Overview of Today’s Discussion

- Project Overview
- Regional Housing Needs Assessment Key Findings
- Housing Efforts Currently Underway
- Potential Focus Areas for the Regional Housing Strategy
- Questions + Next Steps
Components of the Strategy

- Regional Housing Needs Assessment
  - Community Profile
  - Housing Inventory
  - Housing Need

- Tools & Actions

- Implementation & Monitoring

Regional Housing Strategy

Today's Meeting

Fall 2020
The region needs approximately **800,000 new housing units** to accommodate the region’s population growth by the year 2050.

The region has underproduced housing over the past decade. There is now a **backlog of approximately 45,000 – 50,000 housing units** due to population growth outpacing the production of housing in the last decade. Given the annual average housing production rate over the past decade, this amounts to a backlog of about two years of production.

Over 30% of new housing needs to be affordable to households earning 80% Area Median Income (AMI) or below. This means **a large share of new housing will require some level of public incentive** – ranging from more flexible zoning standards to direct subsidy – to ensure new units are affordable to households earning less than the median income.
Between 2020 and 2050 the region needs 810,000 additional housing units to accommodate future growth

- **King County** – 418,000 units
- **Kitsap County** – 43,000 units
- **Pierce County** – 161,000 units
- **Snohomish County** – 187,000 Units
**Different approaches for different needs**

<table>
<thead>
<tr>
<th>0-30% AMI Rental:</th>
<th>30-50% AMI Rental:</th>
<th>50-80% AMI Rental:</th>
<th>80-125% AMI Rental or Home Ownership:</th>
<th>Above 125% AMI Market Rent and Home Ownership</th>
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<tbody>
<tr>
<td>public support needed in all markets</td>
<td>public support needed in most markets</td>
<td>incentives needed in many markets</td>
<td>incentives or zoning flexibility needed in some markets</td>
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<tr>
<td><strong>Home Ownership:</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>subsidy or incentives needed in many markets</td>
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**Lower housing costs require greater public intervention**
Close to 1 in 2 new housing units will require some level of incentive or subsidy to meet affordability needs.
There are substantial disparities between white and person of color households, underscoring the ongoing effects of systemic racism in housing. People of color, on average, have lower incomes, are more likely to rent, and are more likely to be cost burdened than white households.

Stable housing is critical to quality of life. A focus group of residents living in subsidized housing stated that they now spend less time worrying about how to pay the rent, which means more time for family, schoolwork, looking for better paying jobs, and community connections.
White households are more likely to own a home than Black households, regardless of income.
• **Housing prices have risen at an unprecedented rate** over the past decade and have out-stepped increases in income, making rent and homeownership increasing unaffordable for a growing number of households.

• The region’s current housing stock provides **limited middle density ownership options** that are often more affordable than detached single-family homes, and provides limited options for renters, particularly larger families. A more diverse housing stock is needed to provide accessible and affordable housing for residents in all phases of life.
Middle density home ownership opportunities are very limited

Owner Occupied Housing by Units in Structure

Source: ACS
The makeup of the region’s households and housing needs is changing. While about 2/3 of households are made up of related people, only 1/3 of household have children and just over 1/3 of households include seniors.

There is an imbalance of jobs and housing in the region. One in three residents lives and works in different counties, meaning many residents commute long distances to get to work.

One in three households with less than $50,000 in income is severely cost burdened, spending the majority of their income on housing costs and leaving little income to cover other basic needs such as food and medical costs.
More than 1/3 of moderate-income households spend the majority of their income on housing

Source: ACS
Housing Efforts Current Underway

State
- Funding mechanisms – HB 1406, HB 1590
- HB 1923 Affordable Housing Grants
- Guidance and resources

Region
- VISION 2050
- Housing Innovations Program
- Housing Incentives and Tools Survey

County/Subregion
- King County Affordable Housing Committee, Regional Homelessness Authority
- Snohomish County Housing Affordability Regional Taskforce
- Kitsap Affordable Housing Taskforce
- Subregional groups – ARCH, SKHHP, AHA, SHAAP
Housing Efforts Current Underway

Local
• Housing Action Plans
• Code updates
• More equitable engagement

Housing Incentives and Tools Survey
• Over two-thirds of local jurisdictions (50) have at least one incentive in place
• Most jurisdictions with no incentives are small cities with no high-capacity transit
• Nearly all jurisdictions surveyed (93%) have zoning that allows housing types other than detached single-family
## Ranking of Housing Types Surveyed, 2019

<table>
<thead>
<tr>
<th>Responses n=73</th>
<th>Housing Type</th>
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<tbody>
<tr>
<td>62</td>
<td>Attached Accessory Dwelling Unit</td>
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<tr>
<td>60</td>
<td>Detached Accessory Dwelling Unit</td>
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<tr>
<td>57</td>
<td>Mixed-Use</td>
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<tr>
<td>56</td>
<td>Duplexes/Triplexes</td>
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<tr>
<td>56</td>
<td>Low-Rise Multifamily (1-3 stories)</td>
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<tr>
<td>55</td>
<td>Zero Lot Line/Townhomes</td>
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<tr>
<td>42</td>
<td>Mid-Rise Multifamily 4-6 stories)</td>
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<tr>
<td>41</td>
<td>Mobile Home Parks</td>
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<tr>
<td>38</td>
<td>Cluster Development</td>
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<td>36</td>
<td>Cottage Housing</td>
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<tr>
<td>31</td>
<td>Planned Unit Development</td>
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<tr>
<td>24</td>
<td>High-Rise Multifamily (7+ stories)</td>
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<tr>
<td>17</td>
<td>Micro Units</td>
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## Top Housing Incentives Surveyed

### Ranking of Housing Incentives Surveyed, 2019

<table>
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<tr>
<th>Responses n=73</th>
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<tbody>
<tr>
<td>30</td>
<td>Density Bonus</td>
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<tr>
<td>29</td>
<td>Parking Requirement Reduction</td>
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<tr>
<td>26</td>
<td>Multifamily Tax Exemption (MFTE)</td>
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<tr>
<td>20</td>
<td>Planned Action EIS</td>
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<td>17</td>
<td>Incentive Zoning</td>
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<tr>
<td>15</td>
<td>Public Land for Affordable Housing</td>
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<tr>
<td>15</td>
<td>Transfer of Development Rights (TDR)</td>
</tr>
<tr>
<td>14</td>
<td>Inclusionary Zoning</td>
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<td>13</td>
<td>Permitting Priority</td>
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</tbody>
</table>
Focus Areas for Actions and Tools

- **Supply**
  - Housing Production
  - Zoning

- **Stability**
  - Affordable Housing
  - Tenant Protections

- **Subsidy**
  - Funding
  - Incentives
Typology

- A typology of different types of places to better identify meaningful strategies and what types of tools and actions have the potential for the greatest impact in different types of places.

- PSRC is currently developing a draft typology based on Displacement Risk Mapping, Opportunity Mapping, and the Regional Growth Strategy.
Questions for the Committee

• What findings in the Needs Assessment could most benefit from regional action?

• There have been many efforts to address housing affordability in the region. How can the Regional Housing Strategy be most impactful and achieve meaningful results? What are pitfalls that should be avoided?

• Is a neighborhood or jurisdiction-scale typology the right approach for identify appropriate tools and actions to support housing access and affordability?
Next Steps

- Regional Housing Needs Assessment report out later this month
- PSRC boards and committees will continue to discuss and refine potential strategies to address the gaps identified in the RHNA through the spring
Thank you.

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