

2024 Comprehensive Plan Periodic Review:

Scope and Status Update
Annual Housing Report

March 11, 2024 City Council Study Session
Tiffany Speir, Long Range & Strategic Planning Manager



Lakewood
2024 Periodic Review

24CPPR Scope



What?

Review of required Comprehensive Plan Elements and Development Regulations per:

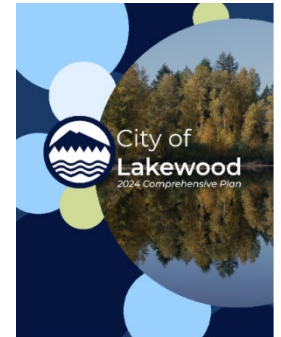
- GMA and WACs
- PSRC Multicounty Planning Policies (MPPS in VISION 2050) and Regional Growth Strategy
- Countywide Planning Policies (CPPs)

24CPPR Scope

What?

Review of optional Comprehensive Plan Elements and Development Regulations, including:

- Energy & Climate Change Element;
- Downtown Subarea Plan;
- Station District Subarea Plan ; and
- Tillicum Neighborhood Plan



24CPPR Scope



What?

Review of additional Lakewood-specific issues, including:

- Short-Term Rental Regulations;
- Parking Policies and Regulations in light of new housing density rules;
- Downtown Subarea Transportation Mitigation Fee (TMF)

24CPPR Scope: Housing

What?

Update to City Land Use and Housing Zones and Regulations per 2021-2024 State Legislative Actions, including:

- “HB 1220” - local governments must “plan for and accommodate” **housing affordable to all income levels**;
- “HB 1110” – “**Middle Housing**” (“buildings that contain two or more attached, stacked, or clustered homes including duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, stacked flats, courtyard apartments, and cottage housing”) in single family areas; and
- “HB 1337” – **Accessory Dwelling Units** (ADUs) in single family areas.

24CPR Scope: Housing

HB 1220: What?

- Planning for sufficient housing land capacity for all economic segments of the population (moderate, low, very low and extremely low income, as well as emergency housing and permanent supportive housing).
- Making adequate provisions for housing for existing and projected needs for all economic segments of the community, including documenting programs and actions needed to achieve housing availability.
- Providing for moderate density housing options, including but not limited to duplexes, triplexes and townhomes.
- Identifying racially disparate impacts, displacement and exclusion in housing policies and regulations, and beginning to undo those impacts; and
- Identifying areas at higher risk of displacement and establishing anti-displacement policies.

24CPPR Scope: Housing

HB 1110 and HB 1337: What?

- **Middle Housing and ADUs in single family areas: Density per lot versus per acre.**

Housing Unit Types	Variations of Unit Types	Minimum units per lot?
Middle Housing “Buildings that contain two or more attached, stacked, or clustered homes including duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, stacked flats, courtyard apartments, and cottage housing” in single family areas.	Middle Housing Basic Rule	2 units/lot in <u>SF areas</u> (R1-R4 zones unless density already higher than 2 units per lot.)
	Middle Housing $\frac{1}{4}$ Mile from Major Transit Stop	4 units/lot in <u>SF areas</u>
	Middle Housing if 1+ unit affordable	4 units/lot wherever base rule applies in <u>SF areas</u>
	Middle Housing in non-sewered areas	2 units/lot in <u>SF areas</u> until either the landowner or local government provides sewer service or demonstrates a sewer system will serve the development at the time of construction.
Accessory Dwelling Units (ADUs) a. 2 attached accessory dwelling units (ADUs) such as unit in a basement, attic, or garage. b. 1 attached ADU and 1 detached ADU, <u>or</u> 2 detached ADUs that may be comprised of either 1 or 2 detached structures. c. A conversion of an existing structure, such as a detached garage.	At least 2 ADUs on all lots that meet the minimum lot size in <u>each zone that allows for single-family homes.</u> (R1-R4, MR1, MR2, and ARC zones)	
	City may limit to 2 ADUs, <u>in addition to</u> the principal unit, on a residential lot of 2,000 square feet or less.	
	ADUs located in non-sewered areas, not connected to public sewer, or in areas of 1 dua or less that are wetlands, fish and wildlife habitats, flood plains, or geologically hazardous areas may be prohibited	

24CPPR Scope: Housing

What?

Potential updates to City Land Use and Housing Zones and Regulations per 2021-2024 State Legislative Actions, including:

- City also tracking whether housing bills:
 - ESHB 1998 (allow **co-living housing** anywhere a lot is allowed to have 6+, subject to certain conditions),
 - E2SHB 2160 (allow a specific level of **Floor Area Ratio** on lots that are within a 1/4 mile of frequent transit), and/or
 - ESHB 2321 (**adjusting standards added by HB 1110**), all under review in 2024 legislative session, will need to be incorporated into 24CPPR

24CPPR Scope: Plan Elements

Reorganized and Updated Comprehensive Plan Element Content:

- PENDING 1 Introduction
- PENDING 2 Land Use and Maps
- PENDING 3 Capital Facilities & Essential Public Facilities
- ✓ 4 Economic Development
- ✓ 5 Climate Change
- ✓ 6 Housing
- ✓ 7 Military Compatibility
- ✓ 8 Natural Environment
- ✓ 9 Parks, Recreation, and Open Space
- PENDING 10 Public Services
- ✓ 11 Subarea Plans (Downtown, Station District, Tillicum-Woodbrook)
- ✓ 12 Transportation
- ✓ 13 Urban Design and Community Character
- PENDING 14 Utilities
- PENDING 15 Implementation
- PENDING 16 Acronyms and References
- PENDING 17 Appendices

All pending content will be complete by April 30, 2024 to be presented to the Planning Commission on May 1, 2024.

24CPPR Scope: Regulations and Other Documents

Land Use and Housing Capacity Analysis	Climate Change Implementation Plan Guide
Housing Needs Assessment & Equity Review	Critical Areas Ordinance Review & Updates
Housing Regulations	Natural Environment Element Audit & Regulations
Transportation Element Audit & Regulations	Updated Comprehensive Plan Maps & Graphics
Downtown Subarea Biennial Review	
Station District Biennial Review	
Downtown Transportation Mitigation Fee Review	

*Supplemental Environmental Impact Statement (SEIS) for 2024 Comprehensive Plan also being prepared for public review per SEPA

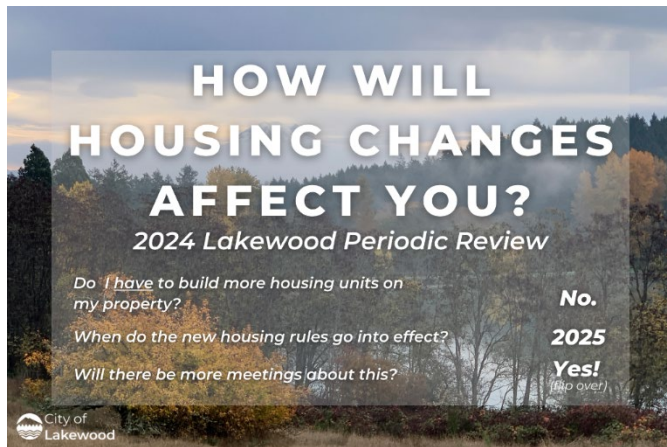
24CPPR Public Engagement

- 5/21/23 Mayor's Coffeehouse
- 3+ Citywide Open Houses
 - 11/15/23 City Hall / ZOOM (~100 attendees)
 - 1/23/24 Ft Steilacoom Pavilion / ZOOM (~50 attendees)
 - 2/28/24 CPTC Rotunda / ZOOM (~35 attendees)
 - April, 2024 KWA Headquarters (*tentative*)



24CPPR Public Engagement

- 2 websites with ability to collect public comment:
 - (<https://cityoflakewood.us/24periodicreview/>); and
 - <https://lakewoodwaspeaks.org/>)
- 2 Citywide mailers
- Lakewood 24CPPR Subscriber Newsletter (~135 subscribers)



24CPPR Public Engagement

- 20+ Planning Commission and 10+ City Council study sessions since September 2022 (All meeting recordings and materials are available at <https://cityoflakewood.us/24periodicreview/>)
- 2023 Energy & Climate Change and Housing Steering Committee
- 2023-2024 24CPPR Steering Committee
- 2023-2024 Tillicum-Woodbrook Subarea Plan Committee
- 4 Focus Groups
 - Springbrook Connections
 - Tacoma-Pierce County Affordable Housing Consortium (2x)
 - Lakewood Lions Club
 - Lakewood Community Collaboration
- Partner Meetings (fall 2022, April 2024)
 - Utilities
 - Education
 - Adjacent cities and Pierce County
- 4 Pop Up Events
 - Clover Park Technical College
 - 3/10/23 Lakewood Youth Summit
 - 10/16/23 MBA of Pierce County Housing Summit
 - 2/28/24 Open House

24CPPR Scope

What?

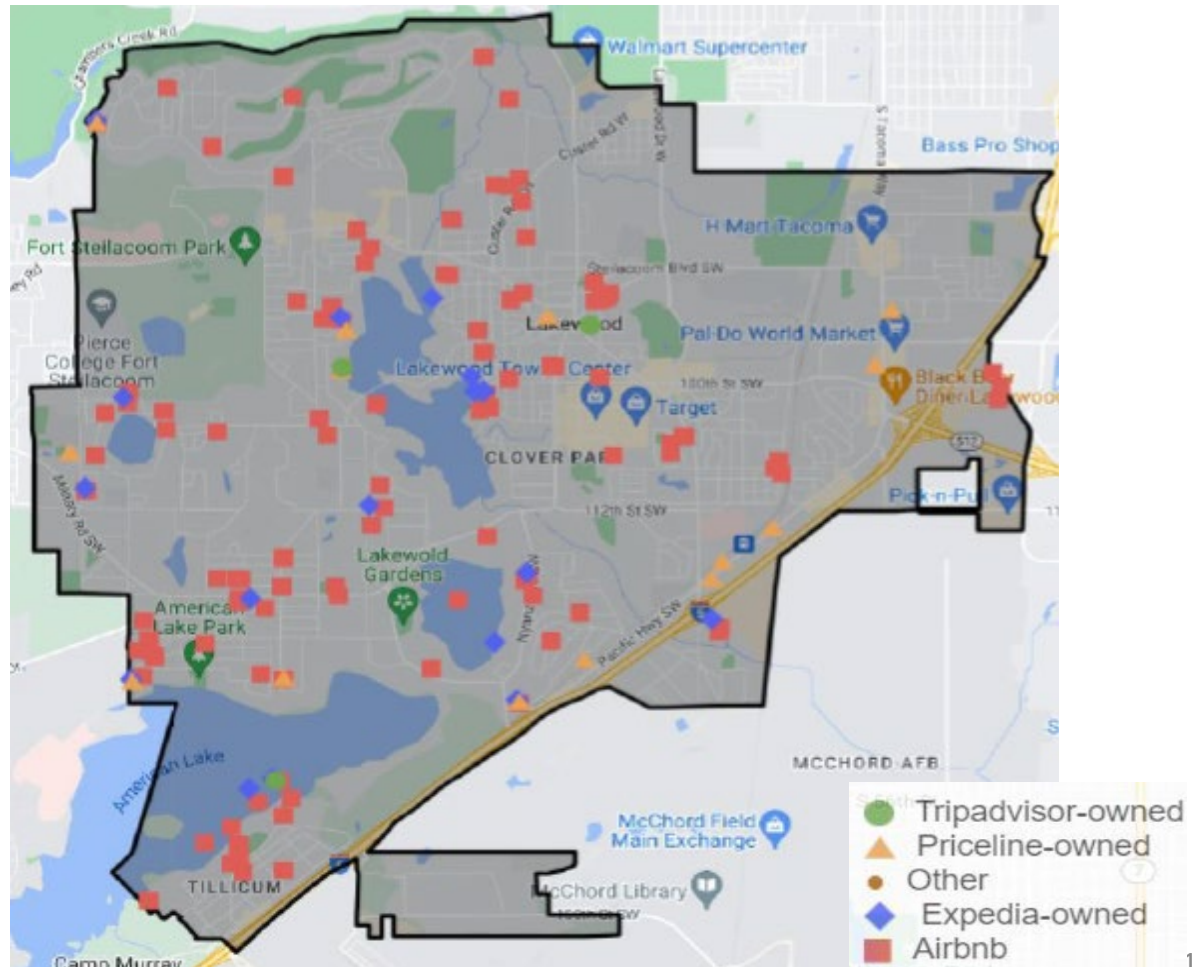
Review of additional Lakewood-specific issues, including:

- Short-Term Rental Regulations;
- Parking Policies and Regulations in light of new housing density rules;
- Downtown Subarea Transportation Mitigation Fee (TMF)

Should Lakewood allow STRs in ADUs?

LAKEWOOD SHORT TERM RENTAL (STR) LOCATIONS: NOVEMBER, 2023

- **79 STR UNITS IN APRIL 2021**
- **136 STR UNITS IN NOVEMBER 2023** (42% increase in 30 months)
- **MEDIAN NIGHTLY RATE IN NOVEMBER 2023: \$96**



Should Lakewood allow on-street parking in Residential Areas?

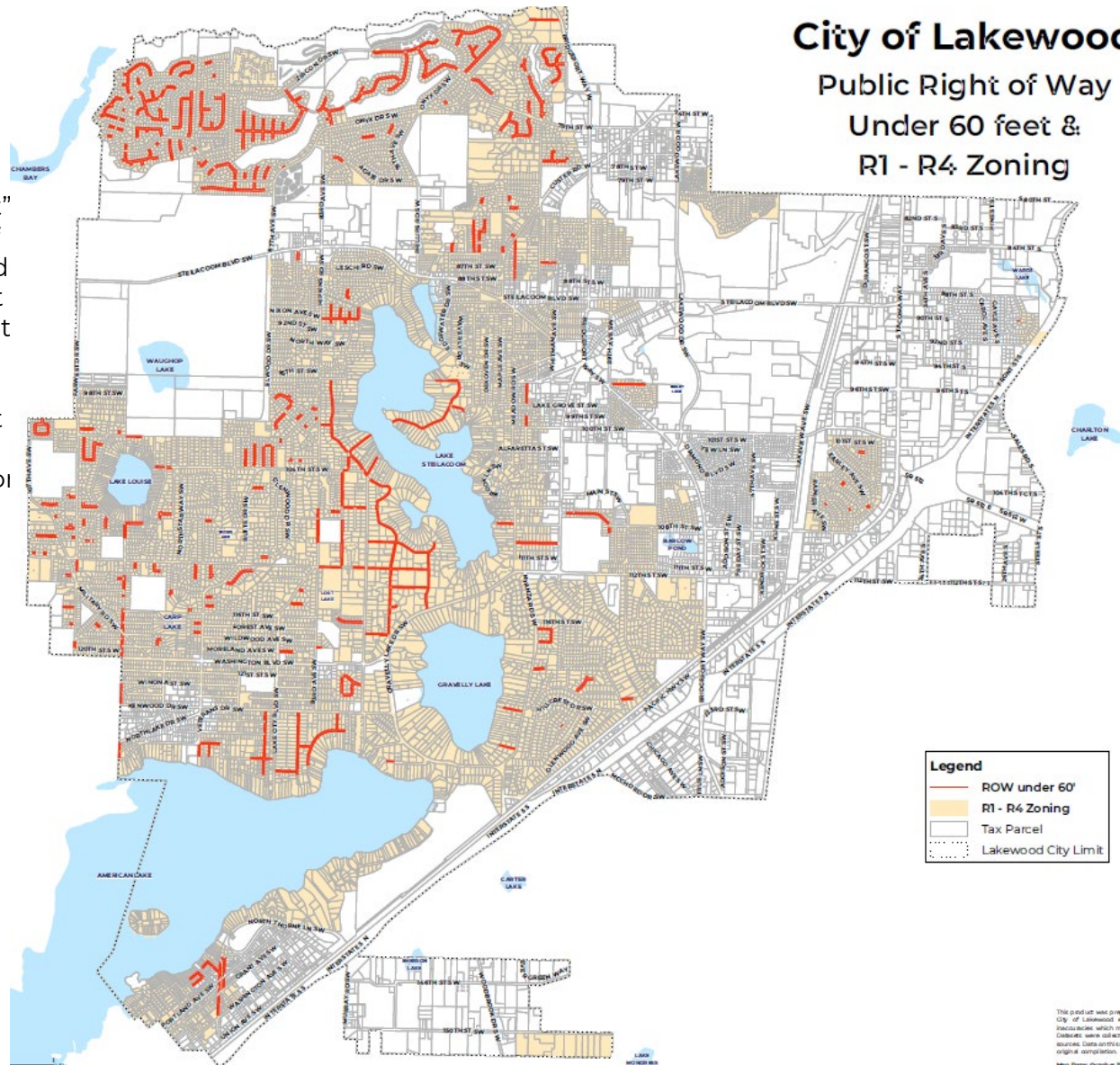
Because Lakewood was mostly “built out” pre-incorporation and pre-GMA, many of its residential streets are less than 60’ wide which is the narrowest street design that the City currently has and which does not allow for on-street parking.

In addition, Lakewood currently does not actively seek transportation funding nor design transportation projects to allow for residential on-street parking.

Lakewood Vehicles per Housing Unit Data: 2022

- 39.9%: 1 vehicle
- 32.9%: 2 vehicles
- 19.6%: 3+ vehicles
- 7.6%: 0 vehicles

City of Lakewood Public Right of Way Under 60 feet & R1 - R4 Zoning



Downtown Subarea Transportation Project List: 2018

2018-2023 Six-Year TIP	Downtown Subarea Plan – Additions
<p>Per current plan. The City’s 6-year TIP (2018-2023) includes the following relevant improvement projects:</p> <ul style="list-style-type: none"> ▪ Gravelly Lake Drive Road Diet b/w Bridgeport and Steilacoom (4 lanes to 3 lanes with bicycle lanes) ▪ 100th St & Lakewood Dr. curb, gutter, sidewalks, new signal ▪ New sidewalk east side of 59th Ave from 100th St to Bridgeport Way ▪ Install a traffic signal at Gravelly Lake Drive / Avondale Road ▪ Improve non-motorized connections on Motor Ave b/w Whitman and Gravelly Lake Dr. ▪ 59th Ave pavement restoration from Main St to 100th St ▪ 100th St pavement restoration from 59th Ave to Lakeview Ave 	<p>In addition to the 2018-2023 six-year TIP projects:</p> <ul style="list-style-type: none"> ▪ Retain Bridgeport Way SW as primary vehicle entrance-strengthen gateway ▪ Retain 100th Street SW as a primary east-west vehicle connection between I-5 and subarea ▪ Modify cross section of Gravelly Lake Blvd. Study, 4, -lane cross sections with left turn pockets between Bridgeport and Nyanza Road SW to allow for improved bicycle and pedestrian facilities ▪ Conversion of Lakewood Towne Center Blvd as A public street ▪ Lakewood Towne Center Blvd at 59th Ave SW, consider roundabout ▪ Reduce 59th Avenue SW to two lanes, allowing for bicycle facilities ▪ Addition of new street connections to support walkability. Alternative 1 assumes fewer connections based on phasing or property owner preferences, compared with Alternative 2. Consider 400 feet as the desired maximum block lengths throughout Subarea.

Downtown Subarea Transportation Mitigation Fee (TMF)

Total 2018 Costs of Downtown Subarea Transportation Improvements	~\$29,000,000
Private/Public Share of ID'd Downtown Transportation Improvement Costs	50%/50%
50% Share of Transportation Costs	~\$14,500,000
TMF per Trip based on planned projects and planned growth resulting in 6,658 new daily traffic trips subarea-wide	\$2,173.70
<i>Administrative Policy adopted after DSAP: Only assess TMF for a net increase in trips compared to the most recent past use of space (no time cut-off for last use)</i>	
Public Funds ID'd and/or set aside for Downtown TMF 50% Share 2018-2023	\$0
Proposed Private TMF total 2018 – 2023 per ITE Manual	\$1,062,638.00
Collected Private TMF total 2018-2023 per Administrative Policy	*\$230,976.20

- Total TMF collected subject to change following further internal review

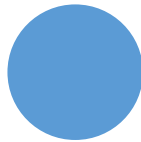
Period of Expenditure: The current owner of property on which traffic mitigation fees have been paid may receive a refund of such fees if the mitigation fees have not been expended or encumbered within **10 years** of receipt of mitigation fees, unless the City has made a written finding that extraordinary or compelling reasons exist to extend the time for expending or encumbering the mitigation fees.

24CPPR Schedule: Planning Commission

January – April
2024:
Technical review
and drafting new
policies and
regulations; Open
Houses; Steering
Committee Work;
Focus Topic
Discussions @
Planning
Commission and
City Council



May 1, 2024:
Introduction of
Official 24CPPR
Package to
Planning
Commission



June 5, 2024:
Planning
Commission
Public Hearing



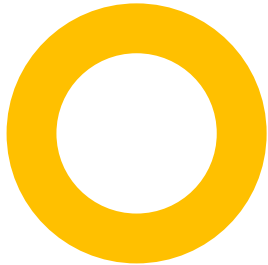
**June 26, 2024 (special
meeting date):
Planning Commission
Recommendation to City
Council**



24CPPR Schedule: City Council



July 8, 2024:
Introduction of
Official 24CPPR
Package to City
Council



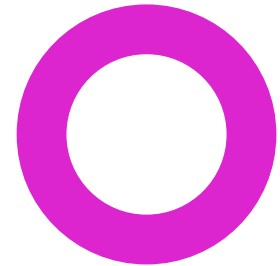
**August 5,
2024:**
City Council
Public
Hearing on
24CPPR
Package



August 2024:
City Council
Review and
Discussion re
24CPPR
Package



**September 3,
2024: City
Council action
on 24CPPR
Package**



2024 Annual Housing Report

2024 Annual Housing Report

The content of the annual CED housing report changes from year-to-year. This year's report is related in many ways to the 2024 Comprehensive Plan Periodic Review and provides information on the following topics:

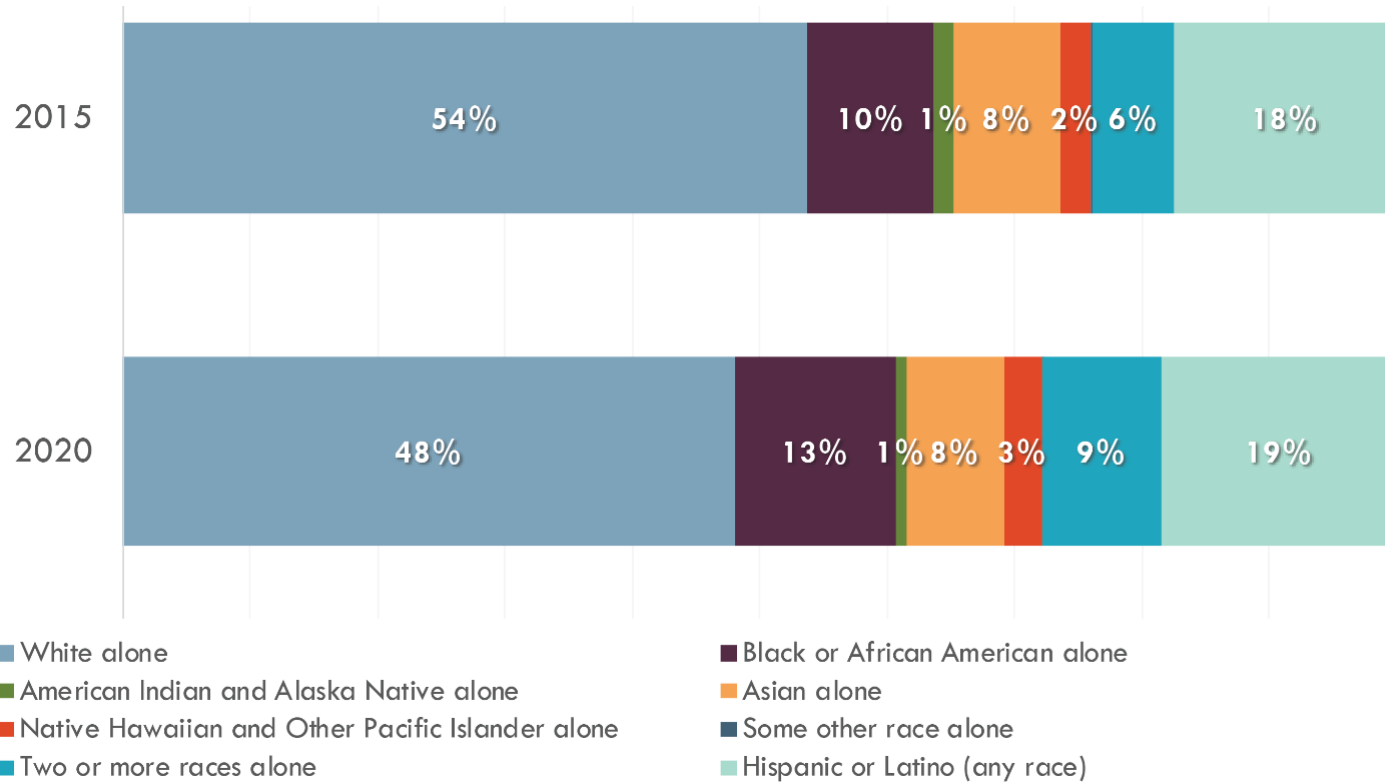
- Lakewood Resident and Workforce Demographics
- Regional and Local Housing Market Conditions
- Lakewood Housing Production 2013-2023
- 2024 10-Year Comprehensive Plan Periodic Review, PSRC Centers Review, and City Subarea Reviews related to Housing
- Changing State Laws affecting Planning for and Permitting Housing
- Regional Affordable and Subsidized Housing Efforts
- Short Term Rentals in Lakewood - Policies and Regulations
- Residential Parking in Lakewood – Policies, Regulations, and Funding

2024 Annual Housing Report

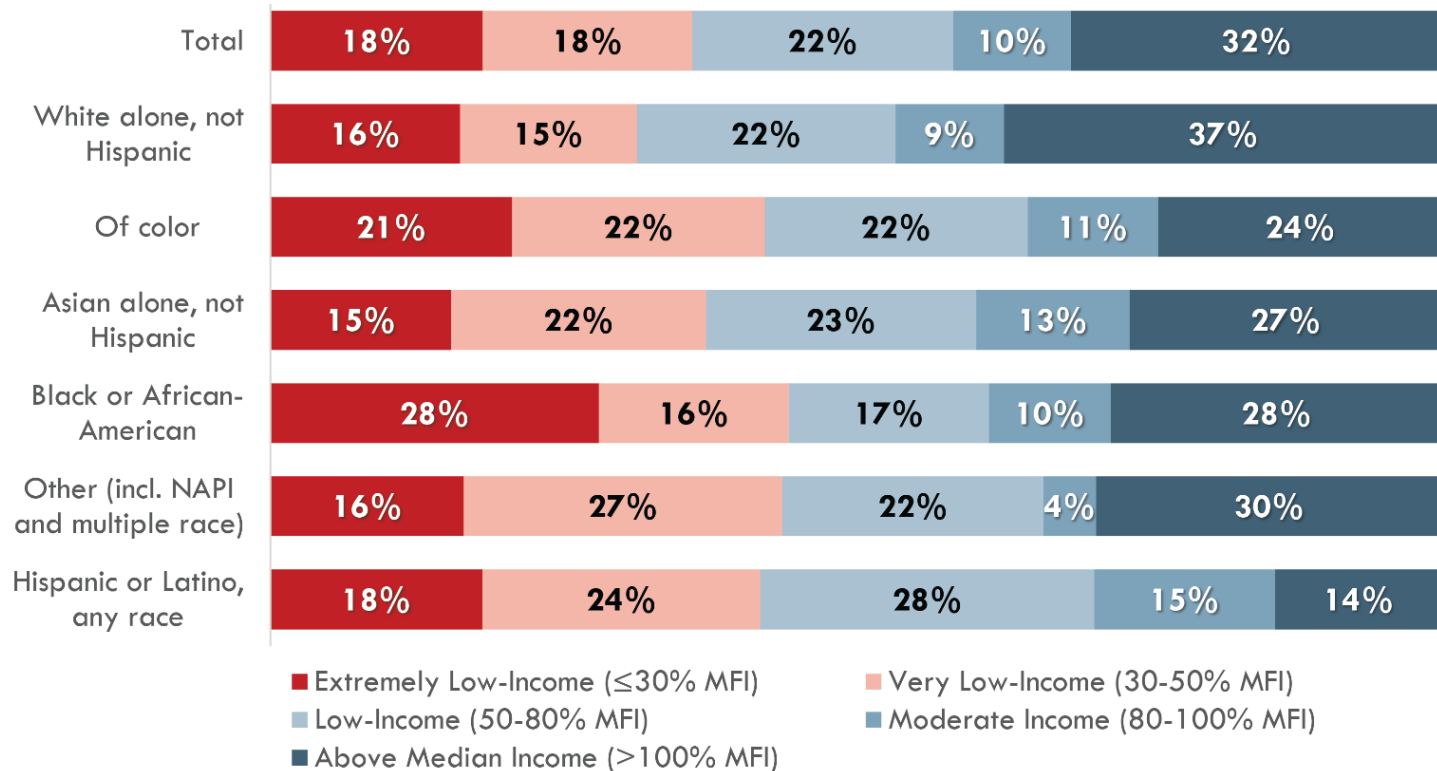
SUMMARY:

- Lakewood's population is continuing to grow more racially and ethnically diverse. Compared to the white population, BIPOC, especially African-American residents, are generally poorer and rent rather than own their homes.
- Residents in some of the poorest and most racially and ethnically diverse areas in Lakewood are also those at highest social vulnerability, health risk, and displacement risk.
- The number of people suffering homelessness whose last residence was in Lakewood continues to grow, increasing by 53% between 2017 and 2023.

PROPORTION OF POPULATION BY RACE/ETHNICITY, 2015 AND 2020

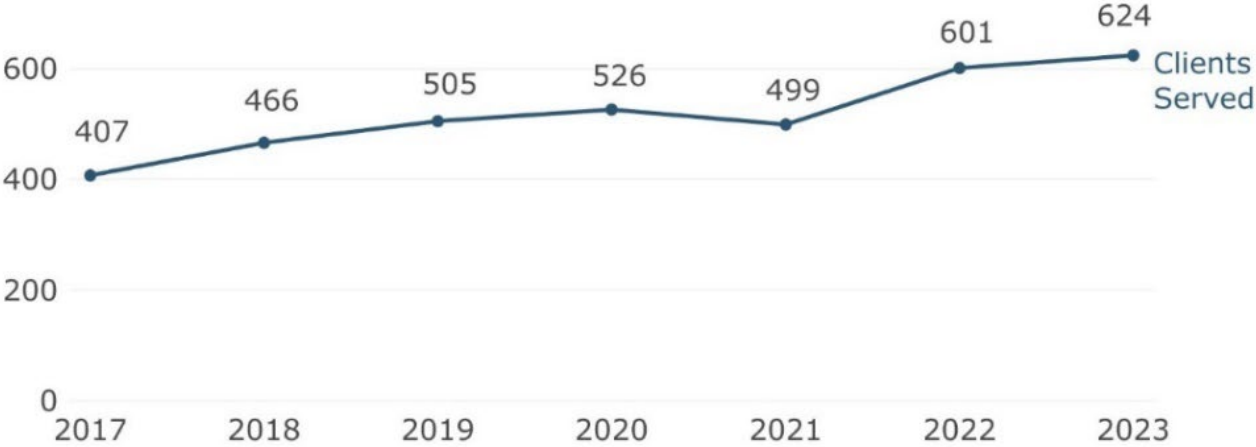


PROPORTION OF RENTER HOUSEHOLDS BY RACE AND INCOME CATEGORY, 2018



Unique clients from Lakewood that were served by emergency shelters from 2017-2023.

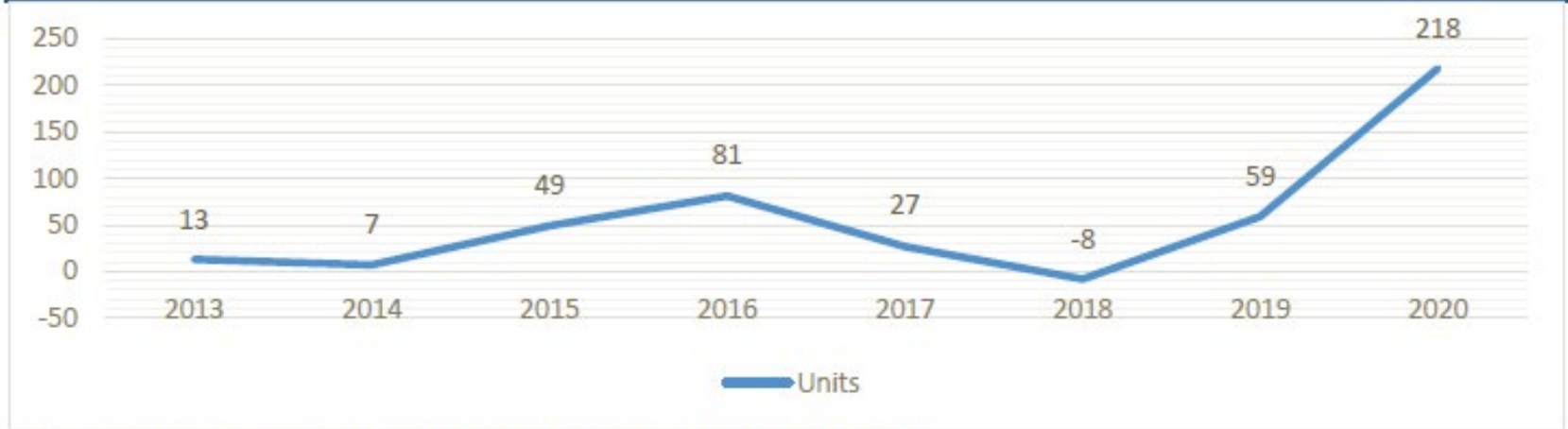
The number of unique clients from Lakewood served by emergency shelters increased by 53% from 2017 to 2023.



Note: This includes clients who reported the city they last slept in was Lakewood or who reported their last permanent zip code was in Lakewood.

Source: HMIS, 2/12/2024

Figure 12-B: City of Lakewood Housing Production Rates (OFM)



Source: Washington State Office of Financial Management Housing Unit Data (2020).

2021-2023 NEW RESIDENTIAL UNIT PERMIT ACTIVITY

ACCESSORY DWELLING UNITS	27
APARTMENT BUILDING	20 BUILDINGS / 230 UNITS
DUPLEX BUILDING	21 BUILDINGS / 42 UNITS
SINGLE FAMILY DETACHED	151
SINGLE FAMILY ATTACHED	18
TOWNHOME	17
TOTAL UNITS	485

2024 Annual Housing Report

SUMMARY:

- Significant changes to how the City zones and regulates housing, particularly in historically single-family areas, are coming in 2025 due to state law requirements.
- Significant changes to how the City must track and “turn-around” permits are also coming in 2024 and beyond due to new state law requirements.

Lakewood 2024									
Permanent Housing Needs by Income Level (% of Area Median income (AMI))									
	Total	0-30%		30-50%	50-80%	80-100%	100-120%	120%+	Emergency Units
		PSH*	Non-PSH						
'20 Unit Estimate	26,999	588	101	4,565	11,699	4,347	2,250	3,449	8
'44 Net New Unit Allocation	9,378	1,212	1,367	1,739	1,375	592	536	2,287	574

As of March 1, 2024, the City does not anticipate having to change the housing targets in the Downtown or Station District Subarea Packages to meet the requirements related to housing for all economic segments.

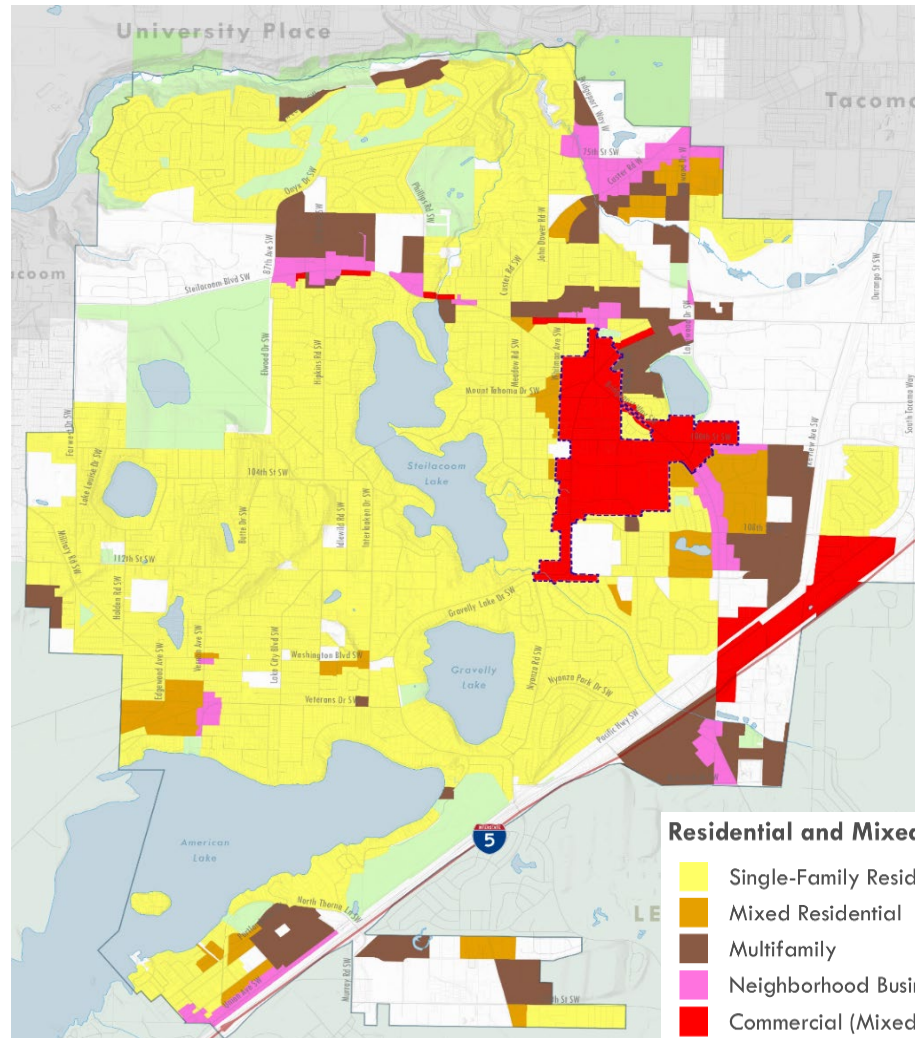
Lakewood Residential Areas Map

Current Single Family Zone Densities:

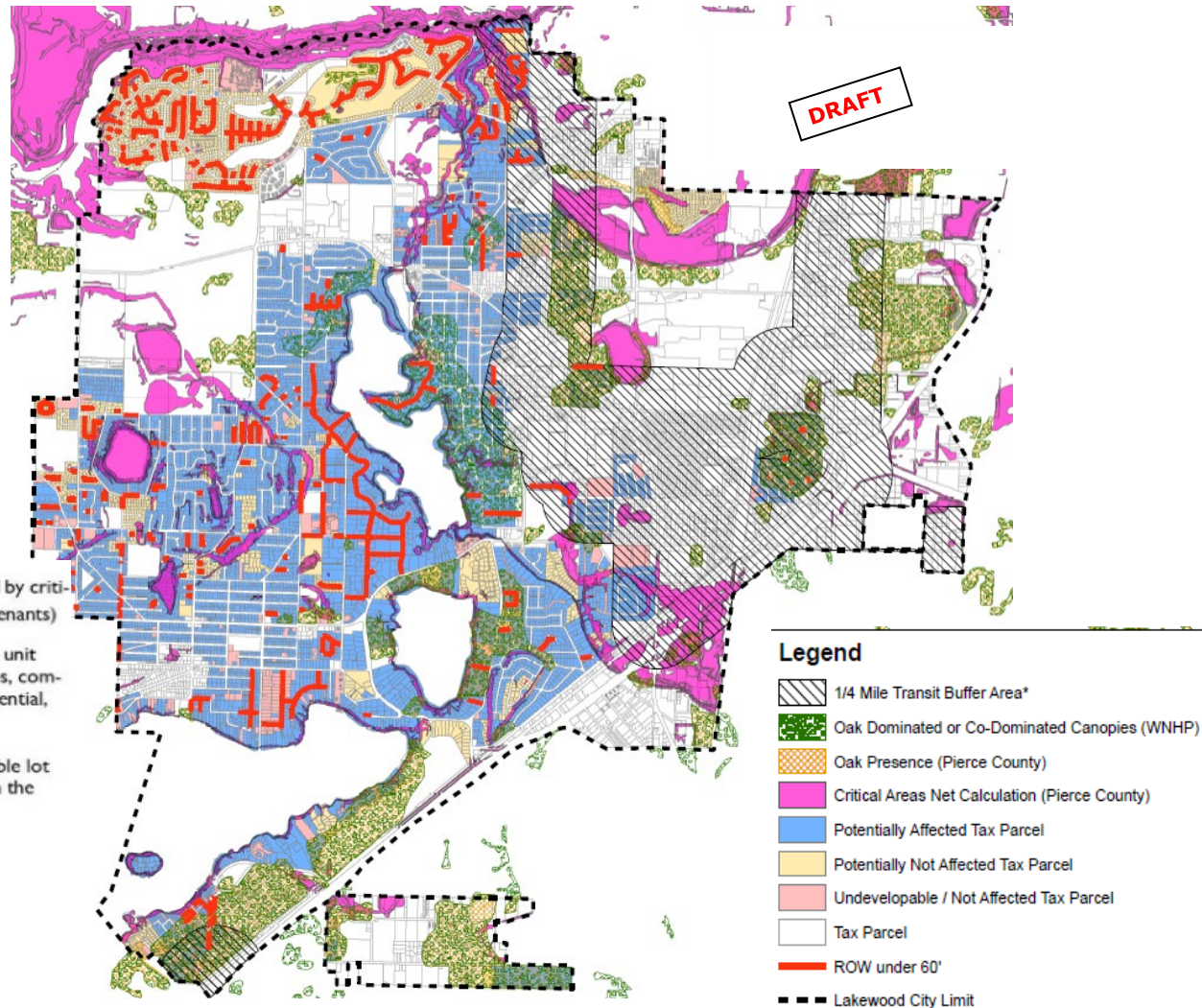
- R1 = 1.45 dua
- R2 = 2.2 dua
- R3 = 4.8 dua
- R4 = 6.4 dua

Questions to ask to determine whether middle housing and/or ADUS can be allowed on a SF lot:

- Size of lot?
- Unit(s) on lot?
- Underlying zone's density?
- Critical areas?



Draft Analysis of Where Middle Housing and ADU Laws will apply



Potentially Affected (vacant properties not encumbered by critical areas, existing SFRs without additional units and no covenants)

Potentially Not Affected (too small, already exceed the unit counts, may have subdivision covenants/protections, condos, commercial/civic properties that would likely not become residential, encumbered by critical areas, etc.)

Undevelopable/Not Affected (the lot is not a developable lot (e.g., tracts), or there is already the maximum # of units on the property, or significant critical areas)

New annual reporting requirement to the Department of Commerce about housing permit processing and activity.

If it is found that the City does not meet its permit review timelines more than 50% of the time, then the City “must adopt new measures, as part of its Comprehensive Plan periodic update, aimed at reducing permit timelines.”

Beginning in 2024, Lakewood must collect data to produce an annual performance report (first due in 2025) that includes information outlining time periods for certain housing permit types. The City must post the report on its website and submit the annual report to the Department of Commerce by March 1st of each year.

The report must provide:

- permit time periods for certain permit processes;
- ongoing information to those submitting permits, local governments, and the state regarding permit time frames associated with permit processes for housing;
- the total number of decisions issued during the year for the certain permit types.

2024 Annual Housing Report

SUMMARY:

- The number of short-term rentals (STRs) in Lakewood continues to grow, with a potential increase in the pace of growth starting in 2025 when the City must allow ADUs and middle housing in historically single-family areas. The question of whether to allow STRs in ADUs is one the City Council stated in wanted to consider as part of the 2024 Comprehensive Plan Periodic Review process.
- The effects on the City's residential streets and parking patterns from increased middle housing, ADUs, and STRs in historically single-family areas is unknown, but it is estimated that it will be significant over time. The City currently does not allow on-street parking in residential areas; this policy decision is one the City Council could review in the near future.

2024 Annual Housing Report

SUMMARY:

- Lakewood currently participates in the South Sound Housing Affordability Partnership ([SSHA³P](#)), an intergovernmental collaboration working together to create and preserve affordable, attainable, and accessible housing throughout Pierce County.
- In the fall of 2023, the Pierce County Council and Tacoma City Council met to confirm their interest in forming a regional body (possibly similar to SSHA³P) focused on ending homelessness and implementing the [2022 Comprehensive Plan to End Homelessness](#)' recommendation for a "Unified Regional Office" or "Approach"; Lakewood has been invited to participate in the formation and operations of this entity.

Lakewood is left to grapple with balancing a number of questions in its 2024 Periodic Review, including:

- Which Issues are the Most Important?
 - Creating New Housing?
 - Anti-Displacement and Pro-Preservation of Existing Affordable Housing and its Residents?
 - Urban Density?
 - Climate Change/Resiliency?
 - Wildfire Protection?

Thank you



Lakewood
2024 Periodic Review



TO: City Council
FROM: Tiffany Speir, Long Range & Strategic Planning Manager
THROUGH: John Caulfield, City Manager
MEETING DATE: March 11, 2024
SUBJECT: Lakewood 2024 Annual Housing Report

INTRODUCTION:

Each year, the Community and Economic Development Department (CEDD) publishes its own annual housing report. While there is no specific requirement for this report, housing is one of, if not the, most important issue the CEDD handles. The department provides this report to keep the City Council, Planning Commission, and public aware of the ongoing efforts conducted by CED to achieve quality of life improvements for Lakewood's residents.

The content of the housing report changes from year-to-year. This year's report provides information on the following topics:

- Lakewood Resident and Workforce Demographics
- Regional and Local Housing Market Conditions
- Lakewood Housing Production 2013-2023
- 2024 10-Year Comprehensive Plan Periodic Review, PSRC Centers Review, and City Subarea Reviews related to Housing
- Changing State Laws affecting Planning for and Permitting Housing
- Regional Affordable¹ and Subsidized Housing Efforts
- Short Term Rentals in Lakewood
- Residential Parking in Lakewood

SUMMARY:

- Lakewood's population is continuing to grow more racially and ethnically diverse. Compared to the white population, BIPOC, especially African-American residents, are generally poorer and rent rather than own their homes.
- Residents in some of the poorest and most racially and ethnically diverse areas in Lakewood are also those at highest social vulnerability, health risk, and displacement risk.
- The number of people suffering homelessness whose last residence was in Lakewood continues to grow, increasing by 53% between 2017 and 2023.

¹ What is "affordable housing"? Housing that costs no more than 30% of what a household makes each month.

- Lakewood’s local economy is recovering from the COVID-19 pandemic and has the potential to expand and take advantage of the City’s strategic location and potential workforce.
- Significant changes to how the City zones and regulates housing, particularly in historically single family areas, are coming in 2025 due to state law requirements.
- Significant changes to how the City must track and “turn-around” permits are also coming in 2024 and beyond due to new state law requirements.
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LAKWOOD RESIDENT DEMOGRAPHICS:

The following resident demographic information data are sourced from the 2023 Lakewood Housing Needs Assessment.

- **Lakewood has had notably low population growth since incorporation.** Lakewood has had low population growth, amounting to about 0.9% per year since 2010, without a significant increase in growth after 2014².
- **2044 population targets are significantly higher than historical population growth rates can achieve.**
- **The local population has a disproportionate number of younger adults.** In comparison to other communities, Lakewood has a greater proportion of residents that are 20–29 years old. There is also a higher proportion of residents

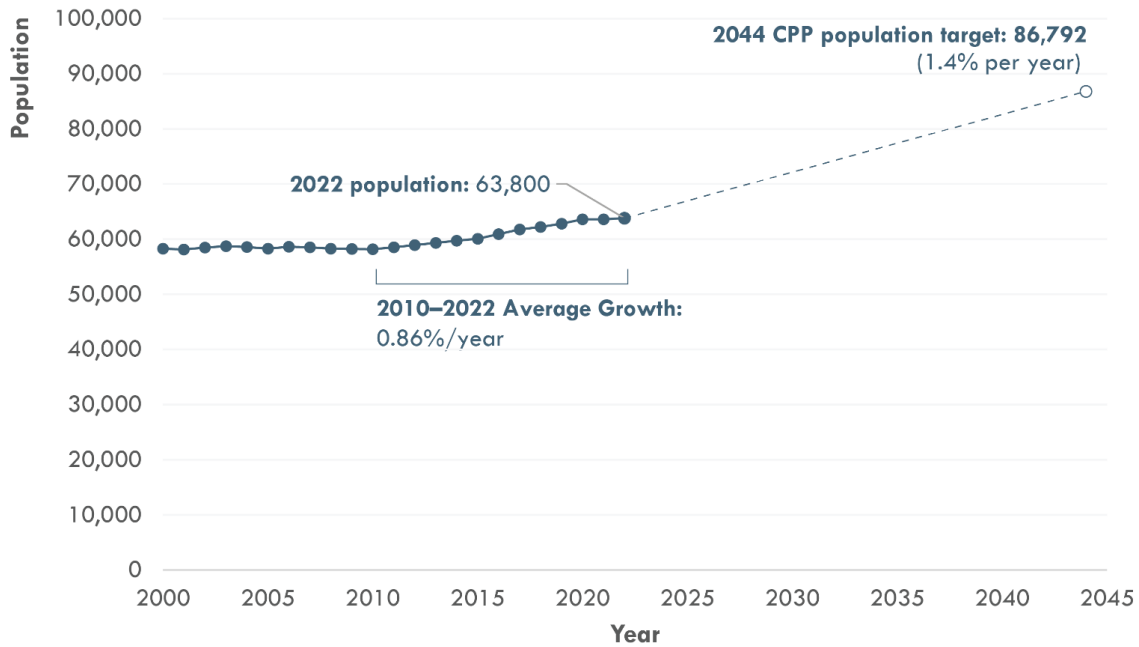
² (Please note that the 2020 Census calculated a higher total population (63,612) than had been previously estimated (at roughly 58,000.))

60 years of age and older. This is possibly tied to the proximity to Joint Base Lewis-McChord (JBLM), both with younger service members living off-base and older veterans living closer to available veterans' facilities.

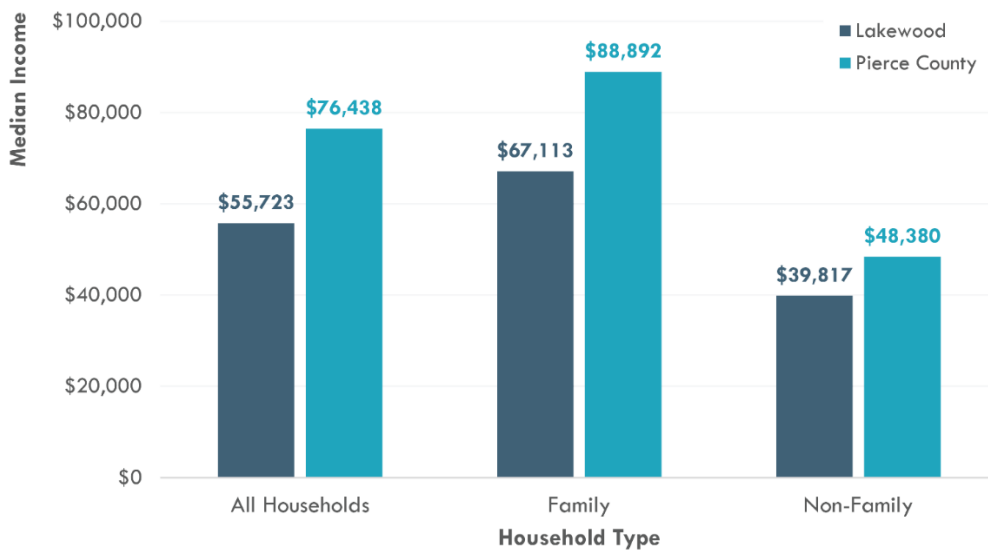
- **The Lakewood community is becoming more diverse.** There has been a decline in both the proportional and total number of white residents (from 54% in 2010 to 48% in 2020), while other populations of people of color have increased over time.
- **Veterans form a key part of the population of the city.** While the oldest veterans are represented at rates comparable to the county overall, Lakewood has a greater proportion of veterans in its population between the ages of 18 and 74. This is due in part to the presence of JBLM, including the availability of services to veterans in the community.
- **Small families are the most common type of household in Lakewood.** About 42% of households in the City are small families with two to four members. A majority of these households (60%) are renters, unlike larger families (50%), seniors living alone (44%), and senior couples (21%). 79% of non-family, non-senior households (including individuals and unrelated people living together) are renters.
- **Household incomes are lower than the county average.** The median Lakewood household income for both family and non-family households in 2020 was \$55,723, about 27% lower than the median household income of Pierce County.
- **Lakewood's lower median income is due to a higher representation of lower-income households.** There are a greater proportion of households earning less than \$75,000 in Lakewood than in the county.
- **Recent increases in median family income have been lower than in the county.** Between 2010 and 2015, the median income in Lakewood grew by about 1.5% per year, while the county median grew by about 0.8% per year. The Pierce County median income increased by about 4.9% per year between 2016 and 2020; the Lakewood median income increased by about 4.0% per year.
- **Household income differs distinctly between renters and owners.** There are clear income differences between renters and owners. About 52% of owners have household incomes that are at the county median family income (MFI) or higher. Conversely, about half of all renters are below 80% of the county MFI, and 25% are considered extremely low-income.
- **Black, Indigenous, People of Color (BIPOC) Households are more likely to rent than to own.** About 69% of Lakewood's households of color rent in comparison to 47% of white, non-Hispanic, households. 78% of African American households rent.
- **A greater percentage of renting African-Americans households are lower income than overall.** According to this dataset, 28% of Black or African American households are extremely low-income, compared to 18% of households overall.

A greater proportion of low-income renter households have members with self-care or independent living limitations. Error! Reference source not found. The figure below provides a breakdown of renting households according to their income category (as compared to median family income) and whether a member of the household has a self-care or independent living limitation. A significant proportion of very low- and extremely low-income households may be experiencing challenges with housing affordability and income related to disabilities.

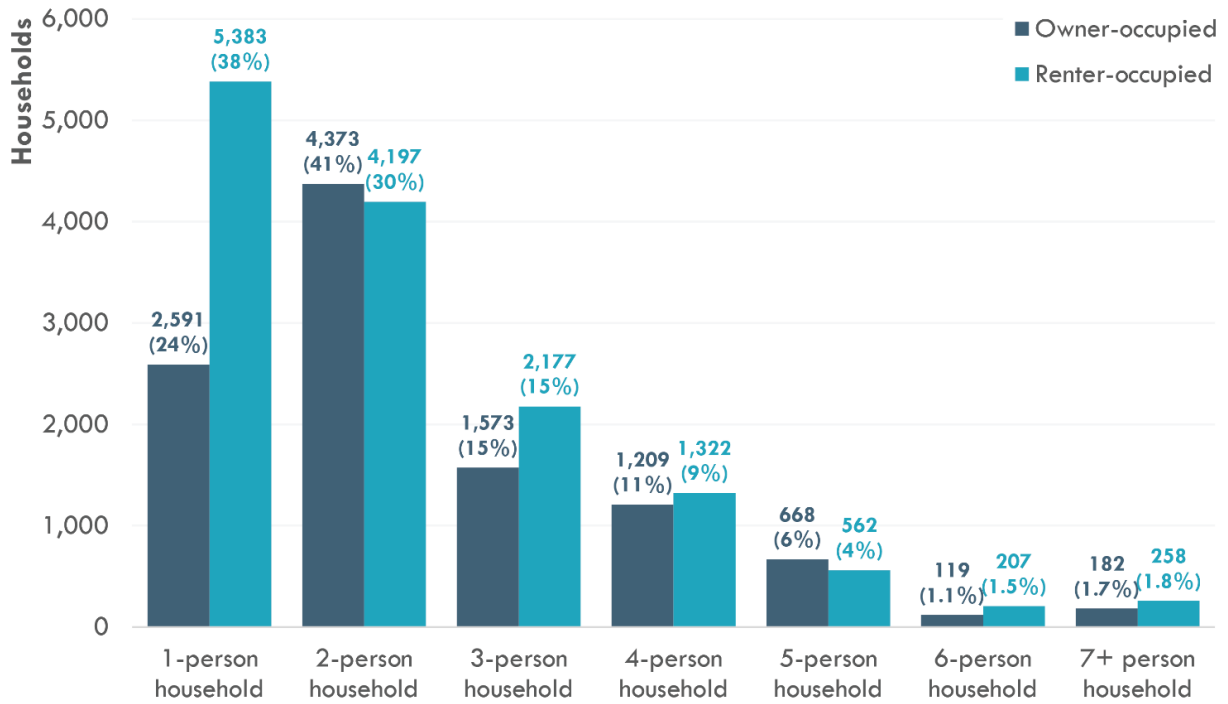
LAKWOOD HISTORICAL POPULATION AND 2044 COUNTYWIDE PLANNING POLICY (CPP)-ADOPTED POPULATION TARGET



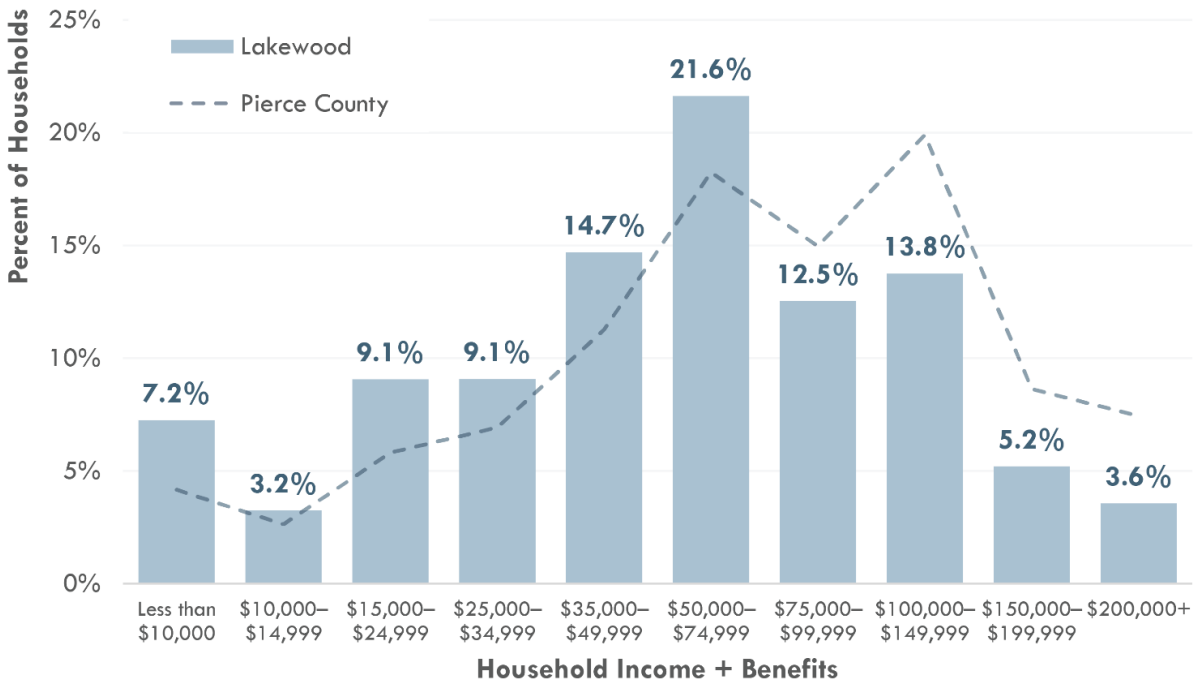
COMPARISON OF HOUSEHOLD MEDIAN INCOME, LAKWOOD AND PIERCE COUNTY



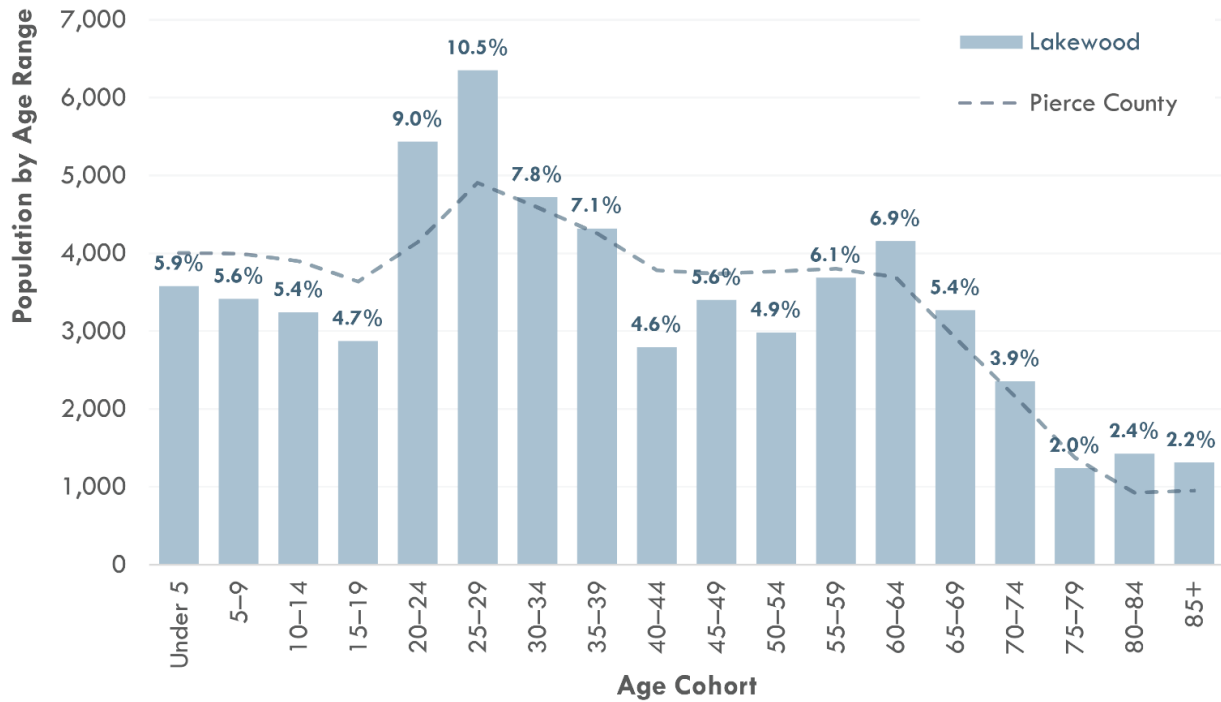
HOUSEHOLDS BY SIZE AND TENURE



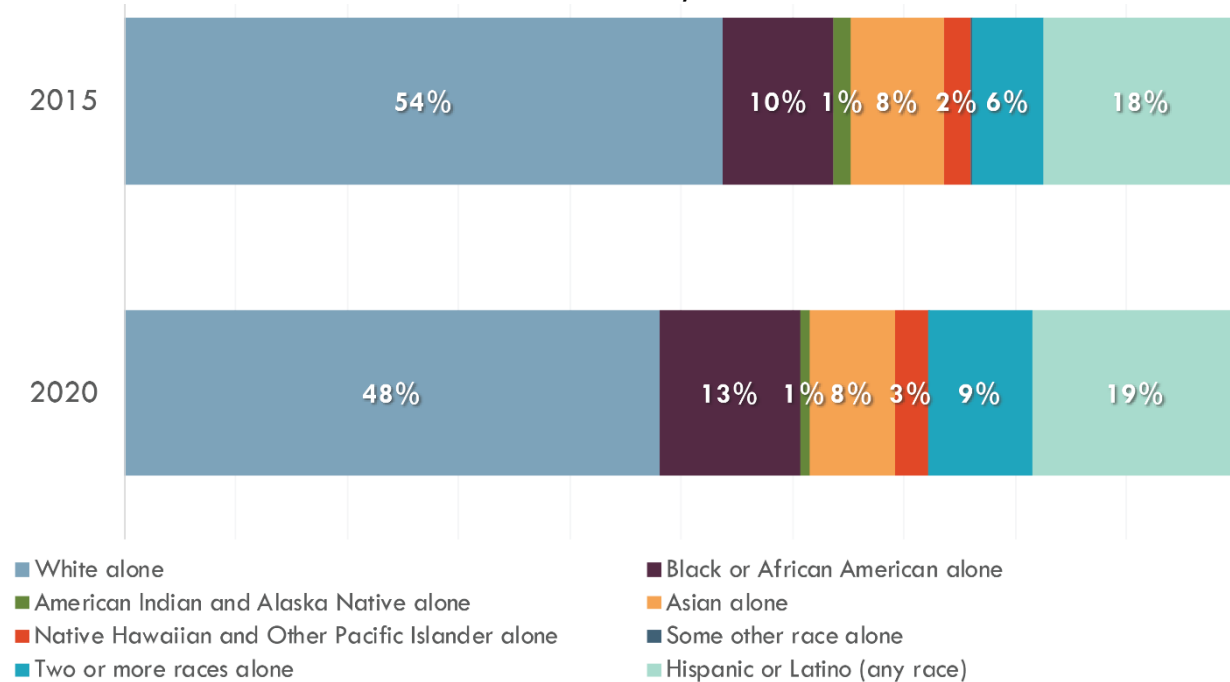
HOUSEHOLDS BY INCOME RANGE, 2020.



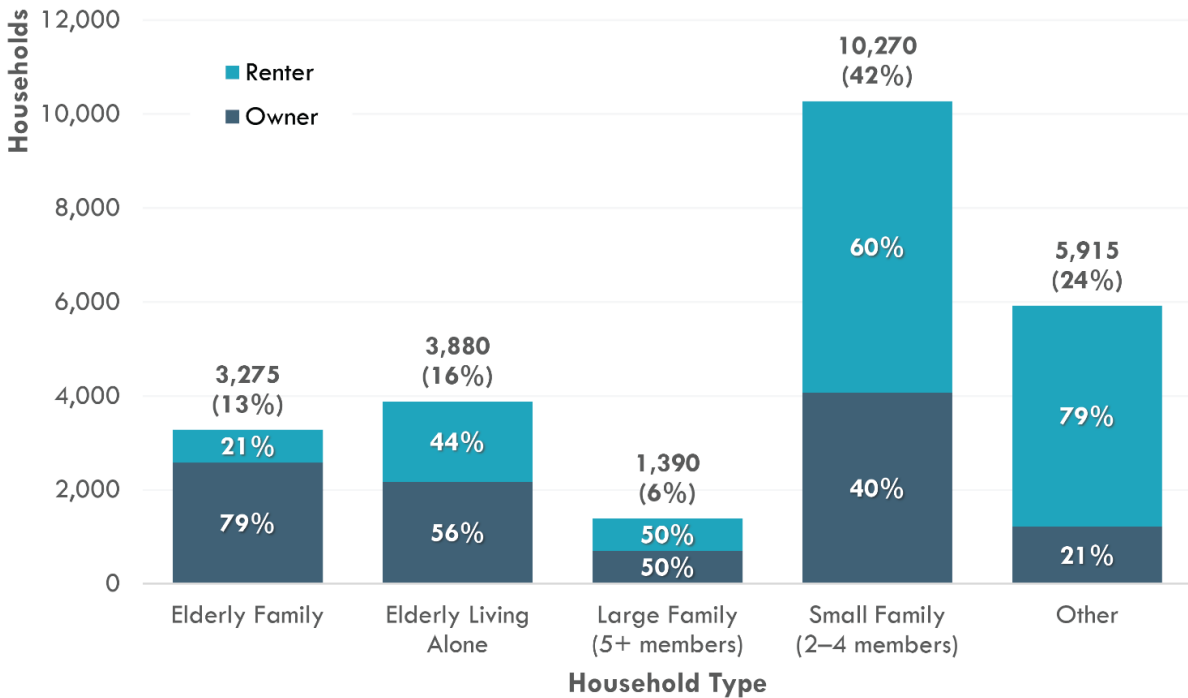
POPULATION BY AGE, 2020.



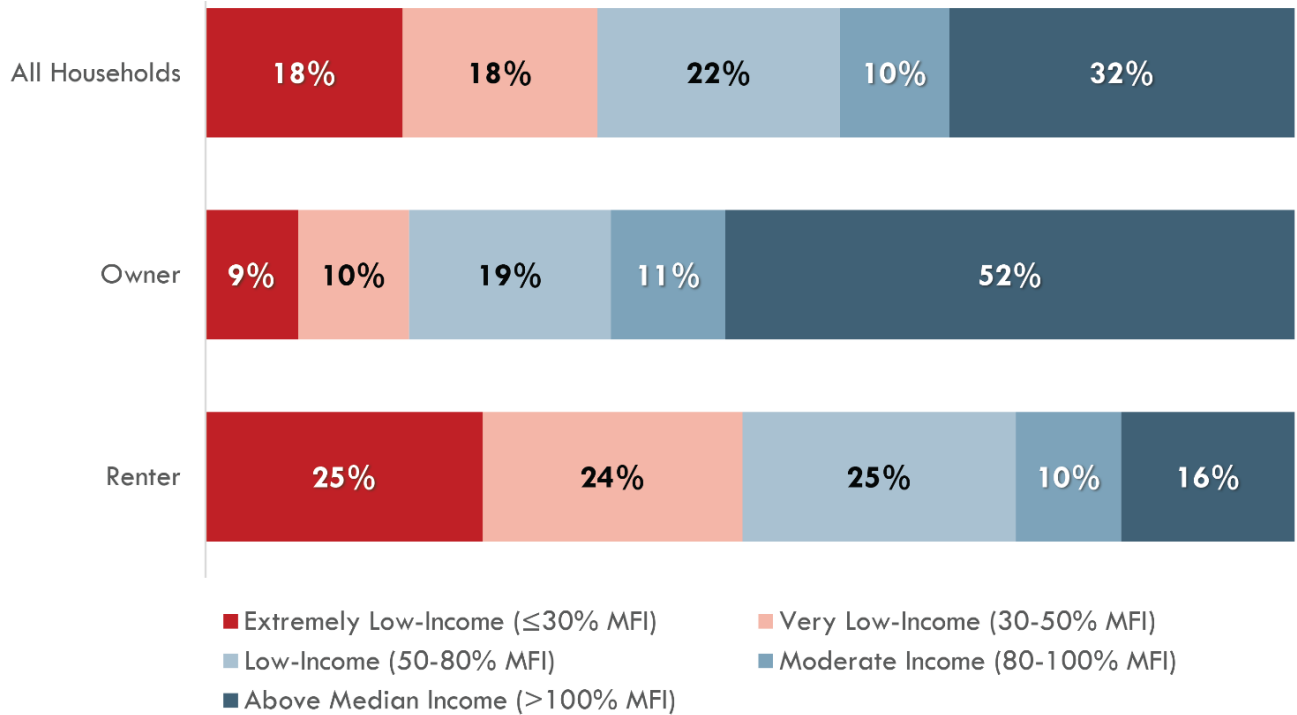
PROPORTION OF POPULATION BY RACE/ETHNICITY, 2015 AND 2020.



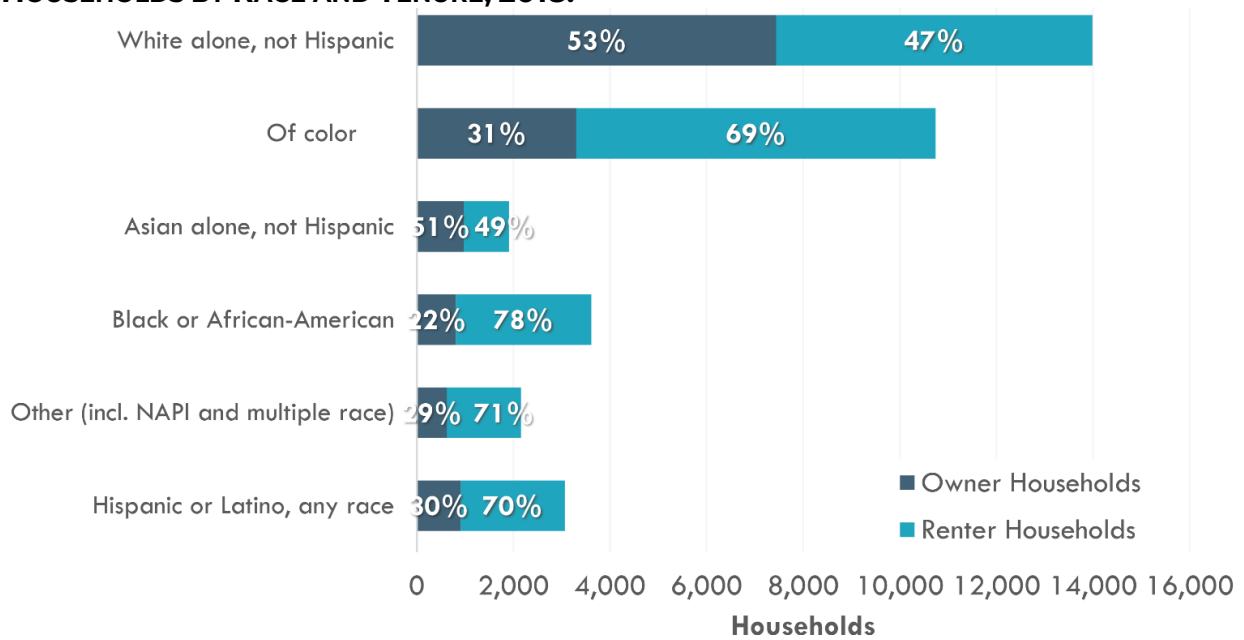
HOUSEHOLDS BY TYPE AND TENURE



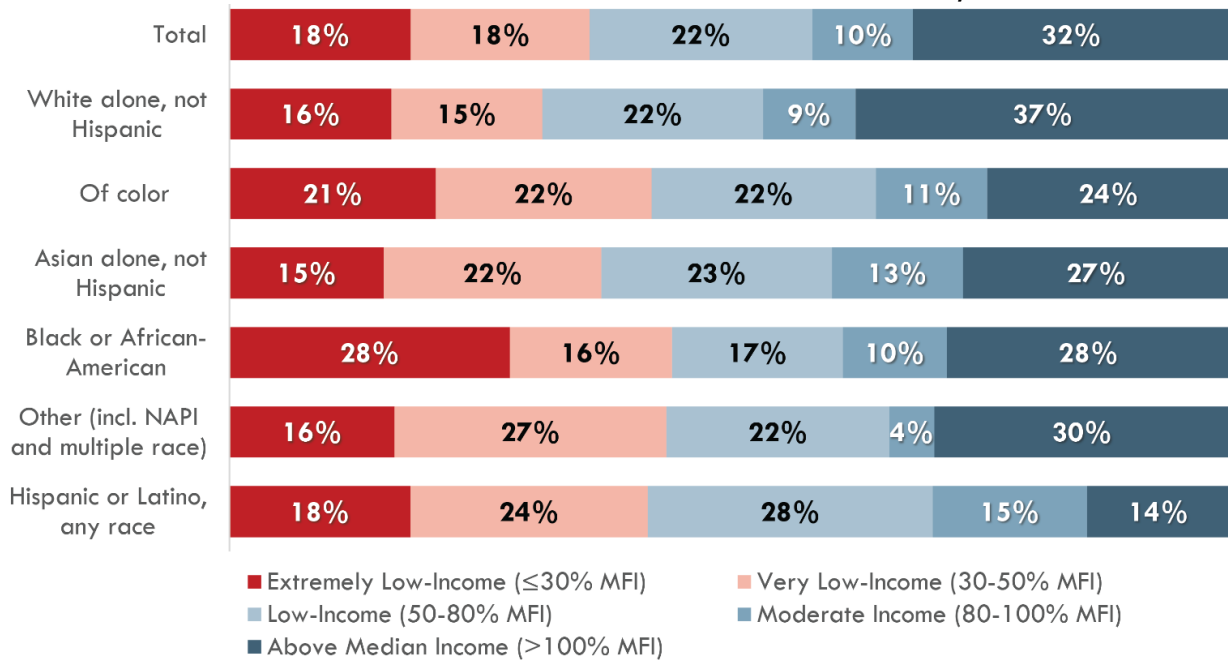
HOUSEHOLDS BY TENURE AND INCOME GROUP (%MFI), 2018.



HOUSEHOLDS BY RACE AND TENURE, 2018.



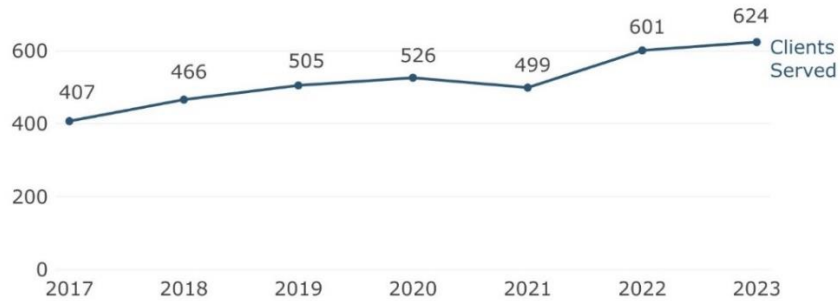
PROPORTION OF RENTER HOUSEHOLDS BY RACE AND INCOME CATEGORY, 2018.



Levels of homelessness in Lakewood have increased recently. There was a 53% increase (from 407 to 624 people) in Lakewood clients served at homeless shelters between 2017 and 2023.

Unique clients from Lakewood that were served by emergency shelters from 2017-2023.

The number of unique clients from Lakewood served by emergency shelters increased by 53% from 2017 to 2023.

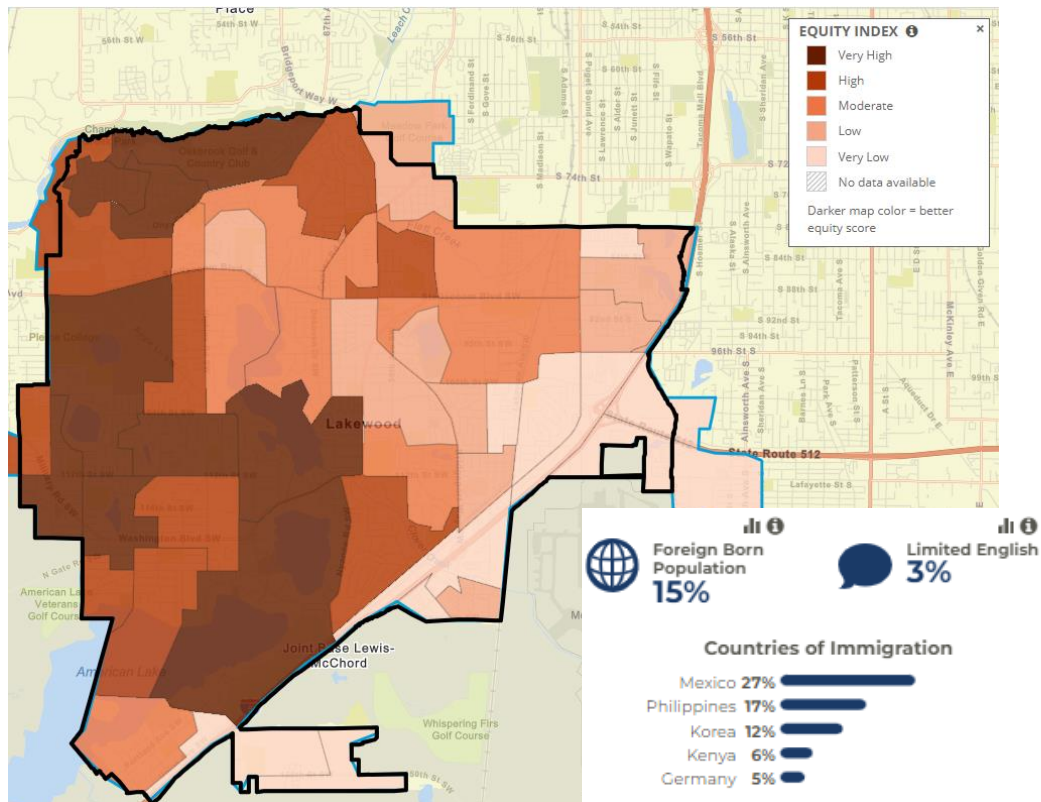


Note: This includes clients who reported the city they last slept in was Lakewood or who reported their last permanent zip code was in Lakewood.

Source: HMIS, 2/12/2024

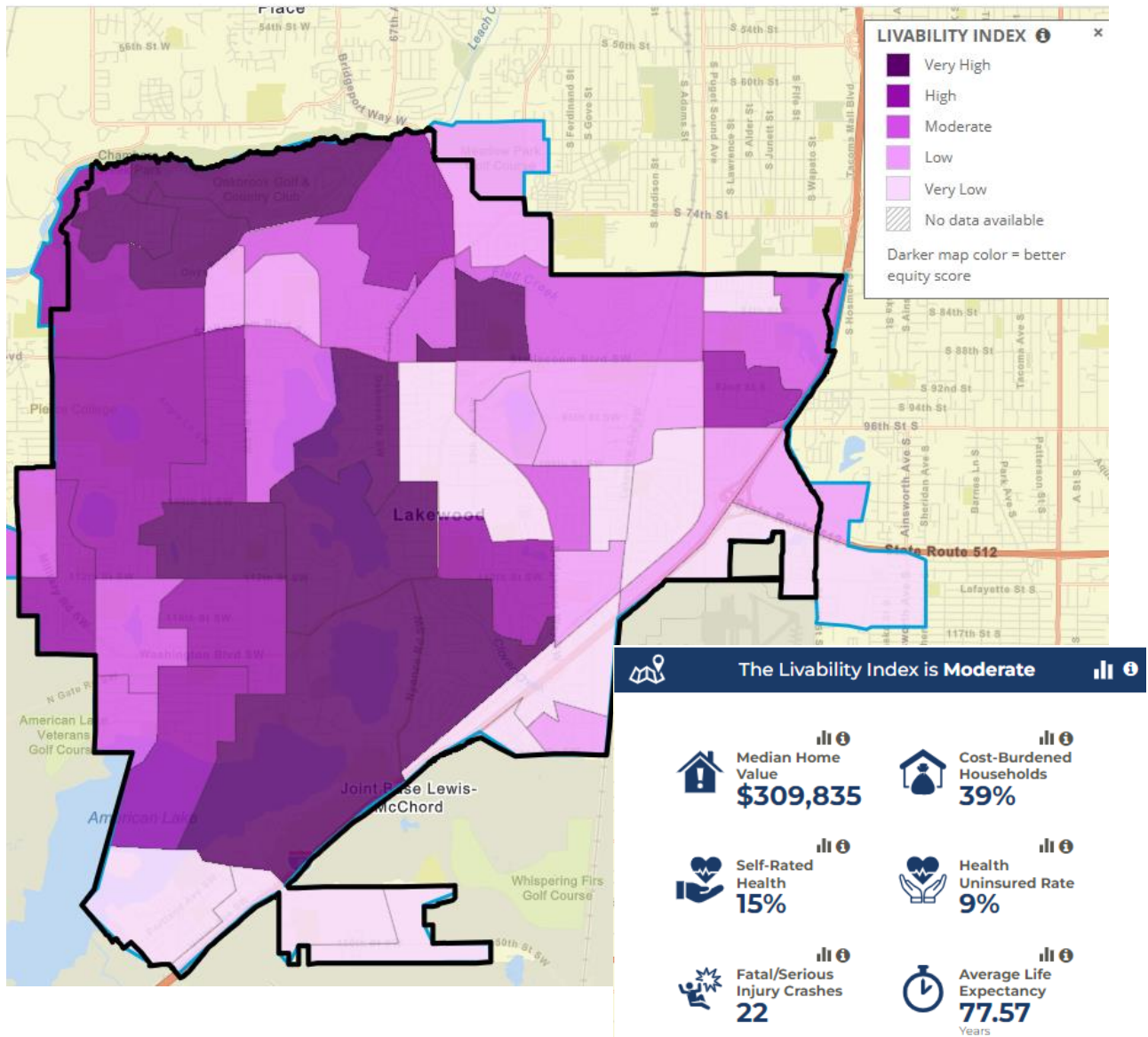
In 2023, Lakewood published its interactive Equity Index Map. The map options demonstrate certain trends that reflect the demographics of the City.

LAKESWOOD EQUITY INDEX MAP



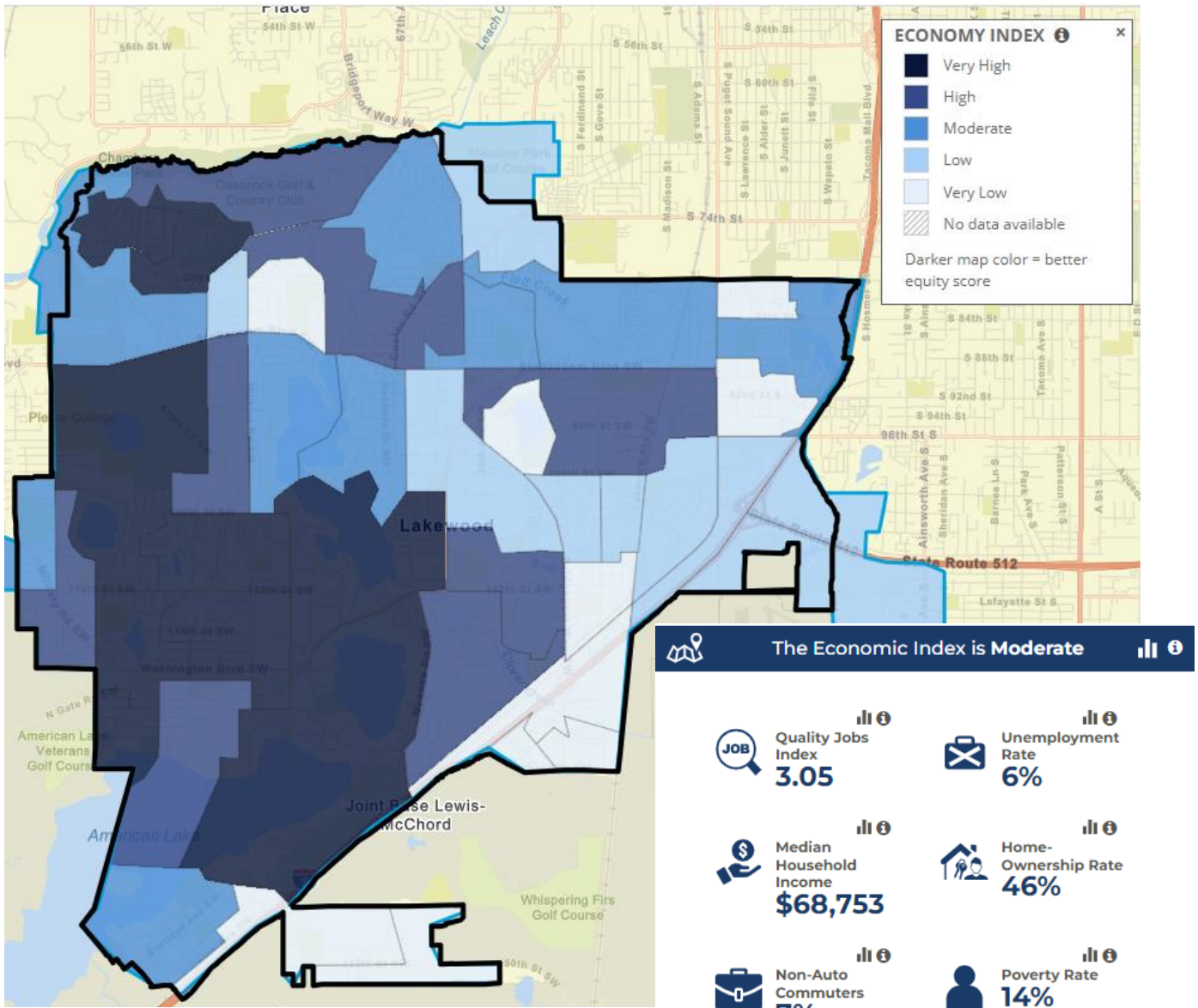
More details are available at <https://lakewood.caimaps.info/>

LAKWOOD EQUITY INDEX MAP: LIVABILITY/HOUSING



More details are available at <https://lakewood.caimaps.info/>

LAKWOOD EQUITY INDEX MAP: ECONOMY



More details are available at <https://lakewood.caimaps.info/>

ANTI-DISPLACEMENT PLANNING REQUIREMENTS

The Growth Management Act now requires communities to analyze the following when developing the Housing Element of their Comprehensive Plans:³

- Areas that may be at higher risk of displacement from market forces that occur with changes to zoning, development regulations, and capital investments;
- Local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing;
- Options for policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions; and
- Options for anti-displacement policies, with consideration given to the preservation of historical and cultural communities.

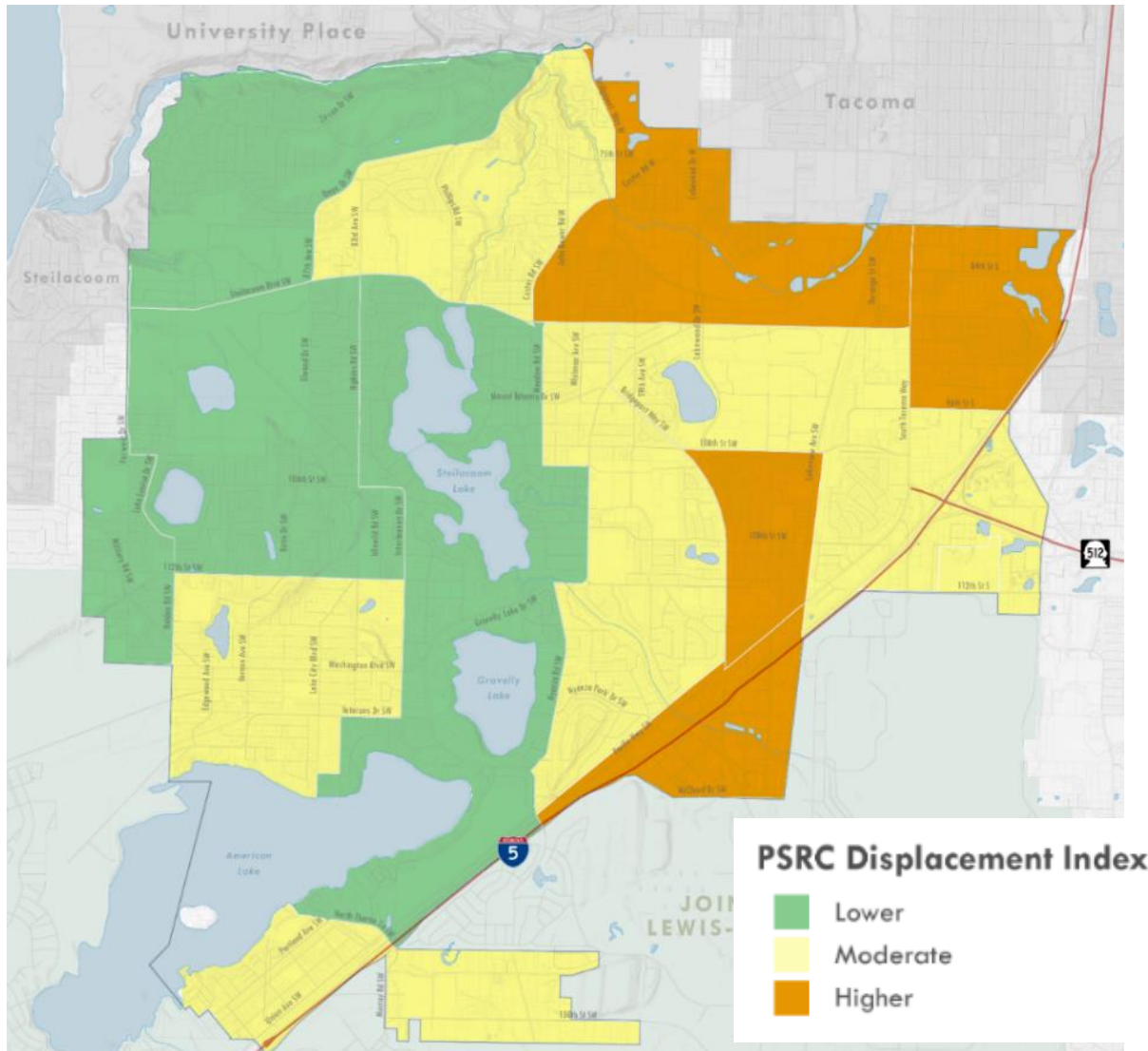
The PSRC **Regional Displacement Index** (Lakewood map below) identifies displacement risks by indicating Census tracts that have the highest combined score for 15 indicators related to major risk factors for displacement.⁴ These include:

- **Socio-demographic characteristics**, such as populations of color, English language skills, proportion of renters, and household incomes.
- **Transportation access** in the local neighborhood, represented by access to employment and proximity to current and future transit.
- **Neighborhood characteristics**, including proximity to community businesses and public services, as well as locations close to high-income neighborhoods.
- **Housing**, including development capacity and median rent.

The PSRC Displacement Risk Map for Lakewood and the CDC's Social Vulnerability Index (SVI) Map on the following pages reflect the clear patterns of economic, environmental, and racial inequities in the Lakewood area's development patterns over the past 100+ years.

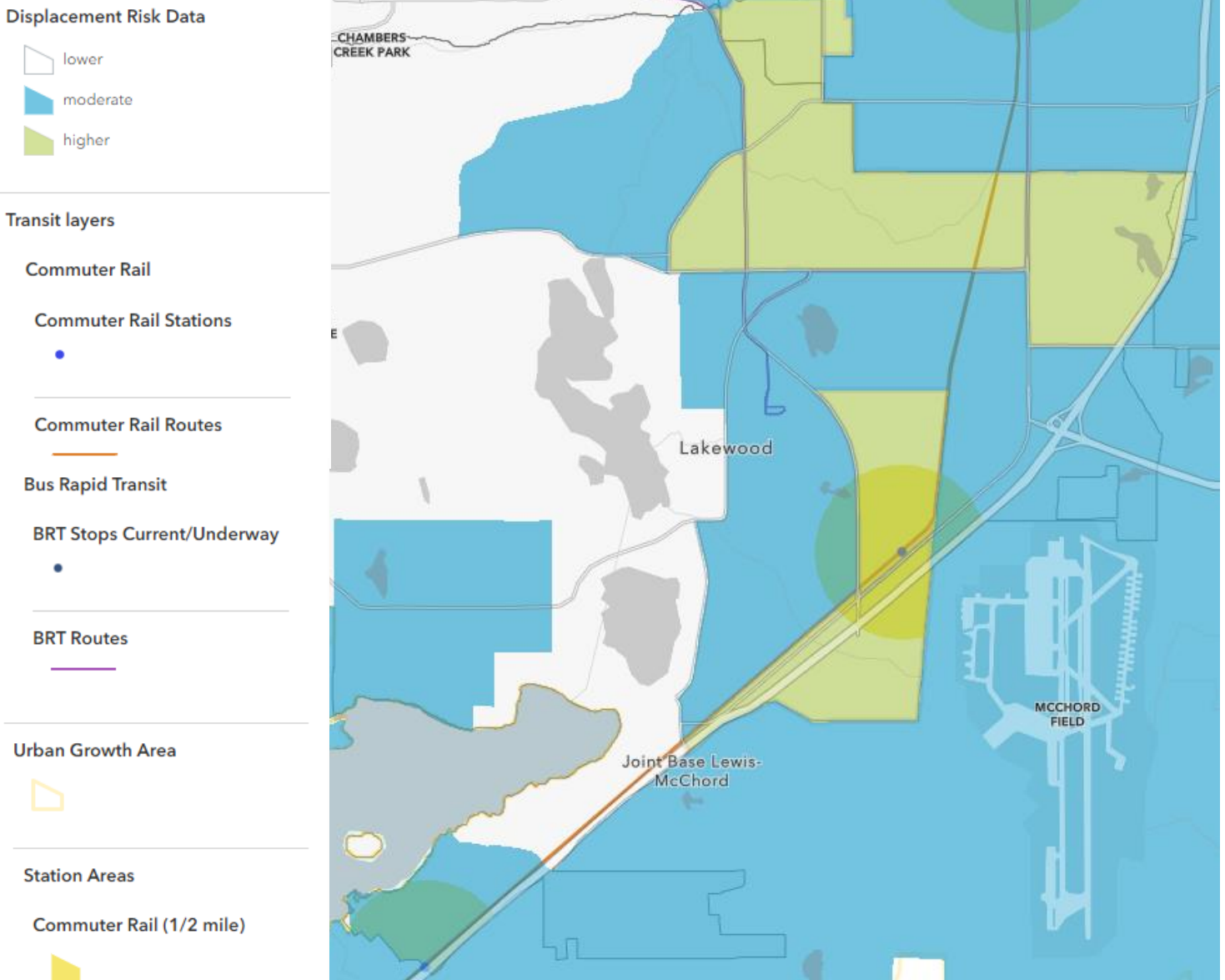
³ See [RCW 36.70A.070\(2\)](#).

⁴ For more details see [PSRC Displacement Risk Mapping: Technical Documentation](#).



The version of the PSRC Displacement Risk Map included below also depicts the location of Lakewood’s existing Sounder Station, planned Sounder Station in Tillicum, and planned Pierce Transit Bus Rapid Transit (BRT) route. All of these transit assets are located within moderate or high displacement risk areas.

LAKEWOOD DISPLACEMENT RISK AREAS AND TRANSIT ASSETS

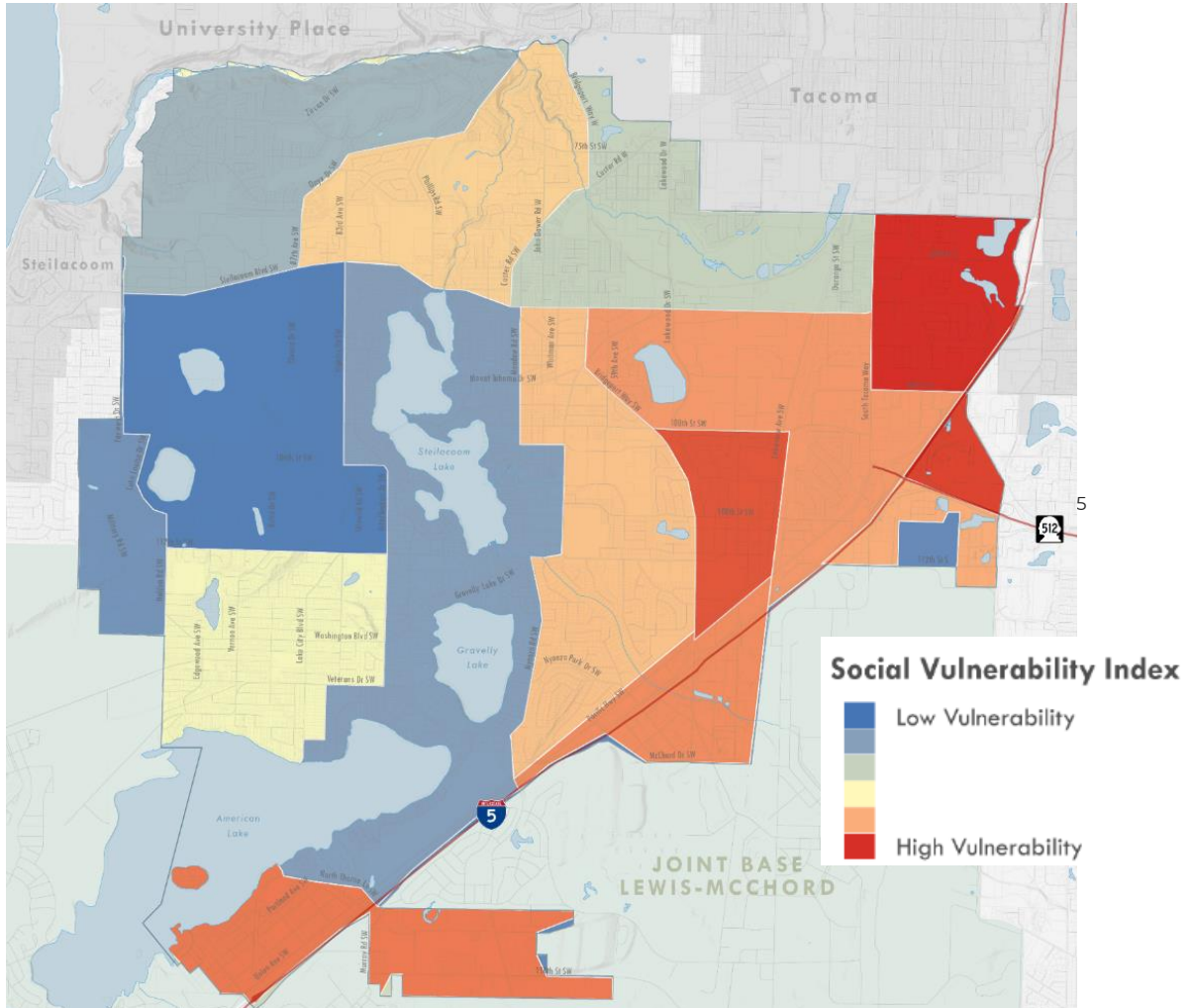


The CDC and Agency for Toxic Substances and Disease Registry (ATSDR) have developed a **Social Vulnerability Index (SVI)** to identify populations vulnerable to significant impacts from hazardous events. This metric identifies four groups of indicators that highlight particular risk factors for local populations:

- **Socioeconomic Status**, including poverty rates, unemployment, income, and adults without high school diplomas.
- **Household Composition and Disability**, including the proportion of children and seniors, single-parent households, and populations with disabilities.
- **Minority Status and Language**, including minority status and residents that speak English “less than well”.

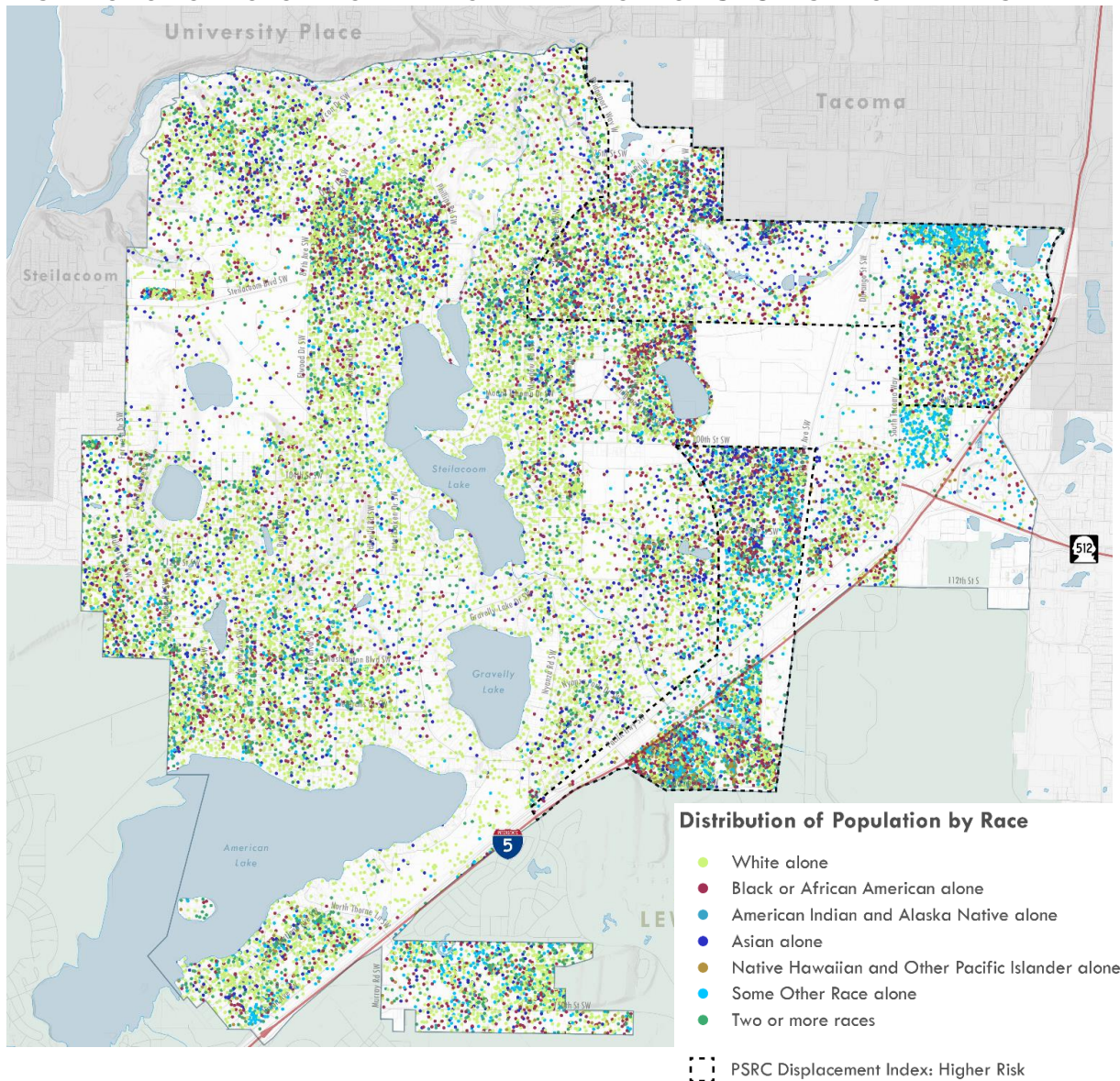
- **Housing Type and Transportation**, including the number of multi-unit structures and mobile homes, crowding of households, households with no vehicles, and percentage of housing as group quarters.

LAKESIDE SOCIAL VULNERABILITY INDEX

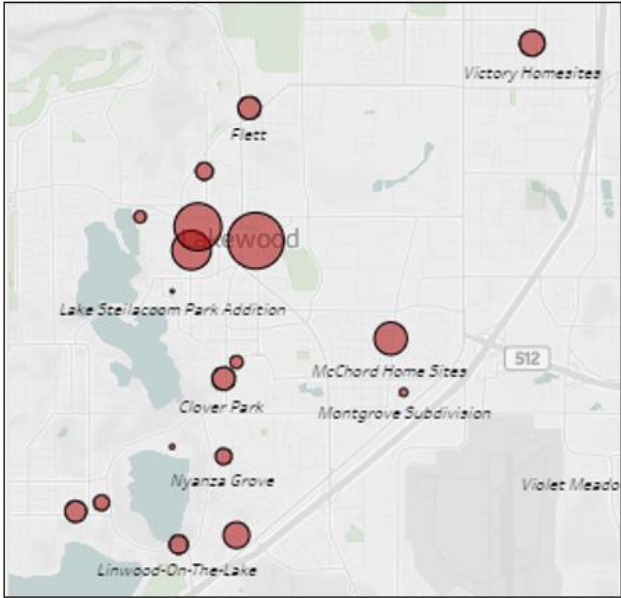


⁵ For more information on this map's metrics, see the [CDC/ATSDR Social Vulnerability Index website](https://www.cdc.gov/atsdr/social-vulnerability/index.html), which includes resources describing the methodology in more detail and applications of the SVI to applications in emergency response.

DISTRIBUTION OF POPULATION BY RACE IN RELATION TO PSRC DISPLACEMENT RISK

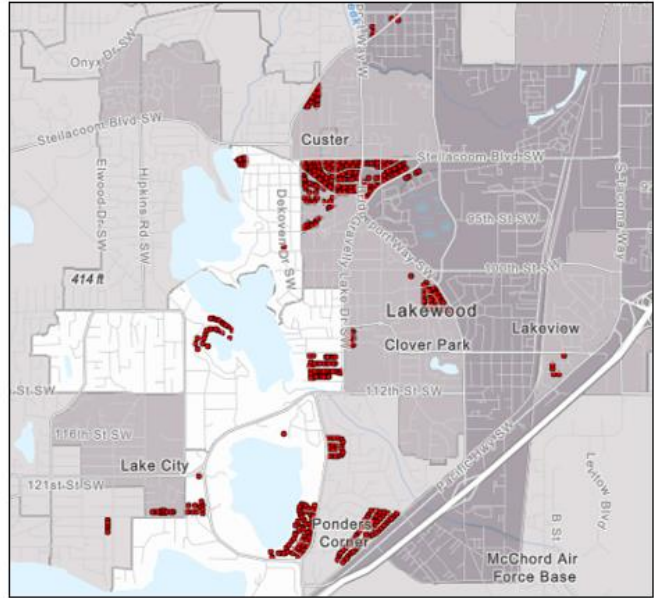


Initial review results show that Lakewood had 18 subdivisions and 928 parcels that originally regulated by racially restricted covenants. As noted by the [The Racial Restrictive Covenants Project](#), one should not assume that areas without circles on the map below were not restricted. Deed restrictions were only one of the mechanisms of segregation. Neighborhoods without covenants often practiced racial exclusion by other means.



Racially restricted subdivisions in Lakewood

SOURCE: <https://depts.washington.edu/covenants/index.shtml>

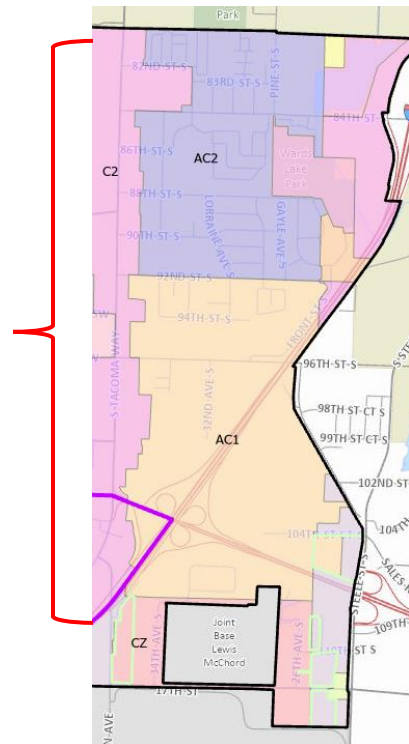


928 racially restricted parcels in Lakewood

PLANNED DISPLACEMENT OF RESIDENTS IN JBLM ACCIDENT POTENTIAL ZONES

PSRC Displacement Index

- Lower
- Moderate
- Higher



Unique to Lakewood's anti-displacement analysis in 2024 is the existence of the JBLM North McChord Field clear zone and accident potential zones. Per FAA and DoD guidance, Lakewood's Air Corridor 1 and 2 zones (shown above) do not allow residential uses; however, as of 2024, there are hundreds of non-conforming housing units in these zones that pre-date incorporation and house many of the

City's poorest and economically stressed residents. The City must plan for how to equitably and responsibly balance safety concerns for residents who are also those who have suffered the most historical inequities in quality of life.

The City's Comprehensive Plan includes a policy recognizing the need to plan for the eventual removal of residential uses in the AC1 and AC2 zones:

U-2.19 Except for . . . existing mobile home parks located in . . . Air Corridors, encourage preservation, maintenance, and improvements to existing subsidized housing and to market- rate housing that is affordable to low- and moderate-income households.

This is just one example of the competing policies the City must try to reconcile during the 2024 Comprehensive Plan Periodic Review process.

LAKWOOD WORKFORCE DEMOGRAPHICS:

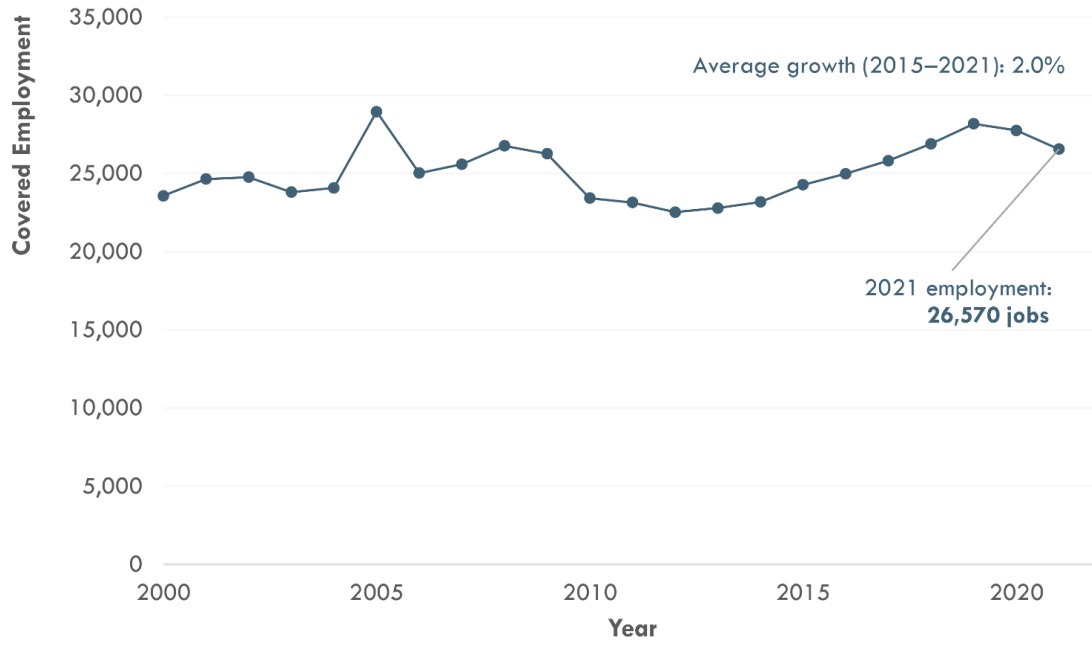
The following workforce demographic information data are sourced from the 2023 Lakewood Housing Needs Assessment.

Lakewood is both a population center and a destination for local and regional employment. According to the PSRC, a total of 28,152 covered jobs were in Lakewood in 2021, which amounted to 1.04 jobs for every resident. This is important, as while Lakewood does serve a role as a residential community for commuters to regional job centers, including Tacoma, Seattle, and JBLM, it also serves as a local and regional employment center.

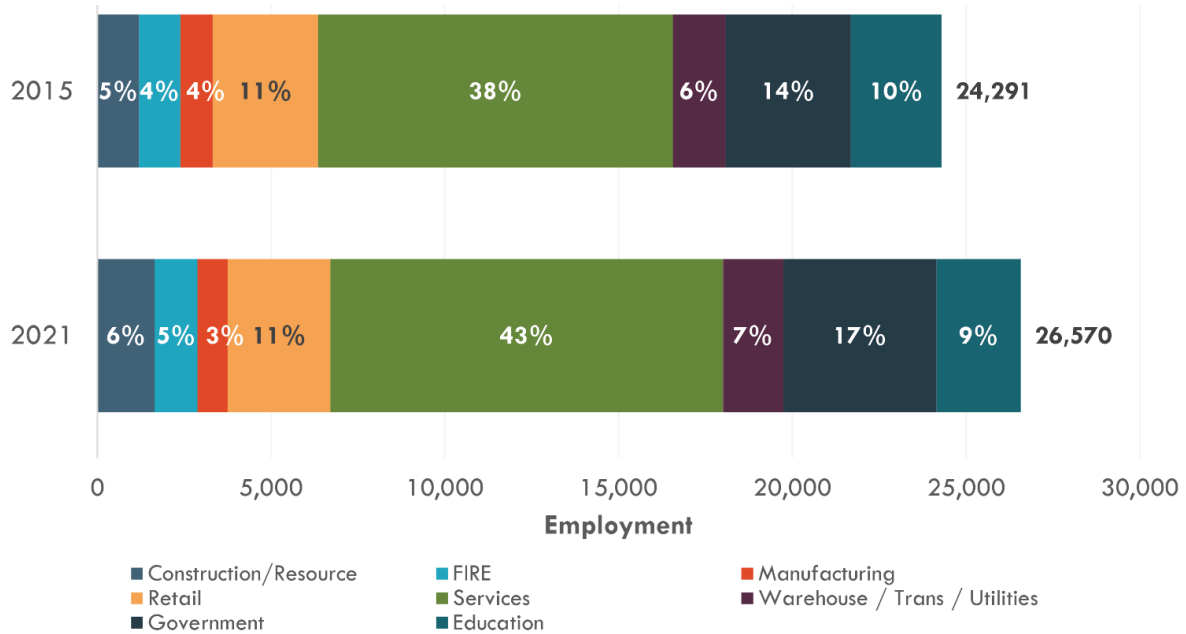
- **There has been significant local employment growth since 2014.** Lakewood experienced a decline in employment related to the recession in the late 2000s, with only 22,540 jobs in 2014. However, from 2014–2021, the City experienced employment growth of about 3.3% per year. The fastest growing major sectors have been Construction/Resource (10% per year), Warehousing/Transportation/Utilities (5.3%), and Government. (5.0%). The greatest addition overall has been to Services, accounting for 2,157 additional jobs and about 38% of the total jobs added.
- **Lakewood represents a location for regional employment.** About 87.2% of local workers commute into Lakewood from across the county and the Puget Sound region. The greatest proportion of Lakewood workers commute from Tacoma (17%), with a significant number coming from Parkland (4.2%), South Hill (3.8%) and University Place (3.5%).
- **14.5% of workers at their primary job reside in Lakewood.** This percentage has declined over time despite an increase in the actual number of jobs within the City.
- **COVID-19 and its effects on employment patterns are still not fully understood.** While by Fall 2022, many jobs had transitioned back from remote to in-office, it is unclear how much commuting patterns and remote work opportunities will permanently change. Local and regional service jobs are also

in flux, with long-term impacts from changes in economic systems still uncertain.

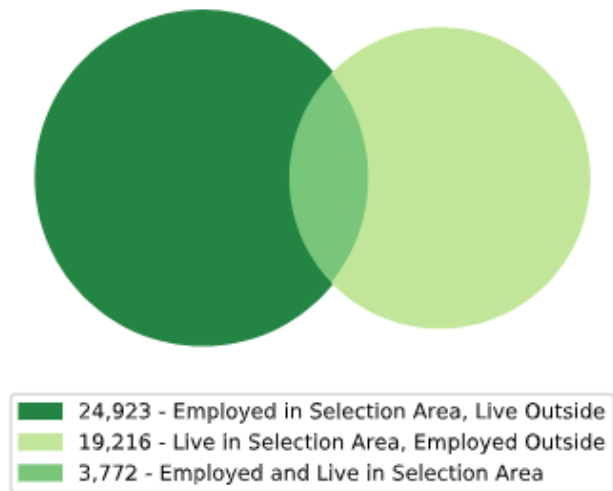
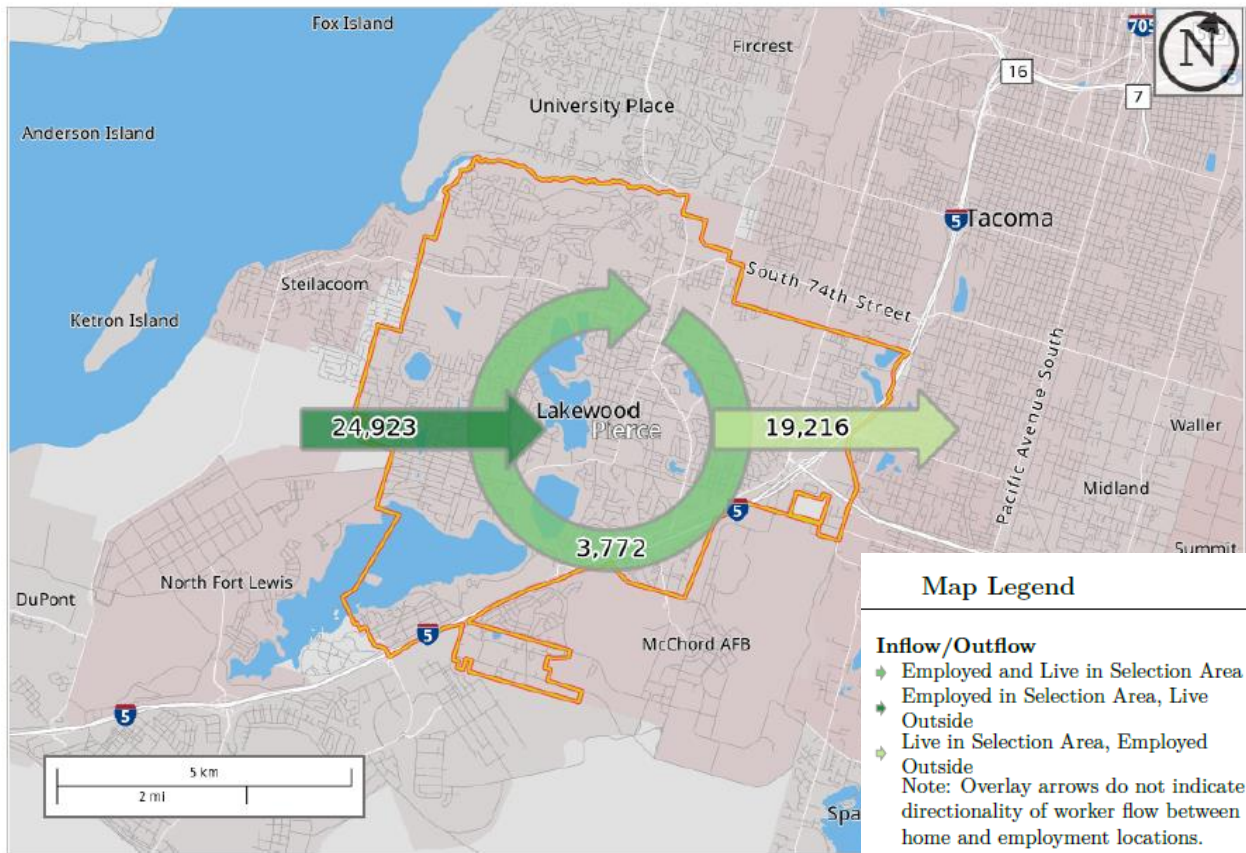
LAKWOOD COVERED EMPLOYMENT, 2008 - 2021.



LAKWOOD COVERED EMPLOYMENT BY MAJOR SECTOR, 2015 AND 2021.



Inflow/Outflow Counts of All Jobs for Selection Area in 2021
All Workers



SOURCE: U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov>

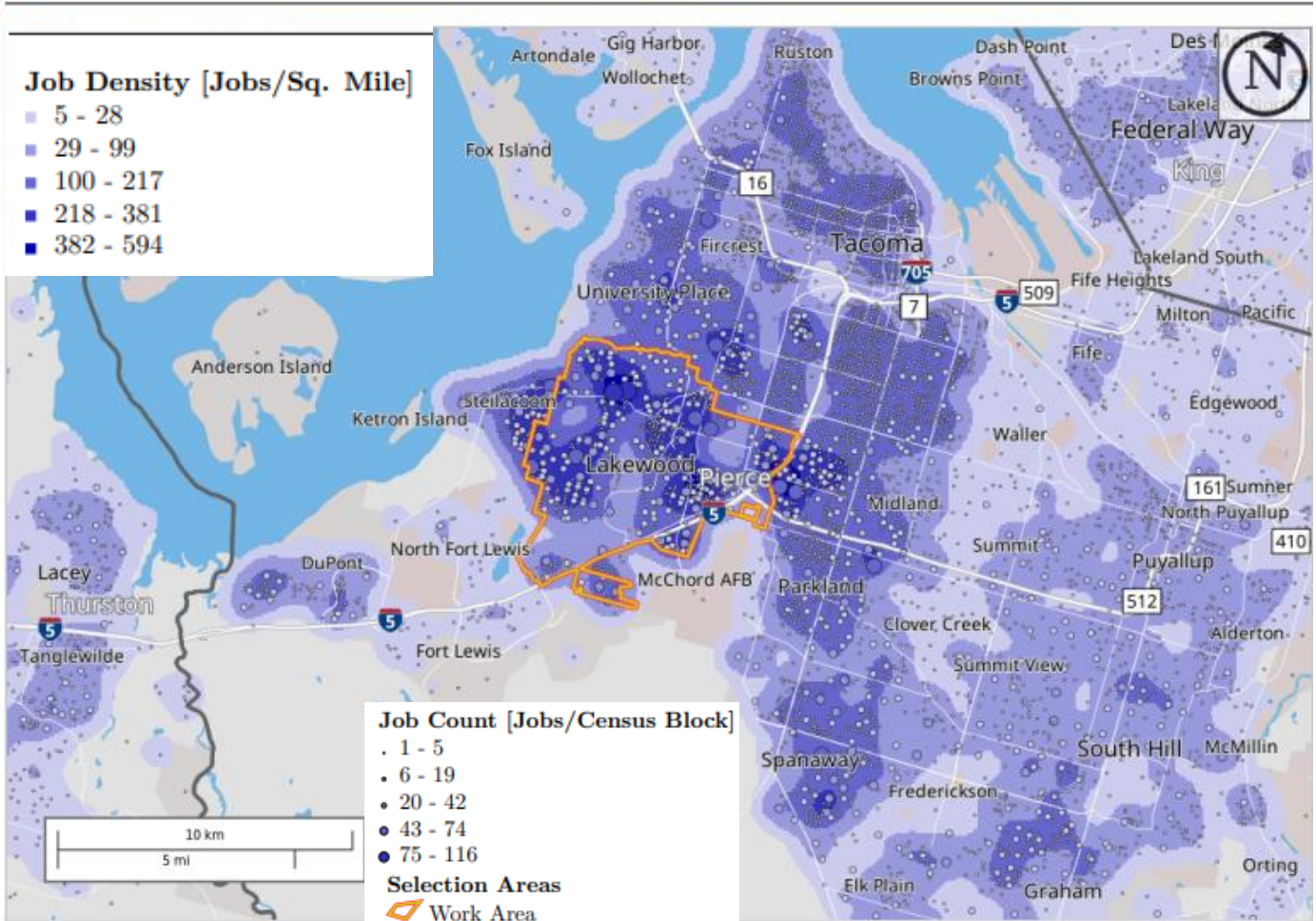
JOB INFLOW/OUTFLOW REPORT: 2021

Selection Area Labor Market Size (All Jobs)		
	2021	
	Count	Share
Employed in the Selection Area	28,695	100.0%
Living in the Selection Area	22,988	80.1%
Net Job Inflow (+) or Outflow (-)	5,707	-
In-Area Labor Force Efficiency (All Jobs)		
	2021	
	Count	Share
Living in the Selection Area	22,988	100.0%
Living and Employed in the Selection Area	3,772	16.4%
Living in the Selection Area but Employed Outside	19,216	83.6%
In-Area Employment Efficiency (All Jobs)		
	2021	
	Count	Share
Employed in the Selection Area	28,695	100.0%
Employed and Living in the Selection Area	3,772	13.1%
Employed in the Selection Area but Living Outside	24,923	86.9%
Outflow Job Characteristics (All Jobs)		
	2021	
	Count	Share
External Jobs Filled by Residents	19,216	100.0%
Workers Aged 29 or younger	4,561	23.7%
Workers Aged 30 to 54	10,215	53.2%
Workers Aged 55 or older	4,440	23.1%
Workers Earning \$1,250 per month or less	3,142	16.4%
Workers Earning \$1,251 to \$3,333 per month	5,513	28.7%
Workers Earning More than \$3,333 per month	10,561	55.0%
Workers in the "Goods Producing" Industry Class	2,588	13.5%
Workers in the "Trade, Transportation, and Utilities" Industry Class	4,670	24.3%
Workers in the "All Other Services" Industry Class	11,958	62.2%
Inflow Job Characteristics (All Jobs)		
	2021	
	Count	Share
Internal Jobs Filled by Outside Workers	24,923	100.0%
Workers Aged 29 or younger	5,066	20.3%
Workers Aged 30 to 54	13,277	53.3%
Workers Aged 55 or older	6,580	26.4%
Workers Earning \$1,250 per month or less	3,944	15.8%

Inflow Job Characteristics (All Jobs)		
	2021	
	Count	Share
Workers Earning \$1,251 to \$3,333 per month	7,187	28.8%
Workers Earning More than \$3,333 per month	13,792	55.3%
Workers in the "Goods Producing" Industry Class	2,409	9.7%
Workers in the "Trade, Transportation, and Utilities" Industry Class	5,665	22.7%
Workers in the "All Other Services" Industry Class	16,849	67.6%
Interior Flow Job Characteristics (All Jobs)		
	2021	
	Count	Share
Internal Jobs Filled by Residents	3,772	100.0%
Workers Aged 29 or younger	751	19.9%
Workers Aged 30 to 54	1,869	49.5%
Workers Aged 55 or older	1,152	30.5%
Workers Earning \$1,250 per month or less	624	16.5%
Workers Earning \$1,251 to \$3,333 per month	1,305	34.6%
Workers Earning More than \$3,333 per month	1,843	48.9%
Workers in the "Goods Producing" Industry Class	214	5.7%
Workers in the "Trade, Transportation, and Utilities" Industry Class	685	18.2%
Workers in the "All Other Services" Industry Class	2,873	76.2%

Counts and Density of Home Locations for All Jobs in Work Selection Area in 2021

All Workers

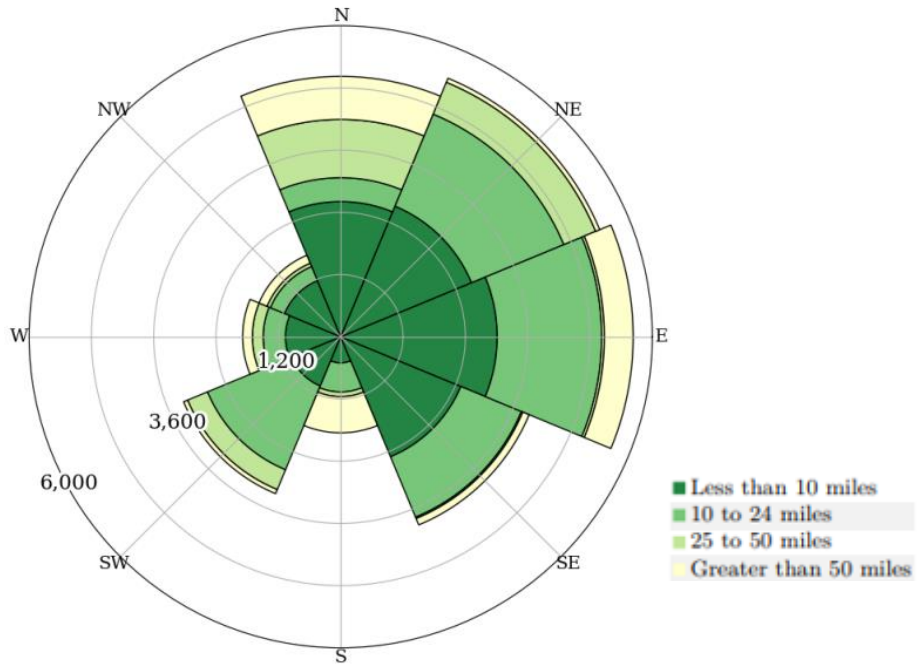


Distance to Job Counts for Lakewood Census Tracts		
	2021	
	Count	Share
Total All Jobs	28,695	100.0%
Less than 10 miles	14,622	51.0%
10 to 24 miles	8,685	30.3%
25 to 50 miles	2,653	9.2%
Greater than 50 miles	2,735	9.5%

SOURCE: U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov>

All Jobs for All Workers in 2021

Distance and Direction from Work Census Block to Home Census Block, Unk: _v



All Jobs for All Workers in 2021

Distance from Work Census Block to Home Census Block, Unk: _verb in Selection Area

Distance	2021	
	Count	Share
Total All Jobs	28,695	100.0\%
Less than 10 miles	14,622	51.0\%
10 to 24 miles	8,685	30.3\%
25 to 50 miles	2,653	9.2\%
Greater than 50 miles	2,735	9.5\%

SOURCE: U.S. Census Bureau's OnTheMap <https://onthemap.ces.census.gov>

HOUSING MARKET CONDITIONS⁶:



Lakewood, Washington		
SELECTED HOUSING CHARACTERISTICS: 2022		
	Estimate	Percent
HOUSING TENURE		
Occupied housing units	26,366	26,366
Owner-occupied	11,488	43.6%
Renter-occupied	14,878	56.4%
Average household size of owner-occupied unit	2.48	(X)
Average household size of renter-occupied unit	2.24	(X)
HOUSING OCCUPANCY		
Total housing units	28,257	28,257
Occupied housing units	26,366	93.3%
Vacant housing units	1,891	6.7%
Homeowner vacancy rate	1.1	(X)
Rental vacancy rate	4.1	(X)
UNITS IN STRUCTURE		
Total housing units	28,257	28,257
1-unit, detached	12,608	44.6%
1-unit, attached	1,549	5.5%
2 units	1,074	3.8%
3 or 4 units	2,589	9.2%
5 to 9 units	2,821	10.0%
10 to 19 units	3,349	11.9%
20 or more units	3,005	10.6%
Mobile home	1,247	4.4%
Boat, RV, van, etc.	15	0.1%
YEAR STRUCTURE BUILT		
Total housing units	28,257	28,257
Built 2020 or later	110	0.4%
Built 2010 to 2019	1,280	4.5%
Built 2000 to 2009	2,191	7.8%
Built 1990 to 1999	3,421	12.1%
Built 1980 to 1989	3,897	13.8%
Built 1970 to 1979	5,434	19.2%
Built 1969 or earlier	11,924	42.2%
ROOMS		
Total housing units	28,257	28,257
1 room	1,231	4.4%
2 rooms	1,675	5.9%
3 rooms	4,713	16.7%
4 rooms	5,766	20.4%
5 rooms	4,787	16.9%
6 rooms	3,586	12.7%
7 rooms	2,485	8.8%

⁶ The median is the value that's sequentially in the middle. (2, 3, 3, 4, 6, 8, 9) = 4
 The mean (average) = adding all numbers in a data set and then dividing by the number of values in the set. (2+3+3+4+6+8+9 = 35) ÷ 7 = 5

8 rooms	1,698	6.0%
9 rooms or more	2,316	8.2%
Median rooms	4.7	(X)
BEDROOMS		
Total housing units	28,257	28,257
No bedroom	1,265	4.5%
1 bedroom	5,657	20.0%
2 bedrooms	8,550	30.3%
3 bedrooms	8,981	31.8%
4 bedrooms	2,922	10.3%
5 or more bedrooms	882	3.1%
YEAR HOUSEHOLDER MOVED INTO UNIT		
Occupied housing units	26,366	26,366
Moved in 2021 or later	1,671	6.3%
Moved in 2018 to 2020	7,043	26.7%
Moved in 2010 to 2017	9,975	37.8%
Moved in 2000 to 2009	3,687	14.0%
Moved in 1990 to 1999	1,880	7.1%
Moved in 1989 and earlier	2,110	8.0%
VEHICLES AVAILABLE		
Occupied housing units	26,366	26,366
No vehicles available	2,013	7.6%
1 vehicle available	10,524	39.9%
2 vehicles available	8,673	32.9%
3 or more vehicles available	5,156	19.6%
HOUSE HEATING FUEL		
Occupied housing units	26,366	26,366
Utility gas	7,972	30.2%
Bottled, tank, or LP gas	512	1.9%
Electricity	17,067	64.7%
Fuel oil, kerosene, etc.	236	0.9%
Coal or coke	18	0.1%
Wood	74	0.3%
Solar energy	17	0.1%
Other fuel	97	0.4%
No fuel used	373	1.4%
OCCUPANTS PER ROOM		
Occupied housing units	26,366	26,366
1.00 or less	25,225	95.7%
1.01 to 1.50	619	2.3%
1.51 or more	522	2.0%
VALUE		
Owner-occupied units	11,488	11,488
Less than \$50,000	816	7.1%
\$50,000 to \$99,999	84	0.7%
\$100,000 to \$149,999	103	0.9%
\$150,000 to \$199,999	452	3.9%
\$200,000 to \$299,999	1,527	13.3%
\$300,000 to \$499,999	5,834	50.8%
\$500,000 to \$999,999	2,156	18.8%
\$1,000,000 or more	516	4.5%
Median (dollars)	406,500	(X)
MORTGAGE STATUS		
Owner-occupied units	11,488	11,488
Housing units with a mortgage	6,725	58.5%
Housing units without a mortgage	4,763	41.5%

SELECTED MONTHLY OWNER COSTS		
Housing units with a mortgage	6,725	6,725
Less than \$500	23	0.3%
\$500 to \$999	228	3.4%
\$1,000 to \$1,499	1,076	16.0%
\$1,500 to \$1,999	1,862	27.7%
\$2,000 to \$2,499	1,901	28.3%
\$2,500 to \$2,999	764	11.4%
\$3,000 or more	871	13.0%
Median (dollars)	2,046	(X)
Housing units without a mortgage	4,763	4,763
Less than \$250	167	3.5%
\$250 to \$399	445	9.3%
\$400 to \$599	689	14.5%
\$600 to \$799	1,351	28.4%
\$800 to \$999	1,162	24.4%
\$1,000 or more	949	19.9%
Median (dollars)	762	(X)
SELECTED MONTHLY OWNER COSTS AS A % OF HOUSEHOLD INCOME		
Housing units with a mortgage	6,725	6,725
Less than 20.0 percent	2,489	37.0%
20.0 to 24.9 percent	1,205	17.9%
25.0 to 29.9 percent	989	14.7%
30.0 to 34.9 percent	676	10.1%
35.0 percent or more	1,366	20.3%
Not computed	0	(X)
Housing unit without a mortgage	4,746	4,746
Less than 10.0 percent	1,990	41.9%
10.0 to 14.9 percent	861	18.1%
15.0 to 19.9 percent	545	11.5%
20.0 to 24.9 percent	358	7.5%
25.0 to 29.9 percent	269	5.7%
30.0 to 34.9 percent	68	1.4%
35.0 percent or more	655	13.8%
Not computed	17	(X)
GROSS RENT		
Occupied units paying rent	14,403	14,403
Less than \$500	189	1.3%
\$500 to \$999	2,515	17.5%
\$1,000 to \$1,499	6,806	47.3%
\$1,500 to \$1,999	3,336	23.2%
\$2,000 to \$2,499	993	6.9%
\$2,500 to \$2,999	412	2.9%
\$3,000 or more	152	1.1%
Median (dollars)	1,318	(X)
No rent paid	475	(X)
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME (GRAPI)		
Occupied units paying rent (excluding units where GRAPI cannot be computed)	14,157	14,157
Less than 15.0 percent	1,249	8.8%
15.0 to 19.9 percent	1,602	11.3%
20.0 to 24.9 percent	1,621	11.5%

25.0 to 29.9 percent	2,044	14.4%
30.0 to 34.9 percent	1,717	12.1%
35.0 percent or more	5,924	41.8%
Not computed	721	(X)

SOURCE: American Community Survey 2022 5-Year Estimates Data Profiles as compiled by WCREP

2023 OUT OF REACH REPORT (NLIHC)	WA STATE	PIERCE COUNTY
2 Bedroom Fair Market Rent (FMR)	\$1,889	\$1,643
Housing Wage	\$36.33	\$31.60
Annual Wage	\$75,556	\$65,720
Full-time jobs at Minimum wage to afford 2BR FMR	2.3	2.0
FY23 Area median Income (AMI)	\$118,880	\$112,600
Affordable Rent/Month	\$2,972	\$2,815
30% of AMI	\$35,664	\$33,780
Affordable Rent/Month @ 30% AMI	\$892	\$845
# of Renter Households 2017-2021	1,066,944	119,698
% of Total Households 2017-2021	36%	36%
Estimated hourly mean renter wage (2023)	30.32	20.95
Monthly rent affordable @ mean renter wage (2023)	\$1,577	\$1,089
# of Full-time jobs @ mean renter wage to afford 2 BR FMR	1.2	1.5
Rent affordable to SSI Recipient	\$286	

SOURCE: WWW.NLIHC.ORG/OOR | © 2023 NATIONAL LOW INCOME HOUSING COALITION

WASHINGTON'S RENTAL VACANCY RATE

The statewide rental vacancy rate in Washington is 4.8% as of the end of 2023Q3; that's 27.3% below the national average.

- Washington rental vacancy is down 12.7% YoY.
- Between 2023Q2 and 2023Q3, Washington's rental vacancies increased 29.7% from a rate of 3.7%.
- Rental vacancy in Washington increased 19.4% in 2022 following a 5.26% decline in 2021.
- From 2015 to 2020, Washington's rental vacancy rate decreased 15.8%.
- Between 2005 and 2015, rental vacancy in Washington declined 24.0%.
- 34.5% of Washington households do not own their homes as of 2023Q3.
- The Seattle-Tacoma-Bellevue metropolitan area has a 3.9% rental vacancy rate, down 15.2% YoY.

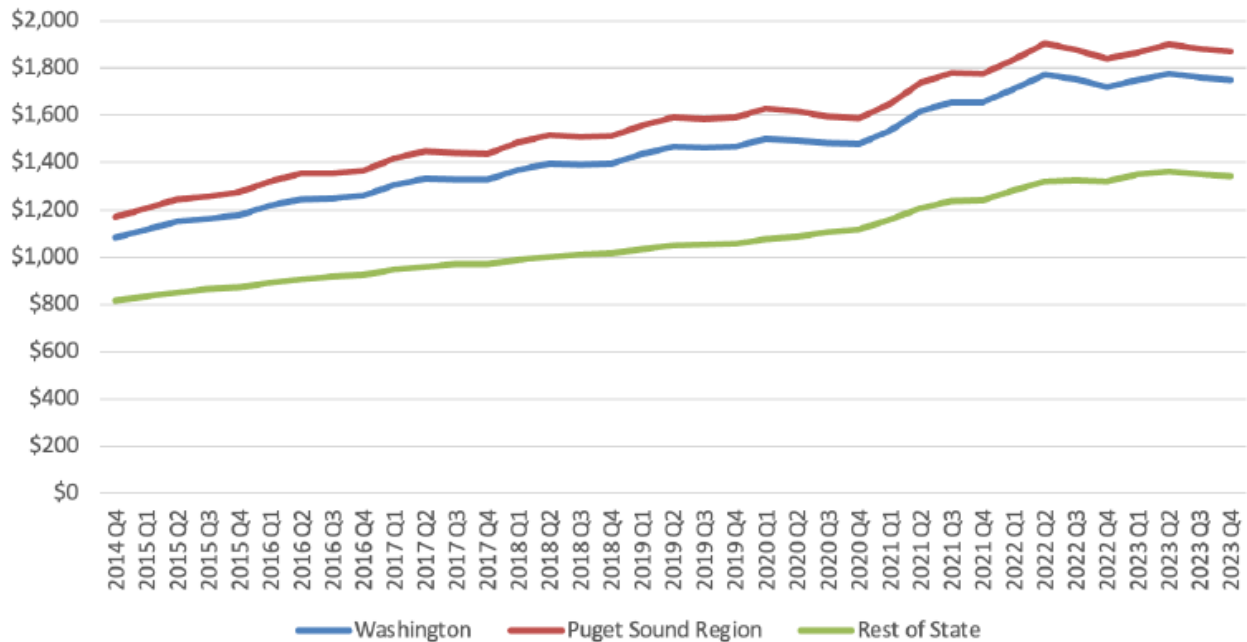
SOURCE: <https://ipropertymanagement.com/research/rental-vacancy-rate#washington>

Washington State and Puget Sound Rent Trends

Apartment rents declined in the 4th quarter 2023 (see Figure 1 below.) Rents fell by -0.7% on average across the state, -0.7% in the Puget Sound region and by -0.6% in the rest of the state.

The current statewide annual rate of rent growth is 1.6%; this means that average rent levels for the 4th quarter 2023 were 1.6% higher than those for the 4th quarter 2022. The annual growth rate for the Puget Sound region was 1.7%, while that for the rest of the state was 1.6%.

Figure 1. Historical Apartment Rents



SOURCE: *Washington State Apartment Market Report, 4th Quarter 2023* (Washington Center for Real Estate Research Runstad Department of Real Estate College of Built Environments)

LAKWOOD RENTAL APARTMENT: Q4 2023

# of Units	Average SF	Average Rent	Rent/SF	Rent Growth/Yr	Vacancy Units	Vacancy Percent	Vacancy Growth/Yr
8,762	789	\$1,363	\$1.74	2.0%	501	5.7%	0.6%

The data above are based on apartments classified as market-rate or affordable in developments with at least five units. Affordable units are included to give a better picture of the overall affordability of the rental apartment sector. New units developed within the previous two years are excluded to reduce distortion that might occur in the vacancy rate statistics due to the time required to lease out new units.

SOURCE: Washington Center for Real Estate Research (WCRER) / University of Washington

LAKWOOD SUBSIDIZED HOUSING INVENTORY BY DATA SOURCE: Q4 2023

Number of Units by Data Source (see Notes for explanations)									Deduplicated Total Number of Units
WSHFC	WSHFCM	HTF	RHS515	RHS538	HUD	PHA	PHAHUD	MFTE	
389	5	39	-	-	-	-	-	-	433

DATA SOURCES:

WSHFC: Dwelling units funded by programs managed by the Washington State Housing Finance Commission (WSHFC), including those funded with Low Income Housing Tax Credits (source: WSHFC).

WSHFCM: Units monitored by the WSHFC, including housing funded by the cities of Bellingham, Seattle, Spokane, and Tacoma, and King and Snohomish counties; units that were separately listed in the WSHFC and HTF datasets were deleted from this dataset.

HTF: Units funded by the Washington Department of Commerce, including units funded by the Housing Trust Fund (source: Washington Department of Commerce).

RHS515: Units funded by the US Department of Agriculture's Rural Housing Service (RHS) Section 514 and 515 programs (source: RHS).

RHS538: Units funded by the USDA's RHS Section 538 program (source: RHS).

HUD: Units funded by the US Department of Housing and Urban Development's (HUD's) project-based Section 8 and other multi-family programs (source: HUD).

PHA: Public Housing Authority units reported in response to a survey conducted on behalf of the Washington Department of Commerce (source: BERK Consulting).

PHAHUD: Public Housing Authority units reported by HUD (source: HUD).

MFTE: Multifamily Tax Exemption Program affordable units put into service from 2020 through 2022 (source: Washington Department of Commerce).

LAKWOOD SUBSIDIZED HOUSING INVENTORY BY NUMBER OF BEDROOMS: Q4 2023

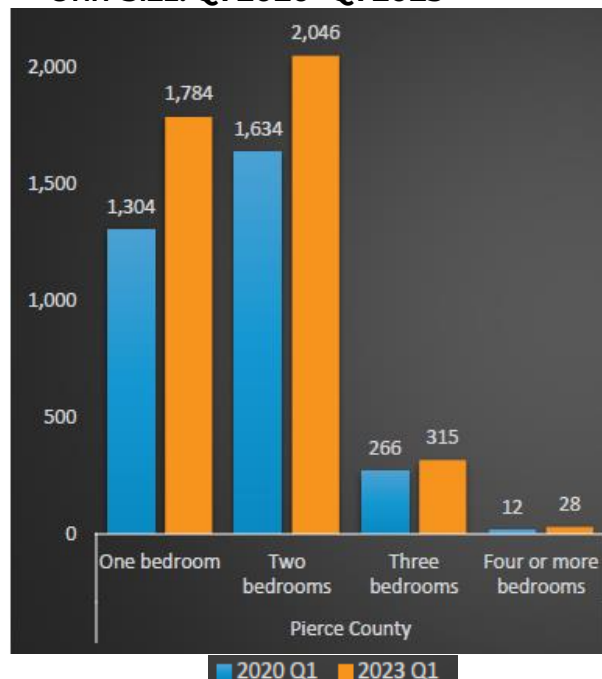
Number of Bedrooms					
Studio	One Bedroom	Two Bedrooms	Three Bedrooms	Four or More Bedrooms	Unknown
-	71	49	-	-	313

SOURCE: Washington Center for Real Estate Research (WCRER) / University of Washington

AVERAGE ASKING APARTMENT RENT BY UNIT SIZE: Q1 2023

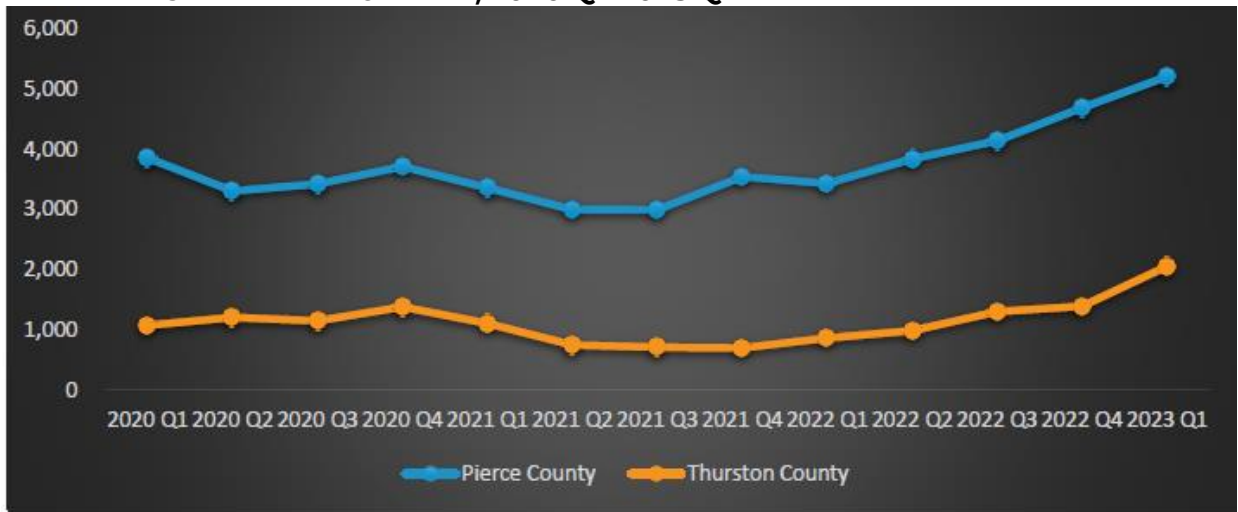


APARTMENT RENTAL UNIT AVAILABILITY BY UNIT SIZE: Q1 2020- Q1 2023



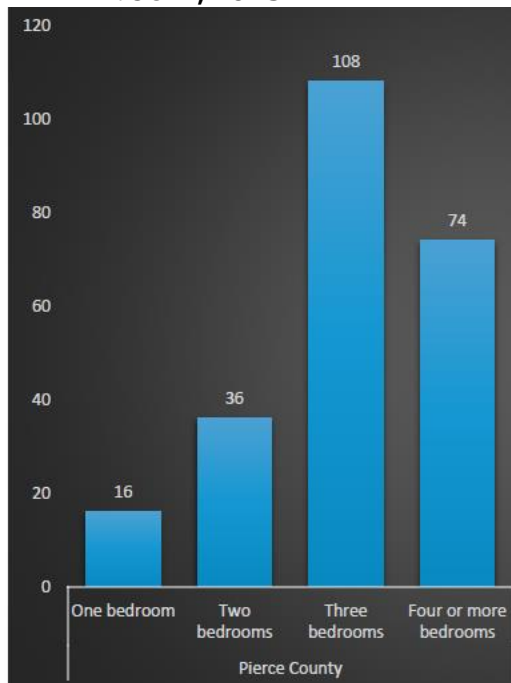
SOURCE: 2023 South Sound Communities/JBLM Housing Study 2.0 (SSMCP, January 2024)

APARTMENTS AVAILABLE FOR RENT, 2020 Q1-2023 Q1

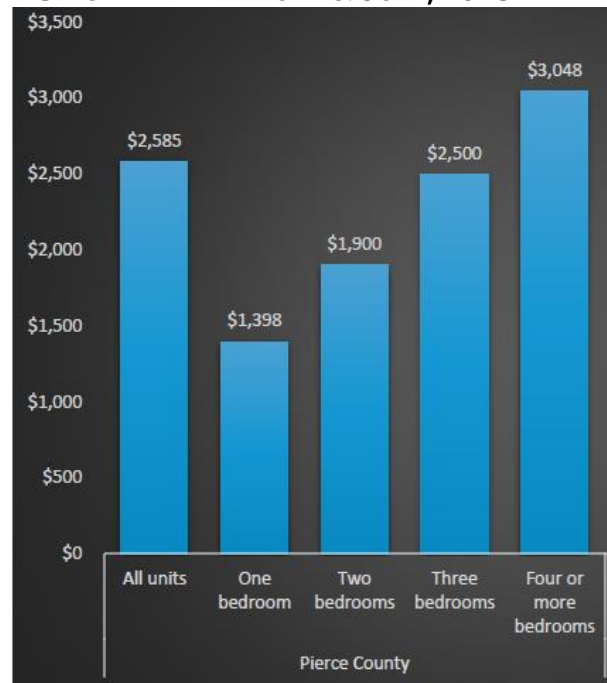


SOURCE: 2023 South Sound Communities/JBLM Housing Study 2.0 (SSMCP, January 2024)

DETACHED SINGLE-FAMILY RENTAL MARKET: JULY, 2023



MEDIAN ASKING RENT FOR AVAILABLE SINGLE-FAMILY HOMES: JULY, 2023



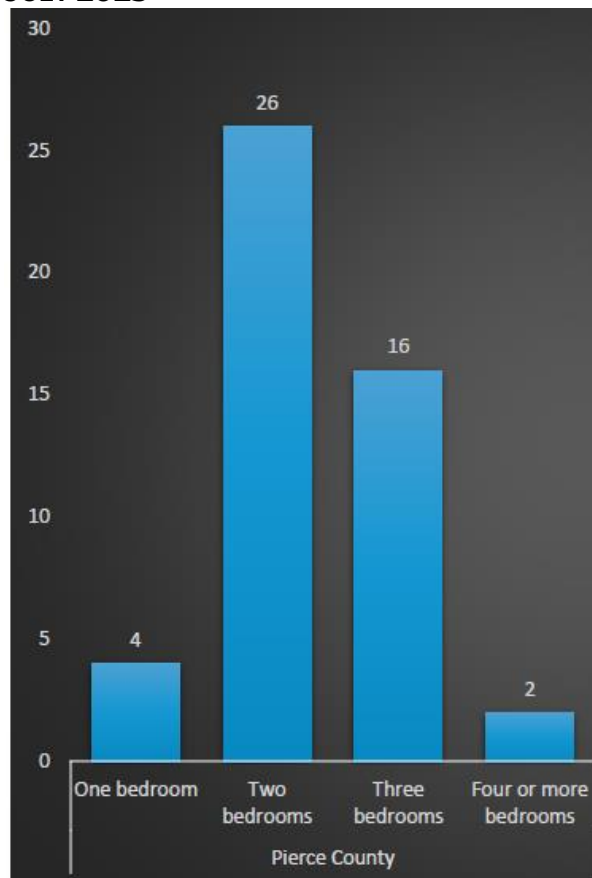
SOURCE: 2023 South Sound Communities/JBLM Housing Study 2.0 (SSMCP, January 2024)

TOWNHOME RENTAL MARKET: JULY 2023



SOURCE: 2023 South Sound Communities/JBLM Housing Study 2.0 (SSMCP, January 2024)

TOWNHOMES AVAILABLE FOR RENT, JULY 2023



MEDIAN ASKING RENT FOR AVAILABLE TOWNHOMES, JULY 2023



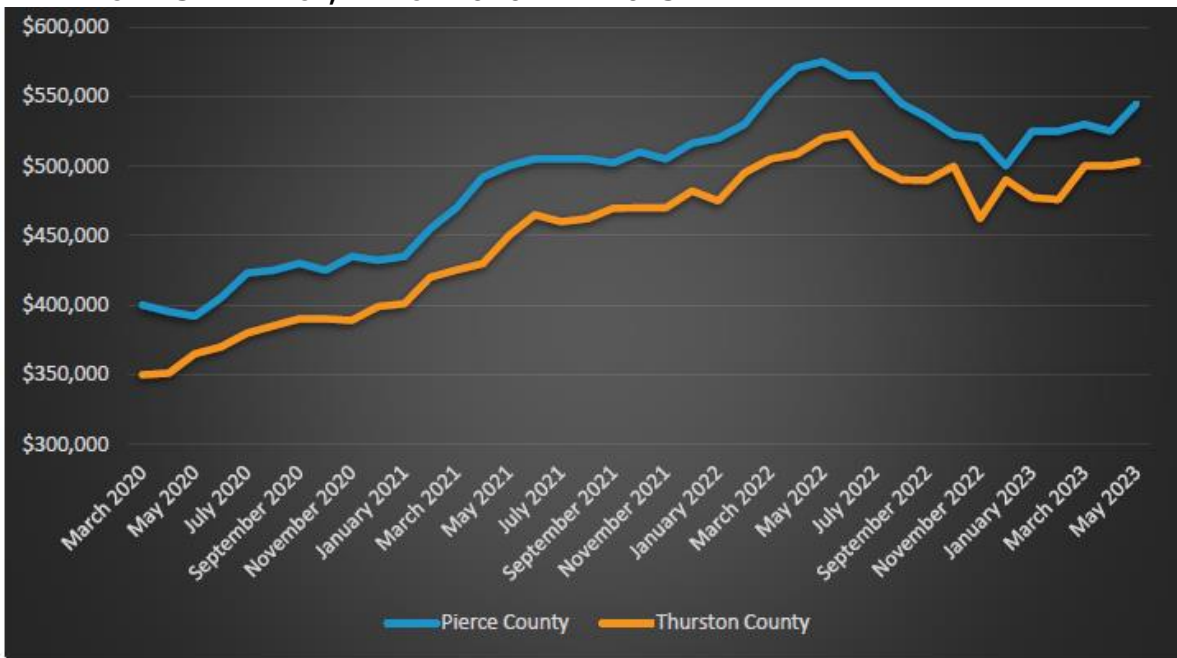
SOURCE: 2023 South Sound Communities/JBLM Housing Study 2.0 (SSMCP, January 2024)

STATE OF WASHINGTON AND PIERCE COUNTY ANNUAL MEDIAN HOME PRICES, 2015-2022

	2015	2016	2017	2018	2019	2020	2021	2022
WA STATE	\$438,000	\$316,400	\$289,100	\$315,900	\$397,900	\$452,400	\$560,400	\$647,900
PIERCE COUNTY	\$251,900	\$279,000	\$315,700	\$347,400	\$372,200	\$424,300	\$509,300	\$554,400

SOURCE: Washington Center for Real Estate Research (WCRER) / University of Washington

MEDIAN HOME SALE PRICE, MARCH 2020-MAY 2023



SOURCE: 2023 South Sound Communities/JBLM Housing Study 2.0 (SSMCP, January 2024)

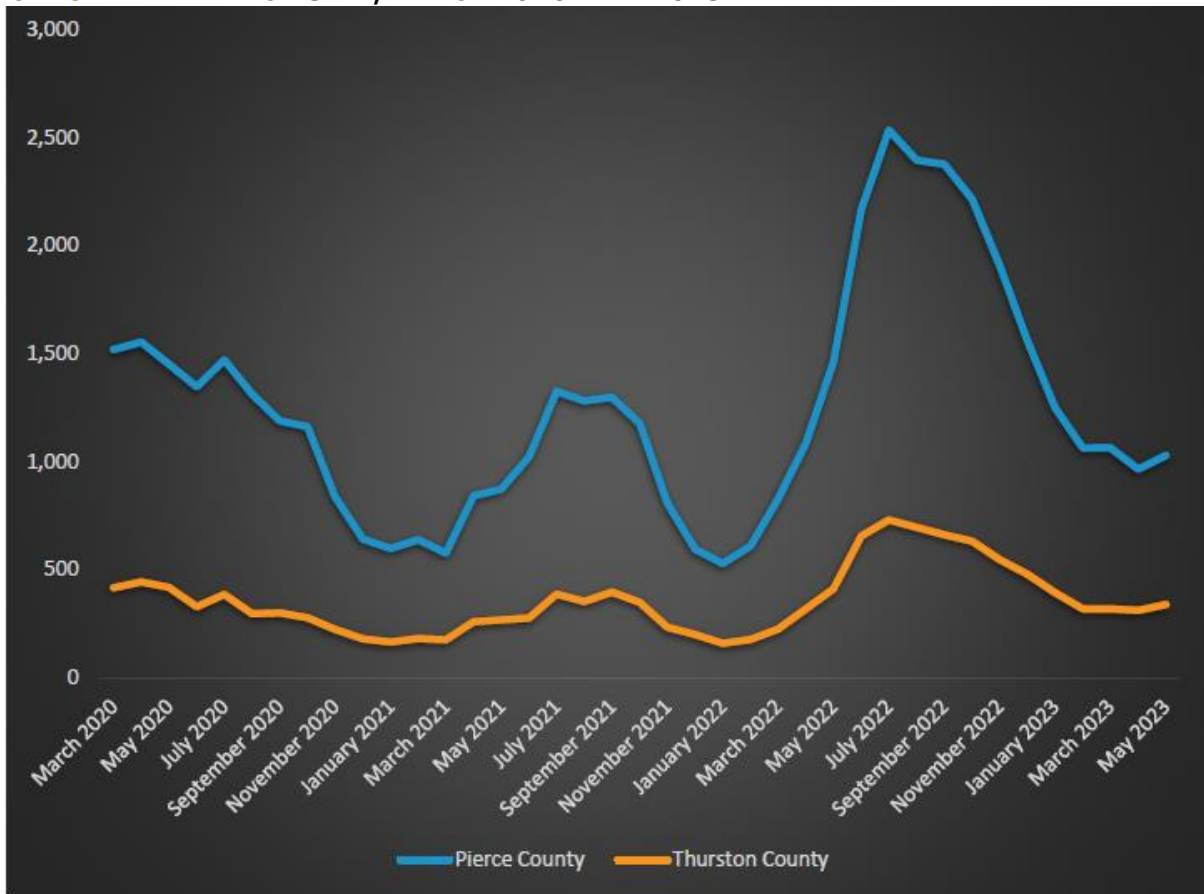
During the pandemic’s first year or so, the supply of homes dropped substantially, particularly in Pierce County: from March 2020 to March 2021, the number of available homes fell from 1,519 to 577.

Through July 2021, supply grew, before declining over the next several months. In January 2022, a combined 689 homes were available in both counties - the lowest number for the period under examination. This dramatic reduction in supply foreshadowed the unprecedented price hikes that would occur in subsequent months.

In July 2022, supply reached its highest point since the beginning of the pandemic, at 2,535 homes in Pierce County and 731 homes in Thurston County. Supply has been on a downward trend since then. In May 2023, Pierce and Thurston had a combined available inventory of 1,369 homes.

SOURCE: 2023 South Sound Communities/JBLM Housing Study 2.0 (SSMCP, January 2024)

HOMES AVAILABLE FOR SALE, MARCH 2020-MAY 2023



SOURCE: 2023 South Sound Communities/JBLM Housing Study 2.0 (SSMCP, January 2024)

The number of days a home spends on the market is a proxy for the level of demand at a given point in time. In 2020 and 2021, homes consistently sold in 10 or fewer days in both counties, indicating high buyer demand.

The same was true in the first seven months of 2022. Starting in August 2022, however, list-to-sale times grew drastically. By September 2022, the median home in both counties spent over 20 days on the market. In the following winter, homes typically took around 50 days to sell. The latest figures suggest that demand has returned to the levels seen during most of 2020 and 2021. In May 2023, the median home sold 8 days after being listed in Pierce and Thurston Counties.

SOURCE: 2023 South Sound Communities/JBLM Housing Study 2.0 (SSMCP, January 2024)

LAKWOOD HOME SALES BY NUMBER OF BEDROOMS, Q1 2021 – Q3 2023

Quarter	Total sales	Median price	Sales by number of bedrooms				Median price by number of bedrooms			
			0/1	2	3	4+	0/1	2	3	4+
2021Q1	161	\$400,000	3	24	81	53	\$300,000	\$324,500	\$390,000	\$495,000
2021Q2	240	\$465,000	9	31	102	98	\$343,000	\$330,000	\$433,765	\$569,990
2021Q3	221	\$453,000	4	30	109	78	\$367,500	\$350,000	\$438,000	\$541,475
2021Q4	214	\$487,500	6	24	104	80	\$255,000	\$332,500	\$450,000	\$607,475
2022Q1	163	\$510,000	4	18	77	64	\$247,500	\$351,250	\$465,000	\$642,500
2022Q2	207	\$520,000	7	31	105	64	\$355,000	\$350,000	\$500,000	\$677,500
2022Q3	169	\$490,000	7	26	82	54	\$335,000	\$365,000	\$474,500	\$569,500
2022Q4	131	\$460,000	7	24	62	38	\$260,000	\$355,000	\$450,000	\$587,500
2023Q1	139	\$464,950	3	22	68	46	\$245,000	\$331,250	\$455,000	\$622,800
2023Q2	166	\$516,050	3	18	85	60	\$205,000	\$334,500	\$490,000	\$586,000
2023Q3	136	\$482,500	5	23	62	46	\$220,000	\$365,000	\$460,000	\$625,000

SOURCE: Washington Center for Real Estate Research (WCRER) / University of Washington

LAKWOOD HOME SALES AND MEDIAN PRICE BY TYPE OF DWELLING, Q1 2021 – Q3 2023

Quarter	Total sales	Median price	Sales by dwelling type			Median price by dwelling type		
			Condo	Manu-factured	Single-family	Condo	Manu-factured	Single-family
2021Q1	161	\$400,000	18		143	\$280,845		\$411,000
2021Q2	240	\$465,000	17		223	\$257,000		\$470,000
2021Q3	221	\$453,000	11		210	\$351,000		\$456,750
2021Q4	214	\$487,500	18		196	\$261,500		\$497,000
2022Q1	163	\$510,000	14		149	\$297,500		\$520,000
2022Q2	207	\$520,000	25		182	\$275,000		\$530,000
2022Q3	169	\$490,000	20		149	\$397,500		\$512,000
2022Q4	131	\$460,000	20		111	\$291,500		\$479,000
2023Q1	139	\$464,950	14		125	\$402,400		\$474,900
2023Q2	166	\$516,050	20		146	\$347,500		\$535,000
2023Q3	136	\$482,500	13		123	\$355,000		\$495,000

SOURCE: Washington Center for Real Estate Research (WCRER) / University of Washington

LAKWOOD HOUSING PRODUCTION:

The following data are sourced from the 2021 Pierce County Buildable Lands Report, containing housing permit and production information through 2020 and finalized in November 2022.

Lakewood 2044 Housing Capacity: 10,242 Units

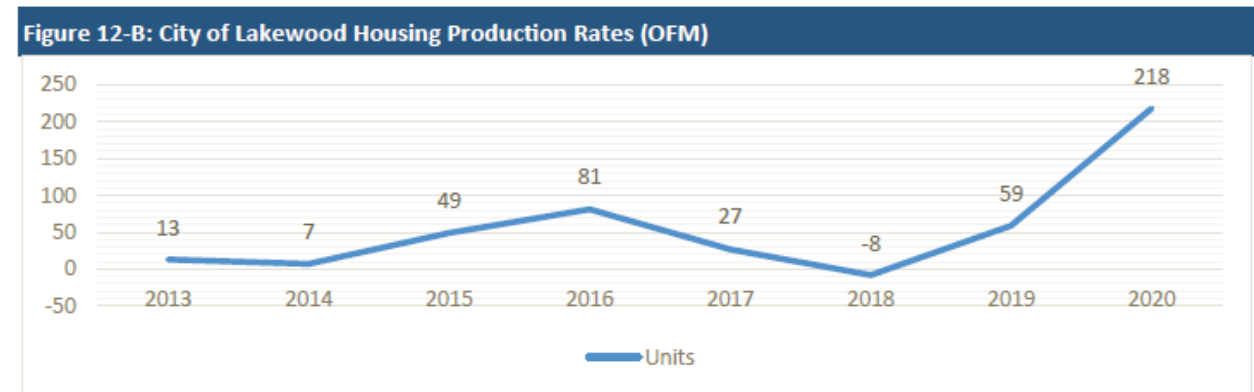
Lakewood total 2044 Housing Unit Target: 9,378 Units (not identified for required units by AMI levels)

HOUSING DENSITY BY ZONE

Table 12-2: City of Lakewood 2013-2020 Residential Trends by Zone¹

Zone	Net Acres ²	Lots/Units	Density
ARC	0.78	15	19.23
CBD	1.45	15	10.34
MF1	3.13	30	9.60
MR1	0.33	2	6.02
MR2	10.06	34	3.38
NC2	3.19	34	10.65
OSR2	41.29	6	0.15
R1	5.83	8	1.37
R2	3.66	6	1.64
R3	24.17	92	3.81
R4	6.13	32	5.22
Total/Avg.	100.01	274	2.74

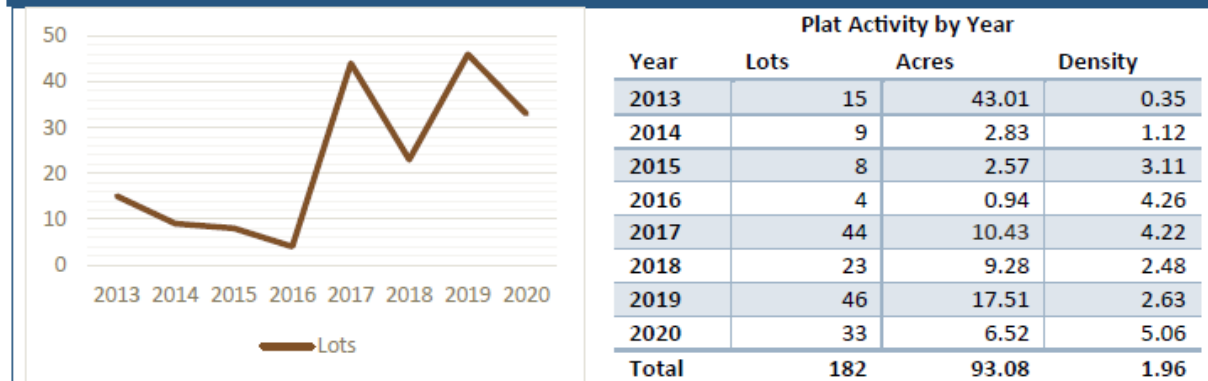
HOUSING UNIT PRODUCTION, 2013-2020



Source: Washington State Office of Financial Management Housing Unit Data (2020).

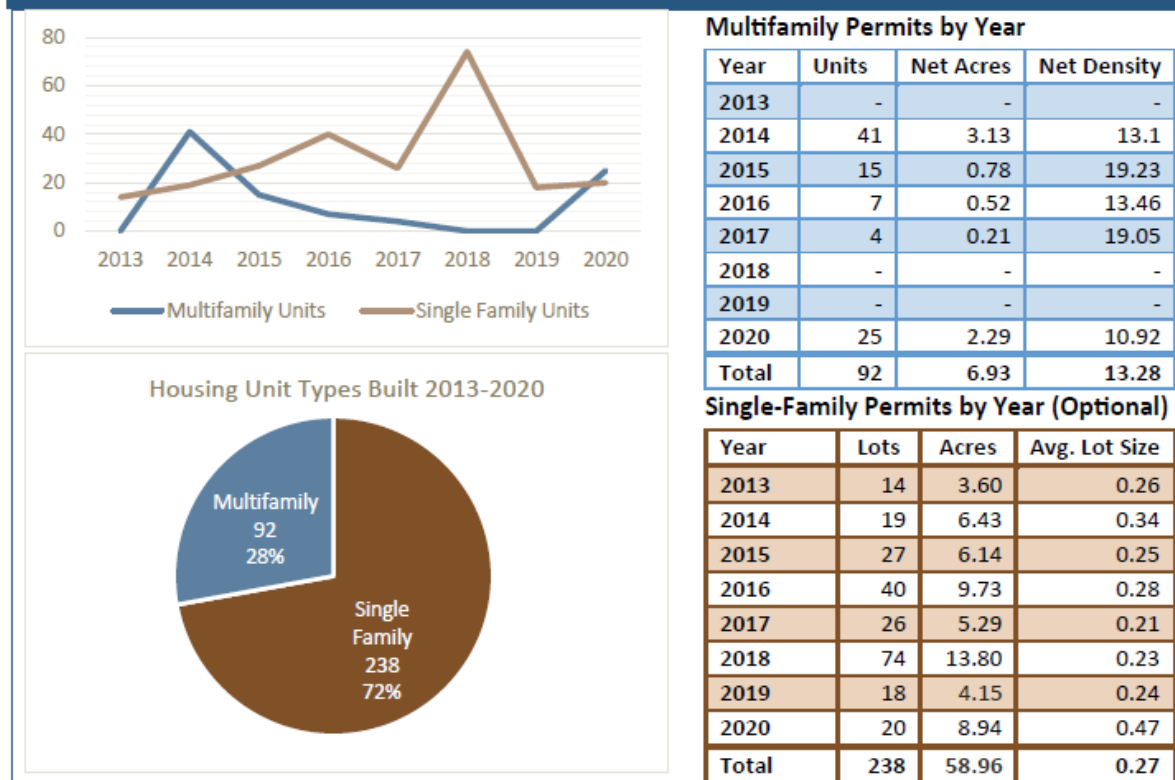
RESIDENTIAL PLAT ACTIVITY, 2013-2020

Figure 12-C: City of Lakewood Platting Trends



SINGLE AND MULTI-FAMILY PERMITS, 2013-2020

Figure 12-D: City of Lakewood Residential Building Permit Trends



Sources: City Permit Data, Pierce County Assessor-Treasurer Tax Parcels, Puget Sound Regional Council Housing Unit Permit Database.

2021-2023 NEW RESIDENTIAL UNIT PERMIT ACTIVITY

ACCESSORY DWELLING UNITS	27
APARTMENT BUILDING	20 BUILDINGS/230 UNITS
DUPLEX BUILDING	21 BUILDINGS/42 UNITS
SINGLE FAMILY DETACHED	151
SINGLE FAMILY ATTACHED	18
TOWNHOME	17

2021-2023 RESIDENTIAL UNIT ADDITION/REMODEL PERMIT ACTIVITY

ADDITIONS	45
REMODELS	74

2021-2023 RESIDENTIAL PLAT ACTIVITY

FINAL PLATS	4 PLATS / 72 LOTS
SHORT PLATS	29 SHORT PLATS / 64 LOTS

2024 10-YEAR COMPREHENSIVE PLAN PERIODIC REVIEW, PSRC CENTERS REVIEW, AND CITY SUBAREA REVIEWS RELATED TO HOUSING:

In conjunction with the state-required 2024 review of the City’s Comprehensive Plan and development regulations, Lakewood is conducting reviews of the City’s three subarea plans, codes, and planned actions, including:

- a biennial review of the Downtown Subarea Plan, Planned Action Ordinance, and development regulations (DSAP package);
- a biennial review of the Station District Subarea Plan, Planned Action Ordinance, and development regulations (LSDS package); and
- replacing the 2011 Tillicum Neighborhood Plan with the 2024 Tillicum-Woodbrook Subarea Plan (TWSP.)

The following table* summarizes where portions of the 2044 Lakewood housing and job growth targets are currently planned:

	2044 Citywide Growth Targets	2035 Targets ID'd for Downtown Subarea	2035 Targets ID'd for Station District Subarea	2044 Targets ID'd for outside subareas	2044 Citywide Emergency Housing Unit Target
Housing Units	9,378 net new units	2,257 net new units (~24% of citywide '44 target)	1,722 net new units (~18% of citywide '44 target)	5,399 (~58% of citywide '44 target)	574
Jobs	9,863 net new jobs	7,317 net new jobs (~74% of citywide '44 target)	1,276 net new jobs (~13% of citywide '44 target)	1,270 (~13% of citywide '44 target)	-

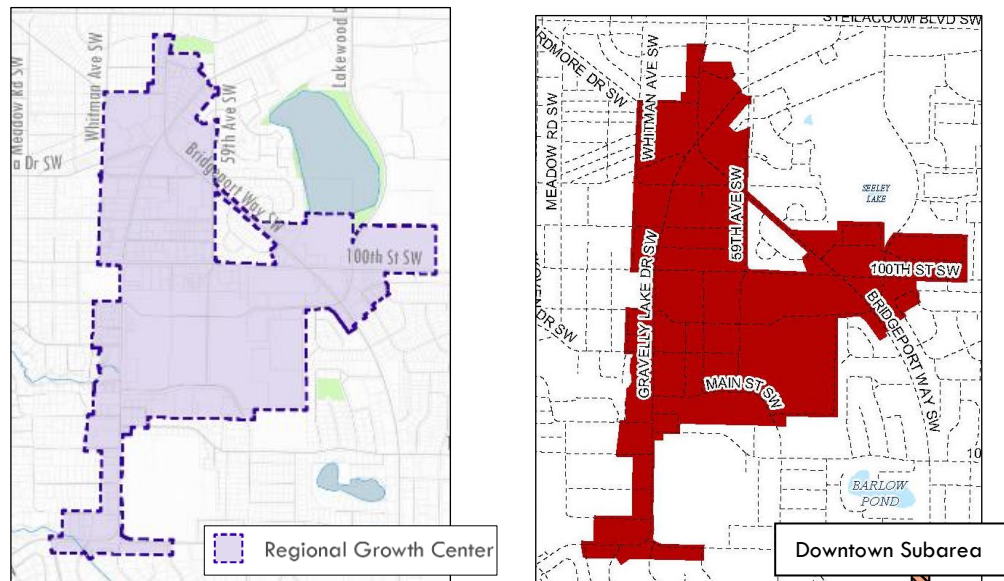
**This table updates the calculation of housing unit and job targets in the Downtown Subarea to reflect activity since the subarea plan effective date.*

The Downtown and Station District Subarea Plans and their growth targets both predate the passage of the 2021 “housing for all area median incomes (AMIs)” planning requirements as well as Lakewood’s final 2044 citywide growth targets. As a result, the subareas’ housing growth targets are being analyzed this year, and proposed updates will be included as part of the biennial reviews if needed (see further details on this housing planning change later in this report.)

PSRC Regional Centers Review

The Lakewood Urban Center was first designated as a Regional Growth Center by the Puget Sound Regional Council (PSRC) in 1995. In 2018, the City Council and PSRC

updated the Lakewood Regional Urban Growth Area boundaries to match the Downtown Subarea boundaries (see maps on next page.)



“Activity Units” - Population + Employment in Lakewood Regional Urban Growth Center

PSRC centers rules establish that center growth targets “must represent a significant portion of the jurisdictions’ overall housing and employment growth targets for the 20-year planning period” (PSRC 2014). The housing and/or employment targets for each center should exceed the center’s shares of existing housing and/or jobs and exceed the center’s shares of recent growth in housing and/or jobs.

In 2011, PSRC guidance held that regional growth centers needed a minimum existing activity level (population + employment) of **at least 18 “activity units” per gross acre**.

The 2022 PSRC activity level minimum target level is **45 activity units per gross acre** in regional growth centers. PSRC will conduct a review of Lakewood’s urban growth center per its 2022 Centers policies in 2025.

The Downtown Subarea Plan supports and is based on increased jobs and housing opportunities. When adopted, the 2018 level of Downtown Subarea activity units met the PSRC minimum center level, totaling less than 20 per acre. The DSAP package was adopted with a **planned 58-69 activity units per acre at buildout**, depending on the calculation of gross acres (parcels and road centerlines or parcels only) as shown in the housing and job totals listed in the table above.

In 2025, the Puget Sound Regional Council (PSRC) will conduct a review of the Regional Urban Growth Center based on the agency’s updated Centers criteria. The

City is reviewing the Centers criteria as it conducts the Downtown 2024 biennial review to verify the consistency with regional criteria as well as the status and progress of the growth center.

CHANGING STATE LAWS AFFECTING PLANNING FOR AND PERMITTING HOUSING:

Planning for specific number of units affordable to all AMI levels:

Until 2021, under the GMA, local governments were required to plan for a single total number of new housing units over a 20-year time horizon. This changed when the State Legislature took action to require cities and urban counties to identify specific shares of their total housing target to be affordable to populations at various area median incomes (AMIs.) Lakewood’s 2044 housing units targets are included here:

Permanent Housing Needs by Income Level (% of Area Median income (AMI))									
	Total	0-30%		30-50%	50-80%	80-100%	100-120%	120%+	Emergency Units
		PSH*	Non-PSH						
'20 Unit Estimate	26,999	588	101	4,565	11,699	4,347	2,250	3,449	8
'44 Net New Unit Allocation	9,378	1,212	1,367	1,739	1,375	592	536	2,287	574

Densifying Single Family Areas

In recent years, the state legislature has taken a much more activist role regarding local land use. It has required local governments to allow significantly more density for “middle housing” and accessory dwelling units in historically single-family areas:



Middle housing has been defined in state law as including “Duplexes, Triplexes, Fourplexes, Fiveplexes, Sixplexes, Townhouses, Stacked Flats, Courtyard Apartments, and Cottage Housing.”

Lakewood must allow:

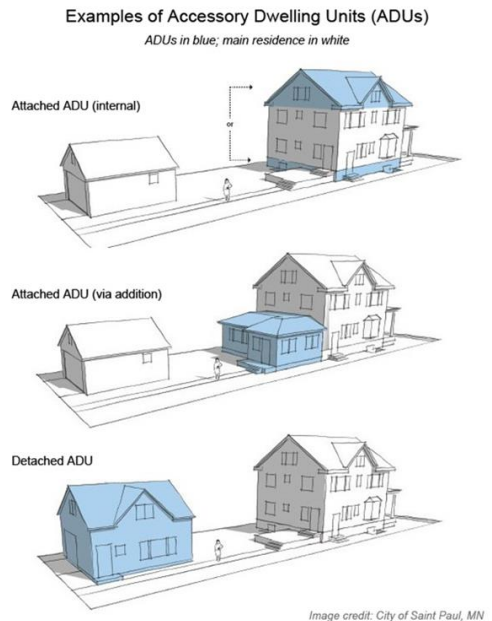
- **at least 2 middle housing units per Lot in Single Family Areas**
- **4 middle housing units per lot in Single Family Areas less than ¼ mile from “Major Transit Stops”**

Lakewood must allow at least 2 ADUs per lot in its Single Family Areas

2+ ADUs on a legal lot, which must be allowed to be any combination of:

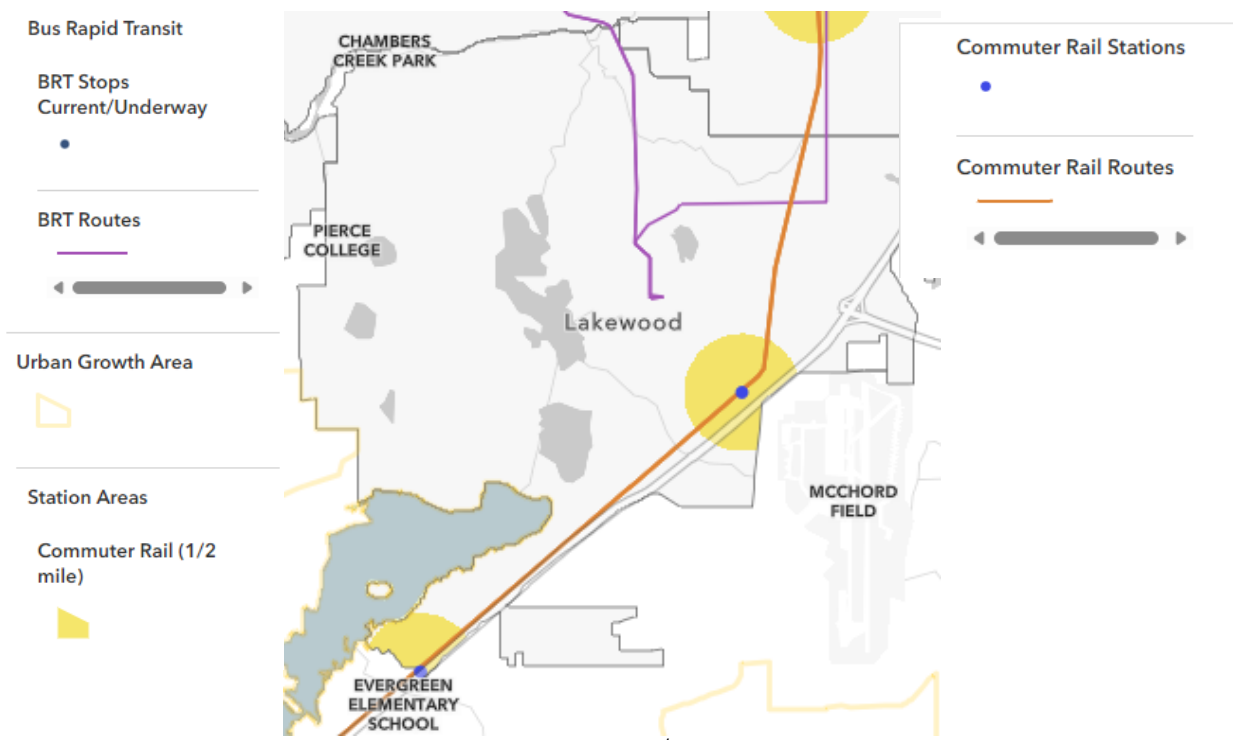
- One attached and one detached;
- Two attached ADUs; or
- Two detached ADUs

Duplexes, triplexes, townhouses, and multifamily structures may have ADUs.



As discussed above regarding the 2024 biennial reviews of both the Downtown and Station District subareas, the City will be reviewing whether either subarea’s housing targets will need to be updated in relation to the new state housing laws.

The statutory definition of “major transit stops” is still in flux as of the drafting of this report; however, included below is a reference map showing where such stops are located in and near the City.



Source: PSRC January 2024 [Interactive Map](#) re SB 6024 / HB 2160 Transit Oriented Development (TOD)

Note: The City’s commuter rail transit stations include the existing Lakewood Station and the planned Tillicum Station (the exact parcel location for the Tillicum Sounder Station is undetermined and as of June 2023, is planned for completion by 2045.)

Other future Lakewood “major transit stops” include the Pierce Transit Bus Rapid Transit (BRT) “Corridor B” option 2 (Lakewood to Tacoma Mall to downtown Tacoma), which is the top priority for the Stream BRT System Expansion Study (SSES) implementation. The completion is scheduled within 7 years of project launch, but no project launch date has been finalized to date.

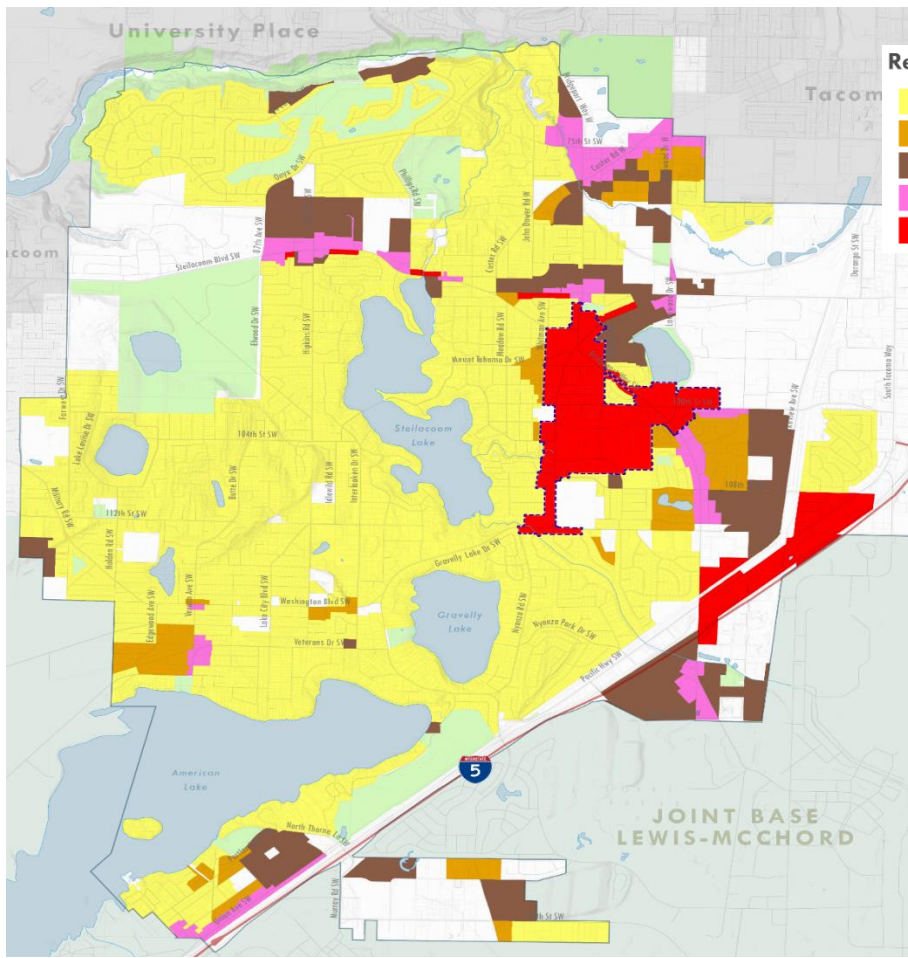
Figure 92: Corridor B2



SOURCE: PIERCE TRANSIT

Lakewood already allows all “middle housing” types in some places – it will have to expand where they are allowed to comply with these new laws.

Zone	Detached SF	2-Fam Res. att./ det.	3-Fam Res. att./ det.	Town-house	4+ Res. units (City’s definition of MF)	Cottage Housing	Mixed Use	ADU	Mobile home parks	Man. homes in parks
R1	P					P (no ADU)		P		
R2	P					P (no ADU)		P		
R3	P					P (no ADU)		P	C	C
R4	P	P				P (no ADU)		P	C	C
MR1	P	P	C					P	C	C
MR2	P	P	C					P		
MF1			P	P	P			P		P
MF2				P	P			P		P
MF3				P	P					P
ARC	P	P	P	P	P					
NC1		P	P	P	P		P			
NC2		P	P	P	P		P			P
TOC*					P		P	P		
CBD**					P		P			



Residential and Mixed-Use Zoning Categories

- Single-Family Residential
- Mixed Residential
- Multifamily
- Neighborhood Business
- Commercial (Mixed-Use)

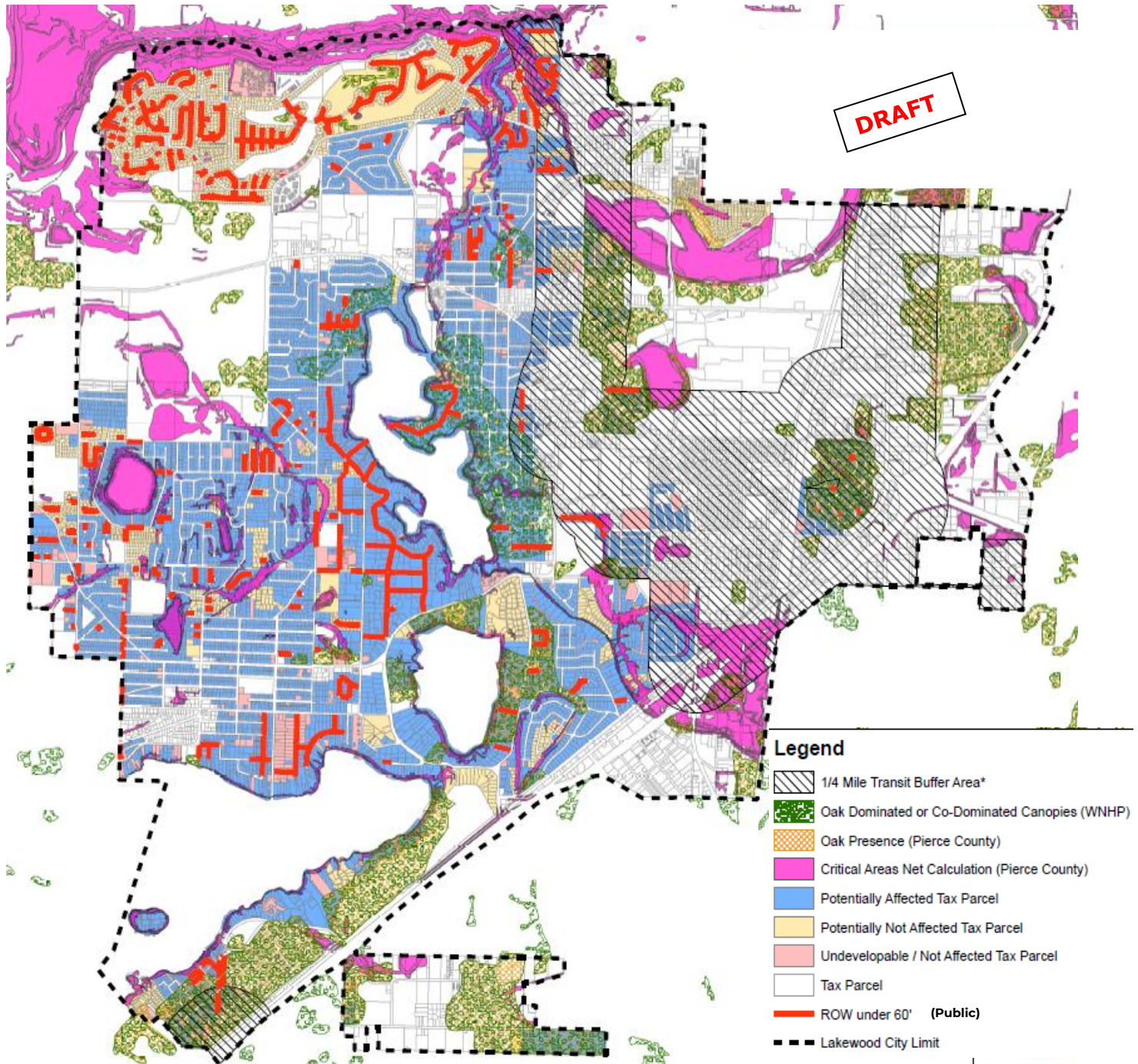
Lakewood must change what types of housing are allowed and how many housing units per lot are allowed in the yellow areas of the map.

BUT

There are limitations in parts of the City because of lakes, wetlands, Oregon White Oak stands, and other “critical” (environmentally sensitive) areas.

Citywide, the City’s initial and draft review of where middle housing and ADUs must be allowed per state law is included on the following map.

Note: While early 2024 state laws allow pre-existing CC&Rs to limit the applicability of middle housing and ADU densification requirements, the legislature may revisit this topic to remove CC&R authority to do so. This would significantly affect where the rules would apply in Lakewood.



Potentially Affected (vacant properties not encumbered by critical areas, existing SFRs without additional units and no covenants)

Potentially Not Affected (too small, already exceed the unit counts, may have subdivision covenants/protections, condos, commercial/civic properties that would likely not become residential, encumbered by critical areas, etc.)

Undevelopable/Not Affected (the lot is not a developable lot (e.g., tracts), or there is already the maximum # of units on the property, or significant critical areas)

2023 LAW “CONCERNING CONSOLIDATING LOCAL PERMIT REVIEW PROCESSES”

In 2023, the State Legislature adopted a bill that established a new annual reporting requirement to the Department of Commerce about housing permit processing and activity. If it is found that the City does not meet its permit review timelines more than 50% of the time, then the City “must adopt new measures, as part of its Comprehensive Plan periodic update, aimed at reducing permit timelines.” Additional changes to municipal code language was encouraged in the bill (see summary below), some of which Lakewood already had in place before the bill passed.

While Lakewood has long tracked its permit activity and is generally issuing permits in less than the City’s adopted timelines, the new state requirements are forcing the CED Department to update its internal tracking software and staff procedures. The exact cost in funding and staff resources is not yet clear; it is being determined during 2024.

Summary of State Permit Report Bill 2SSB 5290 Annual Performance Report.

Beginning in 2024, Lakewood must collect data to produce an annual performance report (first due in 2025) that includes information outlining time periods for certain housing permit types. The City must post the report on its website and submit the annual report to the Department of Commerce by March 1st of each year.

The report must provide:

- permit time periods for certain permit processes;
- ongoing information to those submitting permits, local governments, and the state regarding permit time frames associated with permit processes for housing;
- the total number of decisions issued during the year for the following permit types:
 - preliminary subdivisions;
 - final subdivisions;
 - binding site plans;
 - permit processes associated with the approval of multifamily housing;
 - construction plan review for each of these permit types when submitted separately;
 - the total number of decisions for each permit type which included consolidated project permit review; and
 - the total number of days from a submittal to a decision being issued, the application was in review with the county or city, and the permit is the responsibility of the applicant.

If Lakewood has taken measures to provide prompt, coordinated review for project permit applications and is not meeting the time periods identified at least 50% of the

time, must adopt new measures, as part of its Comprehensive Plan periodic update, aimed at reducing permit timelines.

Project Review and Code Revisions.

Each local government is encouraged to adopt further project review and code provisions to provide prompt, coordinated review for project permit applications. This includes, but is not limited to:

- collecting reasonable fees from an applicant for a permit approval to cover the cost to the jurisdiction processing applications, inspecting and reviewing plans, or preparing detailed statements required by SEPA;
- entering into an interlocal agreement with another jurisdiction to share permitting staff and resources;
- having on-call permitting assistance in place and budgeted for when permit volumes or staffing levels change rapidly;
- having new positions budgeted that are contingent on increased permit revenue; and
- adopting development regulations which:
 1. only require public hearings for permit applications required to have a public hearing by statute;
 2. make preapplication meetings optional rather than a requirement of permit application submittal; and
 3. make housing types an outright permitted use in all zones where the housing type is permitted (i.e., remove conditional use requirements for housing types.)

STATE POLICY COLLISION: ENVIRONMENT & CLIMATE CHANGE VS. HOUSING

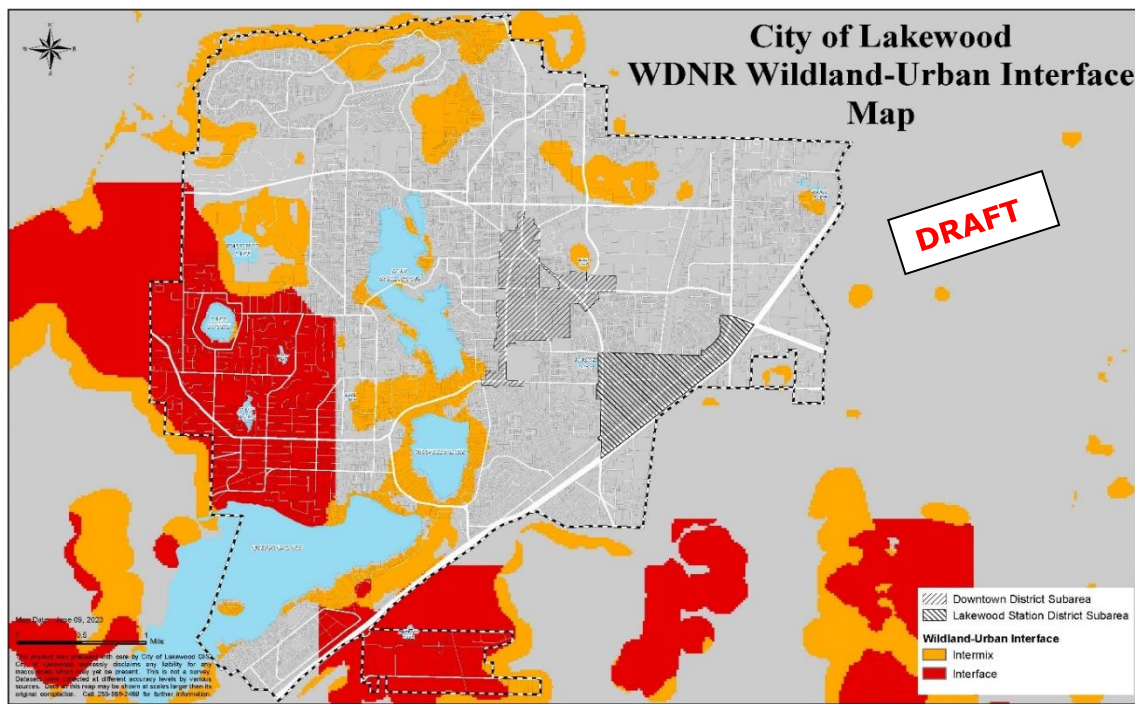
The state Growth Management Act (GMA) includes multiple goals, all intended to be given equal weight in land use planning:

- | | |
|-------------------------------|--|
| - Urban growth | - Open space and recreation |
| - Reduce sprawl | - Environment |
| - Transportation | - Citizen participation and coordination |
| - Housing | - Public facilities and services |
| - Economic development | - Historic preservation. |
| - Property rights | - Climate change and resiliency |
| - Permits | - Shorelines of the state |
| - Natural resource industries | |

The process to balance these goals has become increasingly complicated and difficult in recent years, particularly give new legislative action to mandate housing densification at the same time that climate change and resiliency is also being required.

Per the 2024 Periodic Review requirements, Lakewood's Comprehensive Plan Land Use Element must:

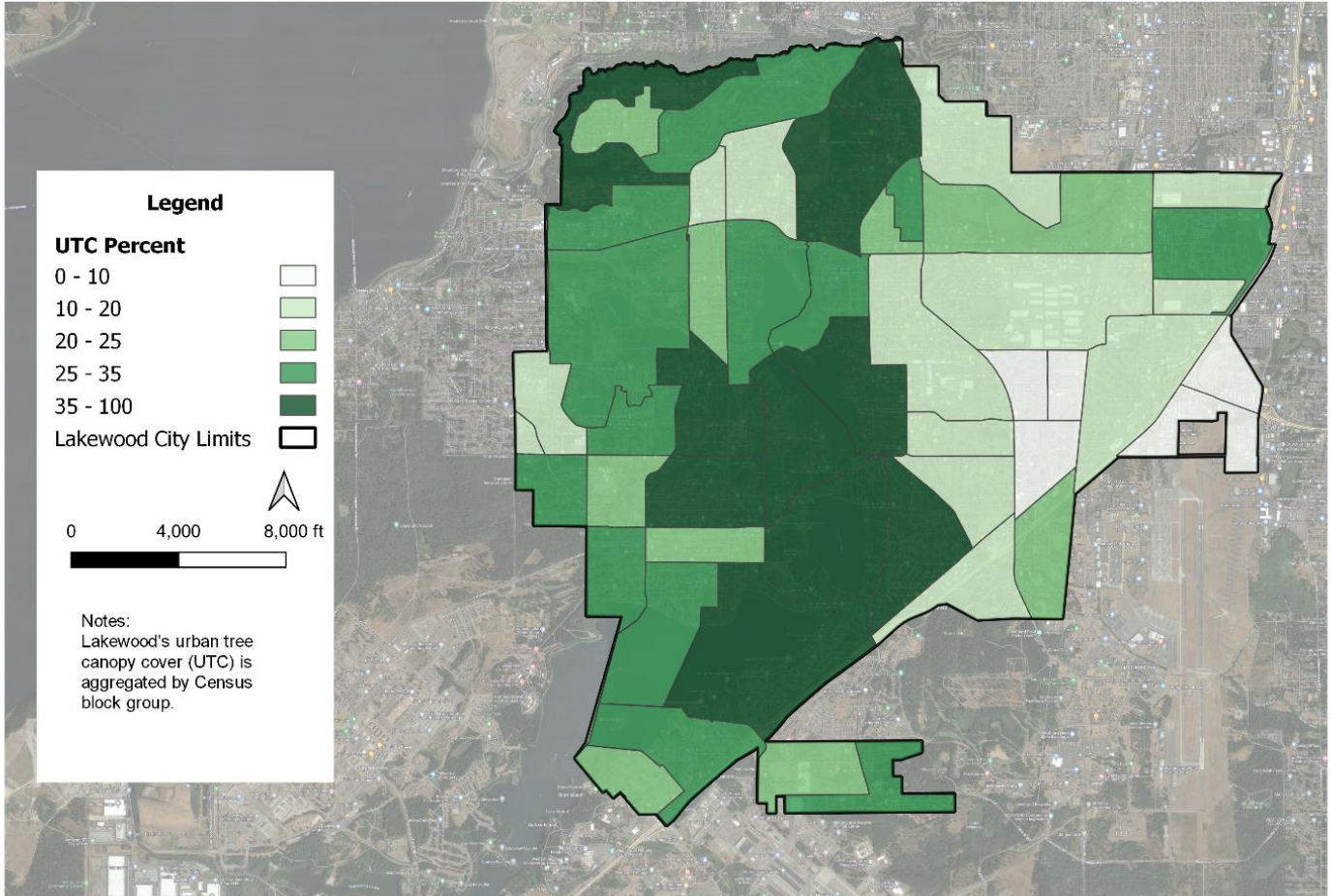
- **include green spaces and urban and community forests** in its designation of the proposed general distribution and extent of the uses of land;
- give special consideration to **achieving environmental justice** in its goals and policies;
- **avoid creating or worsening environmental health disparities** and reduce per capita vehicle miles traveled (VMT) without increasing greenhouse gas (GHG) emissions elsewhere in the state;
- reduce and mitigate the risk to lives and property posed by wildfires by using land use planning tools, which may include reducing residential development pressure in the **wildland urban interface area** (see map below), the adoption of the Wildland Urban Interface Code and developing building and maintenance standards consistent with the Firewise USA Program, separating human development from wildfire prone landscapes, and protecting existing residential development.



Park and Recreation Element must:

- include an **evaluation of tree canopy coverage** within the City. This evaluation will be pulled from the 2022 Tree Code update and be supplemented by the 2024 tree assessment being conducted in preparation for the launch of a City urban forestry program.
-

Urban Tree Canopy Cover Distribution Lakewood, WA



Lakewood, WA Tree Preservation Code Update 2022

Lakewood is left to grapple with a number of questions in its 2024 Periodic Review including:

- Which Issues are the Most Important?
 - Creating New Housing?
 - Anti-Displacement and Pro-Preservation of Existing Affordable Housing and its Residents?
 - Urban Density?
 - Climate Change/Resiliency?
 - Wildfire Protection?
 - Other GMA Goals?

REGIONAL AFFORDABLE AND SUBSIDIZED HOUSING EFFORTS:

South Sound Housing Affordability Partnership (SSHA³P):

Lakewood currently participates in the South Sound Housing Affordability Partnership ([SSHA³P](#)), an intergovernmental collaboration working together to create and preserve affordable, attainable, and accessible housing throughout Pierce County. Its focus is not on homelessness.

First convened in 2020, in 2024 SSHA³P formed a capital improvement committee to start coordinating providing financial and other support to create new affordable housing projects throughout the County. It is not yet known precisely how the capital funds will actually be used, but given the amount SSHA³P will collect over time, it is likely that the dollars will best be used as local match for other capital grants or state and federal funding.

Some jurisdictions have elected to reserve their “1406” funds (a state sales and use tax credit for affordable and supportive housing) to be used for the combined SSHA³P capital improvement fund. To date, Lakewood has used its 1406 funds (estimated at \$98,000 per year for 20 years, totaling an estimated \$1,960,000) in combination with the City’s CDBG Major Home Repair Program, CDBG Major Home Repair and Sewer Loan Program, and HOME Housing Rehabilitation Loan Program.

Tacoma-Lakewood-Pierce County Continuum of Care (TLP CoC) and 2022 Pierce County Comprehensive Plan to End Homelessness (CPEH):

Lakewood has participated in a consortium HUD Continuum of Care since 1996 with Tacoma and Pierce County. Its mission is to carry out the provisions of 24 CFR Part 578, which include:

1. Promote community-wide commitment to the goal of ending homelessness within Pierce County;
2. Provide funding for efforts to quickly rehouse homeless individuals (including unaccompanied youth) and families, while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness;
3. Promote access to and effective utilization of mainstream programs by homeless individuals and families; and
4. Optimize self-sufficiency among individuals and families experiencing homelessness.

As a CoC, the organization is authorized to apply for HUD funding and disburse that funding to qualified applicants. HUD requires each CoC to adopt [a five-year plan to address homelessness](#) and funding applications consistent with that plan. The plan is intended to be very broad even though HUD only funds certain elements of it.

In March 2022, Pierce County officially adopted a “[2022 Comprehensive Plan to End Homelessness](#)” (CPEH) separate from the long-standing TLP CoC’s plan and work. The CPEH aims to document the scale of the need and design a system to end homelessness in Pierce County and its cities. Lakewood has had representatives involved in the drafting and implementation of the 2022 CPEH since 2021.

In the fall of 2023, the Pierce County Council and Tacoma City Council met to confirm their interest in forming a regional body (perhaps similar to SSHA³P) focused on ending homelessness and implementing the’ recommendation for a “Unified Regional Office” or Approach. Lakewood will be invited to participate in the

formation and operation of this entity/approach, the establishment of which the Pierce County Council has identified funding for in 2024.

SHORT TERM RENTALS:

Short term rentals (STRs) – rentals available for less than 30 days – are currently allowed by Lakewood’s code at Section 18A.40.090. They are permitted in all residential zones, the neighborhood commercial zones, and in the Downtown and Station District subareas. The owner must get a City business license and have the unit inspected to verify it meets building and fire safety requirements before renting.

Lodging	Zoning Classifications																						
	R1	R2	R3	R4	MR1	MR2	MF1	MF2	MF3	ARC	NC1	NC2	TOC	CBD	C1	C2	C3	IBP	I1	I2	PI	OSR1	OSR2
Bed and breakfast guest houses (B)(1)*	C	C	C	C	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hostels	-	-	-	-	-	-	-	-	-	-	-	-	P	P	-	-	-	-	-	-	-	-	-
Hotels and motels	-	-	-	-	-	-	-	-	-	-	-	-	P	P	C	P	P	-	-	-	-	-	-
Short term vacation rentals (B)(2)	P	P	P	P	P	P	P	P	P	P	P	P	P	P	-	-	-	-	-	-	-	-	-

B. *Development and Operating Conditions.*

2.

- a. The property owner is required to obtain a City business license.
- b. As a condition of the business license, the property owner shall provide a notification letter describing the short term rental operations, in addition to the means by which to contact the property owner.
- c. The short term rental shall be inspected by the City and Fire District to ensure the facility meets all applicable building and fire code requirements. Any deficiencies shall be corrected prior to the structure being made available for rental.

The City Council considered recommended regulations to further govern STR operations in 2023 consistent with best practices, but it elected to postpone action on the regulations until the ramifications of state requirements to allow 2 to 4 middle housing and/or ADUs per single family lot were analyzed as part of the 2024 Comprehensive Plan Periodic Review.

The demand for STRs continues to grow nationally. Lakewood will continue to see property owners construct them as time goes by – the question is at what rate.

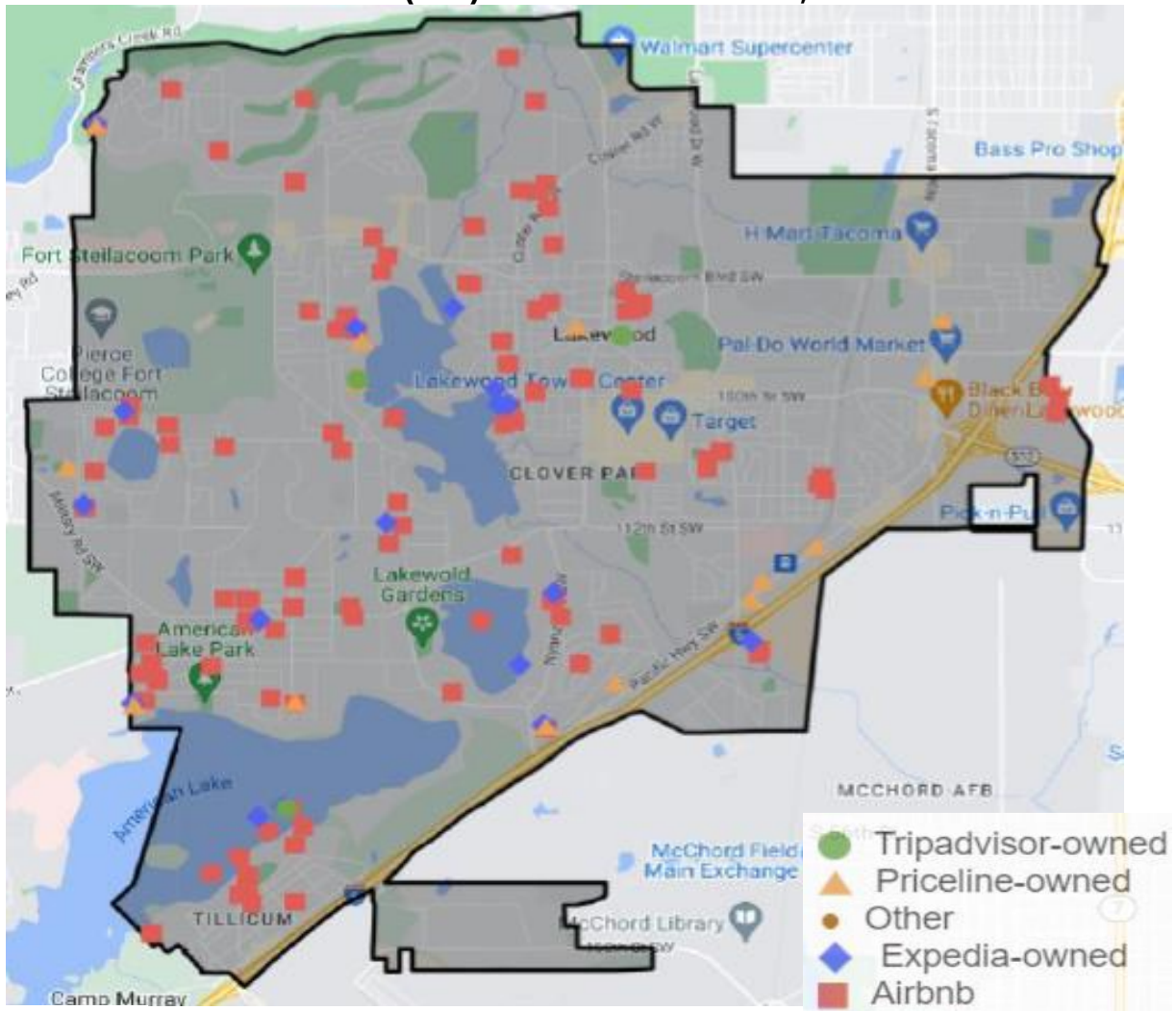
Airbnb Statistics

Last Updated: November 21, 2023

Highlights. Airbnb statistics indicate the travel booking site has recovered from the previous year's losses with a **638%** increase in net income throughout 2022.

- Corporate revenue for the second quarter of 2023 totaled **\$2.484 billion**.
- Airbnb is valued at **\$74.6 billion** as of October 2023, up 45.9% since the start of the year.
- The average host earned **\$14,000** in 2022.
- Over 60% of U.S. hosts say they rent out their primary home while they're on vacation.

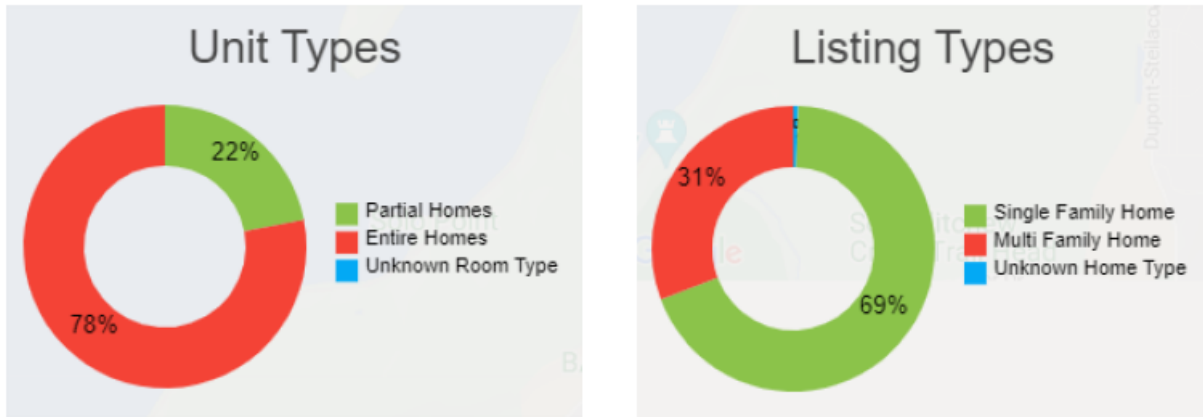
LAKWOOD SHORT TERM RENTAL (STR) LOCATIONS: NOVEMBER, 2023



granicus.com

- **79 STR UNITS IN APRIL 2021**
- **136 STR UNITS IN NOVEMBER 2023** (42% increase in 30 months)
- **MEDIAN NIGHTLY RATE IN NOVEMBER 2023: \$96**

TYPES OF STRS IN LAKEWOOD: NOVEMBER 2023



LAKESWOOD'S RESIDENTIAL PARKING POLICIES AND REGULATIONS

Lakewood's current Comprehensive Plan includes parking policies that range from limiting parking due to transportation demand strategy priorities to directing that the City work to expand parking opportunities at Sound Transit Facilities:

LU-2.25: Support accessory dwelling units (ADUs) as strategies for providing a variety of housing types and as a strategy for providing affordable housing, with the following criteria:

- Allow both attached and detached accessory dwelling units and detached carriage units, at a maximum of one per single-family house, exempt from the maximum density requirement of the applicable zone;
- Require an additional parking space for each accessory dwelling unit, with the ability to waive this requirement for extenuating circumstances; and
- Allow a variety of entry locations and treatments while ensuring compatibility with existing neighborhoods.

LU-20.3: Maintain an appropriate supply of parking in the Downtown as development intensifies.

LU-20.4: Encourage shared parking agreements within the Towne Center.

UD-7.3: Encourage the development of appropriately scaled commercial development that creates consistent street walls and limits parking on the primary street frontage.

PS-10.9: Establish limited parking zones around schools where parking capacity problems exist.

EC 2.4: Expand Regional Passenger Rail Work with Amtrak and Sound Transit to expand commuter rail service and existing parking facilities.

EC 4.3 Encourage Green Buildings and Landscaping (H): Enforce the 2018 International Building Code, Section 429, Electric Vehicle and Charging Infrastructure. This section includes charging infrastructure for accessible parking spaces.

4.2.1 Residential Lands

Mixed Residential and Multi-Family: Encourage infill development along key pedestrian streets and in proximity to public transit routes or centers. Use design to create a pedestrian scale along key pedestrian streets. Locate parking behind residential buildings with access off alleys, where possible, and limit driveways and curb cuts along key pedestrian streets.

High-Density Multi-Family: Below grade parking or garages behind buildings, with access from alleys where possible, should be encouraged. Driveways and curb cuts along key pedestrian streets should be limited.

4.2.2 Commercial Lands

Neighborhood Business District: On-street parking should be provided to assist in slowing traffic through the business district and providing a sense of pedestrian safety.

4.3 Relationship Between Urban Design and Transportation

Table 4.1: Urban Design Street Classifications

Civic Boulevards: May include planted medians, decorative pavements, on-street parking, and special signal mounting.

4.5.2 Lakewood Station District

Parking for a large number of vehicles, as well as improved transit and pedestrian access, will assist in the transformation and redevelopment potential for the commercial corridor along Pacific Highway Southwest.

6.3 Transportation Demand and Systems Management

These programs include measures such as parking management (making parking more difficult or expensive to obtain) ridesharing, telecommuting, and alternative work schedules.

6.4 Parking

Parking in Lakewood primarily exists in surface parking lots to support commercial, office, light industrial, and multi-family residential areas. There is an abundant supply of parking in most of these areas. While adequate parking is critical to any type of development, an oversupply of parking wastes resources and encourages a continuation of auto-oriented travel. Therefore, the parking goals and policies balance these two conflicting outcomes.

GOAL T-15: Provide adequate parking that serves Lakewood's needs but does not encourage a continuation of auto-oriented development and travel patterns.

Policies:

T-15.1: Develop and implement reasonable and flexible parking standards for various types of land uses that balance the need for providing sufficient parking with the desirability of reducing commute traffic.

T-15.2: Consider parking standards that support TDM efforts.

T-15.3: Allow adjacent or nearby uses that have different peak parking demands such as employment and housing to facilitate shared parking spaces.

T-15.4: Recognize the capacity of transit service in establishing parking standards.

T-15.5: Develop and enforce parking lot design standards, identifying requirements for landscaping, walkways, runoff treatment, parking area ratios, lighting, and other elements as needed.

GOAL T-16: Foster the evolution of a Downtown that is compact and walkable and not defined by large expanses of parking lots.

Policies:

T-16.1: Implement the Downtown Subarea Plan through the Downtown Subarea Code and Planned Action. Conduct periodic reviews of Downtown development to verify the Plan's success.

T-16.2: Consider maximum parking requirements for higher density areas to encourage alternative transportation modes.

T-16.3: Confine the location of parking areas to the rear of properties to increase pedestrian safety and minimize visual impact.

T-16.4: Identify places where on-street parking can be added adjacent to street-facing retail to encourage shopping and buffer sidewalks with landscaping to create a pleasant walking environment.

T-16.5: Encourage the use of structured or underground parking to use land more efficiently.

T-16.6: Focus investments in downtown central business areas by promoting joint- and mixed use development and integrating shared-use parking practices.

T-16.7: Incorporate regional transportation guidelines into planning for centers and high-capacity transportation station areas.

GOAL T-17: Expand park-and-ride capacity to serve rail as well as other transit uses and accommodate growth.

Policies:

T-17.1: Work with transit providers to establish additional park-and-ride facilities to serve Sound Transit operations and to facilitate ridesharing and express bus connections.

T-17.2: Encourage commercial development on major transit routes to dedicate unused parking area to park-and-ride facilities where feasible.

6.7 Reassessment Strategy

- Aggressively pursue the following TDM strategies, including parking management actions in dense commercial centers:
 - o Install parking meters on streets within and adjacent to commercial centers;
 - o Develop public parking facilities and use cost pricing to discourage SOV commuting;
 - o Institute a municipal parking tax;
 - o Set maximum parking space development standards and reduce over time to further constrain parking supply;
 - o Support charging for employee parking and providing monetary incentives for car and vanpooling;
 - o Partner with Pierce Transit to identify public and/or private funding for expanded transit service during peak and off-peak times along LOS-deficient corridors.
- Aggressively pursue federal and state grants for specific transportation improvements on LOS deficient roadway segments.
- Make development density bonuses available to developers who provide additional transit, bicycle, and pedestrian-friendly amenities beyond the minimum requirements.
- Reassess commercial and residential development targets by planning area and make adjustments to channel development away from LOS-deficient locations.
- If the actions above are not sufficient, consider changes in the LOS standards and/or limit the rate of growth, revise the City's current land use element to reduce density or intensity of development, and/or phase or restrict development to allow more time for the necessary transportation improvements to be completed.

Regulatory Authority Changes for Residential Parking

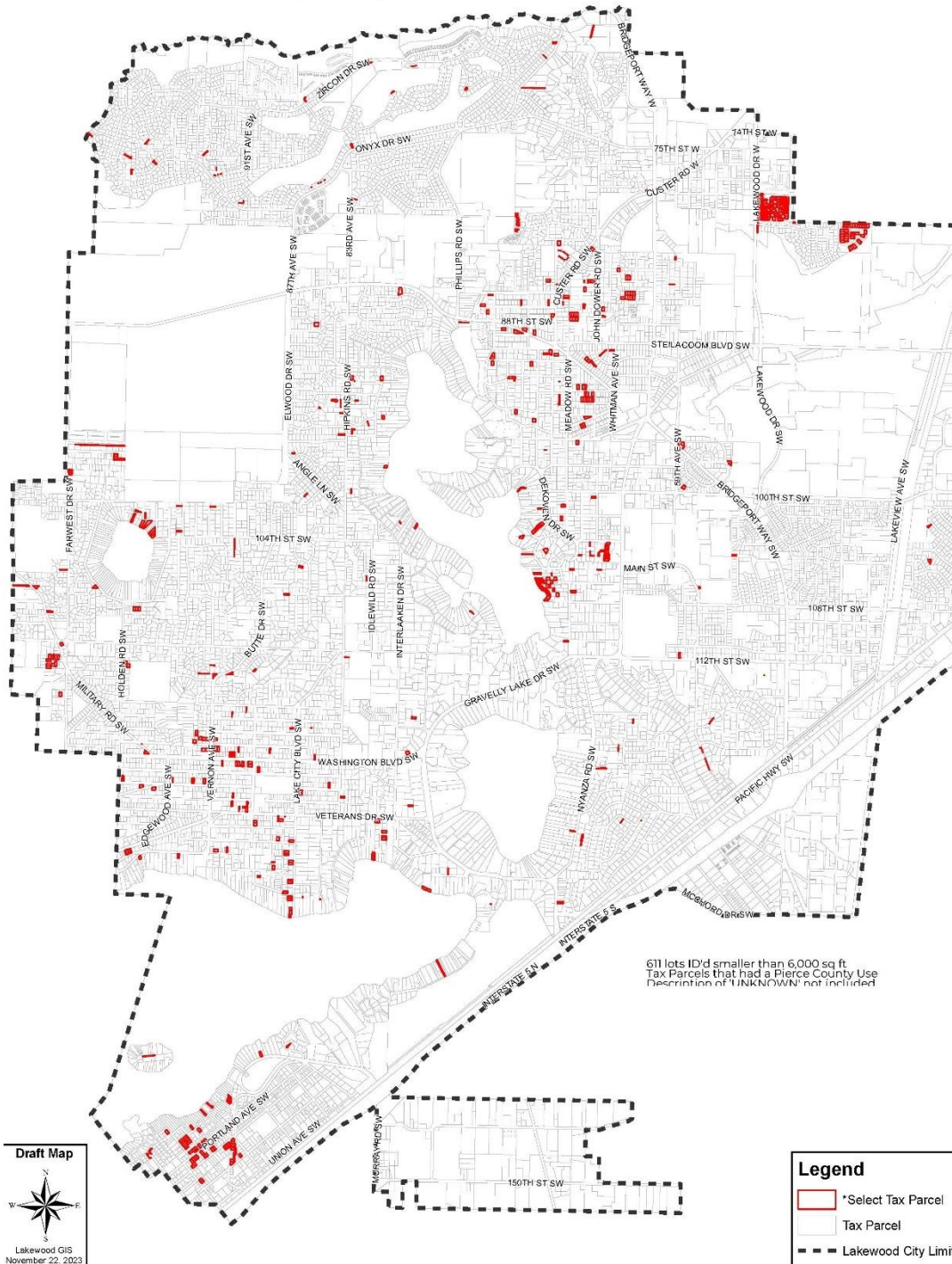
State law is now requiring middle housing and accessory dwelling units (ADUs) in historically single-family residential areas (R-1 – R-4 zones); at the same time, it is prohibiting certain regulation of parking for middle housing and ADU development.

Lakewood may not:

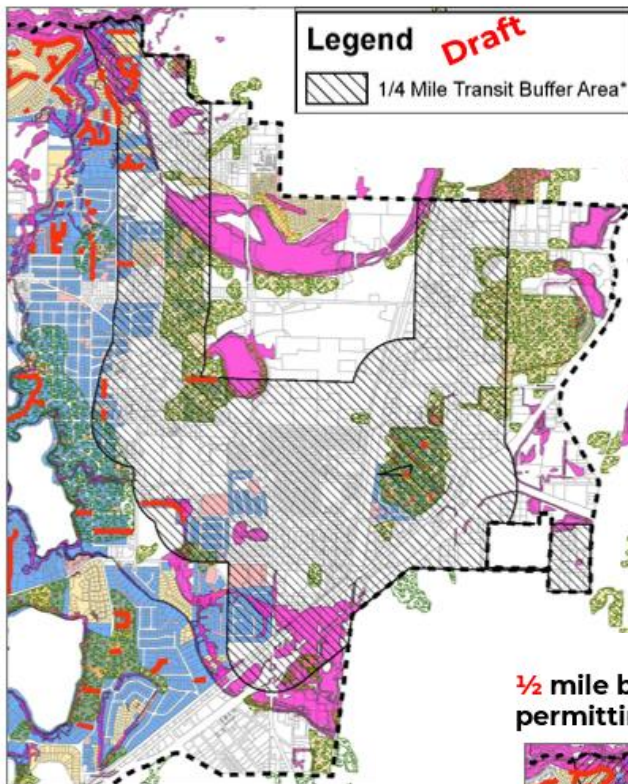
- require more than 1 off-street/on-site parking space per unit for middle housing or ADUs on lots smaller than 6,000 sq.ft. (see map below);
- require more than 2 off-street/on-site parking spaces per unit for middle housing or ADUs on lots greater than 6,000 sq.ft.;

- require public street improvements as a permitting condition of ADUs; or
- require off-street/on-site parking as a permitting condition for middle housing or ADUs ½ mile or less from a Major Transit Stop.

**R1, R2, R3, R4 & ARC Zoned
Tax Parcels under 6,000 sq.ft.***

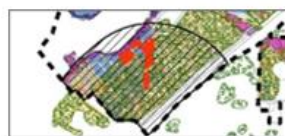
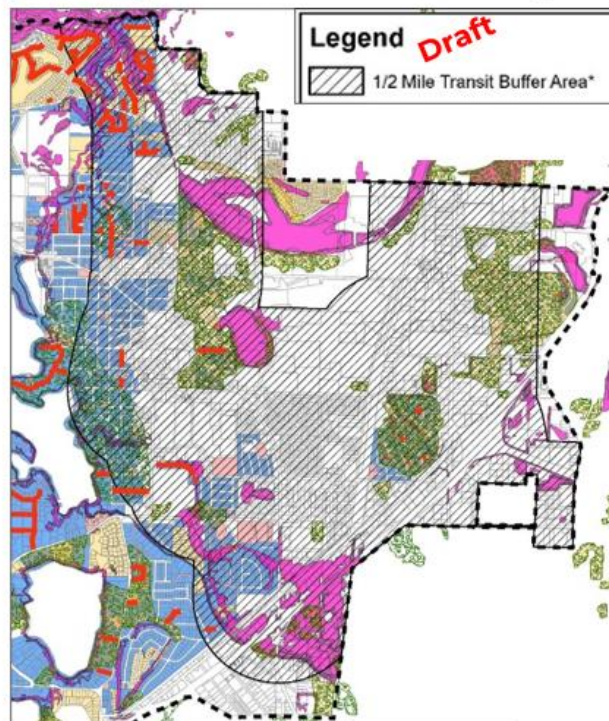


1/4 mile buffer = 4 units/lot middle housing.

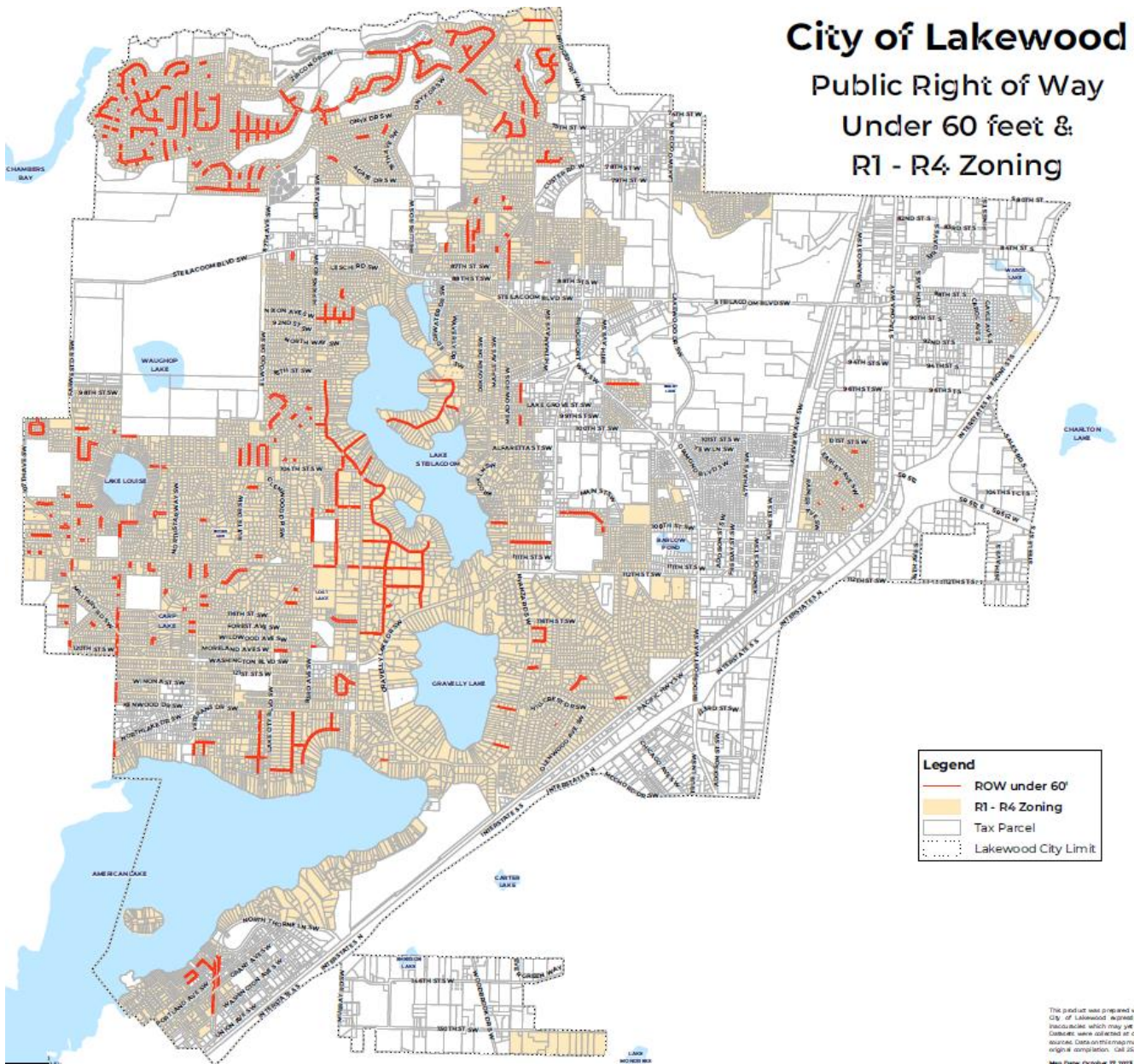


Estimated 1/4 mile and 1/2 mile distances from major transit stops = City must allow more units per lot with less ability to require parking or street improvements as permit requirements.

1/2 mile buffer = no off-street/on-site parking as a permitting condition for middle housing or ADUs.



Because Lakewood was mostly “built out” pre-incorporation and pre-GMA, many of its residential streets are less than 60’ wide, which is the narrowest street design the City currently allows and which does not allow for on-street parking. In addition, Lakewood currently does not actively seek transportation funding nor design transportation projects to allow for residential on-street parking.



There are also numerous private streets in the City under 60 feet in width (see next map, which shows all Lakewood private streets regardless of width.)

Should Lakewood allow on-street residential parking?

- If not, how should the City plan to address increased parking pressures in areas of residential infill over time?
- If so, where?
 - Residential areas?
 - Mixed Use areas?
 - Commercial areas?
 - Elsewhere?
- If so, should on-street parking be publicly or privately owned and maintained?
- If so, how should on-street parking construction be funded?
 - Public funds?
 - Private funds?
 - Some combination?
- If so, how should on-street parking maintenance be funded?
 - Public funds?
 - Private funds?
 - Some combination?
- If so, how should on-street parking code enforcement be funded?
 - Public funds
 - Private funds
 - Some combination?