

Regional Housing Needs Assessment Work Session

Friday, October 9, 12:00 – 2:00 p.m., Remote Only

PSRC virtually brought together over 50 stakeholders from across the region for an interactive event discussing findings of the Regional Housing Needs Assessment. This event took a “deep dive” into early findings and provided opportunity for stakeholders to participate in discussion on these findings and data needed to support the forthcoming regional housing strategy. The questions asked and stakeholder feedback are described below.

Part 1: What does it cost to be housed? What is contributing to housing prices?

What are the most important findings to bring into future strategy discussions?

- Interesting that a lot of the questions/issues are about future projections and encouraged more predictive policy discussions. Posed the question of whether senior citizens are going to stay in the region in the future and mentioned the possibility that many of them could sell their homes. Could this be tracked by data? (% of seniors that stay vs leave)
- Importance of “missing middle” housing. It would be good for PSRC to dig deeper into this analysis piece, particularly townhomes. How can we show policy makers that this type of housing has real value? Zoning challenges were brought up with regards to this type of housing.
- We need more housing, more people looking, supply/demand problem
- Construction, land, and entitlement are all expensive to create more housing
- Rent/Own - trends of renting going up, owning going down
- More breakdowns by size, missing middle housing types
- More breakdowns by subregional levels
- Need expansion of middle options, 30% lower cost for townhouses than SF homes
- Data on trends in size of SF homes? Across region by subareas
- Seattle: new home sizes increased by 30% in recent decades
- Housing production compared with job increase will be a good barometer for future strategies
- Differences in SFH typologies, e.g. older, smaller homes are generally lower priced; outward migration from Pierce to King are different than what Pierce Co has calculated internally
- Jobs-housing balance; without the balance, we might not see the growth anticipated

Is anything (context, additional analysis) else needed to reinforce or emphasize these findings?

- Challenge of trying to relate current housing market trends to people who have been in their homes for a long time. There is a lack of recognition and understanding of the current housing challenges with people who bought homes in prior decades. This also pertains to how market forces are leading to inequality in the region. Finding a way to normalize past housing costs to 2019 dollars to help illustrate this gap would be helpful to get this point across.
- Helpful to be able to review housing data at a disaggregated level, rather than at a county/city/subarea level.
- Commuting patterns, in relative terms (proportions)
- Missing middle: break out by different housing types, what are in demand (desirability) E.g., downsize for seniors, multiple cottage style housing (rambler) on one lots for lease in Gig Harbor (although existing permitting/zoning mechanisms do not easily accommodate this type of housing)
- Understanding the breath of the "missing middle," need to accommodate new types in codes
- Desire for the information presented to be made available to the general public
- Access to transit is huge, and a growing concern in the region
- Detail on future transit projects are huge in addressing housing costs (Pierce County); Displacement is starting surrounding large transit projects
- Does the type of transit project affect housing costs?
- Mayoral roundtable has been created in some municipalities, communities are moving to racial equity lens and would like more data on racial demographics
- ADU data or mapping was requesting
- TOD is good but expand thinking to other areas. Losing residential to commercial development. Not many opportunities for condos and mid and lower-scale affordable ownership opportunities
- Do we have housing preference data? How likely is a person in each place going to choose a certain type of housing?
- We need to have missing middle conversations carefully with local jurisdictions. Political conversations around changing single family zoning are difficult.
- Think about expanding UGCs/make more land available for dense and missing middle housing
- Not all jurisdictions will see the type of growth driven by the market need to reach goals
- Missing middle/ADUs a big part of the conversation on affordability. It doesn't play out in practice as well – hard to see the connection to making housing more affordable
- Information on number of bedrooms would be good to have. We had a loss of 2-3 bedroom homes and added 1-2 room and 4+ room houses (so loss of entry level homes in Bellevue).

- Interested in information related to TOD (housing and transportation). As much data as available would be good.
- Excited about data by TOD station area. What is role of PSRC since cities do the implementation? Concerning middle density housing and TOD: in TOD we can meet our climate goals, but more difficult in more suburban areas. How do we make better decision about duplexes, triplexes, etc. and locations, to help meet climate goals? Concerning equity, homeownership important for wealth generation. Is there data for this?
- Regarding commute flow, would like to see the proximity of existing low-cost housing to transit, a lot of MF near ferries, not necessarily low-cost, interested in people commuting outside county to access more economic opportunities.
- Overall, when counties/geographies are different than regional trend, these anomalies should be called out to help policy makers see the different local circumstances.
- Suggests doing a survey to understand user preferences, such as: If housing were available in your community, would you still want to commute outside community; needs a needs analysis/ survey to address this question.
- Interesting that 25% of households earn less than \$50,000. PSRC should highlight this and better relate it to the available housing stock. (How does that # relate to affordable housing in each county?)
- Interested in comparison of buildable lands/development capacity against housing need.
- What price point is missing middle housing selling for? Higher density, single family zones – making changes may not lead to more affordable housing. Median size of homes being built today are much bigger than before due to the cost of building today. Expensive lot sizes lead to larger homes to offset building costs. How do we make building smaller homes affordable?
- Two career families – jobs/housing balance 1:1 needs to be reexamined over time. Will always have one person in the household leaving a county/the region for one of the jobs. Living wage jobs in the region for both spouses – who is it leaving to their jobs. Look in more detail at that info.
- Missing middle huge concern. Relax single family zoning closer to what Minnesota(?) does. More than one household per single family house. Majority of land is sold as single family housing. Low to moderate income groups can own part of a piece of a property.
- dig deeper in commute data – income, race – look at impacts by different demographic groups around commutes/commuting out of county/region.
- Need to think about the low ownership in Black and Latinx households and the systemic racist systems.
- Jurisdictions hear a lot from concerned residents about loss of tree canopies. It would be helpful to tie conversations about housing density to preservation of open space elsewhere.

What's missing, hard to understand?

- Participant mentioned that they don't have a sense of how folks have moved in the region in recent years and where they are being displaced to. Ben mentioned PSRC's displacement work and that this topic would be covered in the next presentation session.
- More information on how many units fall into various categories of income (low/moderate/high) for individual cities
- To help communicate with decision makers, it helps to have visuals (e.g., pictures, renderings) to go with the numbers
- Visuals to help define SF vs MF housing
- Need for non-English language access with presentation slides and other documents
- Presentation is data-heavy, desire for housing-related information to incorporate more storytelling (e.g. Who is the person living at 30% AMI? What can they afford?)
- Need more information to put racial housing disparities in better context
- Need for context within the nationwide housing issue to highlight local issues ("Not just a GMA issue")
- Need for more federal support for housing affordability
- Zoning and land use changes alone have limited impact in addressing affordability for 0-50% AMI households
- Do we have way of breaking down data by city/growth center/both? This would put a target on where there are real deficits.
- Data by cities would be helpful, especially for smaller cities who do not have the ability to do the work themselves. "Don't be afraid of cities, publish data anyway." In reference to some cities not wanting city-level data
- From agency perspective, have not seen great data on seniors/retired/older adults moving elsewhere or being displaced. More about income than age
- Do a more granular analysis on development types/patterns by counties.
- Interested in how COVID will affect housing and commuting/telecommuting in the long term. What will the long-term transportation effects be?

Part 2: How does this affect people?

What are the most important findings to bring into future strategy discussions?

- Slides on affordable and available units were thought provoking and being able to look at "down-renting" is important
- Change in housing type being developed: how do we know that we're planning for the right amount of each type?
- First time buyer chart, what young people are facing
- Moving based on seeking better schools – only measure hard-coded to neighborhood circumstances, rather than individual housing units?

- For severely cost-burdened households that are displaced, where are they moving to?
- Availability of severely cost-burdened data for homeowners
- Cost burdened household data by household lifecycle (i.e. families with children, seniors)
- Data on why people move “extremely interesting”. Reasons for displacement/evictions are complicated and require a lot of work.
- Data breakdowns by race are important
- Important that slides are broken down by county, so encourages each county to examine breakdown according to their own situation. Jurisdictions should be encouraged to find out this data for their jurisdiction.

Is anything (context, additional analysis) else needed to reinforce or emphasize these findings?

- While the presented data goes back 2010, it might be worthwhile to go back to 1990 or 2000 because affordability levels change over time.
- Displacement was not as common in the past so more explanation could be needed to help extrapolate these findings to policy-makers at a local level. It is also important to understand context with regards to displacement risk (risk doesn't mean it's necessarily going to happen but can help planners/policy-makers get ahead of the issue)
- More explanation about the cost burdened 30% threshold metric would be useful. It would be helpful to have contextual information when presenting this type of data (just because a high income household spends a large portion of income on housing doesn't mean they don't have enough income for other things). Cost burden is different for different income levels and this context is important.
- Outreach/engagement: Specifically, how to do better job with non-native English speakers/readers? How do we engage people on housing with a language barrier? What about new people moving to the region who are trying to engage? Are we bringing them into the conversation?
- Good to try to understand why people are moving; useful to see disparities between groups of people (e.g., people of color)
- For commercial areas/businesses, people operating them or working there can't afford to live nearby
- What are people willing to give up to live in a more affordable house?
- More MF housing being built in Regional Centers, pushed by growth management: are we going to in the right direction? What else should we be encouraging? Where can we put missing middle housing?
- Re-evaluation of Seattle's Urban Village, TOD growth strategy: has it been equitable?
- Life cycle housing concerns. Young adult beginning their careers have few options for living on their own. Additionally, older adults have difficulty downsizing to smaller units.

- Mapping housing typologies would be useful.
- Microhousing is often discussed, but without the context for the social demand that type of housing.
- Opportunity to enhance narrative around homelessness using the point in time count. There is a disconnect between affordable housing and homelessness, and how lack of housing availability leads to homelessness.
- Point in time methodology does not always paint the most accurate picture of homelessness in the county and region. More data sources are preferred for homelessness data
- SnoCo example: fewer homelessness now than there was 10 years ago, but concern is higher now. Visibility is pressing the issue
- Declining Household size doesn't necessarily translate to unit size "fit". In today's market, Young adults are doubling up and housing sizes are getting smaller. People's choices and priorities are different with limited supply.
- From developers perspective, Family-size in Bellevue is 2 bedrooms; Bellevue needs more real family-size housing
- Want to see more geographic data on affordability.
- What are multigenerational family needs and housing to support that? Want to oversample seniors in HHTS to generate more useful information. Survey has too small of sample for older adults to glean too much information. Especially important for crosstabs (race/ethnicity, income)
- At what point does someone rent an apartment that is at their income level versus one cheaper/at a lower AMI? (At what point does one upgrade?) Who are these people, and how do we target them? I.e. What policies or strategies can counteract down-renting or down-purchasing?
- Liked the chart that showed affordable and available, but wording a bit confusing. Could make wording more clear.
- income data by quintile is available. Trend of top quintile increasing while the bottom quintile increase negligible.
- Look at connections between income and commutes. Maybe total cost data (housing plus transportation). People impacted by prices and longer commutes. TOD may help.
- Can't separate from economics. Spend time to explain difference between median and average. Look at how rich getting richer and poor not gaining much. Alligator mouth graphic
- Availability graphic good. Break down data into smaller geographies as much as possible.
- More data is better and helpful to cities. Helpful for PSRC to provide city-level data and to see how neighboring cities are doing. Suggestion to reach out to cities before presenting data. Ask if any of the data should change.
- Reinforce that supply is not keeping up with demand in presentations.

- Relationship between housing affordability and displacement, interested in how PSRC is telling that story.
- Displacement slide important, would like to see it disaggregated between owners and renters
- It's not a choice on whether to rent or own for many, especially for people of color, there are barriers to home ownership. Would like to see table showing displacement just for renters. It's greatly influenced by high % of homeowners who are white. Should better show racial disparities in homeownership and housing issues overall. Highlight the lack of access to homeownership for communities of color
- Available vs. unavailable by income. Are the available income restricted? If not, is there a way to do that? Naturally occurring affordable units are more at risk for redevelopment. Breaking it up by market rate vs. income dependent and focusing on preservation of the market rate affordable.
- What is the size of housing? One bedroom isn't enough for low income families. Overcrowding is a concern.
- Affordable housing vs. attainable housing. For attainable housing – need to look above 100% and depends on who we are looking at – low income or everyone? To address homelessness and cost burden – need to focus on affordable for them

What's missing, hard to understand?

- May be useful to look at gender disparities in income and wages to further the discussion. Is there data that could be used for this?
- Appreciation of how PSRC puts together their graphics in an accessible and easy to understand way. PSRC does a great job in thinking about how their data will be perceived by different audiences. It's important to tie this regional work to state and county planning and re-enforcing those connections.
- Affordable/available data the hardest to understand
- Decision makers may have a hard time with a lot of the data; use more maps (vis-a-vis spatial analysis)
- Decrease use of acronyms
- Need more rationale/contributing information for indexed charts
- Need for presenters of indexed charts to inform the audience how to interpret the data shown in the charts before explaining the data
- Jurisdictions are receiving requests for data on how many people are making/not making rent (impact of COVID-19)
- Affordable & Available Units per 100 slide (37) is hard to understand, might be better to break it into 2 slides. A separate slide that breaks down what is available and what is affordable. Need to better explain what "available" means – put it on the slide
- What were the methods of choosing 100% and below – curious about strategy to pick vs. 80% the regional taskforce uses. Who requested going up above 100%?

- Slide 49 – size of box relates to number of households in the box – counter intuitive to the messaging for this slide. Upon first glance it seems like the size of box should signify share of need.

Part 3: What is needed to address these gaps?

What are the most important findings to bring into future strategy discussions?

- Hope PSRC's analysis/numbers mesh with county numbers to avoid confusion.
- Underproduction of housing and the cost of producing units is important to focus on
- We need to up our annual housing by 6000 units per year -- is that realistic?
- This is a lot units on an annual basis -- where would they go, given GMA and limited areas within local jurisdictions? Would we have to expand the UGA and is that the direction we want to go?
- What is the relationship between this needs assessment and capacity? Do we have current capacity? Do we need to make zoning changes? What are the approaches that can be taken to arrive at the goals? Do a gap analysis to highlight what needs to be done?
- Slides 46-50 are important slides to highlight
- Data on housing supply needs to eliminate homelessness (slide 58)
- The data is terrific. Having 2050 need projections annualized with market rate and affordable is really helpful and offers something tangible to the conversation.

Is anything (context, additional analysis) else needed to reinforce or emphasize these findings?

- Elected officials don't fully understand the inner workings of how the data is put together and they may find some of the numbers overwhelming. The important of making the information relatable was also brought up.
- Should data/finding be presented in a way that emphasizes a major issue vs. presenting it in a way that shows that goals are achievable?
- Appreciated calling out different approaches for different needs, before jumping into quantifying the needs
- Having methodologies and results in a matrix, side-by-side, may help understanding
- South King assessment shows a large gap in the number of new units needed per year – would be good to coordinate with subregional groups on their estimates, too
- Desire to include discussion on preserving existing affordable housing, esp. mobile/manufactured homes
- Expiration of subsidies for affordable housing units
- Lining up data and getting down to smaller geographies is important so these numbers are not manipulated.
- It is difficult to distinguish between providing new and needed affordable units and simply accommodating growth. Hard to provide a large number of affordable units.

- Growth targets and projections can be difficult because they are tied to third phase of transit funding.
- Build resilience into growth targets i.e. how much are we likely to grow vs. how much can we grow.
- Kent has done a sub-regional housing needs assessment with other South King cities. One thing that's pretty difficult is that there's a lot of housing assumptions about sizes. In Kent, lots of families of color and larger families, so the data tells us we have a huge need for family-sized housing, and that the need isn't adequately represented for South King County.
- It's great to have different ways of looking at this problem. The simplest methodology – income level – is probably too simplistic and can lead people to believe there's not a gap when there is. Would suggest adjusting for certain proportions of households renting down in the income methodology. In some jurisdictions, you see big gaps in housing need where there is a lot of down renting.
- Could look at poverty levels and income compared to poverty.
- Concerned about needing to provide so much subsidized housing. How much is naturally occurring? Want to be able to cross reference, easier if in one chart.
- one is building affordable market rate housing because of costs (land, labor, materials, regulations, etc.). It doesn't pencil out.
- Dealing with the free market with government trying to regulate. Market rate can only do so much. Need to recognize what we can do with the market and what can't. Hard to predict actual down shifting when incomes rise.
- It would be interesting to know what does the market actually demand for higher-end housing? Many people would not buy a more expensive house just because they could theoretically afford it.
- Shocking conclusion that 440,000 units need to be subsidized in future – where is the money going to come from? Most impactful slide, would like to see the total number of needed subsidized units included on slide.
- What are the policies that would support increase of housing stock at 80% AMI. Give examples for incentives and subsidies that apply to the different income brackets to help policy makers connect the dots. Need to show how much money it will cost to build the necessary units for the lowest income brackets
- Connect slides 49 and 52 better
- What about jurisdictions that don't have sufficient affordable housing developers, at a disadvantage.
- Recent Applications from Housing Trust Fund and Housing Tax Credit can show capacity for affordable housing development.
- Issue with the idea of “naturally occurring affordable housing”
- Question about 888K units needed to meet need for future affordable units - is this the same as # of units to meet the population target/forecasted pop?

- Problem with relying on subsidies that get maxed out every year. Need reality check that says this is what is needed to produce this housing, which housing policies don't necessarily address.
- Need data to demonstrate the funding shortfalls that exist and other barriers to housing (shortage of affordable housing developers, funding, etc.). Noted that many tax credit projects are ready to go but do not get all of the funding and so projects are left sitting on the table waiting to be built – need to figure out how to get funding for these projects
- issue with existing income-restricted housing coming to the end of their deed restriction term limits (resulting in loss of affordable units) – need to incorporate this into the equation

What's missing, hard to understand?

- The 30% income threshold can be confusing and might not be the easiest way to convey the region's needs. Is there a simpler way to break it down to get across the same message? Planners will understand but will others? Are there other more relatable metrics to use to convey the same message (rent/dollars/mortgage costs)
- Portray housing needs to the public: It really depends on the audience. You need to dial the message to whoever you are speaking to.
- Need by type, mentioned in last breakdown, identify how unit type is tied to affordability; would be useful to see unit numbers by type if possible
- Having references/understanding of changing household sizes in the future to accommodate different household structures
- Buildable lands common for capacity analysis; PSRC looks at Future Land Use to have an understanding of capacity needs, but there is a long list of assumptions
- Wait until all county buildable lands report, and compile into a regional report of capacity needs?
- Confused about table/graphic with all of the arrows (Slide 56). Laura's explanation more helpful.
- Current subsidies from HUD funding coming to an end, how does our analysis address that?

Overall Feedback/Questions

- Where possible, make it possible for use at county and local jurisdiction levels; through interactive tools?
- What are feasible intervention options?
- Really liked the Housing Element Guide! Asked if we are going to update our 2014 Housing Element Guide, because it provides better analysis than federal/state information?
- What are the impacts of COVID-19 and Boeing decisions on housing and this work?