining during their visit. Attendees spend on average **\$35 during the events** at shops and restaurants.

This visitor spending generates an attributable direct economic impact of **\$102.0 million** collectively from 2011 through 2019. This direct economic impact represents revenue generated at businesses during Main Street events and festivals.

As a result of this direct economic impact, a range of tax revenues are generated at the national, State, county, and municipal level.

Promotion, Branding, and Marketing

Main Streets promote individual businesses and build excitement and pride in their downtown districts. Through a variety of marketing and branding programs, Main Streets help bring more customers through the doors of their local businesses and create a cohesive and appealing brand identity for their downtown.



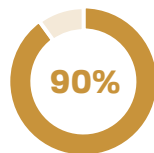
\$3.1 Million

Direct economic impact of Main Street Promotions, Marketing, and Branding Initiatives between 2011 and 2019.



\$15,115

Average Main Street operating budget allocated for promotion, branding, and marketing efforts in 2019.



90% of Washington Main Street Communities include programming that promotes their downtowns and draws additional customers to businesses in the commercial districts.

Why Promotion, Branding, and Marketing Matters. From creating comprehensive branding strategies unifying the downtown commercial district to designing websites promoting the collection of businesses within their Main Street district, Main Street Communities actively promote, market, and brand downtowns.

Economic Impact. On average, Main Street Communities in Washington allocated \$15,115 of their 2019 operating budget towards marketing, promotions, and branding initiatives for their downtowns and Main Street district. Assuming this operating budget allocation was proportionate to their budgets over the past ten years, these initiatives generated nearly \$3.1 million of direct economic impact collectively between 2011 and 2019.

Community Impact. Main Streets create a strong sense of place for their downtown communities through branding and marketing efforts. Main Streets drive customer traffic to the commercial districts through targeted and strategic promotional campaigns and initiatives. This increased customer traffic not only directly supports the local businesses but generates excitement and catalytic impressions that the downtown is vibrant, active, and an exciting place to shop, dine, and play.

Support Local

Why Should you Go Downtown?

Downtown Business Directory

We Want to Hear From You!

Our Community Partners

SHOP & DINE

**TAKE OUT
& DELIVERY**
SUPPORT LOCAL BUSINESSES

ALL INFORMATION SUBJECT TO CHANGE.

YOUR GUIDE

Images: Olympia Downtown Alliance

Spotlight:

Bringing People to Downtown Olympia

In Downtown Olympia, the “Why I Go Downtown” movement collects favorite stories and memories from downtown experiences to promote the area as a destination. The movement originated as part of an effort by the Olympia Downtown Alliance to cultivate the image and perception of the downtown area. Today, this initiative inspires both new and returning customers to visit downtown and create their unique memories.

Through the Olympia Downtown Alliance's strategic planning process, the Main Street organization recognized an opportunity to prioritize “imaging-making” strategically. To better brand the downtown area, the Olympia Downtown Alliance began reaching audiences with tailored messages across various platforms — ranging from social media to video content to advertorials and cross-promotional opportunities. The Main Street’s “Why I Go Downtown” website has now become a vital platform during the downtown's economic recovery response and communication strategy. In the first six weeks of their COVID-19 response strategy, the site drew over 7,000 visitors.

Leveraging Main Street Communities for Economic Recovery During COVID-19

Main Street America administered a national survey amidst business closures during the COVID-19 pandemic. Nearly 240 businesses in Main Street Communities in Washington responded, providing insight on the impacts of the public health emergency at the local level. Between March and April of 2020, 81% of these surveyed businesses suspended their storefront operations. Approximately 91% of businesses experienced decreased revenue, with over two-thirds of the surveyed companies indicating that their revenue declined by more than 75% during this time.

Main Street Communities across the State immediately mobilized to provide substantial support to struggling businesses, including direct financial assistance and centralized promotional and marketing campaigns to bring customers downtown safely. With Main Streets' Four-Point Approach™ and agile mindset, Main Street Communities are well-positioned to lead economic response and recovery efforts moving forward.

Source: Main Street America, The Impact of COVID-19 on Small Businesses



*Image: Chehalis Chehalis Community Renaissance Team (Left)
Roslyn Downtown Association (Otto Gruele) (Right)*

Business Attraction and Retention

Main Streets serve as on-the-ground experts and advocates for their downtowns — helping fill available storefronts and working side-by-side with business owners to ensure businesses can remain competitive and open. From guiding entrepreneurs through the regulatory process of opening a business downtown to helping property owners recruit tenants that complement the district's business mix, Main Streets play a crucial role in creating vibrant downtowns filled with commercial activity.



\$400.0 Million

Direct economic impact of Main Street Business Attraction and Retention Initiatives between 2011 and 2019.



4.6%

Business growth in Main Streets attributable to the presence of the Main Street (2015 — 2016).



Nearly all of Washington's Main Streets actively support existing businesses and work to retain these businesses in their communities.



Over two-thirds of Washington's Main Streets actively work to attract businesses to their downtowns.

Why Business Attraction and Retention Matters. To attract businesses to their downtown district, Main Streets actively market and promote available commercial spaces in their downtowns. These efforts include both formalized initiatives and informal guidance and support as local community leaders. Main Streets also work to keep local businesses sustainable and competitive in their community. By advocating for businesses in negotiations, helping develop successful business models, hand-holding and advising during local regulatory processes, strengthening business networks, and helping commercial brokers identify available spaces and best-suited potential tenants, Main Street Communities work to keep businesses and downtowns economically resilient. Main Streets provide optimal environments for local businesses to grow and succeed.

Economic Impact. Businesses are attracted to downtown districts with Main Streets for various reasons, including the presence of the Main Street organization, real estate market conditions, well-preserved historic communities, and the overall impact, aesthetic, and sense of place Main Streets encourage. With Main Streets' essential role in attracting and retaining businesses downtown, business and employment growth rates in Washington's Main Street districts exceed areas outside of Main Streets. A 2017 study by Main Street America found that areas with Main Street Communities have a 4.6% higher business growth rate in Washington.* In 2019 alone, this accounted for 12 new businesses and \$17 million in sales.

Community Impact. Main Street business attraction and retention programs directly help ensure downtowns are filled with local businesses, resulting in fewer vacant storefronts and more vibrant downtown experiences. These efforts create and strengthen entrepreneurship cultures, encouraging nearby residents to open their own small businesses.



*In 2017, in collaboration with Main Street America, Jon Stover & Associates conducted a statewide fiscal impact analysis of the Washington State Main Street Program and four other states assessing the relationship between State funding for Main Street Communities and the incremental State tax revenue attributable to these programs. The methodology relied on key economic indicators provided by leading data providers, ESRI, and InfoGroup. The methodology was limited to only assessing the attributable Main Street impact on business, employment, and revenue growth. Whereas this report provides a comprehensive overview of the many ways Main Streets generate impacts. This current analysis assumes the attributable business growth (4.6%) between 2015 and 2016 is constant for 2011 through 2019 and thus is used to calculate the overall economic impact of Main Street's business attraction and retention initiatives.

Understanding Business Growth Attributable to Main Streets



Based on Main Street reported Reinvestment Statistics, approximately 1,656 net new businesses opened in Main Street Communities between 2011 and 2019.



With an attributable growth rate of 4.6%, the attributable business attraction efforts of Main Streets resulted in 73 new businesses across the State.



The average business in a Main Street Community in Washington produces a revenue of approximately \$1.4 million annually.



As a result of Main Street business attraction efforts, these initiatives generated a direct economic impact of \$400.0 million between 2011 and 2019.



Spotlight:

Touring Possibilities in Downtown Wenatchee

Twice a year on a Wednesday afternoon in the spring and the fall, the Wenatchee Downtown Association leads over 50 prospective business owners, contractors, local elected officials, Port Authority representatives, and interested stakeholders on a “Possibilities Tour” – a guided walking tour of vacant spaces in the downtown district. The Main Street program organizes the tour and arranges for property owners and leasing agents to showcase their available spaces - from move-in ready ground floor retail bays to above vacancies to buildings in need of substantial renovations.

This energetic tour facilitates dream-filled conversations. Participants imagine and discuss how these vacant spaces can be transformed to preserve the commercial district and celebrate the historic character and charm of Wenatchee. The Main Street program carefully and intentionally crafts the tour to serve the needs of prospective business owners in the community. The event deliberately removes pressure barriers that often come with touring available spaces, limiting intimidation, and encouraging potential businesses to feel at home in Wenatchee immediately. **The Possibilities Tour works: each year, at least one new commercial tenant leases a vacant space in the Main Street district.**

Image: Wenatchee Downtown Association

Business Technical Assistance, Grants, and Loans

Main Streets serve as the local support system for small businesses — providing individualized technical assistance to help improve long-term operations and guidance to support businesses through unexpected challenges. Instead of feeling isolated and adrift, small businesses in Main Street Communities have a local partner who has their back.

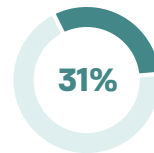


\$495,660

Direct economic impact of Main Street Technical Assistance between 2011 and 2019.



88% of Main Streets actively provide business technical assistance, including grants and loans, to businesses in their downtown communities.



Nearly one-third of Washington State’s Main Street Communities offer direct financial support for businesses through grants and loan programs.

Why Business Technical Assistance, Grants, and Loans Matter. Main Streets support businesses in their commercial districts through technical assistance ranging from marketing assistance to helping companies establish quality point-of-sales and accounting systems to incubator programs fostering entrepreneurship opportunities. These efforts and initiatives (accounting for nearly 10% of Main Street staff time) contribute to Main Street districts’ reputation as the best places for small businesses to start-up and thrive.

Economic Impact. The average Main Street Community in 2019 allocated \$2,500 of their operating budget towards business technical assistance, including loans and grants. Assuming the allocation was proportionate to their operating budget over the past ten years, these initiatives generated \$495,660 direct economic impact in the State of Washington.

While the cumulative direct economic impact of Main Street technical assistance, including grants and loans, is not the highest impact figure compared to the other Main Street initiatives that generate economic impacts, these dollars provide considerable support to local businesses. In many instances, direct financial assistance and nonfinancial support offer substantial opportunities for businesses to expand and increase revenue, contributing to higher economic and fiscal impact generation.

Community Impact. By providing technical assistance and connecting local businesses with resources and support, Main Streets help keep markets, stores, and companies open and thriving within the downtown districts.



Based on a national study conducted by Main Street America on the impact of COVID-19 on small businesses, nearly 63% of business respondents indicated that their business lacked an e-commerce component in their business model. Through technical assistance and grant programs, Main Streets play a crucial role in supporting local businesses with limited online sales capability and minimal internet presence. Main Street organizations across the State of Washington provide these services through grants and partnerships to help improve the economic resiliency of small businesses in their districts.

Spotlights: Chehalis’s Boost Your Business and the Downtown Business Academy

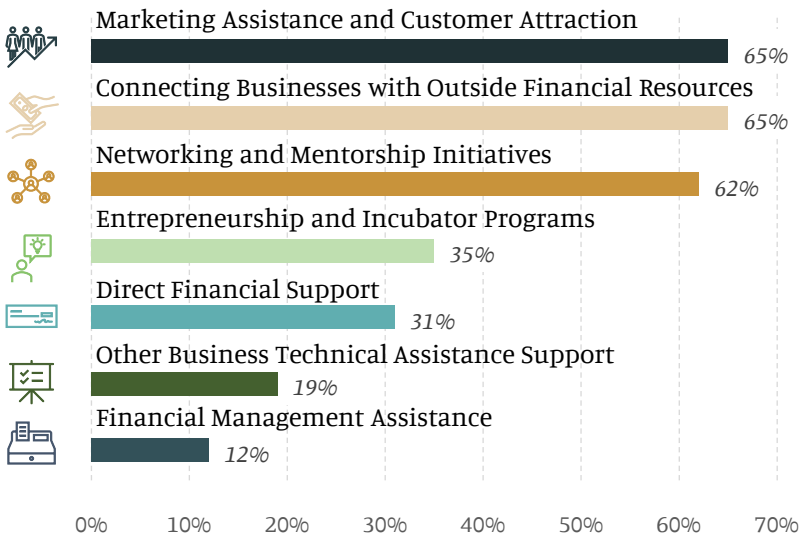
Chehalis’s Downtown Business Academy provides quarterly opportunities for businesses to gather and collaborate on new business development ideas. The Main Street organization brings experts to these events to provide training on topics ranging from website development, storefront design, and social media. Created in 2019, **the Downtown Business Academy offers local businesses an opportunity to network and find support, strengthening the greater commercial district, and foster local leadership.** To complement the Downtown Business Academy, the Chehalis Community Renaissance Team piloted its Boost Your Business Program in 2020 to provide one-on-one support and attention to local businesses. The Main Street organization provides four 90-minute sessions monthly where companies come and receive support and technical assistance from expert staff and volunteers representing the Main Street. From purchasing a domain name for a business website to creating social media content calendars, the Main Street provides direct guidance and assistance to help local businesses thrive.

Light at the End of the Tunnel Microloan Through Port Townsend Main Street

Originating in 2012 to mitigate adverse impacts of needed downtown infrastructure construction on local businesses, Port Townsend’s Light at the End of the Tunnel Microloan (known as the LENT Microloan) provides direct financial assistance to local businesses experiencing unexpected emergencies and hardships. The initial \$12,000 budget for the loan program has increased over the years to an \$18,000 fund. Businesses in the Port Townsend Main Street district can apply for funds between \$500 and \$4,000 to offset financial impacts on businesses during emergencies, such as significant equipment failures, natural disasters, and infrastructure failures. **The LENT Microloans provide support for businesses that would not otherwise qualify for conventional financing, providing a crucial lifeline to these local, and often small, businesses.** Businesses repay the loan directly to the Main Street organization, with no interest if paid with one year and incremental interest rates increasing to 5% for three-year payoffs. The repayment is directly put back into the loan fund, ensuring uninterrupted availability for businesses in Port Townsend.

Breakdown of Main Street Offered Technical Assistance, Grants, and Loans

Over two-thirds of Main Streets in Washington help attract customers to businesses through marketing assistance. Additionally, two-thirds of Main Street Communities connect businesses to grants, loans, and financial assistance through external resources.



Data based on 2019 Washington State Main Street Programs Impact Survey.

Building Preservation, Restoration, and Façade Improvement

Main Street Communities play a vital role in preserving, maintaining, and improving Washington's historic downtown districts' physical assets. In doing so, they help keep the beauty and character that make their communities unique and economically competitive.



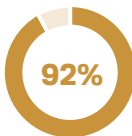
\$1.5 Million

Direct economic impact of Main Street Building Preservation, Restoration, and Façade Improvement Initiatives between 2011 and 2019.



\$8,185

Average Main Street budget allocation towards preservation, restoration, and façade improvement initiatives in 2019.



92% of Main Streets actively help property owners and businesses preserve and restore buildings and improve facades in their communities.

Why Building Preservation, Restoration, and Façade Improvement Matters. Preservation as an economic driver is a vital principle of the Main Street Approach™. As such, the majority of buildings located in Washington's designated Main Street Communities are over 50 years old. While these historic buildings and properties lead to charm and appeal, maintaining and preserving these structures requires strong leadership and dedication of resources.

“The quality and condition of the buildings in your downtown or neighborhood commercial district matter. The built environment not only visually communicates community character, vitality, and culture, but directly impacts the economic viability of your district. While architecture and design can seem like a realm best left to specialists, Main Street leaders have a crucial role to play in guiding decisions that impact the physical appearance of a district.”

- Main Street America, Design Resource Guide

Economic Impact. On average, Main Streets Communities dedicated over \$8,000 of their 2019 operating budget for preservation, restoration, and façade improvements in their commercial districts. Over the past ten years, assuming the allocation of these budgets was proportionate to the Main Street operating budgets, these efforts generated a direct economic impact of over \$1.5 million in downtown commercial districts.

Construction and maintenance of these buildings generate additional economic and fiscal impacts external of the direct effect of the operating budget allocation towards these initiatives, and the direct financial support contributed by Main Streets in Washington. Main Street Communities' efforts to preserve and maintain the aging facades and buildings extend beyond grants and loans, connecting building and business owners with resources and guidance to help initiate and complete preservation projects.

Community Impact. As articulated by many Main Street organizations, historic downtowns serve as the 'front door' to their communities. Main Streets' historic preservation and rehabilitation efforts create lasting impacts from the curbside appeal, enticing customers into local businesses, inviting people to stay, and ensuring that the allure of these places, and already built uses, will continue for the next generation.

Spotlight:

Local Design Expertise in Colville

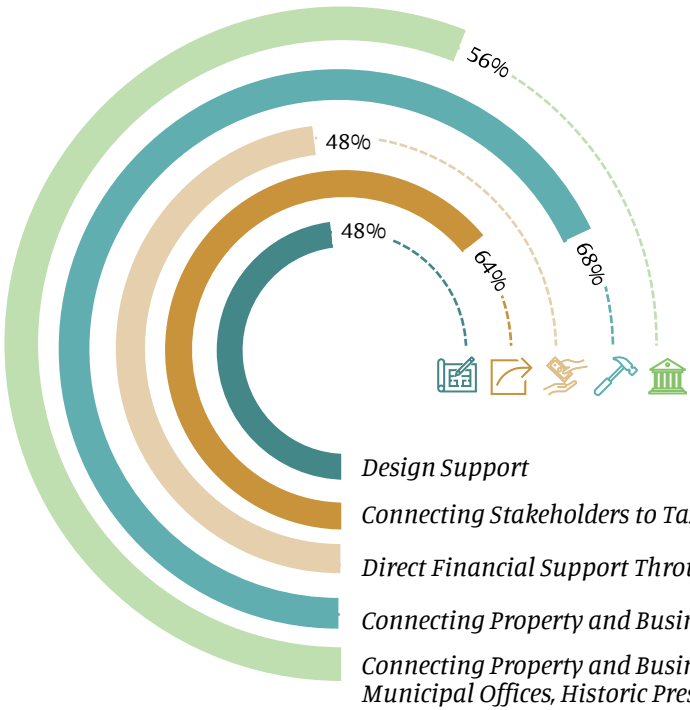
“We know how important it is to have visual appeal and a comfortable space for our customers and visitors to shop, visit, and spend money in our downtown. By making a visual impact, we can remind our community that downtown is an awesome place to go, spend money, and hang out.”

- Rosemary Shaw, Colville Together

Colville Together helps preserve Main Street facades, leveraging the Executive Director's architecture and design expertise to provide complimentary design services for local businesses. With more than 90% of the buildings in downtown Colville over five decades old, Colville Together helps beautify facades, storefronts, and signage, signaling investment in the community.

Façade Grants in Downtown Yakima

Downtown Yakima is transforming its commercial district with the Matching Façade Improvement Grant program, which focuses efforts on improving community businesses' facades. As the gateway to businesses, the Downtown Association of Yakima believes improving storefront facades will attract more shoppers and diners into stores and restaurants, strengthening the local economy and sparking catalytic impacts in the community. With the program's Matching Façade Improvement Grant, businesses and building owners can apply for up to \$10,000 of the 50/50 matching grant to renovate, restore, and improve building storefronts and facades. Since the initiative began in 2015, the Downtown Association of Yakima provided grants for eight buildings, helping cultivate a fresher, more enticing commercial district.



Breakdown of Main Street Building Preservation, Rehabilitation, and Façade Improvement Programming Initiatives

Washington's Main Street Communities provide direct financial support to property and business owners to maintain and preserve aging buildings. They also help connect stakeholders with municipal agencies, nonprofit, and private sector businesses to achieve well-preserved commercial districts collaboratively.

Streetscape and Public Realm Improvements

Main Streets work to build safe, beautiful environments that consistently attract residents and visitors. From adding greenery to improving crosswalks and enhancing public spaces, Main Streets help ensure that customers have quality experiences and keep coming back to eat, shop, work, and play.



\$5.1 Million

Direct Economic Impact of Visitor Spending at Main Street Streetscape and Public Realm Improvement Initiatives between 2011 and 2019.



\$24,750

Average Main Street budget allocation towards streetscape and public realm improvements in 2019.



All Main Street Communities include Streetscaping and Public Realm Improvement Initiatives within their programming.

Why Streetscape and Public Realm Improvements Matter. Washington Main Street Communities dedicate approximately 15% of their time to improving the public realm of their downtowns — from beautification efforts such as landscaping to creating inviting atmospheres for residents and visitors alike to comfortably enjoy downtown areas. Importantly, Main Streets' well-maintained and attractive public realms signify to current and prospective investors that downtown districts are quality places to invest. Main Street organizations' public realm improvement initiatives complement and enhance municipal services.

Economic Impact. On average, Main Streets Communities in Washington spent 11% of their operating budget, approximately \$24,750 in 2019, towards public realm improvements and streetscaping initiatives. This budget allocation equates to a direct economic impact of \$5.1 million between 2011 and 2019.

Community Impact. The improvements to the public realm that Main Streets facilitate, support, and contribute to enhance Washington's historic downtown communities' aesthetics and appeal. These improvements directly strengthen a sense of place and identity of the downtown. Importantly, the public realm improvements encourage downtown customers and visitors to lengthen their visit downtown, which correlates to increased spending at local businesses.

Breakdown of Streetscape and Public Realm Improvement Initiatives

The following diagrams illustrate the types of initiatives and programming Main Streets utilize to help improve appeal and aesthetics of the public spaces and sidewalk experience in their downtown.



78%

Landscaping

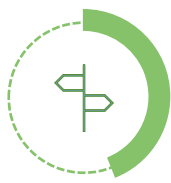
From flower baskets to planters through downtowns, Main Streets beautify downtowns with landscaping efforts.



56%

Street Furniture

Main Streets install and maintain sidewalk benches, trashcans, bike racks, and other street furniture.



44%

Wayfinding

Initiatives include directional signage along sidewalks, historic markers, and gateway signs for downtowns.



78%

Clean-Up

Initiatives range from hosting Community Clean-Up days to employing street ambassadors to maintain clean sidewalks.



33%

Storefront Signage

Signage efforts include storefront, façade signage, and A-frame sidewalk signs for businesses.



63%

Lighting

Between streetlights, helping business install exterior lighting and seasonal lighting displays, Main Streets help ensure downtowns are well lit.



52%

Street Banners

Street banners, often created and maintained by Main Streets, promote the area and strengthen the individual brands of downtowns.

Data based on 2019 Washington State Main Street Programs Impact Survey.

Spotlight:

Dayton's Community Park

In 2011, Dayton Main Street established a vision to transform a surface parking lot, adjacent to the town's renowned historic train depot, into a vibrant community park and town center. Through three phases over eight years, the Main Street program, the Dayton Development Task Force, worked to bring this vision to life. The Main Street organization funded the entire creation of the public space through fundraising with private donors and leveraging the B&O Tax Credit program. In addition, the organization facilitated a three-way memorandum between the Main Street, the City of Dayton and the Dayton Historic Depot to ensure the park is well-maintained into the future.

Caboose Park and Town Center celebrated its dedication in September 2019, providing Downtown Dayton with a quality public space. Flowering landscaping, well-used playground equipment, meandering walkways, and plenty of seating for gathering and socializing fill the half-acre park. **For the parents who bring their children to the park for playdates to tourists and teenagers hanging out with friends after school, the Caboose Park and Town Center now serves as a valued public space in Downtown Dayton.**

Images: Downtown Dayton Association



Main Street Partnership Building

Main Streets serve as the liaison between the business community and downtown public, private, and nonprofit stakeholders. By building and leverage these vital partnerships, Main Street Communities pool resources and achieve common interests unobtainable in isolation.



\$1.2 Million

Direct economic impact of Main Street Partnership Initiatives between 2011 and 2019.



All Main Street Communities actively work to build and foster partnerships with private, public, and nonprofit sectors.

Why Main Street Partnership Building Matters. Main Streets build partnerships and work together in their communities alongside other key stakeholders to ensure that collectively, downtown districts are thriving, healthy commercial areas filled with businesses and active with patrons and customers.

Economic Impact. The quantifiable direct economic impact of Main Street Communities partnership building efforts is based on the cumulative Main Street budget allocation towards these efforts and initiatives. This budget allocation resulted in a direct economic impact of approximately \$1.2 million between 2011 and 2019. Importantly, the true value of partnerships and advocacy initiatives is difficult to quantify. These impacts extend beyond the direct economic impacts as the benefits of these partnerships ripple throughout the community.

Community Impact. Leveraging collaborative partnerships with public, private, and nonprofit organizations allow Main Street organizations to bring together diverse stakeholders to address community needs and shared goals. Main Street Communities serve as coordinating partners to build consensus and create collective visions, a challenging task for a range of stakeholders. Community partnerships assist Main Streets by providing and identifying resources, strengthening community assets, serving an advisory role, opening doors to new community groups, and expanding the Main Street capacity to better serve the community. This expansion of reach and capabilities allows Main Street organizations to have a deeper and broader impact on their community.

“Our Main Street program connects people over shared love of our community and it's history through events, beautification, and a culture of supporting small businesses.”

- Molly Jones-Kershner, Ellensburg Downtown Association



Image: Ellensburg Downtown Association (Otto Gruele)

Breakdown of Main Street Partnerships

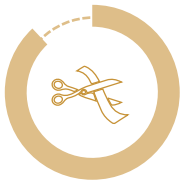
Washington Main Street Communities reported partnering with the following types of stakeholders in their communities.



100%
Local Businesses
A key constituency of Main Streets, partnering with local businesses builds trust and creates a stronger support network for businesses to thrive.



96%
Municipal Offices & Local Officials
Between supplementing city services to helping businesses navigate regulatory processes, Main Streets work collaboratively with their municipalities.



88%
Chamber of Commerce
With a similar goal of attracting and supporting local businesses, this partnership often deepens attraction and retention efforts.



72%
Main Street Residents
Main Streets work closely with nearby residents, who often serve as the primary customer base of downtown businesses.



76%
Municipality Residents
Residents located near Main Streets are a vital part of the Main Street customer base.



80%
Economic Development Organizations & Offices
As a vital part of the Four Point™ approach, partnering with local economic development organizations strengthen economies.



28%
CRAs, DDAs, & BIDs
Main Streets and Improvement Districts often have overlapping geographic boundaries and place management goals.



92%
Community & Civic Organizations
Between shared sponsorships of events, volunteer bases, and more, these partnerships are key to successful organizations.



64%
Local Institutions
From educational to religious, partnering with institutions helps connect Main Streets with community members and key resources.



60%
Tourism Bureau
Local, county, and regional Tourism bureaus, who are aligned with similar goals of attracting more visitors to the downtowns, and Main Streets work collaboratively.

Data based on 2019 Washington State Main Street Programs Impact Survey.

Spotlight: Building Partnerships for Gig Harbor's Waterfront Farmers Market

The Waterfront Farmers Market experience brings together a diverse array of community collaborators, including volunteer groups, vendors, local chefs, local musicians, nonprofit and religious organizations, the City of Gig Harbor and local leadership, health providers, and businesses.

At Gig Harbor's Waterfront Farmers Market, families grab a bite to eat from hot food vendors, friends meet to listen to local musicians, people watch cooking demonstrations by local chefs, and the downtown waterfront becomes a lively place for all to enjoy summertime. The Market is made possible through strong partnerships and support from within the Gig Harbor community. Together, these partners contribute their unique passions and talents to put on this popular community event. Many vendors have become proud participants in other annual Main Street events, creating additional partnerships between merchants and expanding their reach into the community. Continued partnerships will bring together more community members and stakeholders in the future, creating a growing network of Gig Harbor supporters to help the Main Street and its businesses grow and succeed.

Community Engagement

Volunteerism is the backbone of any successful Main Street organization, generating capacity for change despite limited resources. By bringing residents together to spark real, on-the-ground change, Main Streets help harness and cultivate the creativity, hard work, and healthy relationships within their communities.



290,461

Total Collective Main Street Community volunteer hours from 2011 to 2019.



2,575

Average total volunteer hours per Main Street Community in 2019.



\$8.7 Million

Total economic value of collective Main Street volunteer hours between 2011 and 2019.

Why Community Engagement Matters. Main Streets cultivate strong levels of volunteerism to achieve the many impacts of Main Streets and accomplish programmatic initiatives. This volunteer base is critical to generating the economic, fiscal, and community impacts discussed throughout this report.

“Main Street directors in particular serve an important role in cultivating, inspiring, and empowering people within their organization and extended volunteer base to see long-lasting results.”

- Main Street America

Community Impact. As part of the Reinvestment Statistic data collection process, Main Street Communities in Washington record and report all volunteer hours contributed to their programs. On average, each Main Street Community in Washington State organizes, supports, and generates over 1,000 volunteer hours annually per program resulting in a cumulative total of 290,461 volunteer hours between 2011 and 2019.

The benefits of volunteer engagement extend beyond the Main Street's programmatic goals to the lives of the volunteers themselves and community cohesion. Volunteerism creates robust connections to the downtowns, increases civic engagement and participation in democratic processes, and generates social capital that is crucial to residents' health and well-being.

Value of Main Street Volunteer Hours. Because these hours are volunteer-based and thus not financially compensated, volunteer hours do not translate into direct economic impacts nor quantifiable fiscal impacts. Assigning dollar figures to volunteer time is delicate and, in many ways, intangible. However, Independent Sector, a nationally leading nonprofit for charitable organizations, provides annual hourly rate values of volunteer time for states across the country. In Washington, the annual hourly rate value of volunteering ranged from approximately \$23 in 2011 up to \$32 in 2019. Based on these values, the cumulative volunteer hours between 2011 and 2019 can be quantified as an overall economic value of \$8.7 million for downtown districts.



More information about Independent Sector and its methodology for determining the State values of the average hourly rate of volunteer time can be found at: www.independentsector.org.

Spotlight:

Creating Strong Networks By Celebrating Volunteers

Ellensburg Downtown Association values its volunteers. Through Volunteer Open Houses and Volunteer Bash Socials, Ellensburg Downtown Association facilitates volunteer-focused events for community stakeholders to connect with the Main Street, strengthening the organization's volunteer base. Ellensburg's Volunteer Open Houses started within the Main Street's office to provide residents with more exposure to the organization's operations. Nowadays, local restaurants and coffee shops host these quarterly events for new and prospective volunteers, while the Main Street promotes volunteer opportunities and recruits new participants.

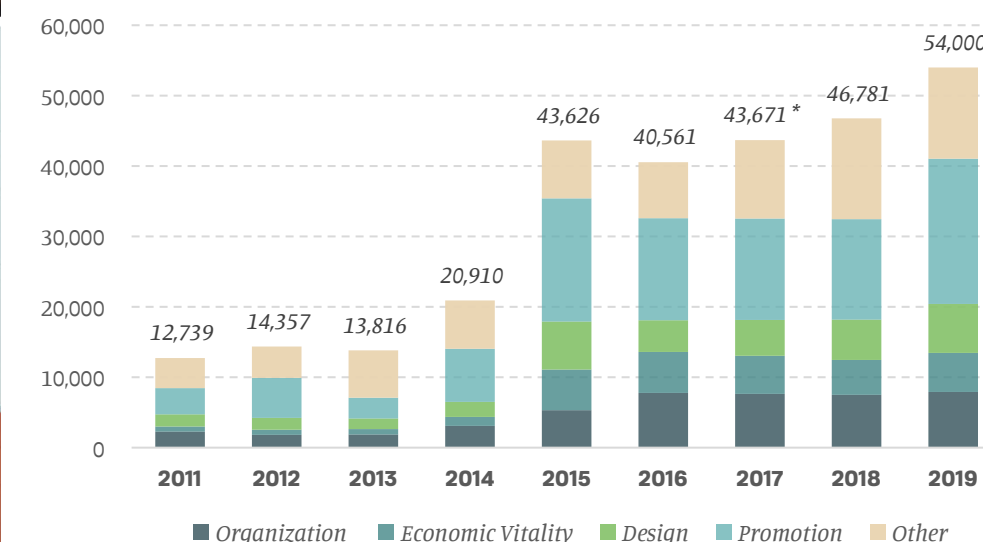
With a small staff, typical of many Main Street Communities, Ellensburg's volunteer events bring fresh ideas and increase capacity so that the Main Street can put on new events without ever needing to seek volunteers in a pinch.

The Main Street organization's Economic Vitality Committee used these recruiting methods to form an influential committee that includes business owners, property managers, and community investors. Together, these volunteers leveraged their shared and diverse community experiences to develop a strategy to activate vacant storefronts. Volunteers filled empty store windows on stubborn streets with displays from other community businesses, painted windows with seasonal displays, and advertised the spaces as available to rent. As of 2020, all targeted spaces have been leased — a testament to the direct economic impact of a committed volunteer base.



How Main Street Volunteers Spend Their Time

Volunteer hours are reported by the Main Street's committee structure, following Main Street America's Four-Point Approach™. As illustrated in the chart below, most volunteer hours are focused within the Promotions area of Main Streets — from helping organize events to attracting customers through marketing initiatives, these Main Street volunteer hours are key in helping create vibrant, active downtowns with strong local economies.



Source: Washington State Main Street Program Annual Reinvestment Statistics

* 2017 volunteer figures unavailable; estimates used in this report assume an average of 2016 and 2018 annual data.

Images: Downtown Pasco Development Authority

Social Capital

Main Streets foster interpersonal connections and social contact in their communities. This type of “social capital” generates stronger community ties, strengthens networks of connection, and creates lasting social infrastructure in commercial districts and downtowns across the State.

Main Street impacts are felt directly by individual community members and can be influential to entire organizations, the greater region, or the State as a whole. Main Street Communities' social effects are the result of intentional community engagement, programming, and partnerships. Effects are felt immediately and are part of long-lasting community development.

Washington Main Street Communities. . .



. . . Bring All People Together

Communities gather on Main Streets. Facilitating community activities connects residents and businesses. Main Streets bring people together in shops, at markets and festivals, public meetings, and through celebrations. These opportunities connect the local base of residents and businesses with each other, bringing the community together in new ways.



. . . Preserve History and Communities

Main Streets work to better the future of their communities while preserving their history and culture. These efforts exist not only through preservation efforts for the built environment but also by celebrating the stories of people – from residents to visitors to business owners – helping establish an avenue for new community stories to be created and shared into the future.



. . . Provide Effective Leadership

Main Streets develop local leaders by providing training and resources. Main Streets facilitate connections and relationships between local organizations, expand community networks, and advocate for equitable growth by assisting local businesses and organizations. In addition, Washington Main Street Communities provide meaningful community leadership through support to local businesses, facilitating loan programs, providing direct financial assistance to local businesses, hosting development tours to encourage business attraction, and connecting community leaders.



. . . Respond to Pressing Community Needs

Main Streets play a unique role as they have a direct line — and responsibility — to multiple distinct constituencies, including the business community, the residential community, and political leadership. By understanding the needs and concerns of these different stakeholders, a Main Street has its finger on the pulse. **Main Street Communities can respond nimbly to the emerging challenges its stakeholders face and help align resources and partnerships accordingly. This role is more critical than ever given current economic, environmental, and public health challenges.**

“We improve and celebrate the district as the heart of our community and create opportunities to connect and honor each other and the place where we live, work and play.”

- Ellen Gamson, Mount Vernon Downtown Association

Main Street Communities believe that on a scale from one to ten (with ten being the highest) ...

... to what extent do you feel your Main Street program plays a role in helping to create or foster spaces for people to gather or interact?

7.5

... to what extent do you feel your Main Street program plays a role in helping to create or foster a sense of community connection, identity, or pride?

7.7

...to what extent do you feel your Main Street program plays a role in helping to create or foster a safe, vibrant, inclusive, and attractive downtown?

8.1

Data based on 2019 Washington State Main Street Programs Impact Survey.

How Can Main Street Communities Increase Social Impacts?

Social impacts of Main Street Communities provide catalytic opportunities for increased social connections. As Main Street organizations continue to increase their capacity for additional activities, projects, programs, and partnerships, their social impacts will deepen and reach greater audiences.

*Images: Coupeville Historic Waterfront Association (Rick Lawler) (Top)
Centralia Downtown Association (PacNW Photography Jason Baker) (Bottom)*

YOU'RE INVITED

Main Street Week 2022

June 6-10

Join Washington Main Street for a celebration of the energy, ingenuity, and perseverance of local Main Street communities.

We'll be hosting small events in **Mount Vernon**, **Cle Elum**, **Moses Lake**, and **Walla Walla**.

Join us in one of these historic downtowns to learn more about what Main Street is all about, how it has served as a lifeline for small businesses, and where the movement is headed.

*We hope
to see you
there!*



2022 Vendor Application

Sunday, July 3rd from 6:00—10:00 PM College Place High School

(Note: space is limited, not all applications guaranteed)

PRINT OR TYPE CLEARLY— COMPLETE ALL SECTIONS

Name of Applicant / Primary Contact _____

Booth / Business Name _____

Address _____

Mailing Address (if different) _____

Phone # _____ Phone on Event Day _____

Email _____ Website _____

State of WA UBI# _____ You must have a UBI number in order to sell products at this event.

☐ Single Event Participant—\$20.00

☐ Farmers and Artisans Market *Membership* Vendor—\$10.00 (50% discount for members)

Type of Vendor Booth

☐ Food Truck* ☐ Food Booth* ☐ Produce ☐ Crafts ☐ Other _____

***Please include a copy of your Health Department Permit for this event.**

(Note: Electricity is not available at this venue.)

Provide a description of your booth and what you plan to sell/offer:

Deadline to apply is Wednesday, June 29, 2022

Please complete both pages of this form and submit via email to ssclair@cpwa.us or
mail to: City of College Place, 625 S. College Ave, College Place, WA. 99324



FESTIVAL RULES AND REGULATIONS

- Once your application is approved, a copy will be returned to you and payment will be due.
- Booth assignments will be made based upon the needs of the event.
- Returning vendors and CPFM Membership Vendors will receive first priority in considering space availability.
- Set up can begin as early as 3:00 PM and MUST be complete no later than 5:45 PM.
All vendor vehicles must be out of the event area no later than 5:30 PM.
- Vendors must remain open for business during the entire 6:00 to 10:00 event time. No early breakdowns.
- Vendors are required to maintain their individual selling space in a clean, safe, and sanitary manner. Each vendor is responsible for keeping his/her booth space and display fixtures clean during the Event and for complete clean-up of their space at the close of the Event. This includes hauling away any trash that is generated in or around the booth and cleaning up any product debris left on the ground.
- All vendors who wish to erect canopies (including umbrellas) at the Event are required to have their canopies sufficiently and safely anchored to the ground with **a minimum of 25 lbs PER LEG**, from the time the canopy is put up to the time it is taken down. Vendors must supply their own weights. Any vendor who fails to properly anchor his or her canopy will not be allowed to sell at the event, unless that vendor chooses to take down and stow their canopy and sell without it.
- Track restrooms will be open, and an additional sink units will be located in the vendor area. Detailed set up instructions will be provided the Wednesday before the event.

I hereby release and forever discharge the City of College Place, Washington, College Place School District, and all volunteers from any responsibility, personal liability, claims, loss or damage arising out of, or in conjunction with my participation in the College Place Freedom Festival. All of the aforementioned entities shall be held harmless from and against any and all liabilities, suits, claims, damages, injuries and actions, theft, costs and expenses of any kind or nature of anyone whatsoever relating to premises due to or arising out of any act, negligence, or neglect of the vendor, or any of their guests. Vendors assume all liability for stand and products sold. By signing this application form applicant agrees to abide by all policies and rules, and all amended policies and rules for individual events, set forth in this application. Payment to vend at Freedom Festival is final. No refunds. Please check with the Walla Walla County Department of Health pertaining to prepared food regulations.

Signature _____ Date _____

OFFICE STAFF ONLY

Approved by Event Coordinator Y or N _____ Authorized Signature _____

Pay vendor fee to City of College Place, 625 S College Ave, College Place WA 99324.

Website: www.cpwa.us

For information please email: clerk@cpwa.us

College Place **FREEDOM** Festival

Free Admission!

Sunday July 3, 2022

6PM-10PM

**Live Music
7PM - 10 PM**

SHANKS PONY



***Vendors *Food Trucks
*CPHS Cheer Kid Zone!**

**Columbia REA
Fireworks Show!**



College Place High School Campus

1755 S. College Ave, College Place, WA. 99324

For More Information: cpwa.us or call (509) 529-1200

FREE OUTDOOR FAMILY MOVIE NIGHTS!



**Join us for free outdoor family movies
hosted by City of College Place and
Blue Zones Project Walla Walla Valley!**



**Inside the
Outgoing**

July 8



**King of the
Hill**

July 15



**Space Jam:
A New Legacy**

August 1



**Raya and the
Last Dragon**

August 15

Events described here are made possible thanks to the
kindness and generosity of our community members
who have donated their time and talent to make these events possible. We
appreciate you! For more information, please contact
us at info@bluezonesproject.org.

SPONSORED BY WALLA WALLA UNIVERSITY WITH
SUPPORT FROM BLUE ZONES PROJECT



BLUE ZONES PROJECT



College Place Farmers & Artisan Market

Every Thursday

May 26, 2022

to

September 29, 2022

Lions Park

801 SE Larch Ave, College Place, WA. 99324

Market Schedule June 2022

June 2nd

Market Open: 4 - 7 PM

-Sager Middle School PTA

Spring Carnival

-Entertainment:

Makaylee Smith & Wolfe Creek Band

June 9th

Market Open: 4 - 7 PM

-Entertainment:

Alexandra Christ & Makaylee Smith

June 16th

Market Open: 4 - 7 PM

-Blue Zones Project Cooking Demo

-Entertainment:

Makaylee Smith & Wolfe Creek Band

June 23rd

Market Open: 4 - 7 PM

-Entertainment:

Alexandra Christ & Makaylee Smith

June 30th

Market Open: 4 - 7 PM

-Blue Zones Project Cooking Demo

-Entertainment:

Alexandra Christ & Makaylee Smith



Cook delicious healthy food with us!

Blue Zones Project Walla Walla Valley College Place Farmers Market

June 16: Homemade Fruit
Popsicles *with BZP staff*

June 30: Grilled Summer Meal
with Chef Grey Asmus

July 14: 3 Summer Soups
with chef Heidi McFarley

July 28: Kale Salad and Bean
Soup *with Wholistic Nutrition
Practitioner, Bert Day*

August 25: Carrot Top Pesto,
Beet Salad and Gluten-Free
Crackers *with Wholistic Nutrition
Practitioner, Bert Day*



SCAN THE QR CODE & VISIT OUR EVENTS PAGE TO REGISTER.
GET A FREE GIFT AT THE EVENT IF YOU PRE-REGISTER!



City of College Place: Development Activity - June 2022

Project Name	Use	Location	Status	Lead Generated
Commercial/Industrial				
Project Quickie Mart	Gas Station/Corner Shopping Mart	Meadowbrook Area/Former Chase Bank Building	- April 2022 Inquiry from national gas station/merchant to remodel Former Chase Bank building. - June 2022 Looking instead at other sites on Myra or Meadowbrook.	Cold Call
Chipotle	National Mexican Fast Food Restaurant	Meadowbrook	- April 2022 Having plan meeting with establishment this week. - May 2022 National Mexican Fast Casual Restaurant Going into Former Chase Bank Building. - June 2022 Chipotle has closed on Chase Bank building. Will turn in site plans. Confirmed at ICSC.	Email
Burger King	Fast Food restaurant	Tamaurson	- May 2022 Yakima area franchisee is looking at rescuing plans and continuing project. - June 2022 This development is back. Will likely break ground at beginning of next year per meeting at ICSC.	Cold Call

Project Bed	Hotel	College Avenue or Meadowbrook Area	- April 2022 Local interest interested in investing in/partnering on a branded hotel and beginning due diligence on such a deal. - June 2022 Met with hotel brand exec at ICSC. Planning to meet with investors and see what can be done to move forward.	Cold Call
Project Coat	Big Box Coat Retailer	Meadowbrook or Myra Area	- February 2022 Begin dialogue with big box that wants to locate in the Walla Walla Valley. - April 2022 Still conducting due diligence. - May 2022 Looking at Meadowbrook or Myra Rd Whitman Site. - June 2022 This is likely going to WW.	ICSC Las Vegas
Project Red	Big Box Power Center Developer	Stone Creek & Myra Rd Areas	- April 2022 Meeting at ICSC. Interested in doing joint development deal with Hemmingson on Stone Creek and sole deal on Price site. - June 2022 Met with them at ICSC. Continue to evaluate sites.	ICSC Las Vegas
Project T	Big Box Retailer	Stone Creek & Myra Rd Areas	- May 2022 Meeting after ICSC to go over site alternatives. Planning to enter market in next couple years. - June 2022 Our market is a more long term strategy.	ICSC Las Vegas

Hot Momma's	Coffee	College Avenue Corridor	- April 2020 Coffee shop located on west side of Walla Walla is potentially interested in opening a second location as primarily a drive through with large outdoor patio seating at southwest corner of 9th and College Avenues. Preliminary engineering meeting scheduled. needed edits to plans. - February 2022 Project now permitted. - June 2022 Construction underway.	Local Business.
Project FM	Medium sized grocery and general merchandise store.	College Avenue, across from College Place High School.	- Jan 2019 This site is shortlisted with another site at end of Myra Rd in Walla Walla. User would like to open up by 2021/2022. - February 2020 No change. - April 2020 Wastewater engineering plans will be done by June then to construction of sewer. This project is contingent on City getting sewer constructed. - April 2021 Company still interested. Waiting on SW Sewer to be completed. - June 2022 Still in discussion.	Discussion with potential client.

Project W	Fast Food restaurant	Meadowbrook Area	- October 2019 Sites narrowed to Commercial Drive and Tamaurson - November 2019 Narrowed to Commercial Dr site. - April 2020 Site negotiations ongoing for Commercial Drive. - April 2022 Project on hold. - June 2022 Met with at ICSC. Area being evaluated.	ICSC Las Vegas
Project D	Sit Down restaurant	Sites are either SR 125/Commercial Drive or SR 125/Tamaurson.	- June 2019 Waiting for the Myra and SR 125 intersection to be improved for site to be acquired. - August 2019 Awaiting permanent Myra/SR 125/Commercial Dr plans. - April 2020 No Change - April 2021 Project on hold. Waiting for left turn lane from North Myra onto Commercial. - June 2022 No change.	ICSC Las Vegas

Project Flight	Aerospace Manufacturing	Martin Airfield	- September 2019 Interest by incoming owner of Airfield about potential siting of facility on west side of property. Improve airport. Likely this project will start between four and five years. - April 2021 Tarragon is working on a Light Industrial Airport Zoning Overlay proposal to County and City. - October 2021 Zoning overlay before County Commissioners. - February 2022 Working to schedule meeting with Corliss to understand future of property. - June 2022 Still master planning development.	Property owner.
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Project GW/Goodwill	Second hand store	C Street across from Home Depot	- September 2019 Board of company getting ready to approve purchase of 1.94 acre John Stejer site behind Banner Bank. - December 2019 Goodwill is working on site plans. They control site. - February 2020 Plans are in development. - April 2020 Developing preliminary site plans. - April 2021 Working through final engineering plans. Plan for Spring ground breaking. - November 2021 Foundation being poured. - May 2022 Construction ongoing. - June 2022 Planning for August 17th ribbon cutting.	Board member of Company
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Project Medical	Urgent Care Facility	Commercial Drive	Urgent care facility is interested in locating on Commercial Drive. - August 2021 Working on site plans. - October 2021 Early site plans submitted. - November 2021 Finishing first review on site plans. - December 2021 Got comments back to developer. - June 2022 Building underway.	Random email.
Project Equipment	Equipment Rental	Commercial Drive	- February 2022 Equipment rental company looking to relocate to Commercial Drive. - April 2022 Working with end user on permitting issues. - June 2022 Getting ready to close on site.	Random email.
Residential				
Homestead Subdivision Phase 3C, 3D, and 3E.	Residential subdivision constructed by Hayden Homes.	Homestead and Doans Street south of Fourth Street.	- April 2021 Water connections installed for Phase 3E. Homes under construction. - August 2021 Plans submitted for right size homes off of Doans. - December 2021 Reviewing plans for wise size. - April 2022 No change.	Hayden Homes has owned property for the last decade.

Villages at Fort Walla Walla	180 multi-family apartment units.	South side of Whitman Drive/Deccion intersection.	- Jan 2019 Plan submittal is being reviewed by development staff. Spring 2019 construction. - April 2021 Invoiced developer. They have not communicated future plans after several follow up emails. - November 2021 Developer and original land owner in mediation. - December 2021 Received correspondence this will be a 2022 development. - June 2022 Refreshing market study. Saying will be under construction in Q3 or Q4 2022.	Port of Walla Walla was approached by Farran Group about property and was directed to Bob Price and the City.
Country Estates	Additional manufactured units on former Poor Form House property.	924 SE Scenic View Dr	- Jan 2019 Poor Farm House is demolished. Site ready for manufactured unit construction. - Feb 2019 Development plans for additional units turned into the Community Development Department. - April 2019 Waiting for additional information from Country Estates. - April 2019 Met with property owner to discuss plans and what was needed to move development along. - June 2022 Continue to work with owner on plans.	Property owner.

Sirmon Development	Multi-family apartments.	942 NE Spitzenburg St	- Jan 2019 Plan submittal is being reviewed by development staff. - November 2019 Planning to develop next Summer. - April 2021 Still planning on doing this development this year. - April 2021 Awaiting final engineering drawings. - August 2021 Final edits to drawings underway. - October 2021 One plat developed. Getting ready for development. - December 2021 Awaiting start from developer. One apartment complex fully permitted. Waiting for response on comments for other complex. - April 2022 Project is permitted.	Property owner.
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Stone Creek Development.	Single & Multi-Family	197 Mojonnier Rd	- Feb 2019 SW Trunk Line MOU contents agreed upon with property owners. MOU needed to make this property and others developable. - Jan 2020 Working on easements right-of-way for wastewater trunk line. - April 2020 Property owner short platting development to permit more developable tracts. - April 2021 Boundary line adjustments approved. Processing short plat for Christianson part of property. - December 2021 Promoting site to development community. - April 2022 Easement secured. - May 2022 Lakeside is closing on Christianson parcel. - June 2022 Lakeside closed on Christianson parcel.	Property owner.
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Villages at Garrison Creek Phase 11 and 13	Single Family	Villages at Garrison Creek development.	- December 2021 Received submittal for 72 lot single family in vacant middle donut hole to finish up development. - February 2022 Did public notice. Lots of comments. Developer has to answer comments. - April 2022 City issued letter to developer detailing conditions they need to meet based on comments. - June 2022 Hearing examiner hearing forthcoming.	Property developer.
Project Bell	Mixed-Use	8th & College	- February 2022 Still in due diligence. - April 2022 Developer out of Prosser closed on property. Plans to construct mixed-use building. - June 2022 Preliminary plans being worked on.	Property owner.
Project Kelly	Townhome	SW 12th	- December 2021 Developer Jeff Kelly out of Tri Cities is planning townhomes for site purchased from Marc Maiuri - February 2022 Developer is working on submitting plans. - June 2022 Site plans ongoing.	Developer

Whispering Creek Subdivision	Single Family	620 SE 8th Street	- Feb 2019 Annexation hearing set for the property. - Mar 2019 Property annexed at February 26th, 2019 Council meeting. Awaiting plans. - Sept 2019 Awaiting revisions from developers engineer. - Dec 2019 Scheduled public hearing with Hearing Examiner. - Feb 2020 Hearing examiner issuing conditions for development. - April 2020 Working with developer and engineer on final review. - July 2020 Utilities installed. Roadway is being constructed. Housing construction has started. - April 2021 Continue constructing homes. - June 2022 Homes under construction.	Property owner.
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