

Rising Rents and Limited Opportunities: People of Color Feeling the Pinch

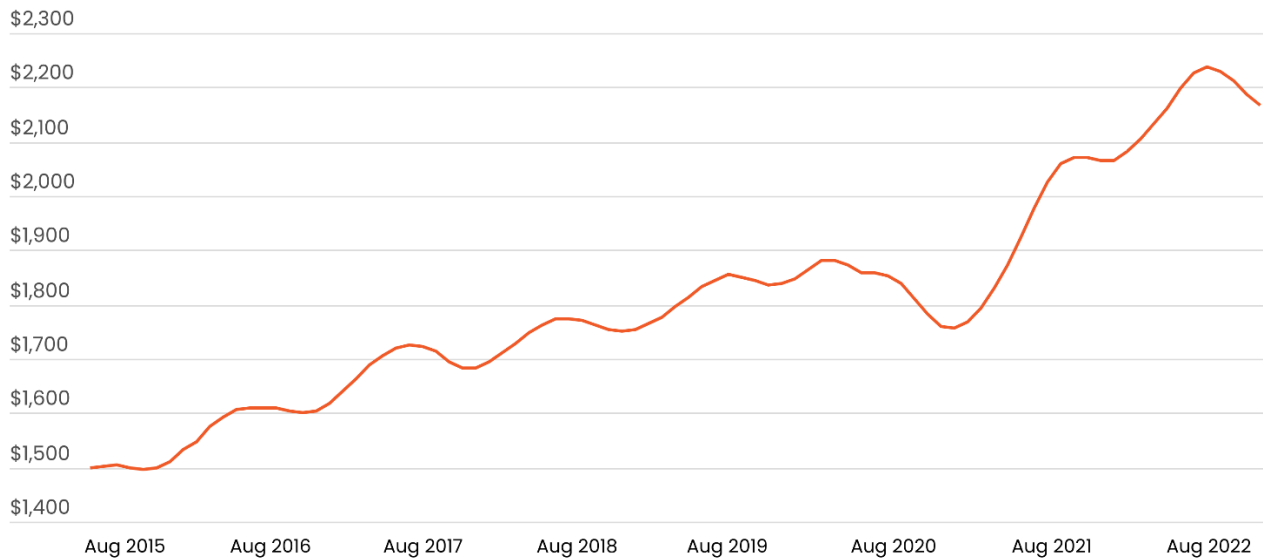


Rents for the Seattle–Tacoma–Bellevue metro area increased by nearly 50% over the last seven years, hitting BIPOC renters hardest.

Rents across the central Puget Sound region moved skyward over the last decade, driven by demand from a robust economy, particularly in the technology sector, as well as limited housing supply. While the early months of the COVID-19 pandemic provided renters some relief, rising rents over the past two years erased those savings, with Black, Indigenous, and people of color (BIPOC) renters being hit the hardest. Due to systemic racism, income disparities and limited opportunity to build generational wealth, BIPOC renters (especially Black renters) have fewer affordable housing opportunities than other racial or ethnic groups in the region.

While rents have shown signs of softening by late 2022, typical rents for the Seattle–Tacoma–Bellevue metro area rose from \$1,498 in August 2015 to the most recent high point of \$2,236 in August 2022, an increase of 49% or 5.9% per year.

Typical Rents for the Seattle-Tacoma-Bellevue Metro Area, 2015-2022

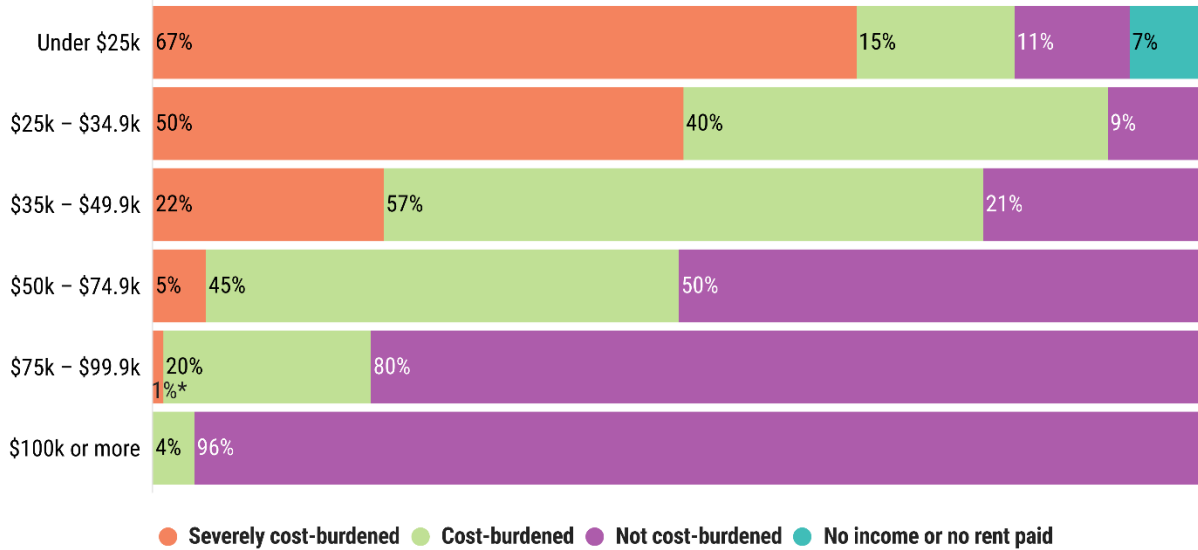


Source: Zillow Observed Rent Index (ZORI). The Seattle-Tacoma-Bellevue metropolitan area includes King, Pierce, and Snohomish counties.

The majority of low- and moderate-income renters, who are disproportionately BIPOC, continue to spend more than 30% of their income on housing.

Steep increases in rents have resulted in a serious housing cost burden for many of the region's renters, with the biggest impact falling on the lowest-income households who are disproportionately BIPOC. One in two households with less than \$50,000 in income—more than 130,000 households—are severely cost-burdened, spending most of their income on housing costs and leaving little income to cover other basic needs such as food, transportation, medical care and unexpected expenses. Instability in these areas contributes to the rising unhoused population and leaves individuals susceptible to health disparities and unexpected crises.

Renter Cost Burden by Income

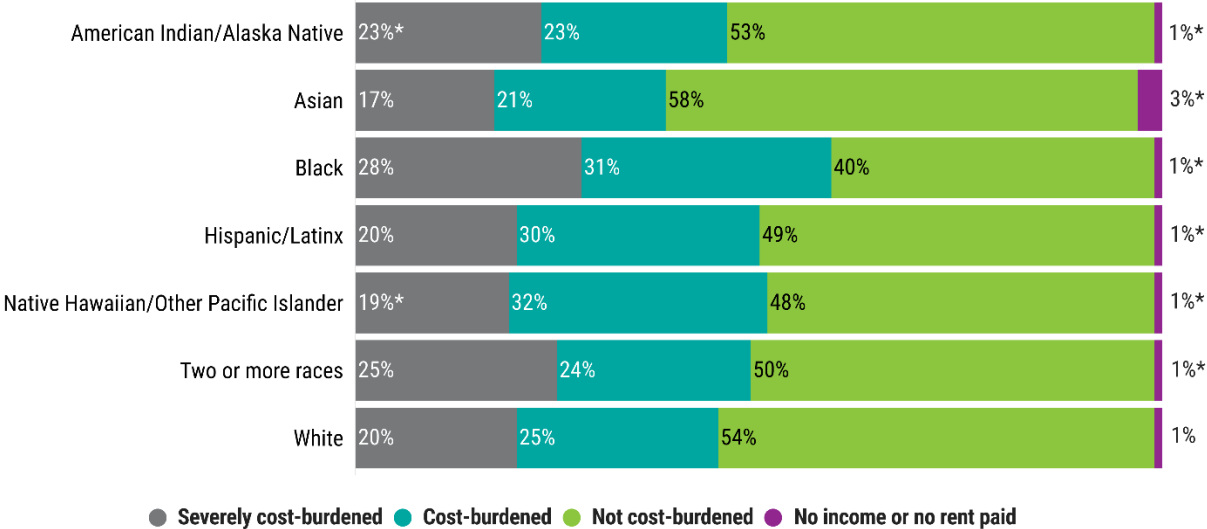


Source: U.S. Census Bureau, American Community Survey (ACS) 2020 5-Year Public Use Microdata Sample. *Estimate has large margin of error, use with caution.

BIPOC households tend to pay a greater share of their income on housing than white households, highlighting ongoing racial disparities in access to housing.

Cost burden varies by the race and ethnicity of households, underscoring current and historic inequities in income, wealth, and access to housing. Overall, Black, Hispanic or Latinx and Native Hawaiian and Other Pacific Islander households are more likely to be cost-burdened. The majority of these households pay more than 30% of their incomes on housing.

Renter Cost Burden by Race/Ethnicity

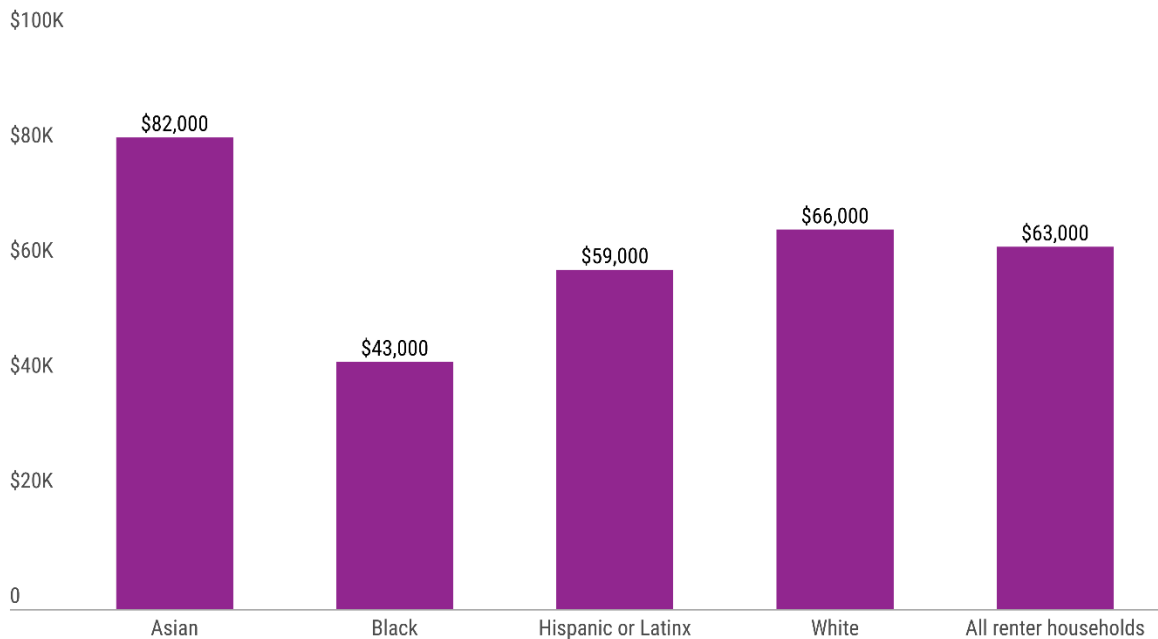


Source: U.S. Census Bureau, American Community Survey (ACS) 2020 5-Year Public Use Microdata Sample. *Estimate has large margin of error, use with caution.

Black and Hispanic or Latinx renters have less access to affordable rental housing than white renters, underscoring disparities in income, wealth, and access to housing.

Among the region’s renter households, significant disparities in income exist. On average, white and Asian renter households have median incomes 38% to 57% higher than Hispanic or Latinx households, and 58% to 79% higher than Black households. Black households experience the largest disparity in income of the groups analyzed. Regionwide, Black households earn one-third less than the median income for all renters.

Median Renter Household Income by Race/Ethnicity



Source: U.S. Census Bureau, American Community Survey (ACS) 2020 5-Year Estimates

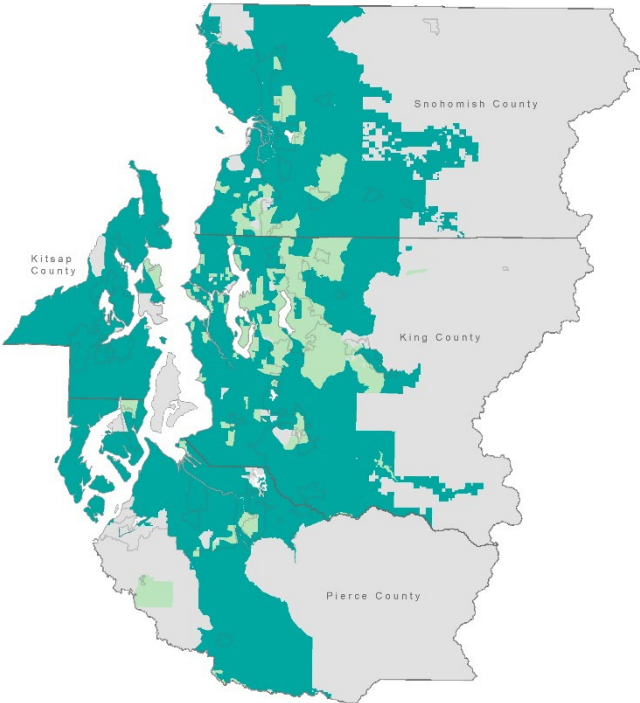
Given lower incomes, many Black and Hispanic or Latinx renters struggle to find housing that is affordable to them in the region. The following maps depict whether the typical renter household for a given racial or ethnic group can afford the typical rent in a given neighborhood.

Overall, Black and Hispanic or Latinx renters have substantially fewer affordable rental housing choices in the region relative to their white and Asian counterparts. Neighborhoods that offer more affordability are often located outside of urban areas, which contributes to auto-dependency, long commutes, and decreased access to opportunity. These factors can further exacerbate income and wealth disparities along racial lines.

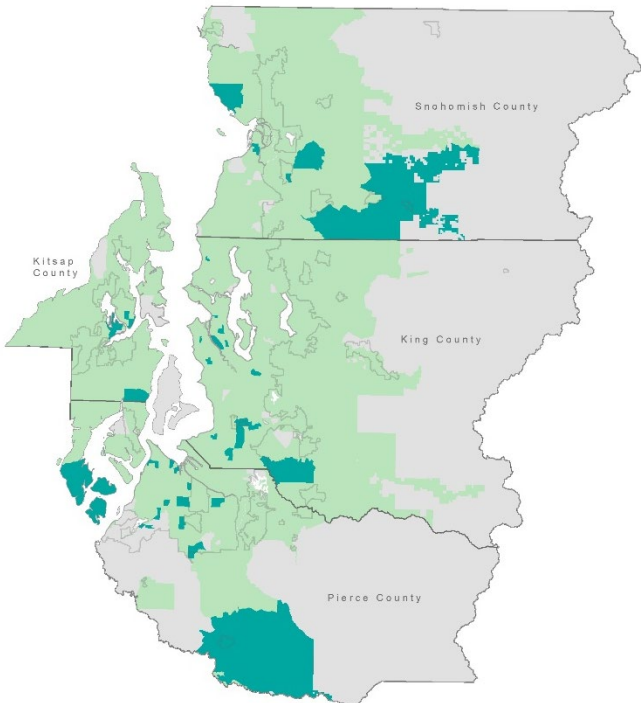
These maps reflect the relative share, not the absolute number, of affordable units in an area. A more affordable neighborhood in an outlying area with lower density may have fewer affordable units than a more affordable neighborhood in a central, denser area.

Access to Affordable Rentals by Race/Ethnicity

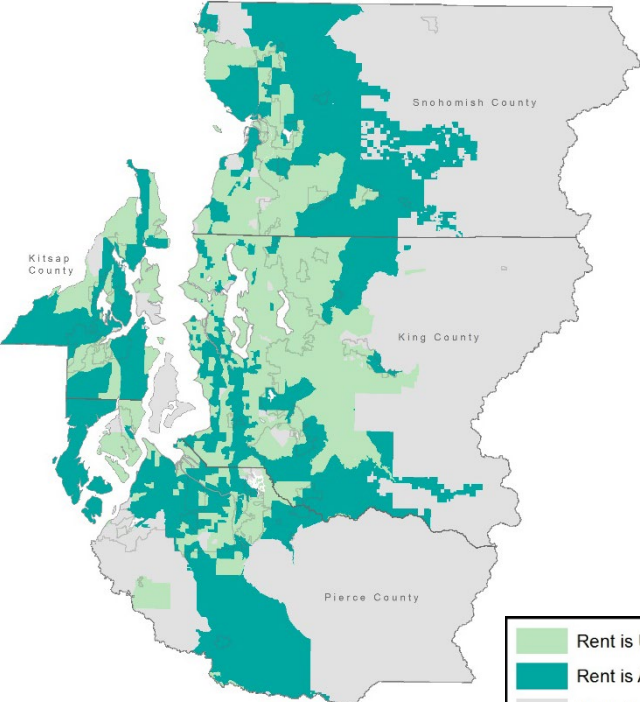
Asian



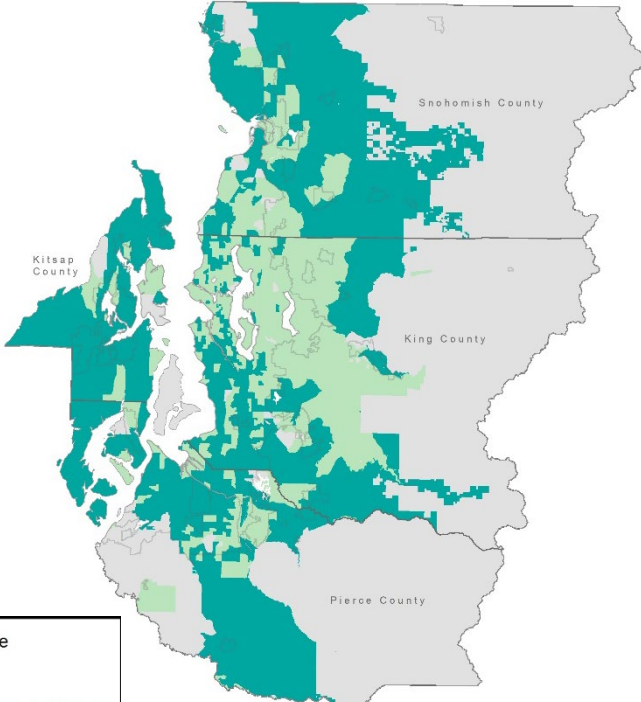
Black



Hispanic/Latinx



White



■	Rent is Unaffordable
■	Rent is Affordable
■	No Data, Federal Forest, Military
	Urban Growth Area

Source: U.S. Census Bureau, American Community Survey (ACS) 2020 5-Year Estimates

BIPOC renters are more likely to face discrimination in the rental market than their white counterparts.

Fair Housing testing has revealed people of color, foreign-born individuals, and people with disabilities had a 60% chance of being treated differently when seeking housing ([Fair Housing Equity Assessment, PSRC](#)). The most common forms of discrimination are being told about fewer available units, quoted higher amounts for rent, deposits, fees, and told about fewer specials. These discriminatory practices further intensify disparities in access to affordable housing for BIPOC renters.

Achieving genuine racial equity can only happen when race no longer predicts life outcomes in housing, employment, and wellbeing.

BIPOC renters will continue to face barriers to housing in the Puget Sound Region until housing supply, stability, and subsidy needs are met. [VISION 2050, the region's long-range plan for growth](#) and the [Regional Housing Strategy call for increasing housing access and affordability for all people regionwide](#). This work has identified these three areas of need to address inequities in housing:

Supply: We have a shortage of housing in our region, with more housing urgently needed. While a recent uptick in housing production is helping to correct the backlog, more units are needed to meet today's demand and the expected over a million new residents in the region by 2050.

Stability: Greater public intervention is needed to create and preserve affordable housing, as well as to keep communities housed.

Subsidy: The region cannot fully address affordability until the housing needs of extremely low-income (less than 30% of the area's median income) households are met.

Local governments play a critical role in housing production and affordability, as they possess regulatory control over land use and development. While progress has been made, fully addressing these challenges will require more work. The Puget Sound Regional Council will continue to support jurisdictions in our region in this important work. Our goal is to ensure all people have a range of safe and affordable housing

choices in order to create a healthy and prosperous future for the region, which includes eliminating racial disparities in access to housing.