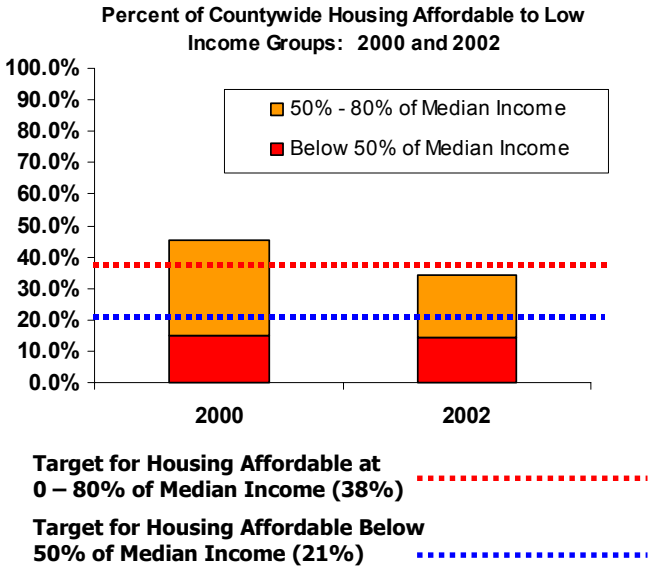
Outcome: Promote Equitable Distribution of Affordable Low-Income Housing throughout King County

INDICATOR 29: Existing housing units affordable to low income households.

Fig. 29.1



About This Indicator

Countywide

- Currently 14% of the County's housing stock is affordable to those below 50% of median income, and 20% is affordable to those from 50% to 80% of median income. This falls short of the need, especially for the lowest income group.
- About 21% of the population earns less than 50% of median County income, and another 17% earns 50% - 80% of median income.
- To meet demand, at least 21% of the housing stock should be affordable to those earning under 50% of median income, and 17% should be affordable to those earning 50% to 80% of median income. Taken together, 38% of the housing stock should be affordable to these low income groups.
- The affordable housing stock is somewhat less in 2002 than in 2000, falling short of the need for both those under 50% and those under 80% of median income.
- While rising rents have undoubtedly contributed to some of this shortfall, it is likely that continued increase in home prices, despite a slowing economy, accounts for more of the discrepancy. It is increasingly difficult to find homes for sale, even condominiums, that are affordable at 80% of median income or below. (See Indicators 24 and 27)

Cities

- Fig. 29.2, 29.3, and 29.4 show the percent of all units, both rental and ownership, that are affordable at two levels of income.

Fig. 29.2

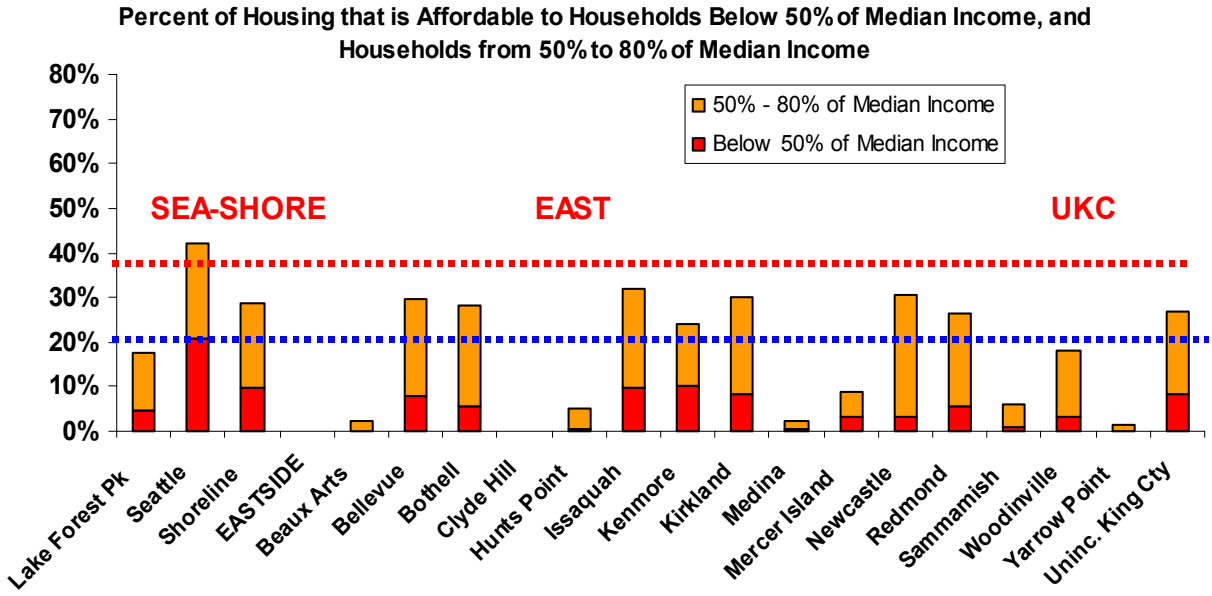
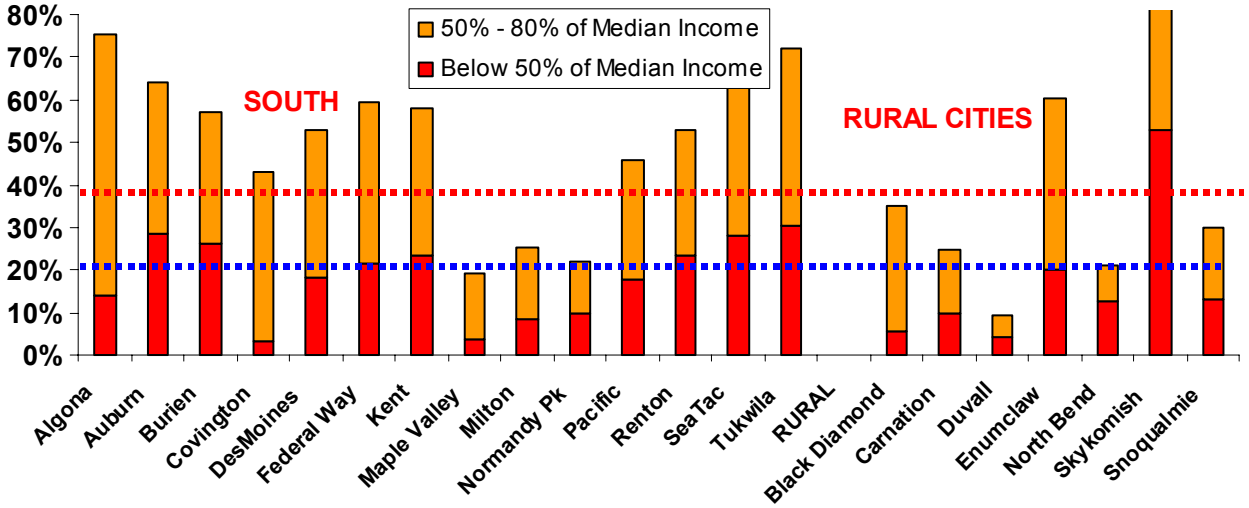


Fig.29.3

Percent of Housing that is Affordable to Households Below 50% of Median Income, and Households from 50% to 80% of Median Income



- Eleven out of 14 South King County cities meet the target for housing affordable at 50 – 80% of median income. Outside the South County subarea, only Seattle, Enumclaw, and Skykomish reach this target.
- Of the South County cities, Auburn, Burien, Federal Way, Kent, Renton, SeaTac, and Tukwila are the most affordable. All of them have sufficient housing stock for those earning around 50% of median income. The lowest income group (those under 30% of median income) may still have difficulty finding affordable housing.
- No cities on the Eastside have sufficient affordable housing for either the 50 – 80% income group, or for those earning below 50% of median income. The rural cities on the Eastside also have a low proportion of affordable housing.
- The maps which follow show that some cities have more affordable rental units, while others have more affordable homes for sale.
- There is a rapidly growing stock of condominiums in Seattle and in the larger suburban cities, but since 80% of these are 2 BR units or smaller, they are most attractive to "empty-nesters", young couples, or single people.

Fig.29.4

Percent of Affordable Housing Units by City

	Below 50% of Median Income	50% - 80% of Median Income	Est. Hsg Units in April 2000
Algona	14%	62%	904
Auburn	29%	36%	17,033
Beaux Arts	0%	2%	124
Bellevue	8%	22%	49,263
Black Diamond	5%	30%	1,559
Bothell	6%	23%	12,462
Burien	26%	31%	13,961
Carnation	10%	15%	653
Clyde Hill	0%	0%	1,075
Covington	3%	40%	4,727
DesMoines	18%	34%	11,857
Duvall	4%	5%	1,918
Enumclaw	20%	40%	4,499
Federal Way	22%	38%	32,685
Hunts Point	1%	5%	187
Issaquah	10%	22%	6,403
Kenmore	10%	14%	7,849
Kent	23%	35%	33,557
Kirkland	8%	22%	22,248
Lake Forest Pk	5%	13%	5,184
Maple Valley	4%	15%	5,183
Medina	1%	2%	1,169
Mercer Island	3%	6%	8,932
Milton	8%	17%	357
Newcastle	3%	27%	3,445
Normandy Pk	10%	12%	2,684
North Bend	12%	9%	1,897
Pacific	18%	28%	2,094
Redmond	6%	21%	21,167
Renton	24%	29%	23,879
Sammamish	1%	5%	12,840
SeaTac	28%	37%	10,176
Seattle	21%	22%	280,837
Shoreline	10%	19%	21,624
Skykomish	53%	39%	162
Snoqualmie	13%	17%	1,106
Tukwila	30%	42%	7,799
Woodinville	3%	15%	3,721
Yarrow Point	0%	1%	394
City Total	17%	24%	637,614
Uninc. King Cty	8%	18%	128,467
County Total	**14%**	**20%**	**766,081**

Data Sources and Policy Rationale for Affordable Housing Indicators

Indicator 21: Supply and Demand for Rental Housing

Data Sources: The primary source for this data is the *2000 Census of Population and Housing*. Other sources include: 1996 American Housing Survey for Seattle-Bellevue-Everett PMSA (King and Snohomish Counties) for Income Characteristics of Renter and Owner Households. H.U.D. income data for low-income groupings in 1996 and 2000.

Information on subsidized housing was obtained from the Seattle Office of Housing and from the King County Housing and Community Development (DCHS). Exact data on the number of subsidized units occupied by various low-income groups is not available. It is estimated that about 80% of subsidized housing is occupied by households under 30% of median income.

Policy Rationale: The policy rationale stems from Countywide Planning Policies FW-28, AH-1, 2, 3, & 5, which recognize the importance of existing and new affordable housing to meet housing needs for all income groups. The Indicator will track the incremental changes in the supply and proportion of rental units affordable to different incomes.

Indicator 22: Percent of Income Paid for Housing

Data Sources: 2000 Decennial Census. Tables DP-3, Selected Economic Characteristics, and DP-4, Selected Housing Characteristics.

Policy Rationale: The Policy rationale stems from Countywide Planning Policies AH-1, AH-2, AH-5 and AH-6, which reflect goals for meeting the housing needs of all income categories with particular emphasis on low and moderate income households' housing needs. This Indicator provides a picture of households at risk of losing their housing because they are "overpaying" what the typical household can afford for housing expenses. This Indicator points to "housing distress" in the County, particularly for moderate- and low-income households. By contrast, the Indicator also illustrates that upper income households typically pay a much lower percentage of income for housing costs.

Indicator 24: Affordability Gap

Data Sources: For median household income in King and Snohomish County, H.U.D. income levels by household size, also available at http://huduser.org//datasets . For median prices of single family homes and condos sold in 1997-2001, and for the percent of homes for sale at various affordability levels, the database of the Northwest Multiple Listing Service. For median values of homes in census years, *the 1970, 1980, 1990 and 2000 Decennial Censuses*. For conventional interest rates, the *Summary of U.S Housing Market Conditions* published by H.U.D. and available at http://huduser.org. For comparison of affordability throughout the Western U.S., the *Housing Opportunity Index*, published by the National Association of Home Builders (NAHB), 2nd Quarter, 2000.

Policy Rationale: The policy rationale stems from Countywide Planning Policy AH-1, which requires jurisdictions to plan for the housing needs of all residents. This Indicator looks specifically at households earning the median renter household income and their ability to find affordable home ownership opportunities.

Indicator 26: Apartment Vacancy Rates Data Sources: Rental vacancy rates by sub-areas are based on a twice yearly survey of apartment properties with more than 20 units, by Dupre + Scott, Inc., published in The CentralPuget Sound Real Estate Research Report, Vol. 52, 1 and 2. The sub-areas have been aggregated into larger sub-areas, and their vacancy rates have been averaged over the two semi-annual survey periods. The North subarea includes Seattle, Lake Forest Park and the City of Shoreline. The East subarea runs from Kenmore to Newcastle and includes the rural cities of Carnation, Duvall, Snoqualmie, and North Bend. All areas south of Seattle and Newcastle are part of the South subarea, with the exception of the Rural subarea, which consists of Enumclaw, Black Diamond, and southeast unincorporated areas.

Policy Rationale: This Indicator is not specifically required by the Countywide Planning Policies, however, Policy AH-6 calls for a 5-year evaluation of achievement of countywide and local goals for housing taking into consideration market factors. Vacancy rates indicate capacity to accommodate household demand, which influences the rate at which rents rise.

Indicator 27: Trend in Housing Costs vs. Income

Data Source: For median household income in King and Snohomish County, H.U.D. income levels by household size, also available at http://huduser.org//datasets . (See table in introduction to this chapter). For average rent, Central Puget Sound Real Estate Research Report, and for median home price, the Northwest Multiple Listing Service.

Policy Rationale: The policy rationale stems from Countywide Planning Policies AH-2 and AH-6. This Indicator measures how quickly housing costs are increasing, and compares it to the rate of increase in median household income.

Indicator 29: Existing Housing Units Affordable to Low Income Households

Data Sources: *2000 Census of Population and Housing*, Tables DP-3 and DP-4, King County permit data, and H.U.D. income eligibility limits for median income by household size. Home sales summary for 2001 from Northwest Multiple Listing Service, 2002 Central Puget Sound Real Estate Research Report for update of rental rates. For 2000 data, Dupre + Scott Apartment Advisors, *King County Rental Housing Affordability*, May, 2000; *1990 Census of Population and Housing*, Detailed Housing Characteristics.. The number of affordable rental units in each jurisdiction is determined in the following way: 1) A rental unit is considered affordable to those below 50% of median income (or 50 – 80%) if the rent for a 1 BR unit is affordable to a low income household of two, or the rent for a 2 BR unit is affordable to a low income family of three, etc. 2) The percentage of single family and multifamily units with affordable rents was determined by cemsus data in 2000. Previously it was determined by a survey sample of rental units for that city. For the smallest cities, there may have been no survey data, or a very small sample. 3) Applying the sample percentages to the actual housing stock yields the number of existing housing units of each type that are affordable. Only market-rate units are included in the sample of rental units. For affordable home sales a similar methodology is used. The "sample" is all home sales during 2000 and 2001 in King County recorded in the Northwest Multiple Listing Service database.

Policy Rationale: The policy rationale stems from Countywide Planning Policy AH-2 and AH-6, which call for achieving a rational and equitable distribution of affordable housing to meet the needs of low and moderate income residents in King County and directs all jurisdictions to share the responsibility. This indicator focuses only on low-income housing and its location in the County.