Update

Tuesday, August 9, 2022, City Council voted to pass Ordinance 2022-21 which implemented critical improvements to the Housing Design Demonstration Projects (HDDP).

Background

HDDP is intended to increase the supply and choice of housing and to create housing that serves low-income households and uses innovative green building practices. Qualifying projects are granted incentives, such as density bonuses and reduced parking and setback requirements, in exchange for building affordably and sustainably.

HDDP has been very successful in achieving its sustainability objective, leading to the creation of 431 green-built homes. It has not had comparable success with creating affordable housing. Only 47 units of affordable housing have been built under this program, forty of which were developed by HRB at Ferncliff Village.

Since spring 2022, HRB has been working with Planning Commission and City Council on improvements to the program. We made several recommendations reflected in the ordinance and informed by the realities of building affordable housing on Bainbridge Island, namely high land and construction costs coupled with small nonprofit budgets and the limited income generated by affordable housing.

Our work with City Council and Planning Commission on HDDP took shape as a quiet, months-long educational effort. Council and Commission members wanted to create a program that would facilitate affordable housing and were receptive to our expertise. This process was very different from our advocacy for the housing project proposed by Bethany Lutheran Church, which requires a sustained, full-force email campaign by residents to let the city know that the community wants and needs more affordable housing.

Why this matters to HRB

HRB used this program at Ferncliff Village, and we will likely use it again at the Ericksen Community, an 18-20-unit multifamily planned for a lot we own on Ericksen Avenue.

Key Points

The three program improvements most relevant to HRB in the context of the Ericksen Community are explained below:

1) Reduce the number of Innovative Site Methods required for HDDP projects from 7 to 2 and make these requirements optional for projects with at least 75% affordable housing units.

- The original HDDP innovative site development requirements, such as greywater use or vegetative roofs, were overly burdensome for projects that are largely affordable—these projects will never generate the revenue needed to cover the cost of these investments. They are also impractical for small projects, such as the 0.66-acre
Ericksen Community, where there is no land to spare for measures such as extra open space.

- However, even without the site development innovations, the Ericksen Community will be a green building. It will comply with the Evergreen Sustainable Development Standard and the Washington State Energy Code.

2) Reduce parking requirement from 1 space per unit to 0.5 space per unit for units less than 900 square feet within 100% affordable projects that are within one mile of the Ferry Terminal.

- Again, the small footprint and the 100% affordability of the Ericksen Community make requiring one parking stall per unit impractical. Fulfilling this parking requirement would have meant either a loss of affordable units or the untenable expense of underground parking.

- However, HRB will develop a parking plan that meets the needs of our residents that is resourceful, economical, and sustainable. We are in conversation with our partners to arrange for off-site parking on underused parking lots in the area.

3) Remove December 31, 2022, sunset and extend until such time when an updated affordable housing program is adopted.

- HRB no longer has to worry about the program sunsetting annually and working with the city to extend it. HDDP will be available to HRB when we need it.

Action

Rejoice! And send City Council an email to thank them for their work in creating an effective program that will serve the affordable housing needs of Bainbridge Island.