

HOME TO ALL

Strategies for Preventing Displacement,
Addressing Racially Disparate Impacts, and
Funding Affordable Housing in Pasco,
Washington

Lucia Marquez Reagan

Daniel Russo

Douglas Pardella

Alex Yamron

Karen Yao

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Advisor

Michael Keane

Client

Jacob Gonzalez

Kristin Webb

City of Pasco, Washington



Interviewees

Robert Bauman	WSU Tri-Cities
Darcy Buckley	City of Pasco
Robert Franklin	WSU Tri-Cities
Lona Hammer	Kennewick Housing Authority
Toni Lehman	City of Richland
Dr. Nallely Mejia	New York University
Kylie Peel	City of Kennewick
Rigo Rangel	Tri-Cities Engineering
Jet Richardson	Habitat for Humanity
Rick White	City of Pasco

Special thanks to our friends and family

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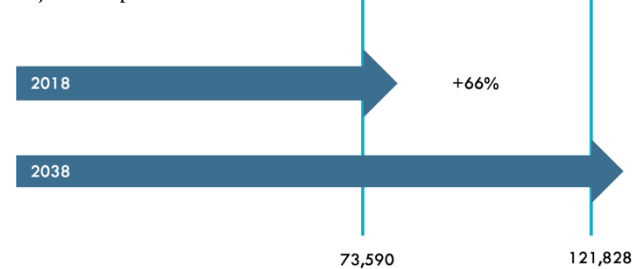
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Introduction



Pasco is a growing mid-sized city in Southern Washington situated at the intersection of the Columbia, Yakima, and Snake Rivers. It was founded as a rail town and has since evolved into a hub for freight and the movement of goods. Due to factors ranging from regional migration flows to local economic development initiatives, its population has more than doubled over the last 20 years from 32,000 to 80,000 residents and is forecasted to reach 122,000 by 2038. However, housing production has lagged population growth, household crowding is on the rise, and Pasco's rental vacancy rate has dropped below one percent.

Projected Population Growth in Pasco



Source: Pasco 2018-2038 Comprehensive Plan

A housing crisis has emerged, and the city has responded. Pasco made use of Washington State House Bill 1923 to boost production and Bill 1406 to implement a local sale and use tax and has begun revamping its residential design standards.

In the Fall of 2022, Pasco's Community and Economic Development Department engaged this Capstone Team to build on its efforts by:



Developing anti-displacement measures.



Identifying and determining how to remediate policies with racially disparate impacts.



Identifying additional housing funding or financing strategies that leverage existing or new funding sources.



Source: Google Earth

To fight displacement, remedy policies or programs with racially disparate impacts, and fund affordable housing development, we recommend that Pasco:

-
- **Build capacity** for coalition building, data gathering and analysis, community engagement, and leveraging existing funding and financing programs.
 - **Build data** on displacement, racial exclusion and discrimination, and housing needs.
 - **Support residents now** through readily implementable policies and programs.
 - **Guide future growth** by building a zoning structure prepared to accommodate new Pasconians.

Through these strategies, the city can work towards its housing goals and set the foundation for a Pasco where everyone can live affordably, safely, and equitably.

In this Final Recommendations Report, we outline additional strategies for the City of Pasco, Washington to fight displacement, remedy policies or programs with racially disparate impacts, and fund affordable housing development.

Each strategy is accompanied by discrete, actionable recommendations, and all recommendations are organized into an implementation roadmap. Ultimately, our work aims to support and be able to be incorporated into the City's comprehensive housing plan (its "Housing Action Plan"), which is currently being developed in accordance with RCW 36.70A.600(2).



Methodology

This report is the product of over eight months of mixed-methods research and builds on research conducted on Pasco's existing housing conditions, policies applicable to Pasco, and gaps and barriers to enacting these policies in Pasco.

This project began in Fall 2022 by evaluating six aspects of Pasco's current state related to this engagement:

1. **Current plans and supporting studies.**
2. **Demographic and socioeconomic conditions.**
3. **Economic conditions and development.**
4. **Land use and regulatory controls.**
5. **Housing and displacement.**
6. **Funding and financing source and uses.**

We researched each of these topics using Pasco's existing planning and funding documents (e.g., its 2018-2038 Comprehensive Plan, the Tri-Cities Consolidated Plan), publicly available US Census Bureau American Community Survey data, and spatial data on Pasco's zoning and land use. Data was then supplemented with subject matter expertise and general insights from our Pasco project advisors, Jacob Gonzalez, and Kristin Webb, in addition to analysis in Urban Footprint, Pasco's spatial analytics tool of choice. Findings on the state of Pasco's current housing was then summarized in an Existing Conditions Memo that was presented to Pasco project advisors and members of Pasco's housing, economic development, and planning community in-person during our site visit to the City.

In 2023, the project shifted focus to understanding the universe of policy tools applicable to Pasco's current state and the gaps and barriers to implementing them. Research was conducted into academic, policy, and legal resources ranging from the Housing Solutions Lab to the Municipal Research and Services

Center of Washington to the Revised Code of Washington. Options were assessed based on preliminary impact and feasibility of policy options based on interviews conducted with Pasco stakeholders during our site visit and meetings with Pasco project advisors. We consolidated this information in our Background Literature Review and Gaps and Barriers Memo.

This report builds on the Existing Conditions Memo and the Background Literature Review and Gaps and Barriers Memo and proposes our final strategic recommendations for how Pasco can fight displacement, remedy racially disparate impacts, and fund and finance affordable housing development. Because we sourced heavily from written, third-party materials and frameworks in the Background Literature Review and Gaps and Barriers Memo, we sought to gain an understanding of "on-the-ground" conditions in Pasco when researching this report. To accomplish this, we performed interviews with stakeholders ranging from Pasco city government staff to multifamily developers, nonprofit developers, and local historians.

Pasco's 2018-2038 Comprehensive Plan Housing Element Goals and Principles

Housing Goal 1: Encourage housing for all economic segments of the city's population consistent with the local and regional market.

Housing Goal 2: Preserve and maintain the existing housing stock for present and future residents.

Housing Goal 3: Encourage housing design and construction that ensures long term sustainability and value.

Housing Goal 4: Support efforts to provide affordable housing to meet the demands of the community.

Informed by the 2018-2038 Comprehensive Planning Housing Element Goals and Principles authored by the City of Pasco, the capstone team then distilled a set of housing principles to inform the mission, research, recommendations, to be produced by the Home to All Report.



Home to All Report Housing Principles

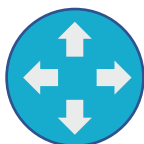
Housing for all who currently live in Pasco and housing for all who wish to live in Pasco:

- Housing for all who currently live in Pasco and housing for all who wish to live in Pasco.
- Housing for those who are underhoused, double- or triple- occupancy or in unsafe housing situations.
- Housing for those who work in Pasco and keep Pasco's economy vibrant.
- Housing for those who will live and need housing in Pasco in the future.

Approaches



The stated housing goals of the City of Pasco are fundamentally focused on advancing equity within the housing market in both the short- and long-term to foster a vibrant, economically diverse city. Goals of this report in putting forward anti-displacement policy, remediating existing policy that has resulted in racially disparate impacts, and encouraging the health of the City's affordable housing stock are inseparable from the overarching housing goals. Our approach to achieving these goals is summarized below.



Preventing Displacement



Addressing Racially Disparate Impacts



Funding and Financing Affordable Housing

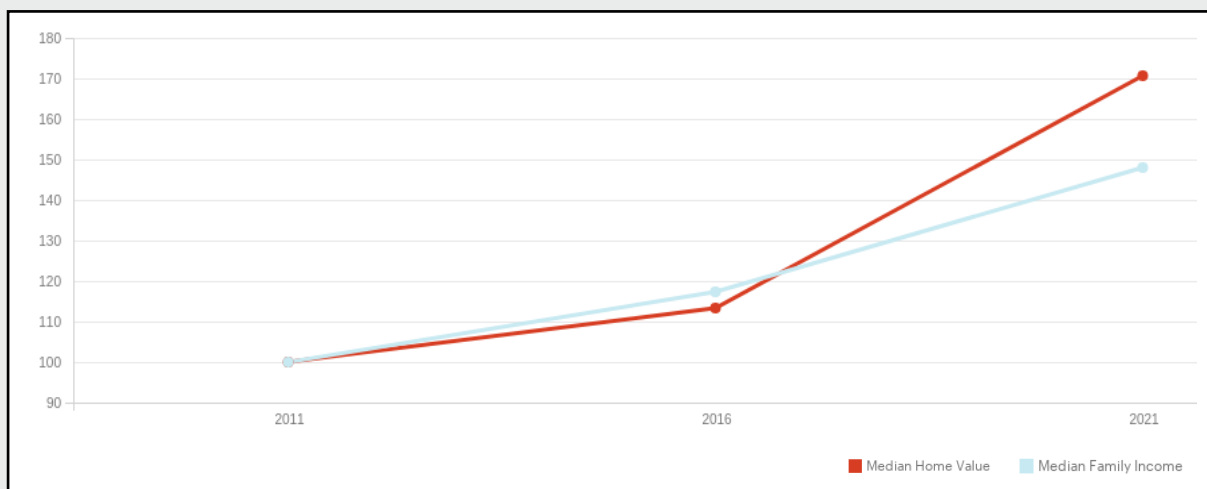
Approach: Preventing Displacement

As population has grown prolifically within Pasco in recent years, price pressures within the City of Pasco have continued to grow within the local housing market. Costs of home ownership and rents have risen over the past years, leaving low-income residents within the city particularly vulnerable to negative housing outcomes. Given the emerging market conditions within Pasco the private sector is likely to continue to overwhelmingly cater to the higher end of the economic spectrum, neglecting and eliminating the existing affordable housing options and reducing the ability for Pasco to grow in an equitable fashion. It is recommended that Pasco take the following steps to ensure the proper

anti-displacement protections are in place and allow for Pasco's housing goals to be realized. First, it is recommended that displacement be measured in a comprehensive fashion as required to establish a baseline understanding of both at-risk demographics and spatially, where displacement is of particularly high concern. This will allow for targeted intervention measures to be implemented while minimizing inefficiencies. Upon understanding the baseline displacement risks, continuous study is recommended to allow for the municipality to react to the inherent dynamism presented by the changing demographics within their jurisdiction.

Data Snapshot:

Median Home Value Versus Median Family Income (Indexed) 2011-2021



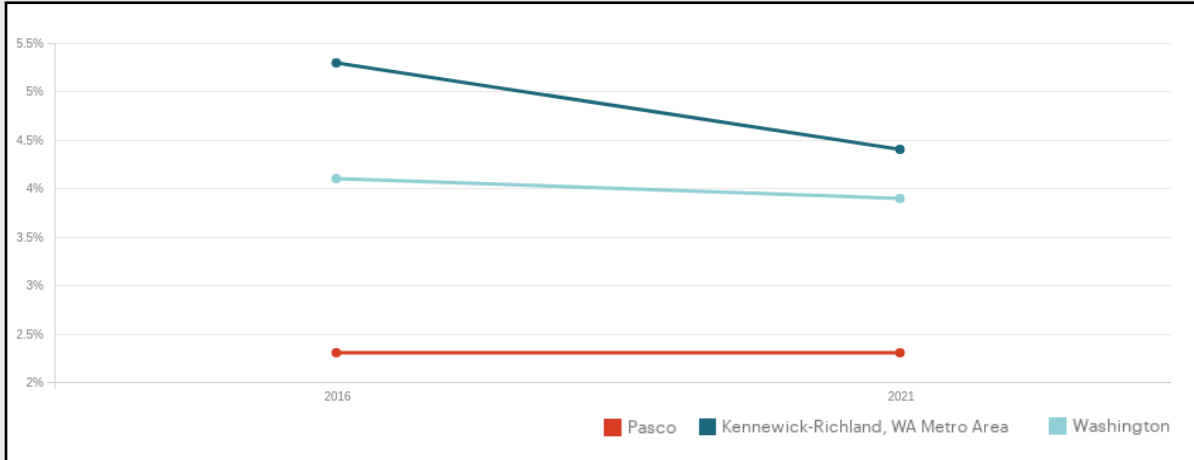
Source: [Local Housing Solutions Housing Needs Assessment Report](#)

Approach: Preventing Displacement

Second, protections for existing renters are recommended to be implemented and, in some cases, made more robust to ensure that low-income households can combat housing instability and stay within their homes. Through the education of households regarding the tools at their disposal, be it legally or financially, it has been shown that the possibility of displacement can be greatly reduced.

In focusing on anti-displacement policies, Pasco can advance the stated goals of ensuring that housing options exist across the income spectrum and that low- and moderate-income households continue to be able to live within the city. As Pasco continues to experience rapid population growth, remaining cognizant of the needs of households at-risk of displacement is a necessary component to ensure growth is equitable.

Data Snapshot: Change in Rental Vacancy Rates, 2016-2021



Source: [Local Housing Solutions Housing Needs Assessment Report](#)

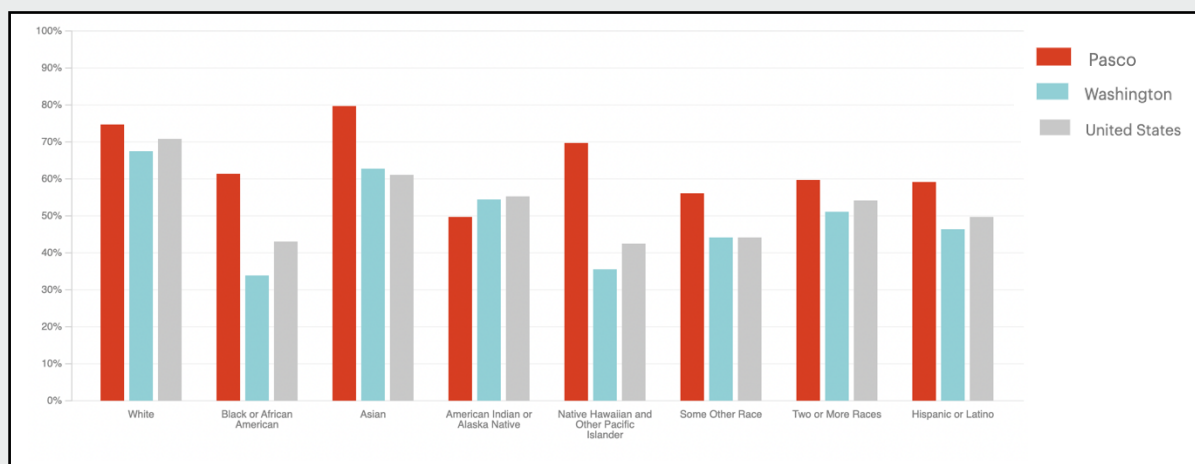
Approach: Addressing Racially Disparate Impacts



The mitigation and alleviation of racially disparate impacts borne out of existing policy measures has similarly risen to the forefront of importance within Pasco's housing policies due to tremendous recent population growth. Significant work has been undertaken and implemented by city government in recent years to modify policy, primarily in the arena of zoning and design standards, to broadly soften the regulatory environment surrounding housing development and enable more optionality in housing offerings brought to market. While these policy wins are transformative in themselves, sweeping changes to the built environment take considerable time to manifest given prerequisite ideology shifts that need to take hold within the community which are then followed by physical development. To encourage housing offerings for all economic segments of the population and provide housing meeting the demands of the community, it is recommended that further measures are implemented to remedy observed racially disparate trends. We focused on identifying racial makeup of Pasco's homeowners and renters to understand if there was a discernible divide in households through the lens of race. We found that the unfortunate reality seen frequently throughout the nation was similarly playing out in Pasco, with households identifying as white significantly more likely to own their homes than racial minorities with 83% of white households owning their homes vs 51% of Hispanic households and 56% of black households owning their homes, as seen in the graph below. This led us to focus recommendations on expanding homeownership opportunities for minorities and those at the lower end of the economic spectrum given the high frequency of coincidence between race and economic standing, acknowledging, and improving the renter market for housing voucher users, and expanding transit service development in low-income areas to improve access to employment and provide a means of economic mobility.

Data Snapshot:

Homeownership Rate by Race/Ethnicity



Source: [Local Housing Solutions Housing Needs Assessment Report](#)

Approach: Addressing Racially Disparate Impacts



Data Snapshot:

Pasconian Household Income and Poverty Rate by Race/Ethnicity

Change in Median Household Income
by Race/Ethnicity from 2010-2019

Median HH Income	2010 (\$)	2019 (\$)	Change
Non-Hispanic White	58,319	80,160	38%
Hispanic	35,785	50,579	41%
African American	31,403	43,487	38%
Citywide	47,749	63,584	33%

Change in Poverty Rate by
Race/Ethnicity from 2010-2019

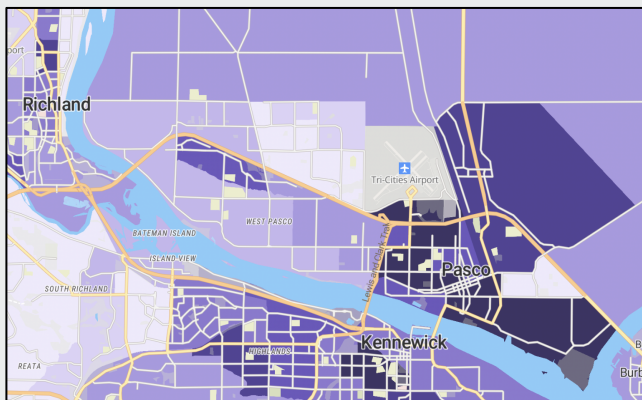
% in Poverty	2010 (%)	2019 (%)	Change
Non-Hispanic White	9.4	7.0	-2.4
Hispanic	30.1	22.2	-7.9
African American	20.3	27.0	6.7
Citywide	21.1	16.3	-4.8

Source: US Census Bureau 5-Year ACS Estimates

Data Snapshot:

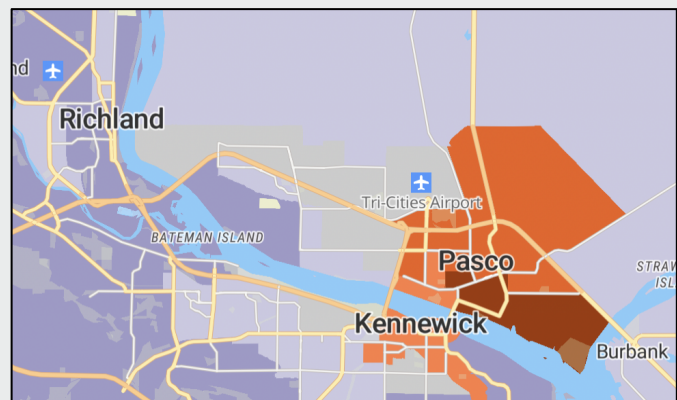
Concentration of Poverty and Race Comparison

Percent of Individuals Experiencing Poverty
Higher percent indicated by darker shade of purple.



Source: [Policy Map](#)

Predominant Race/Ethnicity by Census Tract
Non-Hispanic White in Purple, Hispanic/Latino in orange.



Approach: Funding and Financing Affordable Housing

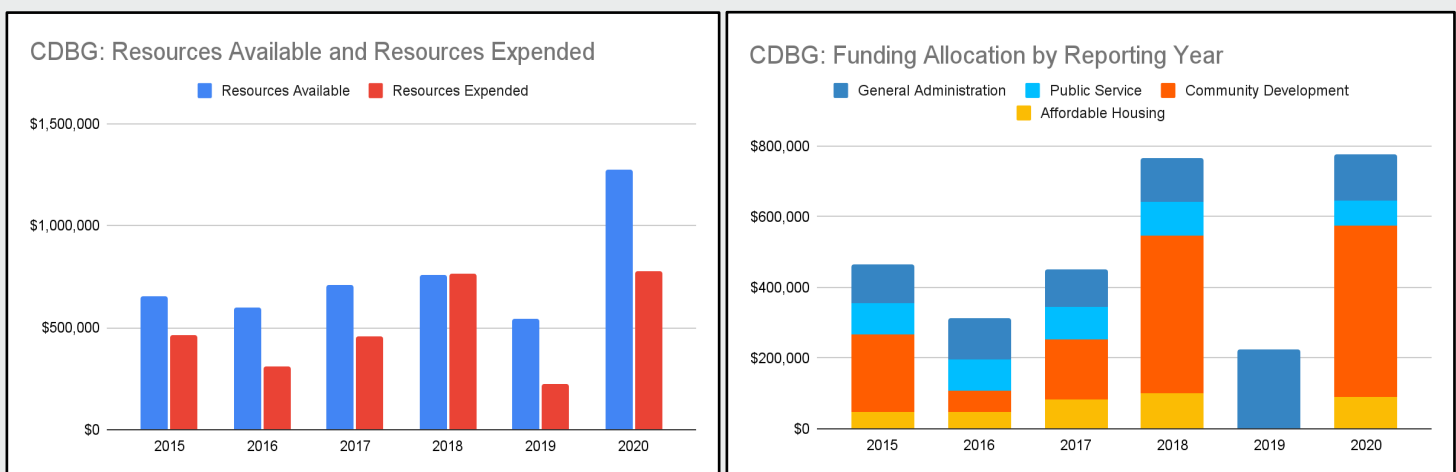


Our third focus area was rooted in exploring means of preserving and expanding the affordable housing stock within Pasco through the activation of subsidy and grant programs suited to Pasco's local market. At a high level, housing cost pressures both in ownership and rental opportunities are driven by the quantity of dwellings available for habitancies within Pasco, making the preservation of existing affordable housing and generation of new housing immensely important to both alleviating displacement pressures and mitigating racially disparate negative housing outcomes.

While Pasco's population has boomed, housing production has simply not kept pace creating scarcity within the housing market and causing supply constraints to drive housing costs out of reach for low-income residents. This has manifested in increased incidence of household crowding and outright displacement of residents along racial and economic lines. Attention was paid to ongoing operational covenants tied and/or regulatory agreements tied to funding sources and consideration was given to whether these burdens are appropriate within Pasco given the appetite and capacity of local developers and owners.

Data Snapshot:

Community Development Block Grants (CDBG) Availability and Allocation



Source: Consolidated Annual Performance Evaluation Reports ([CAPERs](#))

Approach: Funding and Financing Affordable Housing

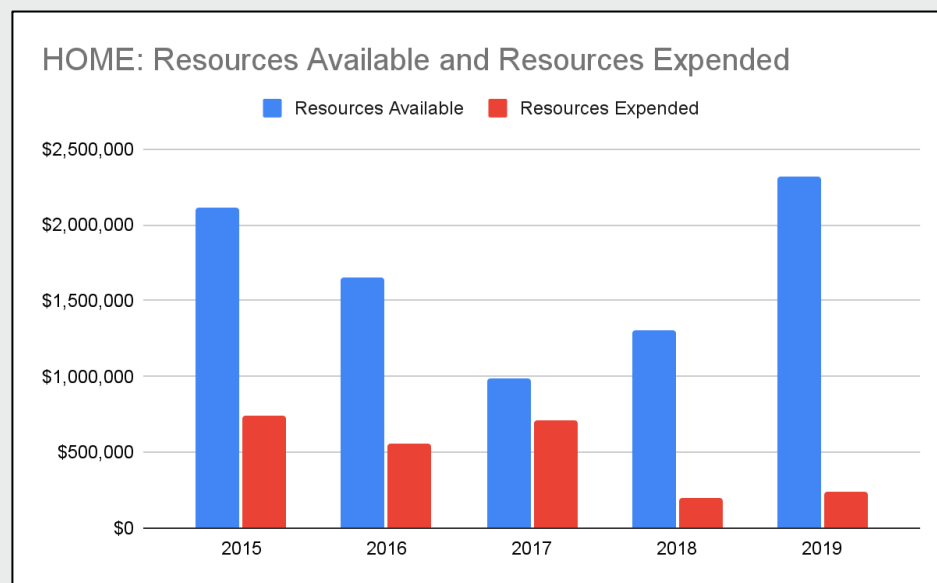


Through capacity building and education campaigns, both city government and residents can become better positioned to leverage funding resources available for advancing affordable housing goals via programs that Pasco is already engaged in, namely HUD's Community Development Block Grant ("CDBG") and HOME Investment Partnership ("HOME") programs.

In addition to these federal grant programs, Pasco has opted into the statewide Sales and Use Tax for Affordable and Supportive Housing program, delivering much needed funding for use within the jurisdiction for advancing affordable and supportive housing goals. It is recommended that these funds consider displacement risk in their application to create a precise implementation of these resources.

Data Snapshot:

HOME Investment Partnership Resources



Source: Consolidated Annual Performance Evaluation Reports ([CAPERs](#))



Strategy 1: Build Internal Capacity

The rapid pace of development and the effort to densify existing built-up areas of Central Pasco necessitates more resources into community engagement than currently exist. New development will increasingly be near existing communities rather than in sprawling subdivisions on agricultural land. Managing growth in this way will require more internal capacity and a greater focus on public engagement than has previously been done in Pasco. Addressing disparate impacts requires the city to understand these impacts beyond what Census data and maps can show. The city should increase staff resources in planning and economic development to manage and direct its growth going forward.

Implementing a plan to create, preserve, and renovate more affordable housing will require more capital than Pasco can raise internally or that it can currently apply for. These funds come from places like the Washington State Housing Trust Fund, Washington State Housing Finance Commission, or US Department of Housing and Urban Development.

Pasco will need to become proficient in understanding and accessing these programs to maximize the amount of grant money it can receive. Making the changes recommended in this report will require additional staff capacity.

In order to talk to residents, learn their needs, and create investment plans to address those needs, Pasco needs more people to do that engagement and create those plans. To receive more state and federal grants, Pasco needs people to write the applications and manage the projects those grants will fund. Pasco's greatest governmental resource is its employees. Without hiring more of them, it won't be able to take advantage of the strategies identified in this report. Since municipal budgets are always tight, adding additional full-time staff is never easy. Pasco should look for ways to share resources with other departments or the other Tri-Cities, to maximize information sharing and allow for staff to build specialized expertise in community engagement and leveraging outside funding.

Short-term (0 - 6 months)	Medium-term (6 months - 2 years)	Long-term (2 - 5 years)
Strategy 1: Build capacity		
1.1: Build a housing coalition through robust community engagement.		
1.2: Build capacity for data gathering and analysis.		
1.3: Build funding application capacity.		

Recommendation 1.1: *Build a housing coalition through robust community engagement.*

In planning for denser development, the city must gather representative feedback from residents about the needs they have and how new public and private investment should be used to meet those needs. Robust community engagement can give planners information that they aren't getting now from sparsely attended public hearings. Engagement should be happening on a regular basis rather than only when a developer submits a project application. Only talking to the community about the potential impacts of certain projects draws out opponents fearful of change; regular information-gathering can build trust and engage people looking for solutions.

Implementation 1.1.1: Hire a full-time Community Liaison

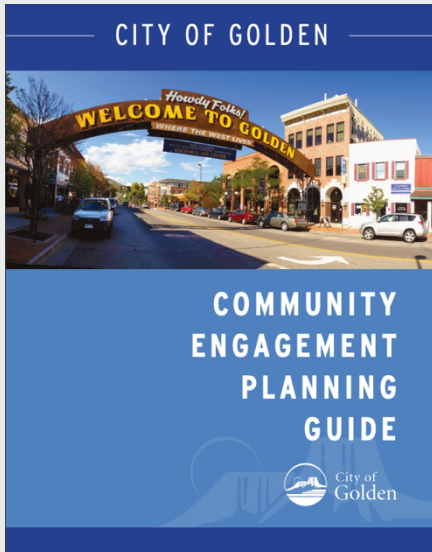
Pasco should hire a full-time employee to direct the city's public engagement process around housing and development. This person should specifically improve the city's ability to distribute and solicit information from nonwhite communities in Central and East Pasco, in English and Spanish.

Implementation 1.1.2: Develop and implement a robust community engagement strategy independent of individual development projects.

The community liaison would direct the development of a plan for when and how planners should engage with residents of Pasco. This playbook would include both engagement for individual development or infrastructure projects and regular ongoing engagement for master planning. Pasco's engagement plan should emphasize strategies for engaging undocumented immigrants and mixed families to best support their needs. Pasco should share and adopt best practices from other cities around the country, and especially the other Tri-Cities.

Case Study 1

Implementation 1.1.2: Develop and implement a robust community engagement strategy independent of individual development projects.



City of Golden, Colorado – Community Engagement Planning Guide

The guide was created to be a “living document” where readers can not only contribute to the evolution of strategies but use the pages themselves as prompts to think critically about goals in engagement. This plan was created by the community engagement team in the City of Golden, Colorado, a gold-rush town that aims to work collaboratively between government and community to proactively address all kinds of issues and find holistic solutions. Through creation of a community engagement plan, Pasco will be able to establish goals and outline strategies for engagement that are ready-made and tailored to the various needs a project or proposal may have.

Source: [Community Engagement & Communications, City of Golden](#)

Implementation 1.1.3: Work directly with organizations that serve hard-to-reach groups in Pasco to bring the planning process to the people.

Identifying these organizations will allow the city to both disseminate messages and gather feedback from people that wouldn't otherwise engage directly with the city. People trust voices closer to them. Meeting people where they're at also offers an opportunity to improve the provision of social services to people that need them - connecting people to community health care, applications for benefits, and any available affordable housing.

Implementation 1.1.4: Train staff who engage with the public to direct people to available resources.

Building code inspectors and other city government staff frequently engage with homeowners, landlords, and renters facing housing insecurity. The city should teach them about available city programs and resources, especially around housing, and direct them to spread that information through their public-facing work.

Implementation 1.1.5: Hold targeted outreach events to increase awareness and understanding of the history of racial exclusion in Pasco and the Tri-Cities.

The history of racial exclusion in Pasco and the Tri-Cities has been and continues to be well-researched by scholars like Richard Baumann and Richard Franklin of Eastern Washington University (EWU), as well as the EWU Racial Covenants Project team. Pasco should increase awareness and understanding of its exclusionary history through its community outreach and education events, as it did this year on its social media platforms for Black History Month.

Recommendation 1.2: Build capacity for data gathering and analysis.

While the existing conditions research for this report provides a partial point-in-time analysis of the housing situation in Pasco, fully addressing displacement and disparate outcomes requires an ongoing commitment to data gathering and analysis, both quantitative and qualitative. The city has not regularly tracked evictions and foreclosures, and it needs a commitment of staff time to do so.

Implementation 1.2.1: Partner with schools, consultants, and agencies to synchronize research and share data.

Pasco should continue to work with universities interested in researching housing, racial disparities, and land use. These programs do a lot of heavy lifting on data gathering and can provide additional planning capacity more flexibly than hiring permanent staff. Pasco's previous participation in the Furman Center Peer Cities Network and programs with NYU and UW students are a good example of how university partnerships can expand capacity. Student internships with the City of Pasco could also augment the city's data gathering

Implementation 1.2.2: Hire a housing planner to perform Housing Needs interviews and surveys.

Staffing up for data gathering will need to be done along with a plan for what data sources will be used, how people will be chosen and contacted, and how often the data gathering will be done.

Recommendation 1.3: Improve Pasco's ability to leverage local, state, and federal funding opportunities to preserve and create affordable housing.

Investing in planning and economic development can bring in outside funding and save resources in other ways. This could be a place to collaborate with the other Tri-Cities to share expertise. Collaboration is already happening with Kennewick and Richland on planning and housing; increased collaboration in seeking federal funding could improve the provision of housing and infrastructure in all three cities. Communicating with further-out cities in Washington and around the country will be essential as well, to learn what works and how to tailor applications for success.

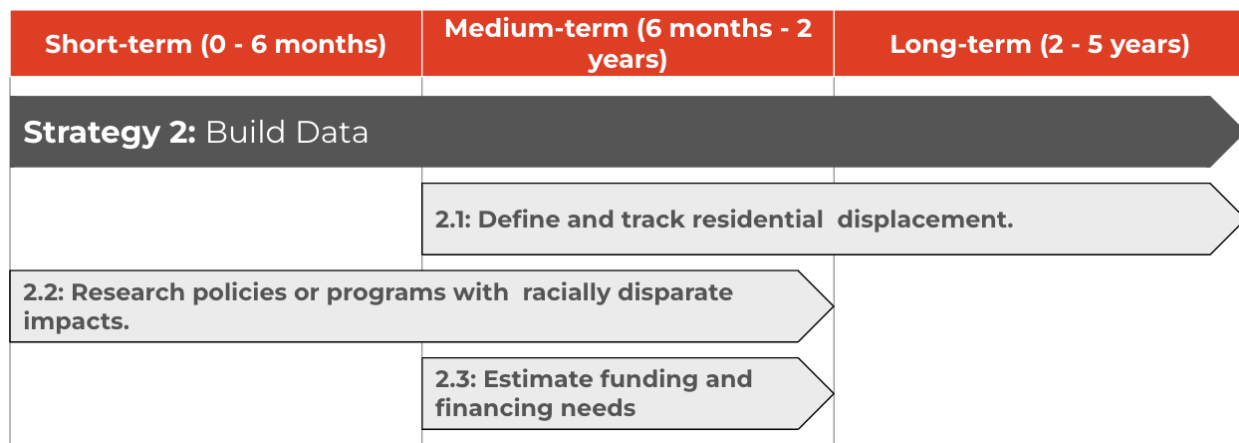
Implementation 1.3.1: Hire a staffer to ensure that existing grant money for housing is used and that all funding opportunities are pursued.

Pasco has not been able to use all the federal funds it receives for housing, due to competing demands for the funds, prices too high for the programs to subsidize, and capacity constraints for applying for and managing grants. Hiring a staffer shared across the Tri-Cities dedicated to grant funding will improve Pasco's ability to leverage local, state, and federal funding opportunities to preserve and create affordable housing. Communicating with further-out cities in Washington and around the country will be essential as well, to learn what works and how to tailor applications for success. This person will be able to acquire and share specialized knowledge. Working through the Tri-Cities Home Consortium will ensure that Pasco, Kennewick, and Richland are not competing against each other, and will ultimately help provide more affordable housing on the regional level.

Strategy 2: Build data and research to guide future policy actions.

Pasco should build data and research to guide future policy actions and programming. Before it can intervene in preventing displacement or addressing racially disparate impacts, it must know where and how they occur within the city. Similarly, the city needs to estimate the number of affordable homes it should build and the amount of funding it needs to do so to guide how it targets new or existing affordable housing funding and financing streams.





Recommendation 2.1: Define and track residential displacement.

Before it can understand and address displacement, Pasco needs to define and track it. To develop policy or programmatic interventions, the City needs to understand where and how residents are being displaced, as interventions should be tailored to the specific nature of displacement in Pasco. For example, if renters and owners are leaving because they cannot keep up with housing costs, subsidies may be the most helpful short-term solution. Alternatively, if residents are facing harassment from owners or prospective owners to leave or sell their homes, renter or owner rights training and enforcement could be the best option.

To define displacement, Pasco can look to existing definitions or create its own. The Washington State Department of Commerce defines displacement as “the process by which a household is forced to move from its community because of conditions beyond their control” and displacement risk as “the likelihood that a household, business, or organization will be displaced from its community”.¹ Pasco could develop a system for tracking displacement based on this definition or a more tailored one developed in partnership with internal, County, and nonprofit stakeholders.

To track displacement, Pasco should:

Implementation 2.1.1: Perform regular housing needs surveys on a representative sample of residents.

New York City performs a version of this through its Housing and Vacancy Survey (NYC HVS), which is conducted every three years in collaboration with the US Census Bureau. While the ultimate purpose of the NYC HVS is to measure housing vacancy rates, it also surveys a sample of NYC residents on the primary reason they moved within the last three years.¹

¹ NYC Rent Guidelines Board. (2023). *NYC Housing and Vacancy Survey*. NYC Rent Guidelines Board. <https://rentguidelinesboard.cityofnewyork.us/research/nyc-housing-vacancy-survey/>

Pasco should develop a broader housing needs survey to understand resident housing needs and displacement (i.e., which residents are moving, where they are moving to, and why). This can also be an opportunity for the city to understand the moving patterns and housing concerns of undocumented residents, as it should be able to guarantee anonymity. The city should consider partnering with Kennewick and Richland in conducting the survey, as residents are likely moving across the Tri-Cities region.

Implementation 2.1.2: Perform regular resident housing needs interviews to supplement survey data.

The reasons why households move are complex and interdependent. For example, a household could leave its current apartment because the apartment needed major repairs and because their rent increased. While surveys are useful for quickly capturing high volumes of data, they lack the qualitative, subjective data that interviewing can yield. Interviews may also yield data that residents are hesitant to write down for fear of retaliation or other concerns.

Implementation 2.1.3: Request eviction case data from organizations that process or collect it.

The Benton-Franklin County Superior Court, the Tri-Cities Dispute Resolution Center, Benton County Department of Human Services, or Northwest Justice are involved with evictions or tenant support and have at least partial sets of eviction data. In lieu of administrative data, Pasco could also ask residents to self-report.

Implementation 2.1.4: Create a mechanism for reporting illegal evictions by setting up a phone hotline or survey.

This will allow residents to report “self-help” or “lockout” evictions where landlords forcefully displace tenants before completing the eviction process. It will allow Pasco to not only gain a more complete understanding of eviction volume but be able to intervene earlier in situations that will likely evolve into eviction cases.

Implementation 2.1.5: Request foreclosure data.

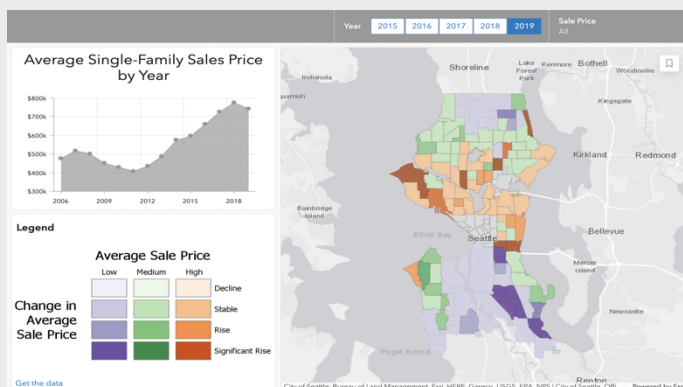
Request foreclosure data from Franklin County’s Treasurer and any other organizations who could hold foreclosure data to identify where homeowners are struggling to keep up with housing costs.

Implementation 2.1.6: Define and track residential displacement indicators.

With the data gathered from the previous five recommendations, Pasco can define and track residential displacement indicators relevant to its residents' needs and displacement patterns. This data can then be used to design and target anti-displacement programs and policies.

Case Study 2

Implementation 2.1.6: Define and track residential displacement indicators.



Seattle, WA- Displacement Risk Dashboard

After gathering data on its residents' housing needs and migration patterns, Pasco can define and track residential displacement indicators that can be used to design and target anti-displacement programs and policies.

Facing rapid population growth and the same Housing Element requirements as Pasco, Seattle developed “Displacement Risk Indicators” and displays them through a public, online dashboard. The dashboard is meant to be a tool for policymakers and community members that informs the City’s ongoing fight against displacement.

Direct/physical displacement	Indirect/economic displacement	Exclusionary neighborhood change
<ul style="list-style-type: none">◆ Tenant relocation cases◆ Condo conversions◆ Foreclosures	<ul style="list-style-type: none">◆ Housing cost burdens◆ Shortages in affordable, available rentals◆ Early design guidance applications◆ Construction permits◆ Increase in sale prices◆ Home flipping	

Source: [Seattle, WA Displacement Risk Dashboard](#)

Recommendation 2.2: Research policies or programs with racially disparate impacts.

Before Pasco can address and undo policies and programs with racially disparate impacts, it must understand where and how they were implemented. Historical research on racial exclusion in the Tri-Cities has shown that Black residents who migrated to the Hanford Site during World War II and the Cold War were excluded from Kennewick and Richland to live in Pasco. Within Pasco, they were segregated to East Pasco. Latino residents who migrated to the Tri-Cities for agricultural work in the 1970s and were similarly steered to East Pasco.¹ Pasco's current spatial socioeconomic patterns reflect this history, as its poorest and Hispanic residents are concentrated in East Pasco.² While the City prospered over the last decade, stark financial disparities remain across racial and ethnic groups. While median household income rose across all racial and ethnic groups from 2010 to 2019, Hispanic households' incomes remain about \$30,000 below non-Hispanic white households' incomes, but still over \$6,000 more than African American households.³

Pasco should conduct further research on:

Implementation 2.2.1: Identify and eliminate exclusionary provisions within Pasco's Zoning Ordinance and Municipal Code.

While Pasco has lifted restrictive single-family zoning with the simple addition of "all developments shall be compliant with the Comprehensive Plan land use density table in PMC 25.215.015" to most residential and commercial zone classifications and legalized Accessory Dwelling Units (ADUs), its lot size, parking, and setbacks have largely remained the same. Recognizing this, the city updated its residential design standards in November 2022. Pasco should continue this work of reviewing and amending codes with exclusionary intent or effect that stand in the way of its housing goals.⁴

¹ Cary, A. (2023, February 24). 'Tri-Cities was worse than the South': Remnants of housing discrimination linger. Tri-City Herald. <https://www.tri-cityherald.com/news/local/article272226033.html>

² Per PolicyMap spatial data on predominant race/ethnicity and percent of residents living in poverty by census tract.

³ Per 2015-2019 American Community Survey 5-Year Estimates.

⁴ Gonzalez, J. (2022, November 17). *Report to Planning Commission: MF# CA2022-001 Residential Design Standards Phase 1*. City of Pasco. <https://pasco.civicweb.net/document/80723/Residential%20Desing%20Standards%20CA2022-001.pdf?handle=285AB1034FA34F7FA87B8235F19D8337>

Implementation 2.2.2: Identify and eliminate exclusionary remnants within private housing covenants.

Per SHB 1335, Eastern Washington University's (EWU) Racial Covenants Projects is currently identifying racially restrictive property covenants in 20 counties of eastern Washington. Pasco should collaborate with the EWU team to consolidate data on and remove racially restrictive covenants in Pasco.

Recommendation 2.3: Estimate affordable housing funding and financing needs.

Pasco should understand the amount of affordable funding or financing it needs before it begins to develop or apply for new funding or financing sources. The city could estimate this by:

- Setting an affordable housing production goal by taking a percentage of the 15,217 new housing units that the city needs to produce by 2038.¹
- Calculating projected income by projecting out future tax revenues, CDBG and HOME block grant funding, and other current funding or financing sources.
- Calculating projected development costs by finding comparable historical data from existing nonprofit developers like Habitat for Humanity, the Housing Authority of Pasco and Franklin County, and other organizations who may have this information.

This work would also lay the groundwork for Pasco to impose an affordable housing property tax levy. Per RCW 84.52.105, Washington counties and cities may impose an additional regular property tax levy of up to \$0.50 per \$1,000 in assessed valuation each year for up to 10 years to finance affordable housing for very low-income households (households earning less than 50% County AMI), affordable homeownership, owner-occupied home repair, and foreclosure prevention programs for low-income households (households earning less than 80% County AMI).² Imposing this levy requires that Pasco or Franklin County declare the existence of an affordable housing emergency (i.e., a rental vacancy lower than 1%, which the City currently meets), adopt an affordable housing finance plan, and have a majority of voters within the taxing district authorize the new tax. By implementing Recommendation 1.1 and Recommendation 1.3, Pasco will have met the first two imposition requirements. As we discussed in Strategy 3, it is imperative to build a coalition in support of affordable housing development who could lead to the authorization of a levy of this kind. In short, while this levy appears politically untenable now, it could change and open up much-needed housing funds in the future.

¹ Per Washington State Office of Financial Management projections.

² Municipal Research and Services Center of Washington (MRSC). (2023). *Affordable Housing Funding Sources* MRSC. <https://mrsc.org/explore-topics/planning/housing/affordable-housing-funding-sources>

Strategy 3: Support residents now through readily implementable policies and programs.

Strategies one and two focus on building the data and capacity for achieving Pasco's housing goals rather than specific policies or programs. This strategy is composed of the readily implementable policies and programs that we think suit Pasco's environment and will meet its residents' needs.



Short-term (0 - 6 months)	Medium-term (6 months - 2 years)	Long-term (2 - 5 years)
Strategy 3: Support residents now.		
3.1: Support residents who may be at highest risk of displacement		
	3.2: Leverage existing affordable housing funding and financing programs now.	

Recommendation 3.1: Support residents who may be at risk of displacement now.

Pasco can support residents who may be at risk of displacement now:

Implementation 3.1.1: Perform targeted outreach to areas experiencing the greatest neighborhood change.

Pasco should perform targeted outreach to areas it already knows are experiencing the greatest neighborhood change. It can define these areas based on existing colloquial or cultural knowledge, or more formal information gleaned from previous housing research, building code enforcement data, or other sources. The purpose of this recommendation is to begin to understand the mechanisms of displacement and think of ways to intervene in them before more robust housing needs survey is collected. It can also use it to target existing tenant or homeowner support.

One approach Pasco can use to guide how it targets areas is change in race and ethnicity. Specifically, it could focus efforts in tracts where the non-Hispanic/Latino and white population or proportion of the population increased or decreased and the Hispanic/Latino and/or nonwhite population or proportion of the population increased or decreased correspondingly. While this may not guarantee displacement, it warrants further investigation into why racial and ethnic changes occurred and whether they were caused or furthered by housing pressures. Figures 1-4 below visualize changes in race and ethnicity over the last decade in 2010 census tracts.

Implementation 3.1.2: Set up a one-stop shop for housing resources.

Alongside the hotline, Pasco should set up an online “one-stop-shop” of housing resources for tenants and homeowners, like the wall of tenant support pamphlets currently available on the first floor of City Hall. It should communicate the existence of these resources and provide them in-person as well through in-person community outreach events.

Figure 1:

Percent change in Non-Hispanic/Latino and white population from 2011-2021¹

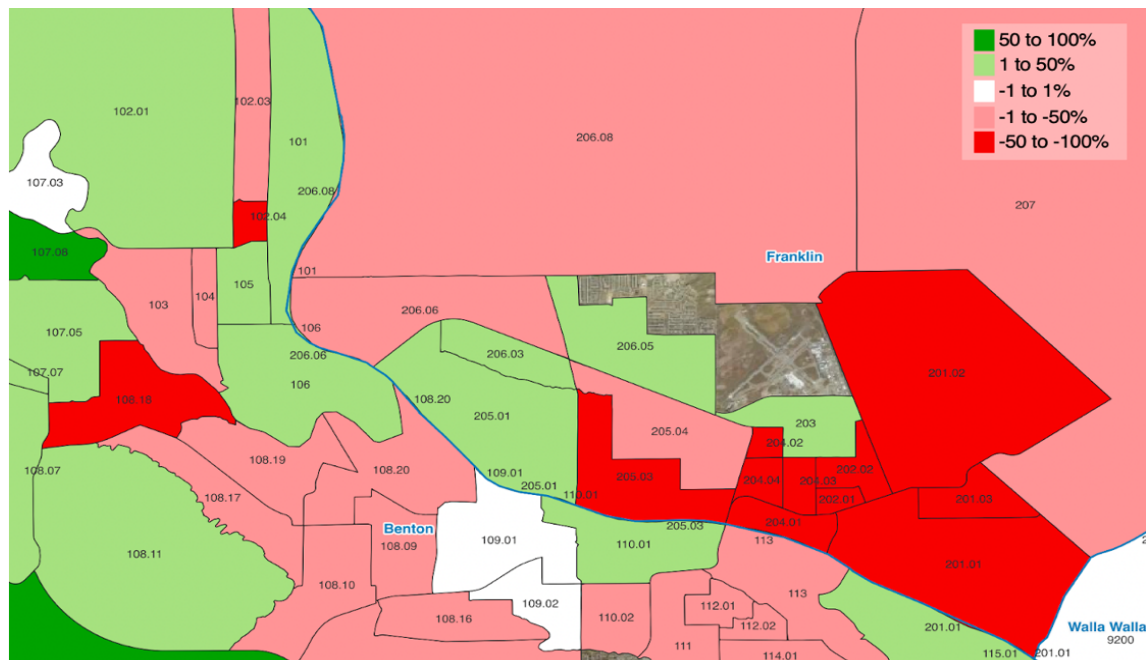
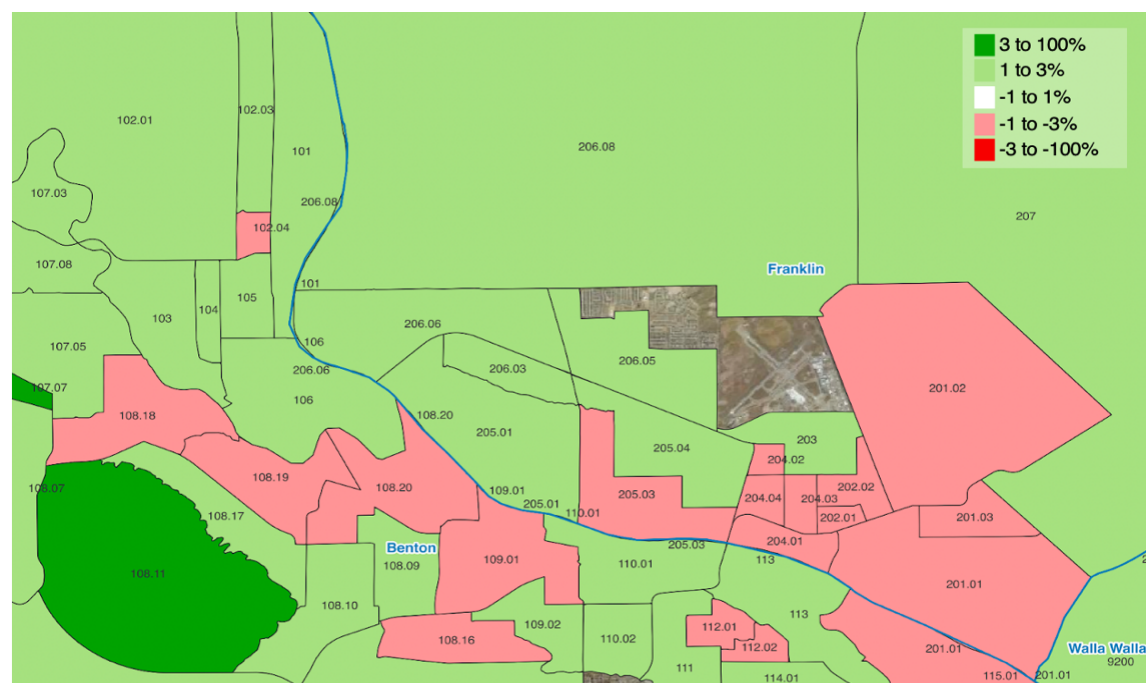


Figure 2:

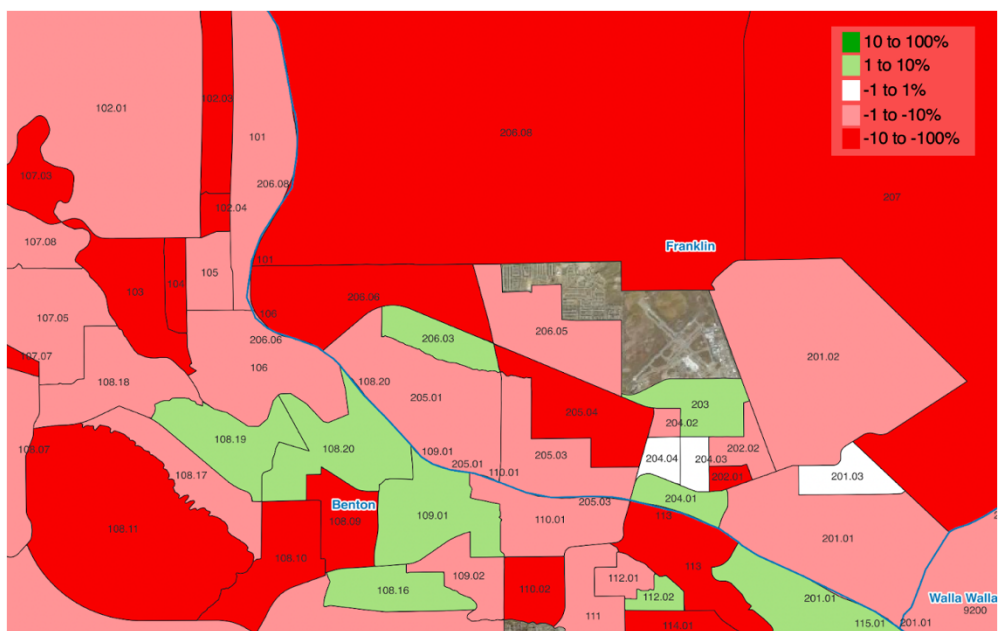
Percent change in Hispanic/Latino and/or nonwhite population from 2011-2021¹



¹ Per US Census Bureau American Community Survey 5-Year Estimates (2006-2011 versus 2016-2021).

Figure 3:

Percent change in Non-Hispanic/Latino and white population proportion of the population from 2011-2021¹



Recommendation 3.2: Leveraging existing affordable housing funding and financing programs now.

Pasco can pursue several affordable housing funding and financing programs now:

Implementation 3.2.1: Spatially allocate Sales and Use Tax for affordable and supportive housing funds.

Beginning in 2019, the City of Pasco began to realize the funding stream associated with the sales and use tax credit for affordable and supportive housing, resulting in a flexible funding source for enabling affordable and supportive housing activity. This funding should be focused to designated intervention areas as decided by the City and be made available as gap funding on qualifying housing projects or as rental payment support to low- and very-low-income residents within the delineated area. As a practical application, upon determining targeted intervention areas and contingent on fund volume, a Request for Proposals (“RFP”) could be publicly issued by the City of Pasco allowing for interested developers to submit proposed projects for city review and award of funding.

Within this structure the city would have broad authority to specify the performance requirements as they relate to income targeting within proposed housing projects to ensure that awarded projects are aligned with the city’s vision for equitable growth. Unlike federally offered funding programs, this type of subsidy would be free of wage requirements (ie Davis-Bacon Wages) that have proven problematic within the local market historically and would instead allow Pasco to determine appropriate restrictions based on the scale and intent of projects. This project would be limited to the total amount of income generated by the Sales and Use tax, limiting the overall scale, but still serves as an impactful means of encouraging development within targeted areas where development might not otherwise occur in a manner that agrees with the city’s housing goals.

Implementation 3.2.2: Multifamily tax exemption (need housing study and financing plan first).

Per RCW chapter 84.14, Washington cities of 15,000 in population or more can establish a multi-family tax exemption (“MFTE”) program to stimulate the construction of new, rehabilitated, or converted multifamily housing (defined as 4+ units), including affordable housing, in designated areas. The value of these housing improvements are exempted from property taxes for 8, 12, or 20 years subject to varying regulatory agreements associated with the duration of tax exemption. Regulatory agreements associated with the MFTE program will dictate the percentage of units required to be set aside at specified depths of affordability, which become more robust as the length of the tax exemption increases.

- The 8-year MFTE program allows the city to offer this development incentive with no tie to specific income caps on new housing units. By way of incentivizing dense development Pasco should leverage this program to expand the overall housing stock as this will expand the available stock of rental housing and ease market pressure due to insufficient supply.
- The 12-year MFTE program offers a middle ground, incentivizing mixed-income housing and allowing for both the provision of rental housing across moderate-income bands ranging from 80%-115% of AMI.
- The 20-year tax exemption contains a provision that 20% of rentals must be sold to a non-profit partner to be operated at a rental cost of 80% area median income (“AMI”) in perpetuity. Given that this is not a particularly deep affordability skew, there may be operational capacity within Pasco’s market to comply with this type of operating agreement. Typically, as the length of tax exemption is extended, development at a larger scale becomes financially feasible, giving this tier of the MFTE the highest potential for impact to Pasco’s overall housing stock. In the near term the absence of active non-profit housing operators is surely a concern to successfully leveraging this program. If Pasco can court interested non-profit housing operators, this option would prove tremendously impactful at ensuring that affordable housing units are represented within the city’s housing stock.
- Given the fact that rental housing in general is scarce within the City of Pasco, offering this program at all levels can provide a powerful incentive for the market to expand the multi-family rental housing stock. As has been discussed previously within this report, scarcity is a main driver of upward market pressure in housing costs, making expansion of the overall housing stock of critical importance.

Implementation 3.2.3: Allow for the disposal of excess land for affordable housing development.

Idle, unutilized, or underutilized parcels of viable land could be activated for multi-family housing usage by transferal to the private sector. Pursuant to the recently passed House Bill 1695, municipalities have been empowered to dispose of surplus property at discount prices to incentivize the development of affordable housing as a means of enhancing public welfare. The City of Pasco should identify viable land parcels within its portfolio for transfer to the private sector and activation through the development of affordable housing projects, which could be represented as ownership or rental opportunities. Pasco would have broad liberty in defining the operating covenants these land transfers would be subject to as needed to advance the municipality's housing goals.

The Port of Pasco is an additional stakeholder with a large land holding and incentive to work toward resolution of Pasco's housing shortage. Although the guiding principles of the Port are focused on economic development, housing shortfalls will prove an impediment to the city reaching its economic potential. To enable a vibrant local economy, the City of Pasco must be able to support a workforce across the income spectrum. Without viable homeownership and rental housing opportunities for this workforce, retaining labor becomes more difficult, particularly as you attempt to scale. As can be seen nationwide, when economic development outpaces viable housing opportunities, housing availability continues to decline, resulting in increased cost pressures within the housing market and hardship for the city in achieving both its housing and economic goals. Given the connection between economic development and housing, the Port of Pasco has plausible cause to contribute to the success of the City's housing goals.

With a large portfolio of underdeveloped or underutilized land, future economic development initiatives should consider both job generation and accommodations for incoming workers. Conditioning land development on the provision of workforce housing within a reasonable adjacency to employment opportunity has the potential to result in a more sustainable approach to both creation of employment and housing. The Port's land holdings are generally toward the eastern limit of Pasco's municipal limits and while some are undoubtedly not suitable for residential development given existing industrial uses, there are suitable sites in the Port's possession.

Activation of these sites for housing, or a mix of housing and light industry could unlock a considerable amount of new housing units. The Port should strongly consider earmarking a portion of this land for the development of workforce housing, with a mix of ownership and rental opportunities to be determined based on financial feasibility and area need.

The Port could work with the Housing Authority of Pasco and Franklin County to develop sites or look to the private sector. Solicitation of developers could be implemented through a public request for proposals (“RFP”) by which housing and affordability thereof would be a condition of the RFP. To incentivize responses and ensure financial feasibility given income cap restrictions conditioned by the RFP, the Port could leverage the ability to dispose of land at well below the appraised value. This would again allow for the city to incentivize and direct development activity in a manner that contributes to the achievement of housing goals.

Implementation 3.2.4: Leverage Low-Income Housing Tax Credits to develop affordable housing.

Low-Income Housing Tax Credits (“LIHTC”) facilitate the generation of affordable housing through the provision of salable tax credits offered by the US Internal Revenue Service (“IRS”) used to generate equity and finance the expansion of affordable housing stocks within cities nationwide. Activity within Pasco using this funding mechanism is relatively scarce, with only seven (7) projects totaling 660 units completed since 2000. While leveraging LIHTCs requires sophisticated operational capacity on the developer side, this tax credit provides a tremendous opportunity to bring online affordable housing within Pasco and is the primary vehicle through which affordable housing is developed nationally. By courting developers in more active LIHTC markets, Pasco could see significant interest given the municipality’s extremely low rental vacancy rate and explosive population growth. Coordination with the Washington State Housing Finance Commission could provide a means of accessing active LIHTC-focused developers and a pathway to building capacity within the local market for this type of development.

Programs for Future Consideration

Multiple other funding sources are available to Pasco to enable capital improvements, typically offered at the federal level through HUD (CDBG and HOME) or state level (Washington Housing Trust Fund), however these programs are coupled with burdensome operating covenants and in the instance of federally offered programs, labor wage requirements that make them ill-suited to resolve the housing shortage issues being experienced within the city. While these may not be viable given the current state of the development market now, they should be kept in mind as the market evolves, specifically as related to the wage requirements. As Pasco continues to urbanize, it is expected that labor wages will trend upward, shrinking the gap between Davis Bacon Wage rates and the wages typically paid in the unrestricted market, increasing their applicability.



Source: Google Earth

Case Study 3

Implementation 3.2.4: Leverage Low-Income Housing Tax Credits to develop affordable housing.

Low-Income Housing Tax Credits (“LIHTC”) facilitate the generation of affordable housing through the provision of salable tax credits offered by the US Internal Revenue Service used to generate equity and finance the expansion of affordable housing within cities nationwide.

Varney Court - Housing Authority of the City of Pasco and Franklin County



Source: [Housing Authority of the City of Pasco and Franklin County](#)

Varney Court Apartments demonstrate the ability of the Housing Authority of the City of Pasco and Franklin County (FACPFC) to act as the general partner in a LIHTC transaction to develop deeply affordable housing aligned with the City of Pasco’s goals. The development offers 38-units, of which a minimum of 75% must be leased to farmworkers. This exemplifies the impact that FACPFC can have as a developer of affordable housing and provides a template for future development in both financing structure and operational covenants.



Strategy 4: Guide future growth by building a zoning structure prepared to accommodate new Pasconians.

Over the last five years, Pasco has made enormous strides in liberalizing their housing and land use policies. The city council has passed various reforms and leveraged state laws to create a more modern approach to zoning. Among the changes, multifamily construction was legalized on most parcels formerly reserved for detached single-family dwellings, the process through which landowners may obtain special zoning permits was streamlined, and greenfield development projects are being imagined as mixed-use, mixed-density neighborhoods with housing types that fit all budgets.

The full overhaul, first charted in the 2018 Comprehensive Plan, is still underway. The city is nearing final passage of its residential design standards, which will reduce many onerous requirements that inhibit dense, walkable development, and, further down the road, the city is expected to propose a recalibration of the impact fees it levies and whether they accurately reflect the cost of new development on city services.

Figures 5, 6, and 7 are a guide for future reforms. Central and East Pasco are the best serviced neighborhoods in the city. Jobs, retail, and education can be accessed quickly and easily without a car, which is best for children, seniors, or even adults who wish to save money or reduce their carbon footprint. Basic public amenities such as roads and sewers also already exist there, reducing the burden of new development on city funds.

Pasco has undergone unprecedented population growth over the past three decades and that growth is not expected to slow down. New homes need to be built to meet the influx and the city should guide those new homes towards neighborhoods that can accommodate such growth with minimal burden on the budget. The following recommendations are aimed at achieving that end

Figure 5:

Pasco Zoning Map

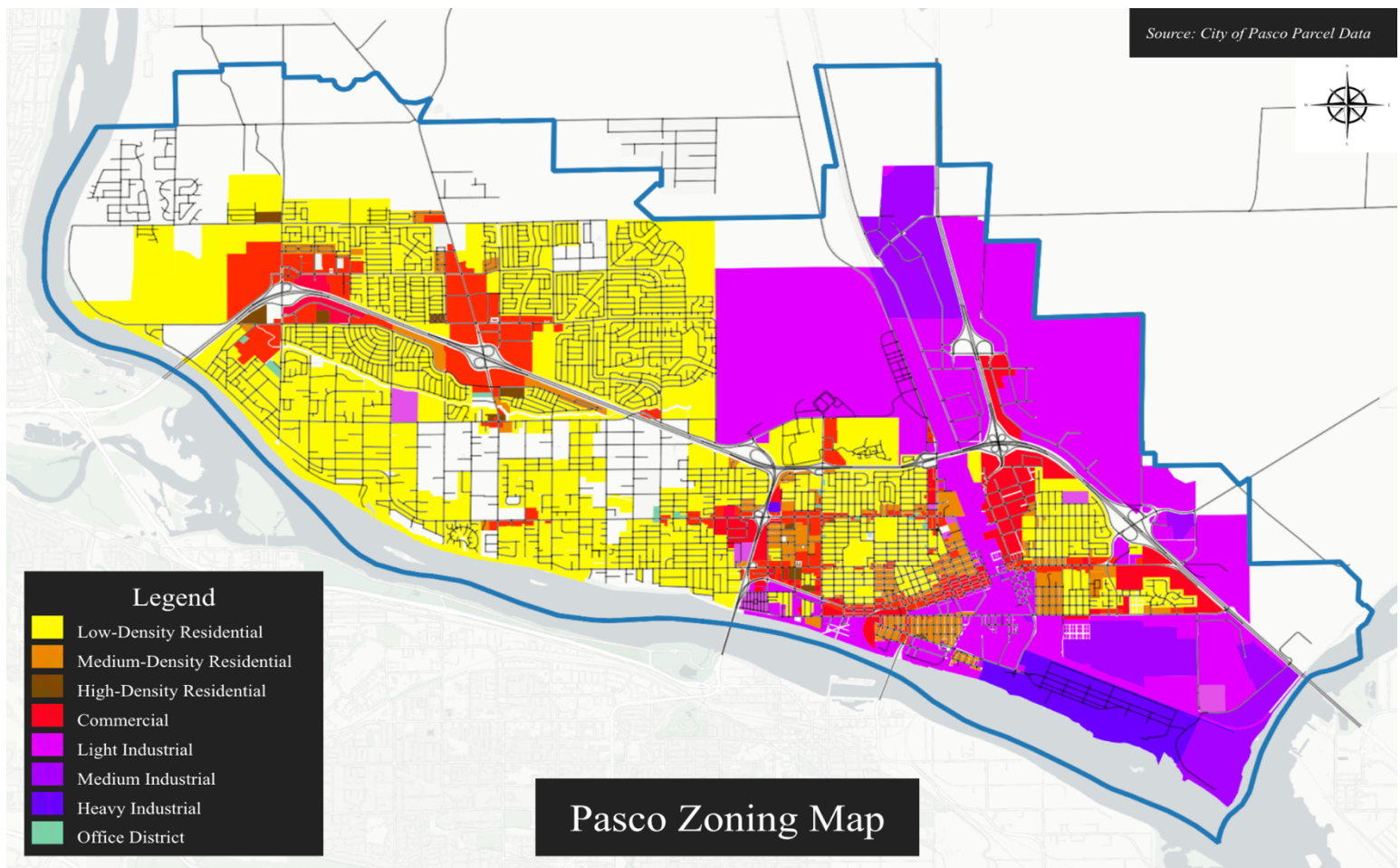


Figure 6:

Transit Access to Employment

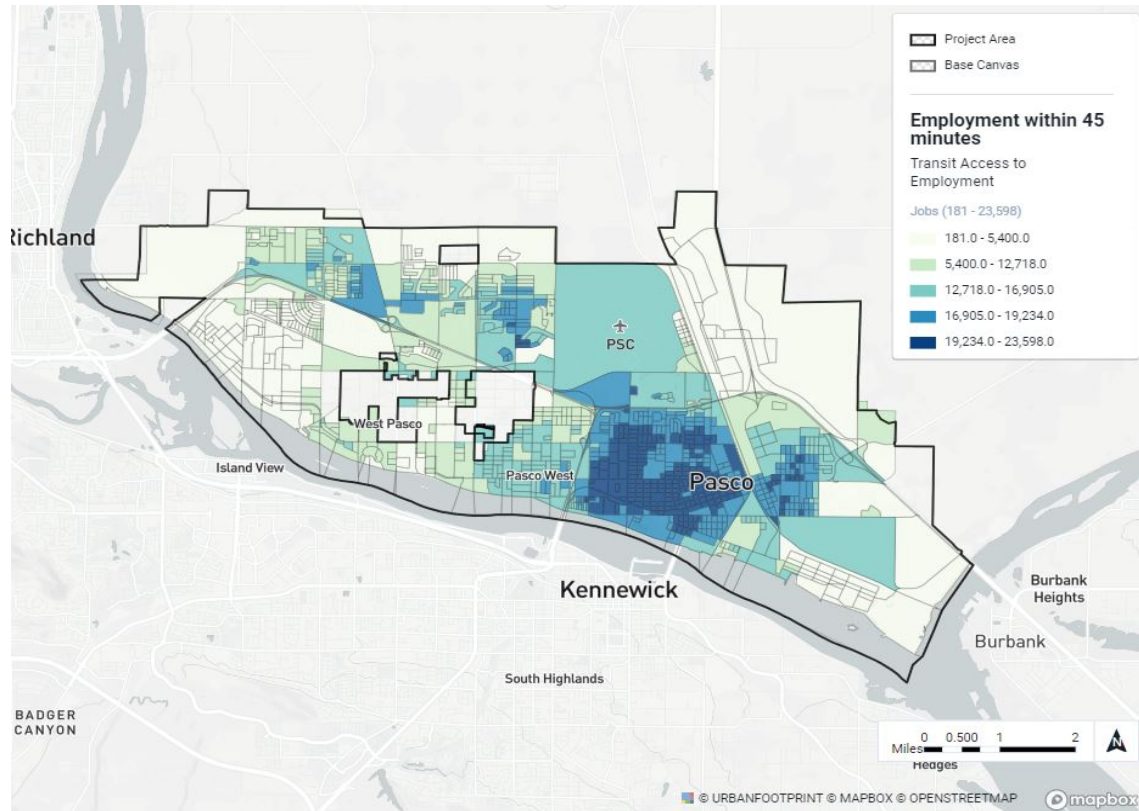
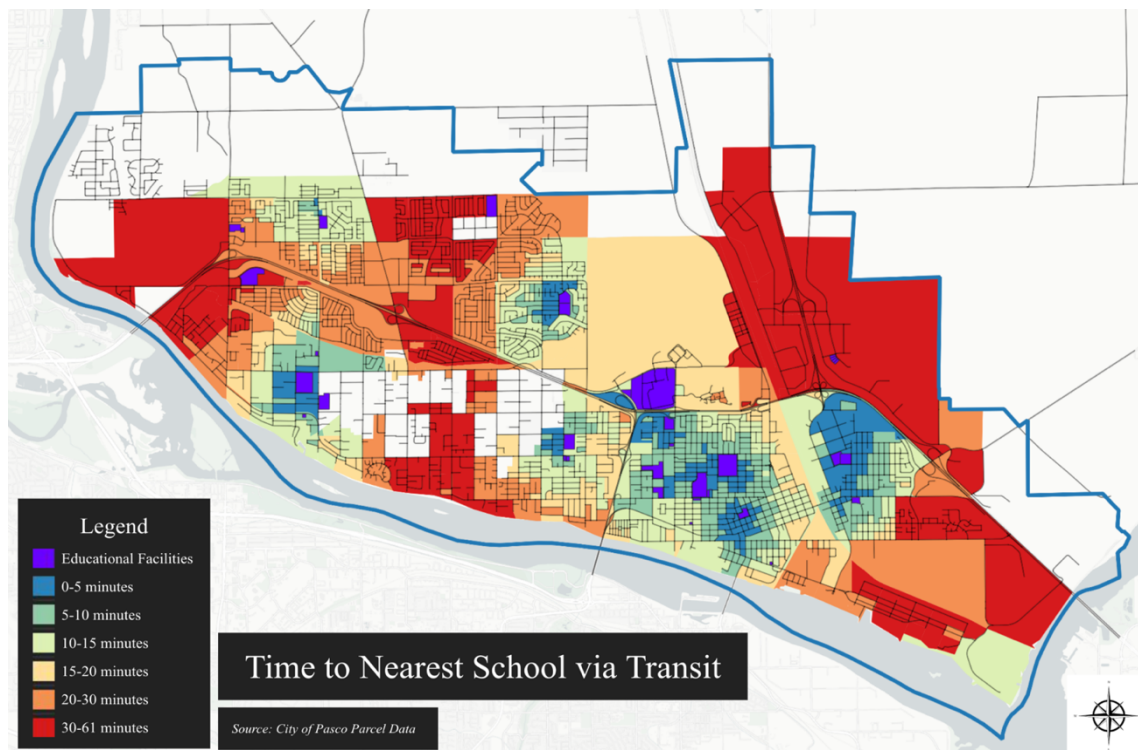


Figure 7:

Transit Access to Educational Facilities



Short-term (0 - 6 months)	Medium-term (6 months - 2 years)	Long-term (2 - 5 years)
Strategy 3: Support residents now.		
4.1: Complete design standards reforms.		
	4.2 Modernize impact fees and utilize them to guide future development.	
		4.3: Streamline development incentives and exactions.
	4.4: Increase zoning density in well-suited neighborhoods.	

Recommendation 4.1: Pass residential design standards reform.

Pasco's reforms to the zoning code are consistent with the recommendations of the latest national planning theory, especially regarding actions to combat the national housing shortage. Full reform, though, remains unfinished and archaic bottlenecks in the municipal code are preventing projects from being proposed. Passage of new residential design standards¹ are in the final stages in Pasco. Their incorporation into the municipal code will allow developers to build more walkable and cost-effective projects. We recommend the city remove parking minimums, ease standards around minimum lot sizes, setbacks, etc. Removing these restrictions improves the financial performance of multifamily units by allowing developers to build more units on a given plot of land. Even though Pasco has upzoned single-family residential areas to allow apartments, non-zoning design standards serve as an additional barrier to construction. These restrictions require land to be used for setbacks or parking areas, or assembled into larger parcels, all of which add to the cost of development.

Recommendation 4.2: Modernize impact fees² and utilize them to guide future development patterns.

Implementation 4.2.1: Expand and tailor impact fees.

Pasco levies four impact fees on new residential development: transportation, schools, parks, and fire protection. There is a large difference between single-family and multi-family fees for transportation, a small difference for schools, and no difference for parks. Collectively, new single-family homes currently pay \$6,709 per unit and multi-family pay \$6,260 per unit. We recommend the city conduct studies to change impact fee levels and tailor³ them with the following interventions:

¹ Gonzalez, J. (2022, November 17). *Report to Planning Commission: MF# CA2022-001 Residential Design Standards Phase 1*. City of Pasco. <https://pasco.civicweb.net/document/80723/Residential%20Desing%20Standards%20CA2022-001.pdf?handle=285AB1034FA34F7FA87B8235F19D8337>

² Fesler, S. (2019, March 18). "An Introduction to Impact Fees in Washington State." *The Urbanist*. <https://www.theurbanist.org/2019/03/18/impact-fees-in-washington-state-an-introduction/>

³Common revisions to Impact Fees." *National Housing Conference: Nexus*. <https://nhc.org/policy-guide/impact-fees-the-basics/common-revisions-to-impact-fees/>

1. **Transportation:** Increase the current insufficient transportation fee to reflect the cost of the heightened stress more accurately on infrastructure.
2. **Infill vs. greenfield development:** Create a multi-tiered fee system wherein infill construction faces a lower fee than greenfield development. Redeveloping on infill land is significantly less costly to the city than new developments on open space. Open space developments force the city to build new roads and lay new pipes, which infill developments do not require. They also put stress on pre-existing infrastructure as far-away developments are less transit accessible and lead to more car-use among its residents.
3. **Multi-family vs. single-family development:** Create a multi-tiered fee system wherein multi-family homes face a lower fee than single-family. Research supports that denser and more walkable communities require fewer public dollars to service than lower-density, car-dependent communities, not to mention the public health and economic effects that also come from reduced car dependency. The city can even scale the impact fees with an equation to have a direct proportional relationship to the density of the development or size of the units.
4. **Affordable vs. market-rate units.** The city should waive all impact fees for deed-restricted affordable units. Stakeholders told us that developers cite impact fees as one of the main reasons for not incorporating affordable housing into their projects. The inclusion of affordable housing is inherently providing an important public resource, therefore the barriers to their development should be removed.

Implementation 4.2.2: Expand the deferral of impact fees.

Washington state law allows for the payment of impact fees to be deferred upon developer request until one of the following: final inspection, issuance of certificate of occupancy, or first sale. Developers might request deferral of the payment of impact fees to secure long-term financing at a lower interest rate, rather than high-cost construction loans. In Pasco, only 50 single-family home impact fee deferrals are currently allowed per year, and deferrals are not allowed for multifamily.

Case Study 4

Implementation 4.2.1: Expand and tailor impact fees and deferrals.

Pasco can guide the future development of housing in the city by tailoring their impact fees to incentivize preferred development types.

Kirkland, WA – Impact Fee Schedule



Different development types and locations are more burdensome for the municipality to service than others. For example, multi-family infill housing will require significantly less in upfront capital and ongoing maintenance costs to the city compared to single-family subdivisions on former agricultural land. Yet often both projects will be subject to nearly identical impact fees. Kirkland, WA remedied this disparity by tailoring their impact fees to reflect the true costs of each type of development.

Impact Fee	Single-Family Unit	Multi-Family Unit
Park	\$6,822	\$5,186
School	\$18,610	\$3,586
Fire	\$1,152	\$466
Transportation	\$7,181	\$3,900
Total	\$33,765	\$13,138

Source: [Kirkland, WA, Impact Fee Schedule](#) and [National Housing Conference Impact Fee Policy Guide](#)

Recommendation 4.3: Construct a system of straightforward incentives and exactions to govern large development applications.

Implementation 4.3.1: Construct a system of straightforward incentives and exactions to govern large development applications.

Zoning incentives allow developers to put land to more use in exchange for helping the city achieve its goals and can be achieved through special permitting instead of through a time and resource-intensive rezoning. Pasco already has a small incentive zoning structure for R-2 and R-3 districts, which allows developers to reduce their minimum lot area per unit by up to a third, but most of the qualifying design standards are aesthetic, and evidence from stakeholder interviews suggest the incentive has rarely been used, if ever. The only incentives in the current code that encourage utilitarian designs are 1) transit availability (which, in this case, is only signified by a site abutting an arterial road), 2) solar adaptability, and 3) pedestrian circulation. All three of these contribute among the least towards lot size minimization in the current municipal code structure. Successful zoning incentives elsewhere, such as Transit Oriented Communities in Los Angeles, focus heavily on utilitarian goals like transit accessibility (measured as distance from stops, in any direction), non-car transportation infrastructure (bike lanes or sidewalks), or renewable energy adaptability (solar, wind, or thermal). The benefits received by the developer could include steeper density exemptions, reduced parking requirements, lifted height limits, or some

Implementation 4.3.1: Design a schedule-based system for value capture when approving large development rezonings.

When developers apply for permits, zoning variances, or other forms of government approval for large developments, the governing municipality may condition approval on exactions that have an essential nexus and rough proportionality to the size of the project's impact. When reviewing many proposals, cities need to standardize this process. One way to standardize the process is by creating schedule-based exactions. Types of exactions may include linkage fees, impact fees, mandatory affordable housing programs, and incentive zoning. Compared to individually negotiating each application, schedule-based exactions are less resource-intensive on the city government. Evidence from stakeholder interviews also suggest that developers would prefer a schedule-based system where they can be fully aware of the costs beforehand, lowering upfront negotiation, design, and engineering costs, and eventually reducing the price passed on to consumers.

Case Study 5

Implementation 4.3.1: Design a zoning incentive structure for large, high-density developments.

Los Angeles, CA – Transit Oriented Communities



In the age of climate change and the housing shortage, Los Angeles needed to incentivize transit use, more housing production, and deed-restricted affordable units. The city designed an incentive program that granted developers large density and height increases and reductions in parking and open space requirements in exchange for affordable housing set-asides in new projects on land within a half-mile of transit infrastructure.

Incentive	Tier 1 (Low)	Tier 2 (Med)	Tier 3 (High)	Tier 4 (Regional)
Affordable Housing Requirement	8% ELI, or 11% VL, or 20% Low	9% ELI, or 12% VL, or 21% Low	10% ELI, or 14% VL, or 23% Low	11% ELI, or 15% VL, or 25% Low
Density Relief	50% Increase	60% Increase	70% Increase	80% Increase
Yard Size Relief	25% Reduction	30% Reduction	30% Reduction	35% Reduction

*ELI = Extremely Low Income (0-30% Area Median Income); VL = Very

Source: [Los Angeles City Planning](#)

Recommendation 4.4: Increase zoning density in well-suited neighborhoods.

According to projections in the 2018 Comprehensive Plan, Pasco's population is expected to increase by nearly 50,000 in the next two decades. An increase of that size would require at least 15,000 new homes, yet the city is not zoned to accommodate that new capacity. If all the undeveloped residential land in the city were built-out to the maximum density allowed under current zoning, it would only create 7,303 new units, less than half of what is needed. Despite lifting bans on multi-family housing on majority of parcels, 90% of residential zones are still limited to a density of just 5 dwelling units per acre. The city should reevaluate capacity limits in low-density zones where services are plentiful. For example, both Central and East Pasco are the highest retail, job, and education accessible neighborhoods in the city. Students can walk and bike to school and parents can take transit to work, yet much of the residential land is still zoned for low-density housing. To a) satisfy the need for more zoned capacity, and b) concentrate development in neighborhoods that already have quality services, Pasco should consider a broad-based upzoning in the districts.

Implementation Roadmap

Implementation Roadmap: Timeline

Short-term (0 - 6 months)	Medium-term (6 months - 2 years)	Long-term (2 - 5 years)
Strategy 1: Build capacity		
Rec 1.1: Hire staff that prioritize community engagement		
Rec 1.2: Build a coalition through robust community engagement		
Rec 1.3: Build staff capacity for data work		
Rec 1.4: Build funding application capacity		
Strategy 2: Build data		
	Rec 2.1: Define and track displacement	
Rec 2.2: Research racially disparate impacts		
	Rec 2.3: Estimate funding and financing needs	
Strategy 3: Support residents now		
Rec 4.1: Support those at highest risk of displacement		
Rec 4.2: Take advantage of existing affordable housing funding and financing programs		
Strategy 4: Guide future growth		
Rec 4.1: Complete residential design standard reforms		
	Rec 4.2: Modernize impact fees	
	Rec 4.3: Streamline development incentives and exactions	
	Rec 4.4: Increase zoning density in well-suited neighborhoods	

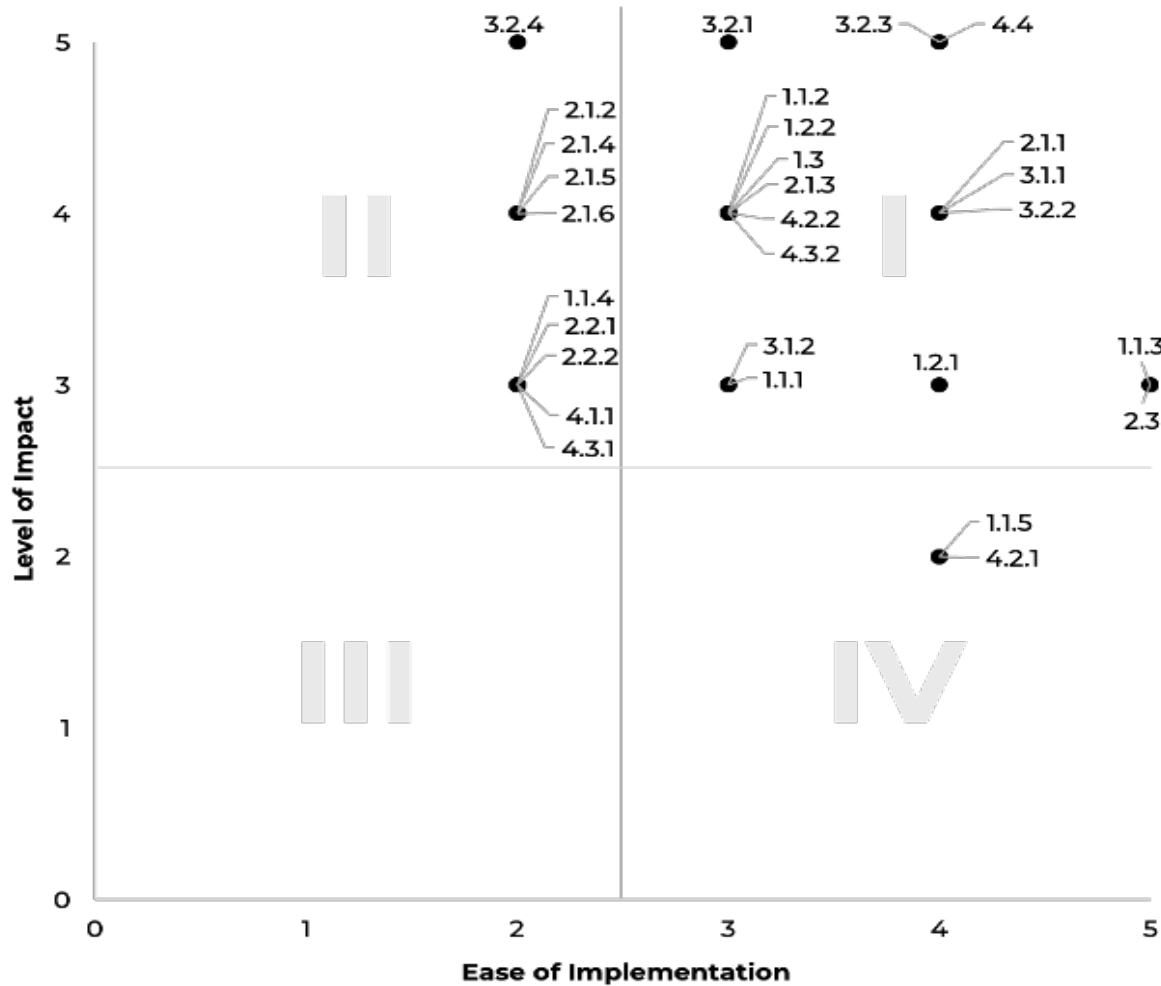
We recommend that Pasco stagger the implementation of the recommendations laid out in this report according to the timeline below.

In the short term (the next six months), we recommend that Pasco build up community engagement, data work, and funding application capacity (recommendations 1.1, 1.3, and 1.4), continue researching racially disparate impacts in partnership with Eastern Washington University (recommendation 2.2) and pushing forward residential design standard reforms (recommendation 4.1), and immediately support those at the highest risk of displacement and take advantage of available and readily-implementable affordable housing funding and financing programs (recommendations 4.1 and 4.2).

In the short to medium term (the next three months to two years), we recommend that Pasco use its community engagement resources to begin building a coalition in support of its housing goals and the recommendations outlined here (recommendation 1.2) and begin drafting zoning density increases in suitable neighborhoods (recommendation 4.4)

In the medium term (the next six months to two years), we recommend that Pasco use its data work and funding application capacity to define and track displacement (recommendation 2.1) and estimate funding and financing needs (recommendation 2.3) and take on larger-scale development incentive planning (recommendations 4.2 and 4.3).

Implementation Roadmap: Matrix



Conclusion

Home to All Report Housing Principles

Housing for all who currently live in Pasco and housing for all who wish to live in Pasco:

- Housing for all who currently live in Pasco and housing for all who wish to live in Pasco.
- Housing for those who are underhoused, double- or triple- occupancy or in unsafe housing situations.
- Housing for those who work in Pasco and keep Pasco's economy vibrant.
- Housing for those who will live and need housing in Pasco in the future.

Approaches



**Preventing
Displacement**



**Identifying and Mitigating
Racially Disparate Impacts**



**Funding and Financing
Affordable Housing**

Strategies

Strategy 1: Build
Internal Capacity

Strategy 2: Build data
and research to guide
future policy actions.

Strategy 3: Support
residents now
through readily
implementable
policies and

Strategy 4: Guide future
growth by building a zoning
structure prepared to
accommodate new
Pasconians.

Pasco is a mid-sized city in southern Washington and home to 80,000 residents with an anticipated 42,000 on the way in the next two decades. Pasco is a vibrant city, providing economic opportunities to a workforce both with and without college education, home to a diverse population, and a rich history in agriculture and industry. As we look forward to ensuring Pasco continues to be a regional hub, we use plans outlined in state policy but whose impacts are felt throughout Pasco intimately. Housing is not only essential for the economic future of Pasco but its social future as well. As Pasconian children grow up, we hope their opportunities to live and thrive in Pasco continue to grow as they do. We hope that present housing unaffordability can be relieved

and those who currently live in Pasco or wish to live in Pasco have a place in the community in the present and future. Outlined above is the guiding framework that has allowed Housing for All to exist within its current form, from principles distilled from Pasco's housing goals, approaches informed by state and city policy, and strategies to ultimately work towards addressing one of the most pressing issues of our time, building enough homes for all.

In conclusion, this report aims to examine and explore strategies and recommendations to ultimately accomplish one goal, to ensure that Pasco is home to all. Home to all who wish to stay, who wish to thrive, home to all in Pasco.

APPENDIX



Appendix: Interviews

First, we'd like to thank everyone who spoke with us as part of our research. Your insights were invaluable and informed the recommendations in this report.

1. We discussed the history of racism and racial segregation in the Tri-Cities: how the current patterns of settlement developed and were enforced, the harms they had on the nonwhite population of Pasco, and how policy actions today could address these harms. This history augmented what we learned from our own research and contextualized what we saw on our visit.
2. We dove into the impacts of development on municipal finance, and how financial levers could be used to impact the location and type of future development. We discussed proposed changes to transportation impact fees, the effect of these fees on development, ways to vary these fees by unit size, type, and location to incentivize multifamily infill. We discussed the Tax Increment Financing district in place at Broadmoor and determined that due to infrastructure needs and a limit on the number of TIF districts in place, using a TIF to subsidize affordable housing did not make sense at this time.
3. We discussed potential approaches for measuring displacement, barriers that undocumented residents face to securing housing and accessing city services, and ways of filling access gaps where civil society organizations don't exist.
4. We discussed how CDBG and HOME funds are currently being used in the Tri-Cities: who applies, the process from application to construction, barriers to these funds being used for affordable housing, and lack of interest from developers in building subsidized affordable housing.
5. We talked with a developer about the numbers behind developing multifamily in the Tri-Cities, perceptions that the market doesn't want that type of housing, and the process of working with the city in the permitting process. He gave his opinion on how impact fees and zoning bonuses would affect the viability of housing construction.
6. We discussed Habitat for Humanity's work as an affordable housing builder: where their money comes from, the number of homes they can develop, issues they've had working with the Department of Housing and Urban Development, and the mismatch between what they can provide and the housing needs of low-income residents.
7. We discussed how the Housing Authority of Pasco and Franklin County is structured, projects it has done, and advice for policymakers at the city and state levels to make it easier to subsidize housing through rental vouchers and project development.

Appendix: Community Engagement

While drafting a community engagement plan was not part of the scope of this project, we did recommend that Pasco undertake this effort. To address discrimination, provide affordable housing, and create infill development, the city will need to do community engagement on a level it has not had to in the past. Pasco planning staff will need to gather feedback in order to understand the scope of housing insecurity and the behavior of renters and landlords. They will need to build support for multifamily development and public investment in downtown among the people who could benefit from it. Here we provide some useful resources for planners to draw from, adapted to Pasco's position and needs.

Pasco has the additional barrier to community engagement due to fear by immigrant communities of interacting with government due to the historical trauma and politicized nature of immigration. Addressing immigrant housing needs will take effort beyond standard public meetings and regular interaction with city employees and requires trust building.

The resources below, from cities, academics, and think tanks, offer experience and ideas for incorporating immigrant communities into engagement, as well as a general example of a community engagement plan for the city of Golden, CO.

[Engaging Marginalized Communities in Land Use Planning: Executive Summary](#)

City of Hillsboro, Oregon (2022). Engaging Marginalized Communities in Land Use Planning: Executive Summary. Hillsboro Community Development.

<https://www.hillsboro-oregon.gov/our-city/departments/community-development/projects/engaging-marginalized-communities>

[Planning with Unauthorized Immigrant Communities: What Can Cities Do?](#)

Kim, A. J., Levin, J. M., & Botchwey, N. D. (2018). Planning with Unauthorized Immigrant Communities: What Can Cities Do? *Journal of Planning Literature*, 33(1), 3–16.

<https://doi.org/10.1177/0885412217698403>

[Meeting People Where They Are | icma.org](#)

Dawkins, J. (2019). Meeting People Where They Are. ICMA. <https://icma.org/articles/pm-magazine/meeting-people-where-they-are>

[Ten Ideas to Encourage Immigrant Engagement](#)

Institute for Local Government (2015). Ten Ideas to Encourage Immigrant Engagement.

<https://www.ca-ilg.org/immigrant-engagement>

[Community Engagement Planning Guide](#)

City of Golden, Colorado. (2018). Community Engagement Planning Guide.

<https://www.cityofgolden.net/government/departments-divisions/media-community-relations/>

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