Draft for Public Review

ONE SEATTLE PLAN
COMPREHENSIVE PLAN UPDATE

DRAFT HOUSING APPENDIX

Seattle
Office of Planning &
Community Development

Table of Contents

Introduction

Policy Framework and Housing Appendix Contents

The Housing Appendix provides data and analysis to inform Comprehensive Plan policies on housing consistent with requirements of state Growth Management Act, VISION 2050, and the King County Countywide Planning Policies.

GROWTH MANAGEMENT ACT REQUIREMENTS

Since its initial adoption in 1990, the Growth Management Act (GMA) has required local comprehensive plans to include an inventory and analysis of existing and projected housing needs. Providing data and analysis to meet these requirements, as well as to inform housing-related goals and policies in the One Seattle Plan, are key purposes of this Housing Appendix.

With the adoption of House Bill (HB) 1220 in 2021, the state Legislature strengthened GMA requirements related to housing policy and analysis.

HB 1220 strengthened GMA's overarching goal for housing so that Seattle and other jurisdictions must now "plan for and accommodate" housing affordable to all economic segments of the state's population, rather than simply "encourage the availability" of such housing as the goal was previously worded.

To provide information necessary for advancing this goal, GMA now requires our Comprehensive Plan to document in detail various aspects of housing need and our ability to meet that need. Specifically, GMA now requires our housing analysis to incorporate projected housing needs, as provided by the Department of Commerce (Commerce) for:

(i) Units for moderate, low, very low, and extremely low-income households; and

(ii) Emergency housing, emergency shelters, and permanent supportive housing.

These projections are documented in this appendix.

To advance progress toward the strengthened housing goal in GMA, the Act also now requires urban jurisdictions to support moderate density housing options including, but not limited to, duplexes, triplexes, and townhomes. This is intended to expand the supply and diversity of housing choices available at lower cost than traditional detached housing.[1]

[1] The Washington State Department of Commerce explains in 2021 Legislative Changes to the Housing Laws that "this means that…there must be policies [in local comprehensive plans] supporting moderate density housing options such as "missing middle" housing. This list may also include cottage housing, four- and six-unit multiplexes, row houses, and courtyard apartments, with the goal of providing additional housing units at a lower cost than traditional single-family housing." Commerce indicates that missing middle housing refers to "a range of house-scale buildings with multiple units—compatible in scale and form with detached single-family homes—located in a walkable neighborhood."

Providing ample and appropriate land use capacity for residential development is necessary but on its own insufficient to meet future housing needs. As strengthened by HB 1220, GMA also requires us to demonstrate adequate land capacity to accommodate housing that can potentially address each level of affordability, analysis of which is included in this appendix.

The Housing Appendix also contains analysis to address other requirements added by HB 1220, including:

- Evaluation to understand whether we are making adequate provisions for needs at all income levels, and analysis to identify barriers to addressing needs along with programs and strategies to overcome those barriers.
- Analysis identifying policies and regulations—including zoning and development regulations—that result or have historically resulted in racially disparate impacts, exclusion, and displacement.
- Identification of areas that may be at higher risk of displacement, including due to market dynamics that can accompany changes to zoning and capital investments.

The analyses in our Housing Appendix makes extensive use of the guidance from Commerce for addressing these expanded requirements.

REGIONAL AND COUNTYWIDE REQUIREMENTS

The Housing Appendix also provides analysis that the Puget Sound Regional Council's VISION 2050 plan and the King County Countywide Planning Policies require local comprehensive plans to include.

VISION 2050

VISION 2050 includes Multicounty Planning Policies (MPPs) and a Regional Growth Strategy guiding long-range planning in the four-county central Puget Sound region. VISION 2050 requires housing needs analyses in local comprehensive plans to evaluate the effectiveness of local policies and strategies to achieve housing growth targets and affordability goals. VISION 2050 provides guidance to address affordability in a holistic manner that considers how costs to households are affected by the location of housing in relation to jobs and transportation. The analysis in this Housing Appendix responds to these requirements and addresses the expanded direction in VISION 2050 for analyzing displacement risk to help inform strategies to mitigate displacement.

Countywide Planning Policies

The King County Countywide Planning Policies (CPPs), as updated by the Growth Management Planning Council (GMPC) in 2021 and further amended in 2023, provide a detailed framework for all jurisdictions in the county to coordinate and prepare local comprehensive plan updates consistent with both GMA and VISION 2050.

The CPPs include housing and employment growth targets for each jurisdiction in the county. In furtherance of the requirements of HB 1220, the updated Housing Chapter of the CPPs identifies

each jurisdiction's allocated share of countywide needs for housing units affordable to moderate-, low-, very low- and extremely low-income households along with needs for permanent supportive housing and emergency shelters. Finally, the CPPs build on the updated GMA requirements by requiring more detailed housing analysis in local comprehensive plans.

In response to the new CPP requirements, our Housing Appendix includes analysis characterizing the nature of local housing needs and provides extensive analysis of the housing supply and market within Seattle. The Housing Appendix also examines disparities in access to neighborhoods with key components of livability describing historical and current land use and housing practices associated with these outcomes.

Overview of Data Sources

The Housing Appendix draws from a wide array of resources and data. These include, as noted, projections from the state Department of Commerce and also datasets from the federal Census Bureau and Department of Housing and Urban Development (HUD), Puget Sound Regional Council (PSRC), King County Department of Assessments, Seattle City building permits database, and housing market analysis and datasets from companies such as Zillow and CoStar.

When considering the findings of these analyses, it is important to know that the time periods or points in time for the data reported from these sources vary and, accordingly, so do the population, household, and housing unit totals covered in these data. Some temporal variation reflects differences in data release schedules and data availability at the time analysis for this appendix was performed.

Seattle's Role as a Large, Growing Metropolitan City

The 2020 Census counted 737,015 people in Seattle. This ranks Seattle as the 18th most populous U.S. city and the most populous city in King County, the Puget Sound region, and the state of Washington.

As shown in Figure 1, Seattle is one of the five "Metropolitan Cities" in the Regional Growth Strategy adopted by PSRC as part of our region's VISION 2050 long-range plan. This designation acknowledges Seattle's role as a cultural, economic, and transit hub within the county and region.

As the Metropolitan Cities within King County, Seattle and Bellevue are expected to accommodate 44 percent and 46 percent of the county's population and employment growth, respectively. With regards to planned *regionwide* growth, Seattle and Bellevue together account for 22 percent of the increase in residents and 27 percent of the increase in jobs.

Figure 1

Seattle: One of five Metropolitan Cities in the Puget Sound Region

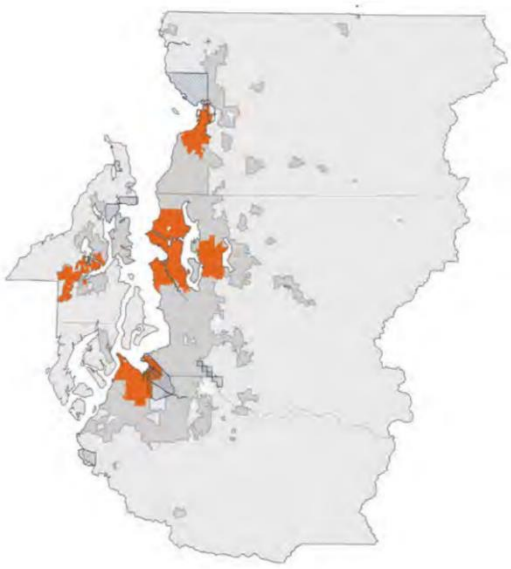


Image from Puget Sound Regional Council VISION 2050 Regional Growth Strategy

Seattle's Growth in Recent Decades

Seattle has seen substantial population, household, and housing growth in recent decades.

The decade between 2010 and 2020 was a period of especially rapid population growth in Seattle, driven largely by our city's strong employment opportunities and high quality of life.

Seattle in the 2020 Census: By the Numbers

- The 2020 Census counted 737,015 residents in Seattle, making it the 18th most populous city in the U.S.
- Seattle had the 3rd fastest population growth from 2010 to 2020 of the 50 largest U.S. cities.
- Seattle was one of 14 cities in the U.S. that grew by more than 100,000 people from 2010 to 2020.

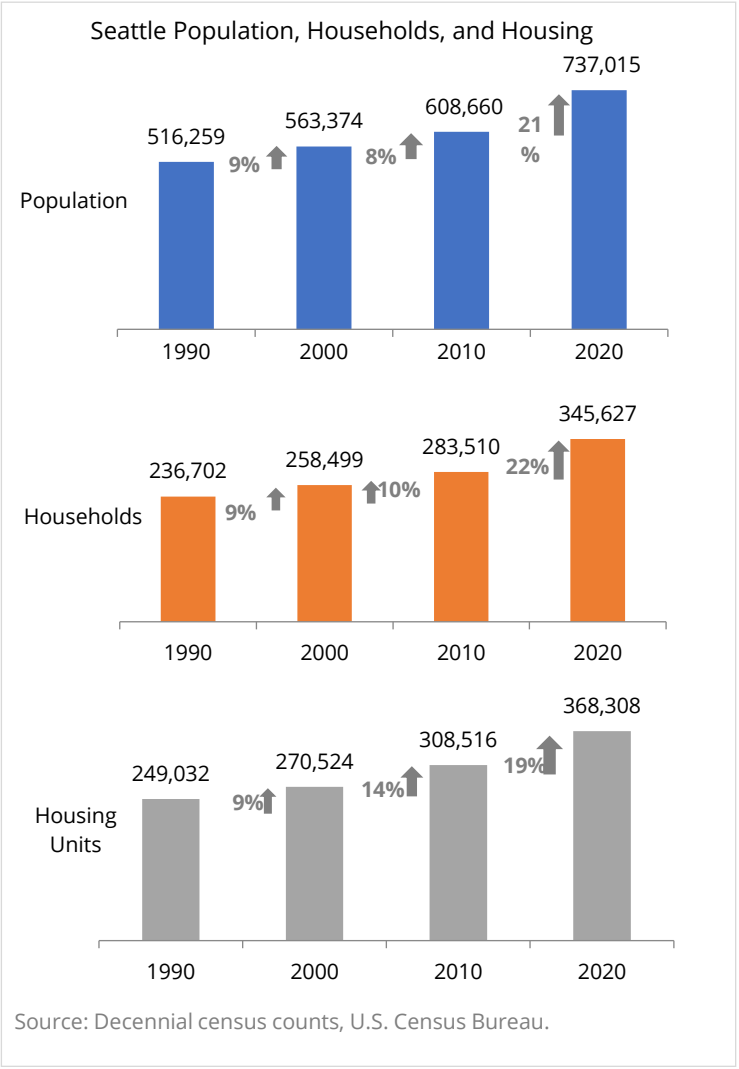
As illustrated in Figure 2, Seattle's population grew by 21 percent from 2010 to 2020. This was more than double the 10-year growth rate experienced in each of the two preceding decades. A similar pattern is seen with the growth in the number of households in Seattle. While Seattle's housing supply also grew substantially between 2010 and 2020, it did so at a slower pace than the city's population and households.

For several years during the second half of the 2010s Seattle's rapidly growing population made it one of the fastest-growing large cities in the U.S. according to the Census Bureau annual population estimates.

For additional context, Table 1 below includes statistics on job growth and compares how Seattle's growth between 2010 and 2020 compares to that of King County as a whole. Between 2010 and 2020, the number of covered jobs located in Seattle increased by 38 percent, which is double the 19 percent rate of the city's growth in housing units, and more than one and a half times the 24 percent growth in covered jobs in King County overall.

The fact that Seattle's housing growth, while rapid, occurred at a slower rate than Seattle's job growth has contributed to the rapid increase in rents and housing prices confronted by Seattle renters and would-be home buyers.

Figure 2



Source: Decennial census counts, U.S. Census Bureau.

Table 1

Population, Households. Housing, and Jobs
Seattle and King County: 2010 and 2020

	Seattle				King County			
	2010	2020	Change 2010-2020	% Change 2010-2020	2010	2020	Change 2010-2020	% Change 2010-2020
Population	608,660	737,015	128,355	21%	1,931,249	2,269,675	338,426	18%
Households	283,510	345,627	62,117	22%	789,232	917,764	128,532	16%
Housing	308,516	368,308	59,792	19%	851,261	969,234	117,973	14%
Covered Jobs	462,739	637,913	175,174	38%	1,149,642	1,430,940	281,298	24%

Sources: Population, households and housing units from the decennial census, U.S. Census Bureau. Covered employment estimates published May 3, 2022, on PSRC's data portal.

Notes: Covered employment refers to jobs covered by the state unemployment insurance and excludes self-employed workers, proprietors, CEOs, and some other types of workers. PSRC estimates that regionally covered employment comprises roughly 85-90% of total employment. PSRC estimates that covered employment is roughly 85-90% of total employment.

Seattle's Population Growth Since 2020

After a temporary decrease in Seattle's population early in the COVID-19 pandemic, Seattle reclaimed its status from the late 2010s as one of the fastest-growing large cities in the nation. According to the Census Bureau's Vintage 2022 population estimates, Seattle was the fastest growing of the 50 largest cities in the U.S. from for the period July 1, 2021, to July 1, 2022.

Most recent population available for Seattle

- The Census Bureau's population estimates peg Seattle population at 749,256 as of July 1, 2022. With growth of 2.4% over July 1, 2021, this places Seattle as the fastest growing city among the 50 largest cities in the United States.
- The Washington State Office of Financial management, which uses a different methodology than the Census Bureau, estimates that Seattle's population was 762,500 on April 1, 2022. And 779,200 on April 1, 2023.

Seattle's Projected Population Growth

Given recent trends—along with the strong economy, urban amenities, and natural beauty that Seattle and surrounding region offer—we anticipate that our city will continue to see substantial population growth. Informed by these considerations, and by regional and county-level projections, we expect Seattle's population to reach one million by the middle of this century and potentially approach this figure by the 2044 horizon for the One Seattle Plan.

Growth Targets and Housing Need Projections

Growth Targets

Under GMA, Seattle must plan for and accommodate through zoned capacity the growth targets allocated to the city, consistent with population projections prepared by the state and frameworks provided by regional and countywide planning policies.

In 2021, the King County GMPC approved housing and employment growth targets for jurisdictions in the county to integrate into our 2024 comprehensive plan updates. Even though the planning period for our 2024 updates is 20 years, the growth targets in the CPPs refer to a 25-year period of 2019-2044 to reflect the base year data available at the time the targets were adopted.

For Seattle, the 25-year growth targets include at least 112,000 net new housing units and 169,500 net new jobs. The targets reflect Seattle's important role as a Metropolitan City in the VISION 2050 Regional Growth Strategy. The housing targets adopted by GMPC in 2021 were based on OFM population projections released in 2017 and are also consistent with the more recent projections released in 2022.[2]

Because the City's Comprehensive Plan covers a 20-year period, Seattle adapted the 25-year target to a 20-year timeframe for consistency with the 2024 Comprehensive Plan's planning period spanning 2024 to 2044.[3] Accounting for recent and ongoing growth, the estimated 20-year growth targets for the One Seattle Plan are 80,000 net new housing units and 158,000 net new jobs.

Growth targets in the CPPs are one source of information used to estimate the housing needs addressed in the One Seattle Plan. In addition to adopted targets, we also consider the following factors in identifying future housing need:

- **Past under-production.** Over the past decade, housing growth has lagged population, household, and employment growth in Seattle. This trend contributes to an overall housing shortage that drives housing costs ever higher. Planning for additional housing production in the future can help to alleviate this pressure and more completely meet the needs of Seattle's current residents.
- **Lack of housing diversity.** Seattle's housing stock is dominated by two categories of housing: increasingly expensive single-family detached dwellings and smaller rental apartments. Recent growth is predominantly studio and one-bedroom apartments. Planning

[2] For details, see agenda item "Washington State Office of Financial Management 2022 Growth Projections" presented by the Interjurisdictional Staff Team (IJT) at the GMPC Meeting, March 22, 2023.

[3] We prorated the 25-year housing growth target to our 20-year planning period by using building permit data and subtracting from the 25-year housing target a) an estimate of actual housing growth from the end of 2019 to the end of 2022 and b) a short-term projection of growth for the 2023 and 2024 calendar years. We employed a similar, though not identical, strategy to prorate the 25-year employment growth targets to our 20-year planning period.

for abundant housing supply, especially new housing options such as middle housing, can help to alleviate market pressure and boost housing choices for larger households, households with low- to moderate-incomes, and others.

- **Uncertainty about future growth.** Adopted growth targets are the product of analyses and policy goals. There is considerable uncertainty about the pace of future growth. For example, since the current Seattle 2035 Comprehensive Plan was adopted in 2015, Seattle has grown at approximately twice the rate that was anticipated in the growth targets in that plan. Factors such as continued strong economic growth or even climate migration could lead to future growth in Seattle that could significantly exceed our adopted GMA growth targets.

Housing Need Projections

Per new GMA requirements, the state Department of Commerce (Commerce) provides county-level projections of housing needs for households by income category, as well as the need for emergency housing and permanent supportive housing (PSH). GMPC has allocated these projections to each local jurisdiction to plan for and accommodate in their comprehensive plan updates.

State projections of future housing needs are designed to meet several overarching goals:

- First, that no household will have to pay more than 30 percent of its income on housing (the federal threshold for cost burden).
- Second, the housing needs of the homeless population will be fully met through permanent housing, permanent supportive housing, and emergency housing.

The projections from Commerce present housing needs in two broad categories: a permanent housing category, with projected needs distributed by income level, and an emergency housing units/beds category.

STATE METHODOLOGY FOR PROJECTING HOUSING NEEDS

Following is a summary of the approach used by Commerce to project housing needs for each county.[4]

Permanent housing units: Commerce's model for projecting growth in the number of housing units needed by income level addresses current[5] unmet needs as well as needs associated with projected population growth.

[4] Commerce's guidebook "Establishing Housing Targets for Your Community" (Book 1), published July 2023, provides details on the sources, assumptions, and models used to project housing needs. (See pages 27-57.) This book is available on Commerce's Updating GMA Housing Elements webpage.

[5] Here we are using the term "current" to describe baseline existing conditions in the Commerce model.

- **Housing needs of current housed residents.** The high market cost of housing, combined with an insufficient supply of subsidized below market rate housing, means that many existing households, especially those in the lowest income categories, cannot find housing that is affordable to them and are thus cost burdened (i.e., paying more than 30% of their income for housing). In order to relieve the cost burden for these households, a portion of each county's projected need includes lower cost units, many of which would have to be subsidized to be affordable to lower-income households (generally below 50% of AMI). Market rate units currently occupied by low-income households would be freed up to meet housing needs at higher income levels, thus theoretically reducing the need to add units that are affordable to moderate income households.

- **Housing units needed for the current population experiencing homelessness.** Commerce assumes that 90 percent of the population experiencing homelessness needs permanent housing affordable at 0-30% of AMI and the remaining 10 percent need permanent housing affordable at 30-50% of AMI.

- **Housing needs of new households.** The remainder of the 25-year need for housing that is affordable at each income level is driven by population growth, as projected by the State Office of Financial Management. Commerce assumes that the proportion of future households at each income level will be consistent with the existing distribution of household income across income levels in each county.

Permanently supportive housing (PSH) is defined by Commerce as subsidized rental housing without limits on length of tenancy that provides on- or off-site voluntary services for people who need comprehensive support to successfully stay housed. This form of housing is tailored to persons who are living with complex and disabling behavioral or physical health conditions and who are experiencing homelessness or at imminent risk of homelessness.[6]

In their model, Commerce categories PSH units along with other forms of permanent housing while making the simplifying assumption that PSH units serve only households with incomes at or below 30% of AMI. Commerce's approach for projecting PSH needs considers both current unmet needs and ongoing needs. The model relies on estimates of both people experiencing chronic homelessness and people experiencing homelessness on a non-chronic basis who have a disabling condition, using these conditions as indicators that PSH would best meet these persons' needs.[7]

Emergency housing encompasses temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless. The emergency housing need projections by Commerce are for emergency housing and emergency shelters that provide overnight accommodations including, but not limited to, temporary apartments, hotel rooms,

[6] These descriptions of PSH and Emergency Housing are drawn from Commerce's guidance in, Establishing Housing Targets for Your Community, July 2023)

[7] Commerce's model assumes each person in need of PSH will stay in emergency housing for some time prior to moving into a PSH unit.

traditional shelter arrangements, shelters for people fleeing domestic violence, hotel rooms, and homes in tiny home villages.

In modeling Emergency Housing needs, Commerce's model aims to estimate the additional amount of emergency housing required to "functionally end unsheltered homelessness."[8] The model accounts for the baseline homeless population not yet served in emergency housing and uses the results of a simulation based on ten risk factors (a few of which include evictions, unemployment, severe rent burden, overcrowded housing, and incarceration) to project the number of people expected to become homeless each year.[9]

LOCAL ALLOCATION OF HOUSING NEEDS

GMA requires each county to collaborate with its cities to allocate the countywide housing needs projection from Commerce to each city. In King County, the GMPC and its Affordable Housing Committee did this work. The allocation is included in the CPPs.

King County used a two-step methodology to allocate the housing need at each income level to cities:

- **Step 1:** Allocate shares of countywide need at each income level proportionally based on each city's share of overall projected housing growth through 2044.
- **Step 2:** Adjust the mix of housing need to reflect a greater need to add units that can be affordable to lower-income households (with incomes at or below 80% of AMI) in cities where 1) housing costs are higher, 2) the supply of income-restricted affordable units is relatively low, and/or 3) there is a high number of jobs relative to housing units.[10]

Table 2 shows the resulting housing supply estimates and need projections for Seattle.

[8] For more background, see page 43 in Establishing Housing Targets for Your Community.

[9] Commerce notes that the projections of emergency housing needs assume only modest improvements over time in system performance. Commerce points out that substantial increases in resources devoted to affordable housing production or vouchers could reduce rates of homelessness and the corresponding need for emergency housing beds.

[10] Specifically, increases to the portion of a growth target dedicated to affordable housing were made in jurisdictions where existing proportions of units affordable at or below 80% of AMI are lower, income-restricted housing shares of housing are lower, and the imbalance of low-wage workers to low-wage jobs is more pronounced. The allocation methodology is described in AHC recommendations sent to the GMPC on December 29, 2022.

Table 2

Seattle Housing Supply Estimates and Need Projections									
	Permanent Housing Units								Emergency Housing
	Total	0 to ≤30% of AMI		>30% to ≤50% of AMI	>50% to ≤80% of AMI	>80% to ≤100% of AMI	>100% to ≤120% of AMI	>120% of AMI	
		Non-PSH	PSH						
Seattle Total Future Housing Needed: 2044	480,307	42,041	20,255	45,691	62,050	76,752	50,327	183,191	25,734
Seattle Current Housing Supply: 2019 Baseline	368,307	13,469	5,231	26,547	54,064	71,330	44,177	153,489	4,333
Seattle Net New Housing Needed: 2019-2044	112,000	28,572	15,024	19,144	7,986	5,422	6,150	29,702	21,401

Source: 2021 King County Countywide Planning Policies as amended August 15, 2023 (Ordinance 19660) and ratified November 30, 2023.

Notes: The Housing Need Projections are contained in Housing Chapter Table H-1: "King County Countywide and Jurisdictional Housing Needs 2019-2044 and Appendix 4 Table H-2: King County Countywide and Jurisdictional Housing Needs 2019-2044.

For reference, Table 3 shows 2023 maximum income thresholds, by household size, for each of the AMI-based categories for which housing need is projected.

Table 3

AMI-Based Income Limits by Household Size, 2023					
HUD Area Median Family Income in 2023: 146,500					
Number of Persons in Household or Family	30% of AMI	50% of AMI	80% of AMI	100% of AMI	120% of AMI
1	$30,750	$51,300	$82,050	$102,550	$123,050
2	$35,150	$58,600	$93,750	$117,200	$140,650
3	$39,550	$65,950	$105,500	$131,850	$158,200
4	$43,950	$73,250	$117,200	$146,500	$175,800
5	$47,450	$79,100	$126,600	$158,200	$189,850
6	$51,000	$84,950	$135,950	$169,950	$203,950

Source: Area Median Family Income and household-size adjustment factors from U.S. Department of Housing and Urban Development (HUD) Fiscal Year 2023 Income Limits Documentation System.

Notes: HUD estimates Area Median Family Income (HAMFI) annually for metropolitan areas across the U.S.; for Seattle the applicable area is a combination of King and Snohomish counties. After calculating HAMFI, HUD applies household size and other adjustments to define area-specific income eligibility limits for administering affordable housing programs. Consistent with the state GMA, the Housing Appendix uses the term "Area Median Income" to refer to HAMFI.

This table is provided for general reference. The income limits shown here are calculated by multiplying HAMFI by the applicable percentages of AMI and then applying the standard household size adjustments HUD uses in calculating income limits. The income limits in this table do *not* include other adjustments that HUD and other agencies make in calculating income limits for administering affordable housing programs, as those limits vary between programs. Income limits for City of Seattle programs are listed on the Office of Housing website.

Commerce's model factors in existing unmet need by estimating the number of units that would have to be produced to house each cost-burdened renter household[11] in a unit they can afford. The model assumes that producing housing units for cost-burdened renter households in a given income category (e.g., 0-30% of AMI), not only meets the needs of these households, but *also* vacates units affordable to households in the next income category up (e.g., 30-50% of AMI).[12]

[11] Commerce does not include cost-burdened owner households in calculating production of new units needed to eliminate cost burden, explaining that these households tend to be in a fundamentally different position compared to renter-households and that "building new housing units for these owner households to occupy is not necessarily the best or only solution for these households."

[12] As explained by Commerce, "the model determines 'New Production to Address Need' at each income level over time, assuming that 1/25th of the need to eliminate renter cost burden is built each year. For every unit built, the needs of up to two cost-burdened households is assumed to be addressed. For example, when a new housing unit affordable at 0-30% AMI is built, it can accommodate a baseline cost-burdened household with income of 0-30%. Then, the unit that household previously occupied is vacated and available to accommodate another higher-income cost-burdened household.... The model continues to build homes and vacate units until there are no more cost-burdened renter households to accommodate."

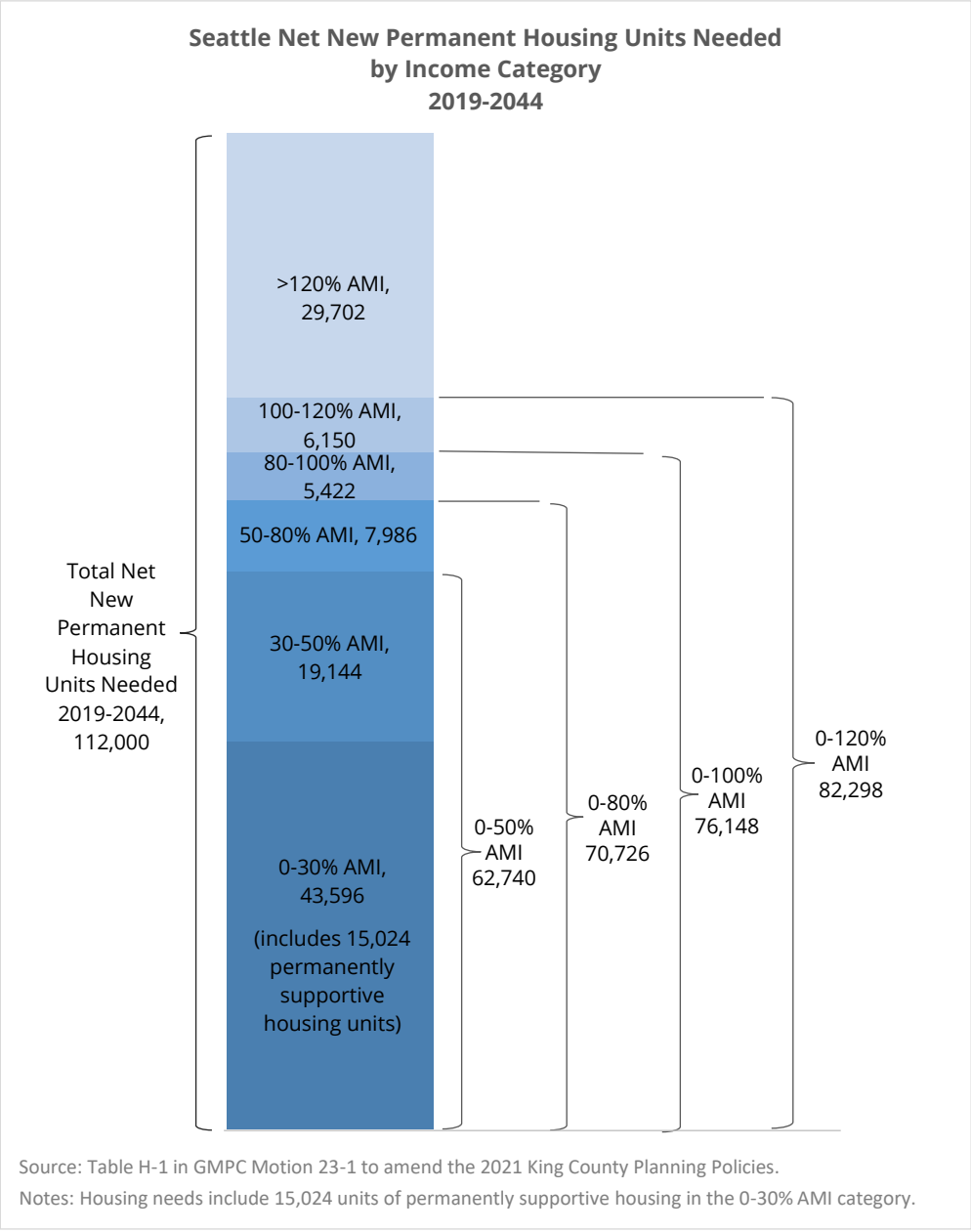
By assuming vacated units accommodate cost-burdened households in the next income category up, the model estimates lower production needs in categories between 50 and 120% of AMI than would otherwise be necessary to address existing unmet need.

Further, as Commerce explains, projected need for each income category above 30% of AMI "assumes success at meeting the housing needs of households at lower income levels." However, whether sufficient funding can be assembled to fully meet the needs of the lowest-income households is very uncertain.

By assuming needs within the lowest income categories are met, the model may underestimate needs of other low- and moderate-income households. After all, if the needs of the lowest-income households remain unmet, those shortfalls will not only leave those households cost burdened but also contribute to shortages felt by households somewhat higher up the income ladder.

As guidance from Commerce suggests, considering housing need on a cumulative basis in addition to looking at need in discrete income categories can help round out understanding of local housing needs. Figure 3 shows projected net new housing needs within discrete income categories *and* under cumulative thresholds. Viewed *cumulatively*, more than half of the projected need in Seattle is for housing affordable at or below 50% of AMI, and roughly 63 percent is for housing affordable at or below 80% of AMI. Furthermore, nearly three-quarters of the net new need is for housing affordable at or below 120% of AMI.

Figure 3



Source: Table H-1 in GMPC Motion 23-1 to amend the 2021 King County Planning Policies.

Notes: Housing needs include 15,024 units of permanently supportive housing in the 0-30% AMI category.

As stated in the Housing element, Seattle will continue to prioritize addressing the needs of households with incomes of 30% AMI or less given that the needs are, by far, greatest among these households. At the same time, aggressive efforts are necessary to increase production of income-restricted housing for all low-income categories and remove barriers to help the market meet the needs of households with incomes at or below 120% of AMI. Accordingly, the Plan supports a wide variety of housing strategies to expand resources for income-restricted affordable housing and facilitate production of lower-cost market-rate housing.

Historical Context of Racist Housing and Land Use Practices

Today's housing crisis has origins in a history of discrimination that shaped where Black, Indigenous, and other people of color could live, own land, and sustain their culture since the arrival of white European settlers in the Pacific Northwest in the 1840s. At that time, Washington State was part of the Oregon Territory and therefore subject to Black exclusion laws, which discouraged through threat of physical punishment, and later outright forbade, Black people from settling, owning property, or making contracts as a way of ensuring the region's early development was primarily white. ,

In 1855, the Treaty of Point Elliott was signed, establishing the Tulalip, Port Madison, Swinomish, and Lummi reservations and guaranteeing hunting and fishing rights to the Tribes represented by its signatories. In exchange, the Tribes ceded tens of thousands of acres of their land, some of which had already been claimed by European-American settlers. In 1864, the Washington legislature granted anyone the right to own land "as if such an alien were a native citizen of this Territory or of the United States," as a measure to promote immigration by white people to displace Native Americans.[13] After the city of Seattle was first incorporated in 1865, one of its first laws (Ordinance 5) called for the removal of Indigenous people from within city limits, barring Native people from living in Seattle unless a non-Native person needed to employ them. When the City government was dissolved in 1867 and reincorporated in 1869, the ban on Native residents was not re-enacted, but other efforts to exclude Native people persisted.

Exclusion and forced relocation of certain groups continued through the end of the 19th and into the 20th century with anti-immigrant, especially anti-Asian, policies. This included 1) the federal Chinese Exclusion Act in 1882 and anti-Chinese riots that followed in Seattle; 2) the Alien Land Law enshrined in Washington's first constitution prohibiting land ownership by "aliens ineligible for citizenship, which targeted Asian people whom Congress ruled in 1875 could not become citizens; and 3) forced incarceration of Japanese and Japanese Americans during World War II. Displacement also resulted from various city building efforts. The creation of the Ship Canal and Ballard Locks in the 1910s lowered the level of Lake Washington by more than eight feet and caused the Black River, on which many Duwamish lived and depended for fishing, to disappear. The construction of Interstate 5 through downtown Seattle resulted in the loss of homes, businesses, and cultural anchors in the Chinatown–International District.

The 20th century saw the public and private sector turn to land use and housing as tools to protect and concentrate property ownership and wealth within white communities. Zoning was one of the first practices used to establish and solidify exclusion. In the early 1900s, Los Angeles and New York

[13] https://digitalcommons.law.seattleu.edu/cgi/viewcontent.cgi?article=1286&context=sulr, https://depts.washington.edu/civilr/alien_land_laws.htm

were early adopters of standards separating uses and regulating building form. But zoning did not arise only to shape the built environment or protect public health. The racism of mainstream white society was another basis for the rise of land use regulation.[14] First Baltimore and then other cities, particularly in the South, employed zoning for explicit racial segregation, with separate districts for white and Black residents. After this was ruled unconstitutional in 1917, city officials substituted ostensibly race-neutral standards like minimum lot size and prohibitions on multifamily housing as covert ways to shield white neighborhoods from lower-income residents and people of color.

Those standards are still present in Seattle's zoning today. While Seattle never had racial zoning, the City's first zoning ordinance, adopted in 1923, was promoted by the Zoning Commission as a way to prevent "lowering…the standard of racial strength and virility"[15] and crafted by a planner who touted zoning as a way to "preserve the more desirable residential neighborhoods" and prevent movement into "finer residential districts … by colored people."[16] Before the advent of zoning, Seattle's building code had regulated development, and dwellings with multiple families were allowed citywide. The 1923 zoning ordinance established the "First Residence District" where only "detached buildings occupied by one family" were allowed. In the subsequent decades, periodic downzoning expanded the extent of single-dwelling zoning into neighborhoods that previously allowed a mix of housing types. For just over a century, zoning in Seattle has limited access to many neighborhoods by prohibiting lower-cost housing forms, like apartments, thus raising the financial bar to afford housing and reinforcing racial segregation since people of color have disproportionately lower incomes and less wealth.

Furthering this pattern of exclusion were racially restrictive covenants, the use of which arose in response to the Supreme Court's ruling on municipal racial zoning. Racial covenants were enforceable contract language written into deeds, plats, and homeowners association bylaws that restricted the sale and use of property based on someone's race, ethnicity, and religion. As some residential areas began to diversify in the 1910s, the use of covenants in Seattle and surrounding cities became widespread, especially after the Supreme Court validated their use in 1926. Many neighborhoods prohibited the sale or occupancy of property to Asian Americans, Jewish people, Black people, or anyone "other than one of the White or Caucasian race."[17] One such covenant for

[14] Christopher Silver. "The Racial Origins of Zoning in American Cities." https://www.asu.edu/courses/aph294/total-readings/silver%20--%20racialoriginsofzoning.pdf

[15] Excerpt from "A Zoning Program for Seattle." Record Series 1651-02 Box 1, Folder 1. Seattle Municipal Archives.

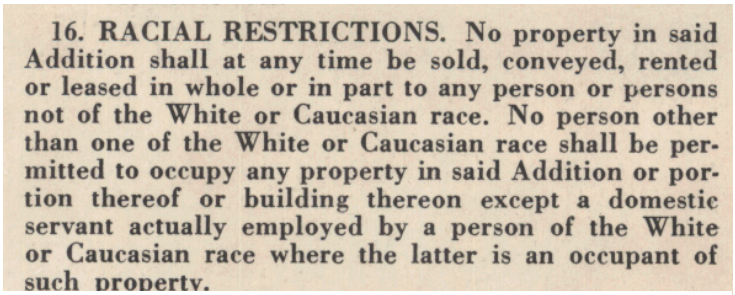
[16] https://www.epi.org/publication/making-ferguson/

[17] https://depts.washington.edu/civilr/covenants_BlueRidge.htm

the Windermere neighborhood said "No person or persons of Asiatic, African or Negro blood, lineage or extraction, shall be permitted to occupy a portion of said property, or any building thereon; except domestic servant or servants may be actually and in good faith employed by white occupants of such premises."[18] Figure 4 further provides example text of racially restrictive covenants put on properties in the Blue Ridge neighborhood. This practice excluded people of color from much of Seattle and from the opportunity to pursue homeownership, which was emerging in the 20th century as a more common pathway to stability and wealth.

Figure 4

An example of racial restrictions recorded in 1938 in the subdivision covenants for the Blue Ridge neighborhood.


16. RACIAL RESTRICTIONS. No property in said Addition shall at any time be sold, conveyed, rented or leased in whole or in part to any person or persons not of the White or Caucasian race. No person other than one of the White or Caucasian race shall be permitted to occupy any property in said Addition or portion thereof or building thereon except a domestic servant actually employed by a person of the White or Caucasian race where the latter is an occupant of such property.

Source: https://depts.washington.edu/civilr/covenants_BlueRidge.htm

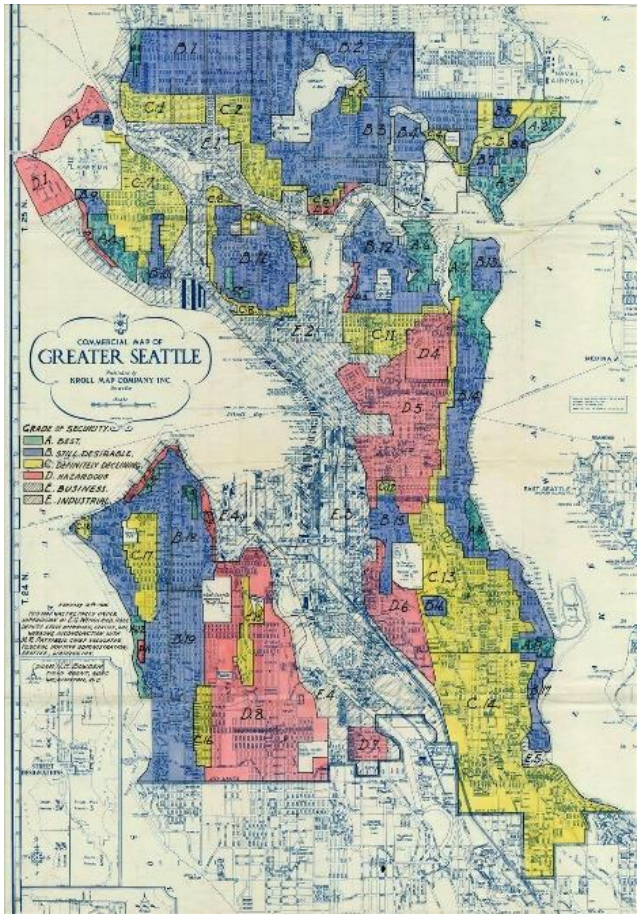
Alongside private deeds defining where people of color could *not* live, the Federal practice of redlining rendered them ineligible for government-backed home mortgages in the few areas where they could. As the U.S. emerged from the Great Depression, the National Housing Act was adopted in 1934 as part of the New Deal in an effort to boost housing stability and expand homeownership by underwriting and insuring home mortgages. To determine eligibility for those loans and delineate ideal areas for bank investment, the Home Owners Loan Corporation (HOLC), a Federal agency, created maps, shown in Figure 5, that appraised the creditworthiness of entire neighborhoods based in part on their racial composition. Areas deemed too risky for mortgage lending were shaded in red or "redlined." Elsewhere, an area's high "grade of security" often explicitly referenced the presence of racial covenants. In Seattle, for example, the neighborhood of Windermere, shaded green, was touted as "protected…by racial restrictions," and the Central Area, outlined in red, deemed too risky for mortgage lending because "it is the Negro area of Seattle" and "composed of mixed nationalities."[19]

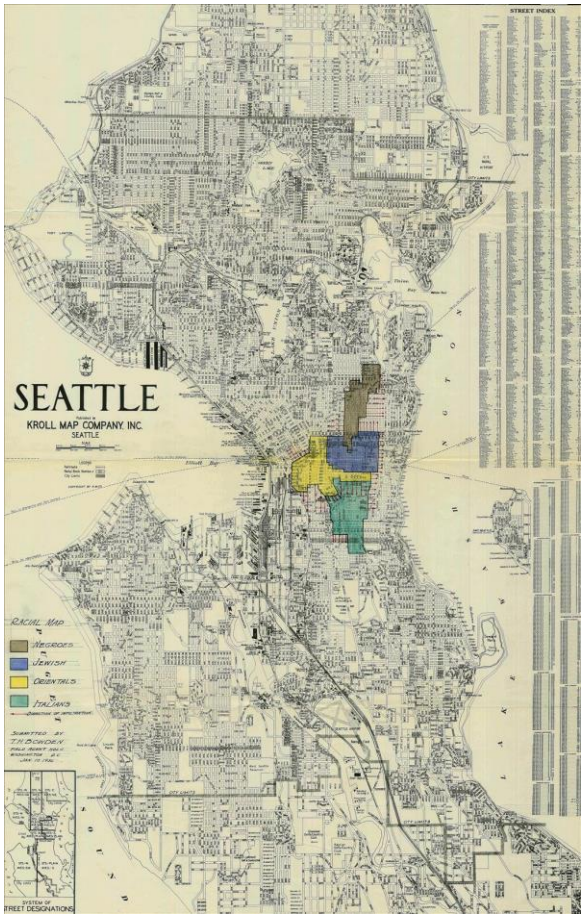
[18] https://www.seattle.gov/documents/Departments/CityArchive/DDL/OpenHousing/covenant.pdf

[19] https://dsl.richmond.edu/panorama/redlining/#loc=5/39.1/-94.58

Figure 5

Home Owners Loan Corporation (HOLC) maps of Seattle





Informal practices and unwritten rules also contributed to housing discrimination. Real estate agents typically didn't show houses in predominantly white neighborhoods to people of color, and, even if they did, purchasing that housing was difficult for a buyer of color.[20] Discrimination in the sale or rental of housing was legal until Congress passed the Fair Housing Act in 1968. But earlier in the decade, local discussions had begun of a potential City ordinance prohibiting housing discrimination. In 1963, Seattle's newly created Human Rights Commission drafted an open housing ordinance with criminal penalties for acts of housing discrimination on the basis of race, ethnic origin, or creed. The City Council referred the legislation to a public vote. Opponents organized and advertised heavily, and in March 1964 the measure failed two-to-one. Seattle eventually adopted Open Housing legislation in 1968, extending its protections against discrimination first in 1975 and as recently as 2017 to other identities and groups.

[20] https://www.seattle.gov/cityarchives/exhibits-and-education/online-exhibits/seattle-open-housing-campaign

In the decades after World War II, the government subsidized suburban development with housing finance and highway systems that disproportionately benefited white middle class and affluent households. When banks applied for government insurance on prospective loan for subdivision development, the Federal Housing Administration (FHA) pointed appraisers to its *Underwriting Manual*, which contained a "whites-only" provision that ensured none of the homes could be sold to people of color. This made racial segregation an official requirement of the federal mortgage insurance program and deprived people of color of the opportunity to own a home and build and pass on wealth.[21] In recent decades, interest in urban neighborhoods close to prosperous regional job centers has risen among higher-income households. Increased demand for housing has made many underinvested, previously redlined areas too expensive for existing residents of color who had historically been prohibited from living anywhere else.

The legacy of these practices persists today, perhaps most notably in the lasting racial segregation that exists across Seattle neighborhoods and in Seattle's racial wealth gap. Today, the HOLC's highest-graded Seattle neighborhoods remain disproportionately white, restrictively zoned, and characterized by high-cost detached housing. The percentage of Black households with zero net worth in Seattle is almost twice that of white households.[22] Homeownership remains one of the starkest measures of racial disparity in housing in Seattle: while roughly half of white households own their home, only about one-quarter of Native American households and one-quarter of Black households do.[23] As the primary way people accumulate and pass on wealth in the U.S., this homeownership gap reflects both the history of public- and private-sector racism in housing and the ongoing escalation of home prices and income inequality in our region.

[21] Rothstein, 2017.

[22] https://www.historylink.org/File/21296;
https://prosperitynow.org/sites/default/files/Racial%20Wealth%20Divide_%20Profile_Seattle_FINAL_3.2.21.pdf

[23] CHAS data based on 2015-2019 ACS.

Population Characteristics and Trends

This section summarizes basic demographic characteristics and trends in Seattle using data from the U.S. Census Bureau and the Washington State Office of Financial Management (OFM). decennial census data and ACS estimates.[24] This information provides important context for analyses of household characteristics and housing needs presented later in the Housing Appendix.

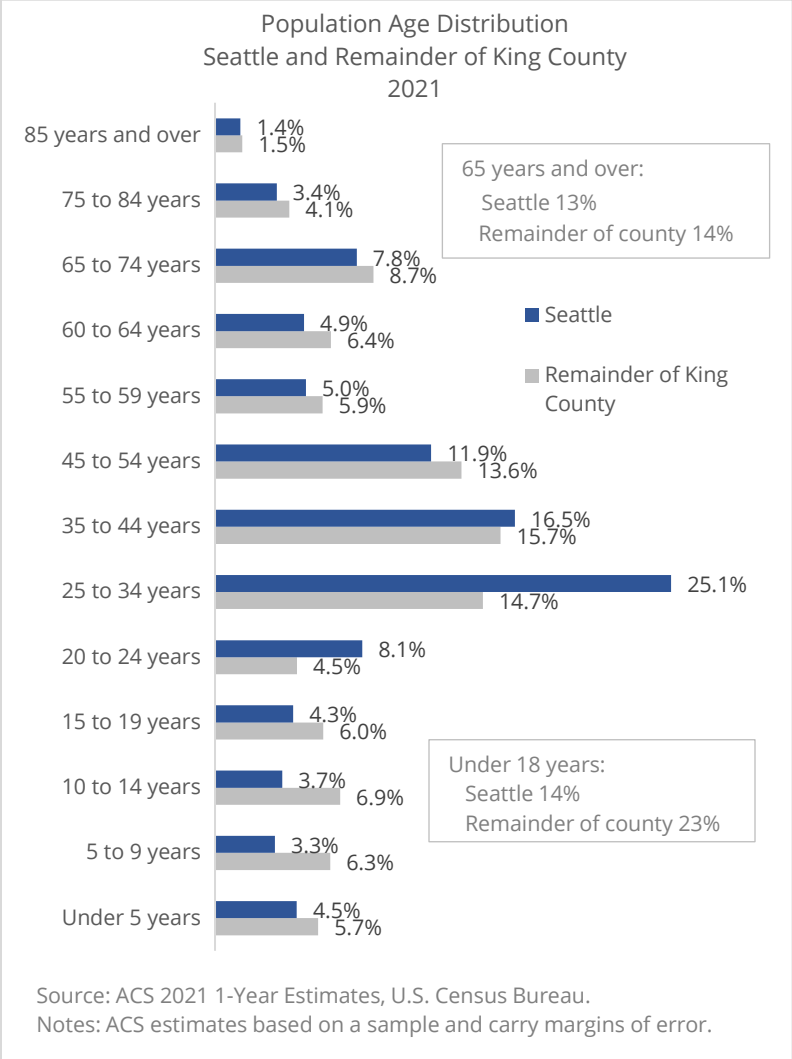
We include comparisons with demographic patterns and trends in the remainder of King County. These comparisons can enhance our understanding of demographics in relation to housing needs given that housing markets in Seattle and the remainder of King County are intertwined and linked to a common labor market.

Age Distribution

As shown in Figure 6, the shares of Seattle residents who are in middle- and older-adult age groups (38% ages 35-64, and 13% ages 65+) are fairly similar to the shares in the remainder of King County. In both Seattle and the remainder of King County, adults ages 35 to 65 outnumber both younger adults and older adults.

The biggest differences in the age composition of Seattle and the remainder of King County are found when looking at the shares of young adult groups, which are much larger in Seattle, and the shares of children and youth which are much smaller in Seattle.

Figure 6



[24] For many of these analyses the decennial census would normally be preferred over the sample-based ACS. However, at the time we are preparing these analyses for this draft of the Housing Appendix, the topics and detail available from the decennial census are very limited. We are planning to replace the 2021 1-year ACS estimates used to describe age composition with data from the 2020 Census for the final version of the Housing Appendix.

SEATTLE'S CONCENTRATION OF YOUNG ADULTS

Relative to many other central cities in the U.S., Seattle has an especially high concentration of residents ages 25 to 34. A quarter of all Seattleites belong to this age group compared to 15 percent in the remainder of King County,

This reflects the city's strong job opportunities, graduate-level educational institutions, and recreational offerings. A comparison of the 2021 ACS estimates with estimates collected 10 years prior suggests that the 25-34 age group grew at roughly twice the rate of Seattle's overall population.

A GROWING POPULATION AGE 65 AND OVER

The population of adults aged 65 and over also grew very quickly, with the 65-74 segment growing the fastest of all age groups. Between 2011 and 2021 the number of Seattle residents ages 65 to 74 increased by nearly one half, and by over one half in the balance of the county.

OFM forecasts that the population 65 and older in King County will grow by nearly 75 percent between 2022 and 2045.[25] Applying this rate to Seattle would see Seattle's current population of about 92,000 adults 65 and older rise to more than 160,000 by 2045. Even if the population of adults aged 65 and over grows somewhat more slowly in Seattle than in the remainder of King County, this will represent a dramatic increase. Furthermore, the underlying trend in the aging of the baby boom generation will drive substantial increases in the numbers and shares of older adults 75 and over.

A PROPORTIONALLY SMALL BUT GROWING CHILD POPULATION

Table 4 shows estimates for the child population for both Seattle and remainder of King County from the last two decennial censuses.[26]

The 2020 Census counted nearly 107,000 children under 18 residing in Seattle.[27] Although Seattle's child population increased each of the last three decades, it did so at a slower pace than Seattle's overall population. By 2020, the share of Seattle's population under 18 years of age had declined to 14 percent, which has Seattle continuing to rank near the bottom among large cities. In 2020, San Francisco was the only large city in the U.S. where children were a lower share of the population than in Seattle. High housing costs are one of the drivers associated with the low percentages of children in Seattle and many other U.S. cities with very low proportions of children. The relative dearth of family size units in most forms of housing besides single-family residences and the

[25] Growth Management Act population projections for counties: 2020 to 2050 | Office of Financial Management (wa.gov)

[26] At the time we are writing this, the only age breakouts available from the 2020 Census are for the population under 18 and the population 18 and older. Using the 2020 Census data for the population under 18 population avoids the margins of error associated with sample-based ACS estimates and facilitates comparison with previous decennial data and enable examination of long-term trends.

[27] A recent report Annie E. Casey Foundation includes analysis of how the child population has changed in states and large cities throughout the U.S. Analysis of the 100 cities with the largest child populations found Seattle ranking 9th in both the highest numerical and the highest percent increases from 2010 to 2020 in the child population. See aecf-changingchildpop-2023.pdf.

domination of studios and one-bedroom units in recent housing construction are key factors constraining the number of children in Seattle.

While the under-18 share of the population in the remainder of King County has also been declining, at 23 percent it remains much higher than in Seattle.

Table 4

Child Population Seattle and Remainder of King County Decennial Census Estimates from 1990 to 2020								
	Seattle				King County			
	1990	2000	2010	2020	1990	2000	2010	2020
Population under 18 years of age	84,930	87,827	93,513	106,841	256,141	302,819	319,989	349,364
People under 18 as a share of the population	16%	16%	15%	14%	26%	26%	24%	23%
		1990-2000	2000-2010	2010-2020		1990-2000	2000-2010	2010-2020
Change in number of people under 18		2,897	5,686	13,328		46,678	17,170	29,375
Rate of change in population under 18		3%	6%	14%		18%	6%	9%
Source: Decennial census estimates, U.S. Census Bureau.								

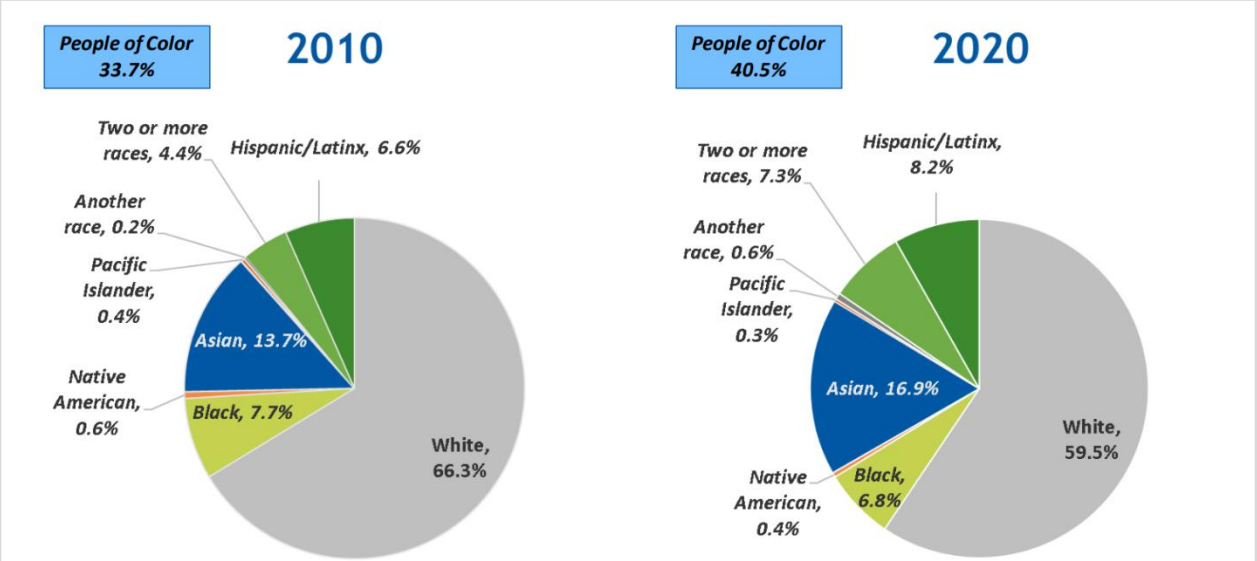
Race, Ethnicity, and Related Demographics

Based on 2020 Census estimates, four out of every 10 Seattle residents are people of color. As reflected in the pair of pie charts in Figure 7, this is a substantial increase compared with 2010, when people of color comprised slightly more than one third of Seattle's population. People of color include persons whose race and ethnicity are other than single-race white, non-Hispanic.[28]

Asians comprise the largest group of color. The next two most populous groups of color are persons of Hispanic/Latino ethnicity (8.2%) and persons of Black or African American race (6.8%). About seven percent of Seattle residents are multiracial.

[28] Existing federal standards for reporting race and ethnicity treat race and Hispanic/Latino ethnicity as separate concepts; Hispanic/Latino persons may be of any race. In this appendix, unless otherwise noted, persons who are Hispanic/Latino are grouped as Hispanic/Latino, while the racial categories reported are comprised of people who are not Hispanic or Latino.

Figure 7



Sources: 2010 and 2020 decennial census estimates, U.S. Census Bureau.

Between 2010 and 2020, the population of color in Seattle rose by nearly 46 percent while the number of white residents in the city increased by only 9 percent, as shown in Table 5.

Table 5

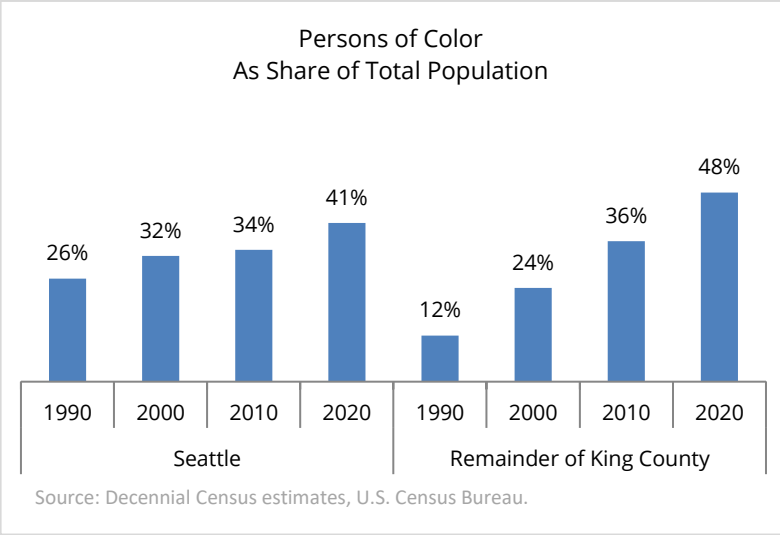
Racial and Ethnic Composition of Seattle Population		
	2010 to 2020 Growth	2020 Population
Total population	21.1%	737,015
People of Color	45.7%	298,847
Black	6.6%	50,234
Native American	-15.8%	3,268
Asian	49.3%	124,696
Pacific Islander	-13.6%	1,941
Another race	205.5%	4,473
Two or more races	102.4%	53,672
Hispanic/Latino, of any race	50.2%	60,563
White	8.6%	438,168
Sources: Decennial census estimates, U.S. Census Bureau.		

Multiracial people, Asians, and people of Hispanic/Latino ethnicity had the fastest growing populations in Seattle. In contrast, Seattle's Black population increased by only 7 percent, which was even slower than the growth among white people during the same period. Furthermore, decennial census tallies for the smallest racial groups in the city—Pacific Islander and Native Americans—fell between 2010 and 2020.

Furthermore, decennial census tallies for the smallest racial groups in the city—Pacific Islander and Native Americans—fell between 2010 and 2020.

While people of color have been increasing as a share of the population, the increase in Seattle has been slower than in the rest of King County. This trend is evident over the last several decades as shown in Figure 8.

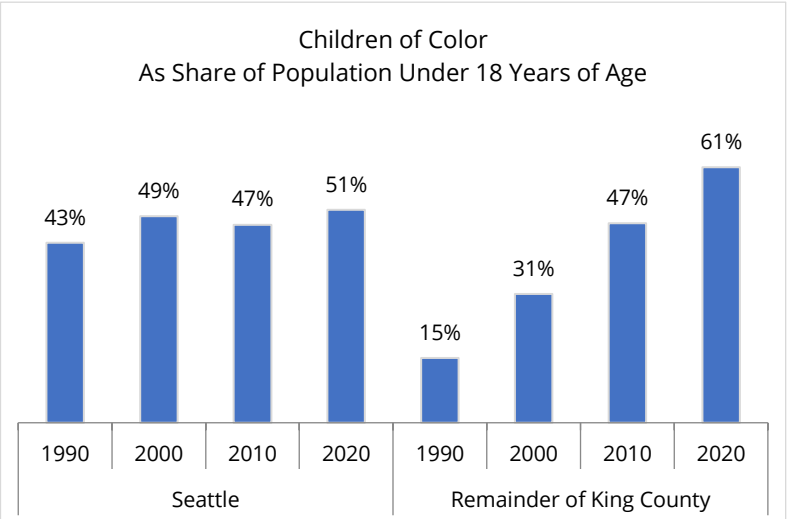
Figure 8



Source: Decennial Census estimates, U.S. Census Bureau.

The variation between Seattle and the remainder of King County in the trend toward racial diversification is more dramatic for the population under 18. The share of the child population who are persons of color increased rapidly in King County outside Seattle, but nearly plateaued in Seattle over the past 2 decades as shown in Figure 9.

Figure 9



Source: Decennial Census estimates, U.S. Census Bureau.

Table 6 shows growth rates between 2010 and 2020 by race and ethnicity for Seattle's child population compared with the city's adult population. Broadly speaking, for both children and—especially—for adults, rates of population growth were higher for people of color than for whites. There was, however, a great deal of variation in patterns between groups of color. Increases in the multi-racial population and the Hispanic/Latino population were big drivers of both child and adult population growth. In contrast, the number of Asian children in Seattle declined between 2010 and 2020 even as the number of Asian adults in the city increased by over 50 percent.

Other racial groups with very small or negative child population growth rates between 2010 and 2020 include Blacks, Native Americans, and Pacific Islanders.

The lower rates of increase in Seattle compared to King County for children of color, suggest that households with children are finding it more difficult (or less beneficial) to move to or stay in Seattle. As discussed elsewhere in this appendix, some key factors influencing these patterns include high housing costs in Seattle coupled with the relatively low and declining share of housing units in Seattle that are large enough to accommodate families with children.

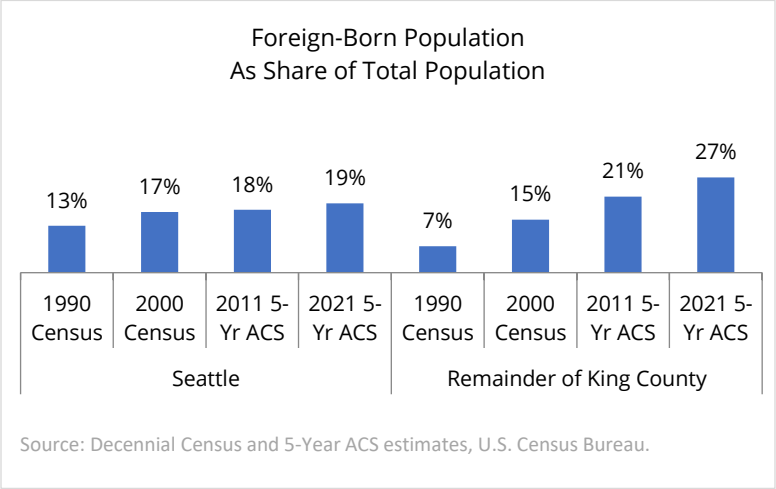
Table 6

Growth in Seattle's Child and Adult Populations By Race & Ethnicity 2010 to 2020		
	Growth in Child Population	Growth in Adult Population
Population in age group:	14.3%	22.3%
People of Color:	22.8%	52.0%
Black	1.8%	8.1%
Native American	-9.5%	-16.7%
Asian	-1.5%	57.6%
Pacific Islander	-28.2%	-9.3%
Two or more races	74.5%	118.1%
Hispanic/Latino, of any race	26.9%	57.8%
White	6.7%	8.8%
Sources: Decennial census estimates, U.S. Census Bureau.		

Other patterns in the data suggest that an important driver of the increase in Seattle's population of color has been young adults coming from other areas of the state, U.S., and world, for educational and job opportunities. This includes, but is not limited to, persons in South Asian and East Asian racial groups whom ACS "Selected Population Tables" indicate are more likely to have moved recently to Seattle and King County from areas outside of King County.[29]

Estimates from the ACS indicate that about 19 percent of Seattle's population immigrated to the U.S. from another county. In a pattern similar to that seen for the population of color, the foreign-born share of Seattle's population has increased more slowly than in the remainder of King County as shown in Figure 10. As seen with the population of color, immigrants are now a larger share of residents in King County outside of Seattle than inside Seattle.

Figure 10



Source: Decennial Census and 5-Year ACS estimates, U.S. Census Bureau.

[29] ACS 2021 5-Year Selected Population Detail Table B07003: Geographical Mobility in the Past Year.

Household Characteristics and Trends

Knowledge of patterns and trends in household characteristics and the housing problems households face is essential for understanding the types, sizes, and affordability levels of housing needed to accommodate Seattle's population. This section examines basic household characteristics and trends impacting housing needs. The subsequent section analyzes differences by race and ethnicity in key forms of housing opportunities and problems to further inform housing policies in the Comprehensive Plan. These analyses use data from the ACS, including a special set of ACS tabulations that HUD obtains from Census Bureau and publishes to help local communities evaluate their housing needs and supply – the Consolidated Housing Affordability Strategy data, or "CHAS" data for short.

CHAS Data

CHAS tabulations from ACS 5-year estimates provide a key source for analyses in Housing Appendix regarding the characteristics of households, the housing challenges they experience, and the affordability of the city's housing stock. We use the CHAS to analyze these topics for Seattle as a whole and to examine patterns between neighborhoods.

The CHAS data, like other ACS data, provide a broadly representative picture of a community's households and housing supply. These data do not, however, provide information on housing assistance that some households receive, nor do these data allow us to distinguish between subsidized housing and market-provided housing.

There is a significant lag between data collection and publication of CHAS data; the 2019 5-year CHAS data were the most recent available at the time of our analysis. For selected topics, we compare findings from these CHAS data with those from older CHAS data that we used to inform the previous major update of the Comprehensive Plan.

As sample-based estimates, the CHAS estimates carry margins of error and may be unreliable for small groups of households and small areas.

As a companion to the Housing Appendix, we provide a set of Supplemental Tables on the City's One Seattle Plan webpage for readers who wish to examine CHAS data in more detail.

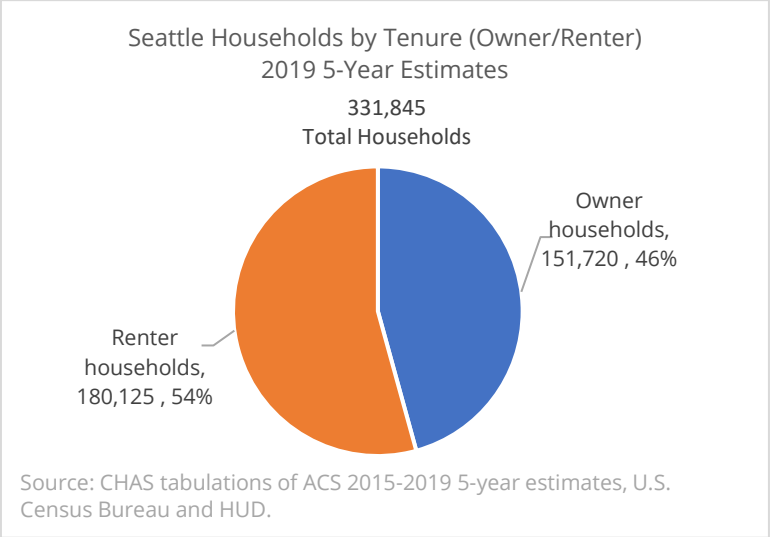
Total Households

The 2019 5-year CHAS estimates, which represent a weighted average of the 5-year analysis period, reflect approximately 331,845 total households in Seattle. This is lower than the 372,188 households that the state Office of Financial Management estimates reside in Seattle as of April 1, 2023.

Tenure

Tenure refers to whether a household owns or rents the housing unit in which they live. As shown in Figure 11, approximately 54 percent of households in Seattle are renters while 46 percent of the households in the city own the home in which they reside.

Figure 11



Source: CHAS tabulations of ACS 2015-2019 5-year estimates, U.S. Census Bureau and HUD.

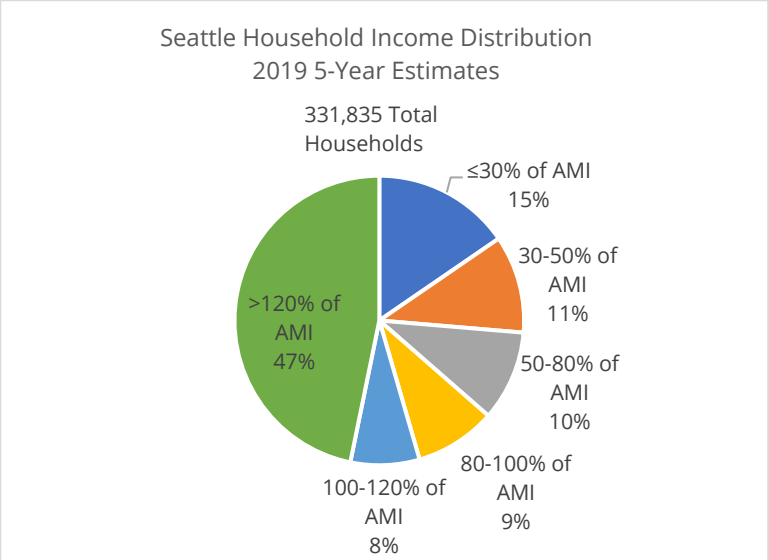
Household Income Distribution

The distribution of incomes among Seattle households is shown in Figure 12.

- About 36 percent of households have incomes at or below the low-income threshold of 80% of area median income (AMI):
    - 15 percent have extremely low incomes (≤30% of AMI),
    - 11 percent have very low incomes (30-50% of AMI), and
    - 10 percent have low incomes (50-80% of AMI).
- Cumulatively, about 53 percent of Seattle's households have incomes at or below 120% of AMI.

Table 2, provided in the Housing Needs Projection section of this Appendix, shows incomes associated with various AMI levels. AMI thresholds for Seattle are based on incomes in King and Snohomish counties combined. As shown in that table, 100% of AMI in 2023 is about $146,000 for a

Figure 12



Source: CHAS tabulations of ACS 2015-2019 5-year estimates, U.S. Census Bureau and HUD.

household of four. (For2019, 100% of AMI for a four-person household was $108,600.)[30]

HOUSEHOLD INCOME DISTRIBUTION BY TENURE

The distribution of household incomes varies by tenure as shown in Figure 13 and Figure 14. Compared with owner households, renter households are much more likely to have incomes at or below 80 percent of AMI, with almost half of renter households in this group. Meanwhile, only about one in five owner households have incomes this low.

Contrasts in income patterns between renters and owners are pronounced for the lowest and highest income categories:

- 22 percent of renter households compared to 7 percent of owner households have incomes at or below 30% of AMI, while
- 33 percent of renter households compared to 63 percent of owner households have incomes above 120% of AMI.

Figure 14

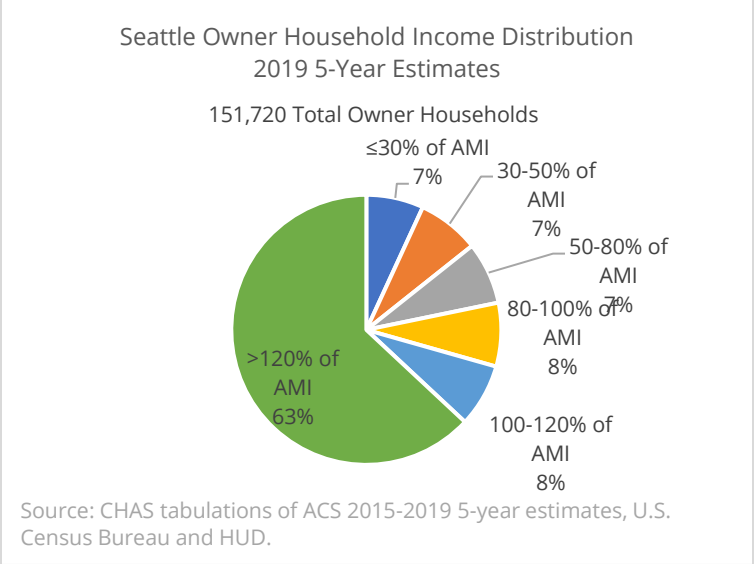
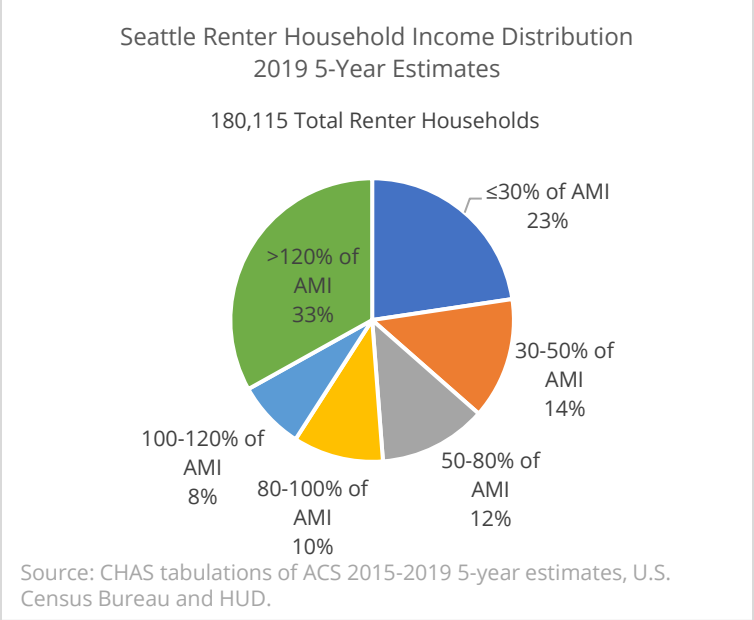


Figure 13



[30] HUD publishes income limits for federally funded programs on their website. To identify income limits for an area, HUD first takes the median family income estimate from the ACS for all area families and adjusts that using an inflation projection (because the income limits for each year must be published before ACS data are available for that year are available.) HUD designates the area median family income as applying to four-person families in the area, then makes a series of further adjustments for household size and AMI percentages using administratively determined formulas.

The income thresholds specified for the CHAS tabulations do not require applying an inflation projection and therefore vary somewhat official income limits., HUD does not publish the CHAS income thresholds but describes the methodology for producing them in "Measuring Housing Affordability," by Paul Joice, HUD, *Cityscape: A Journal of Policy Development and Research*, Volume 16, Number 1, 2014.

Both the federal income limits and the CHAS income thresholds can vary from actual income patterns within communities.

TRENDS IN HOUSEHOLD INCOME DISTRIBUTION

For insights into trends in Seattle households' incomes over time, Figure 15 compares estimates from the 2019 5-year CHAS with older data from the 2010 5-year CHAS.

Incomes in Seattle have become more polarized.

- This includes a substantial increase in the share of households who have high incomes (over 120% of AMI) coupled with a decrease in the share of households with incomes ranging from 50% of AMI to 120% of AMI.
- The biggest proportional decrease was in the 50-80% of AMI category. This was also the only income band with declines in the *number* of households. There was a net loss of nearly 5,000 households in this income band.

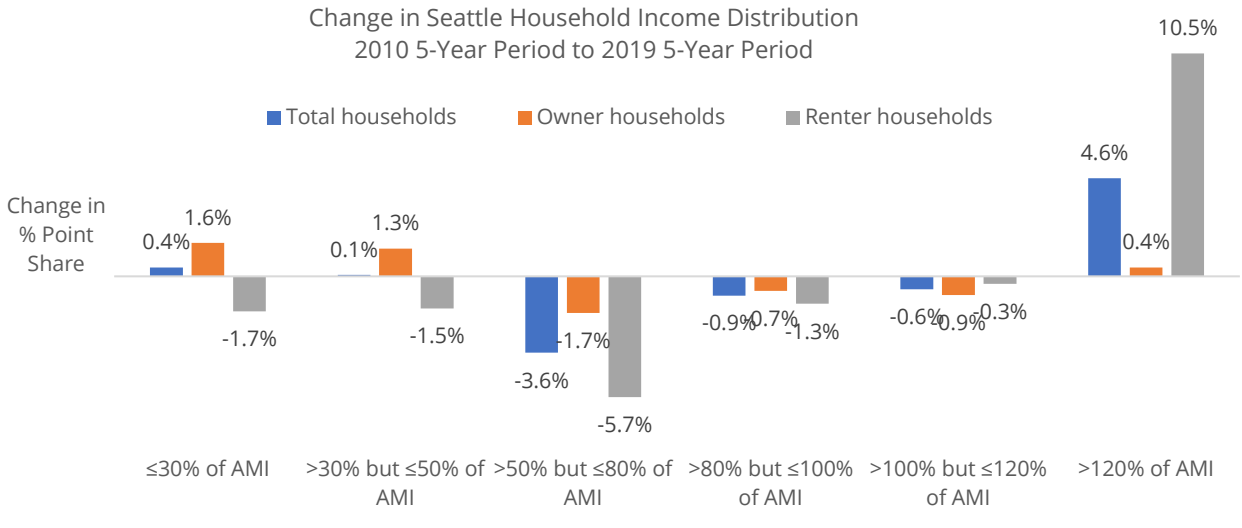
Several factors likely contributed to the polarization in Seattle incomes. These include growth in jobs in high-wage fields along with challenges faced by low- and moderate-income households, particularly households with incomes of 50-80% of AMI, in competing for housing with higher income households.

Changes in income distribution were driven mainly by shifts in the income profile of renter households.

- Strikingly, these shifts included a nearly 11 percentage point increase in the share of renter households with incomes above 120% of AMI—an increase that translates into a net addition of 27,0000 high-income renter households.
- There was also a sizeable decline in the share and number of renter households with incomes of 50-80% of AMI.

Although there were declines in the proportions of renter households in the lowest income categories, the city saw increases in the numbers of these renter households, with the net addition of roughly 6,000 renter households with incomes of 0-30% of AMI and 3,000 renter households with incomes of 30-50% of AMI. Seattle's investment in subsidized housing was likely a factor keeping the number of Seattle renter households with extremely and very low incomes from decreasing in the face of extreme competition and supply challenges these households face in the housing market.

Figure 15



Source: CHAS tabulations of 2006-2010 and 2015-2019 ACS 5-year estimates, U.S. Census Bureau and HUD.

Housing Cost Burden

A broadly used standard considers housing costs that consume 30 percent or less of a household's income to be affordable. Based on this standard, HUD considers households cost-burdened if they spend more than 30 percent of their income on housing costs and severely cost-burdened if they spend more than 50 percent.

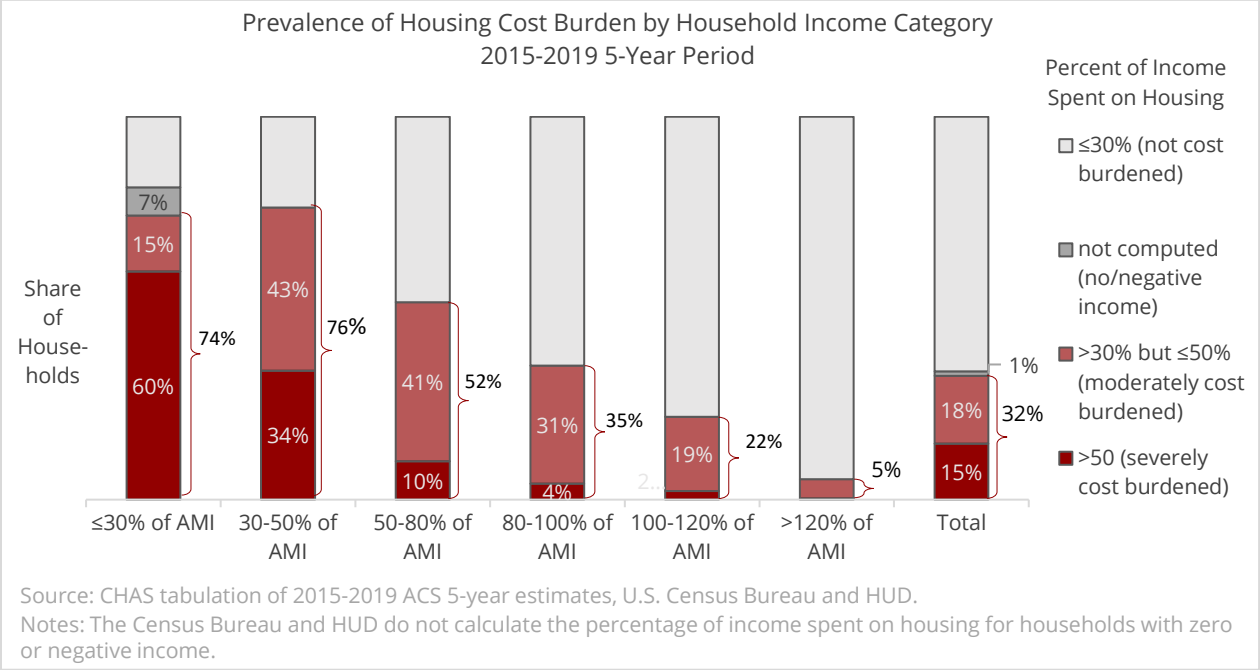
Housing is the single largest expense for most households. Households with unaffordable housing costs, particularly those in low-income categories, may not have enough money left over to pay for other essential needs or to make investments that can improve their long-term economic well-being.

An estimated 32 percent of all households in Seattle are cost burdened. That translates into more than 107,000 Seattle households shouldering unaffordable housing costs. Of these, close to 50,000 households are severely cost-burdened and at especially high risk of housing insecurity.

COST BURDEN BY HOUSEHOLD INCOME CATEGORY

As Figure 16 shows, low-income households are much more likely to shoulder unaffordable housing costs than are moderate-income households, who in turn are more likely to be cost burdened than higher-income housholds.

Figure 16



Source: CHAS tabulation of 2015-2019 ACS 5-year estimates, U.S. Census Bureau and HUD.
Notes: The Census Bureau and HUD do not calculate the percentage of income spent on housing for households with zero or negative income.

- Roughly three-quarters of households in extremely low (0–30% of AMI) and very low (30–50% of AMI) income categories are cost burdened. Strikingly, six in ten households with extremely low incomes, and more than a third of households with very low incomes, spend more than half of their income on housing. Severely cost-burdened households in these very low- and extremely low-income bands are especially vulnerable to displacement.
- Although the prevalence of severe cost burden drops substantially for subsequent income categories, more than half of 50–80% AMI households are cost burdened.
- Substantial fractions of households are cost burdened even within income ranges between 80% and 120% of AMI: 1 in 3 households in the 80–100% of AMI band and approximately 2 in 10 households in the 100–120% of AMI band are cost burdened.

COST BURDEN BY HOUSEHOLD INCOME CATEGORY AND TENURE

In general, renter households are substantially more likely than owner households to be housing cost burdened.

- About 40 percent of renter households are cost burdened, while a lower but still sizable 23 percent of owner households are cost burdened.
- Roughly 19 percent of renter households are shouldering severe cost burden compared to 10 percent of owner households.

These differences are largely correlated with the facts that a) renter households generally have lower incomes than owner households and b) lower income households are more likely to be cost burdened. Furthermore, in terms of sheer numbers, the largest groups of cost-burdened

households are found among low-income renters. More than half of all cost-burdened households in the city are renter households with incomes no higher than 80% of AMI. Three-quarters of severely cost burdened households are renters with incomes at or below 50% of AMI.

That said, owner households within some income categories are as likely or more likely to be cost burdened than renter households within those income categories. This is the case for owners with incomes at or below 30% of AMI and owners in the 80-120% of AMI income categories. The former category may include fixed-income owner households struggling with property taxes while the latter may largely reflect households who stretched to become homeowners.

TRENDS IN HOUSING COST BURDEN

As previously described, the CHAS data set for the 2015-2019 5-year period shows roughly 32 percent of Seattle households as cost burdened; this is lower than the 38 percent share estimated based on the CHAS data for the 2006-2010 5-year period. This decline was driven primarily by a reduction in cost burden among owner households with incomes of 50% of AMI and above. Contributing factors likely included the opportunity between 2010 and 2019 that many had to refinance or secure new mortgages with interest rates lower than historical averages and possibly the tighter credit standards that existed in the wake of the Great Recession.[31] (The trend toward lower prevalence of cost burden may change as a result of more recent increases in interest rates.)

In comparison, the prevalence of cost burden among renter households decreased among those with incomes no higher than 30% of AMI but rose for those with incomes between 50% and 100% of AMI. The reduced prevalence of cost burden among extremely low-income renter households may stem from help that programs provided to address housing needs among the lowest income households as well as reduced unemployment rates associated with recovery from the Great Recession.

Despite declines in the *prevalence* of cost burden between these periods, the estimated *number of households* experiencing cost burden increased: this included an increase of roughly 1,600 owner households with cost burden and a substantial increase of about 11,500 renter households with cost burden.

[31] See article in the *Seattle Times*, "The share of 'cost-burdened' Seattle households has fallen. Here's why," Gene Balk, Oct. 14, 2022. Additional references: "A Decade After the Recession, Housing Costs Ease for Homeowners," Christopher Mazur, U.S. Census Bureau, November 04, 2019; and U.S. Housing Cost Burden Declines Among Homeowners but Remains High for Renters, Matthew Martinez and Mark Mather, Population Resource Bureau, April 15, 2022

Overcrowding

The CHAS data also allow us to look at the prevalence of overcrowding in homes. HUD defines overcrowding as more than one person per room.[32]

Overcrowded housing has long been associated with increased risks of infection from communicable disease. More recently, researchers found that living in overcrowded housing likely increased the risks of COVID-19 mortality.[33] Harmful impacts of overcrowding are not limited to physical health. For example, studies have found that children residing in crowded housing experience more social conflicts at home and worse educational outcomes.[34]

About 3.5 percent of all Seattle households live in overcrowded housing. However, rates of overcrowding vary by tenure, household type, and income. Living in overcrowded conditions is more common among renter households (5.5% overcrowded) than among owner households (1.2% overcrowded). An estimated 19 percent of Seattle families with incomes at or below 80% of AMI are in overcrowded housing. The rate of overcrowding is also relatively high for households comprised of multiple families; an estimated 16 percent of such households in Seattle are in overcrowded dwellings.[35]

Overcrowding is one signal that the market is not providing enough adequately sized units that individuals and families can afford. However, these data provide an incomplete picture of such gaps given that households may avoid overcrowding within a city that has a shortage of affordable and adequately sized units by locating elsewhere in the region.

[32] The rooms accounted for in this measure include living rooms, dining rooms, kitchens, bedrooms, and other types of rooms such as finished recreation rooms; excluded are bathrooms, hallways, open porches, and some other spaces.

[33] Varshney K, Glodjo T, Adalbert J. Overcrowded housing increases risk for COVID-19 mortality: an ecological study. BMC Res Notes. 2022 Apr 5;15(1):126. doi: 10.1186/s13104-022-06015-1. PMID: 35382869; PMCID: PMC8981184.

[34] The California Department of Public Health's Office of Health Equity summarizes evidence on the adverse effects of overcrowding in the this document from their Healthy Communities Data and Indicators Project.

[35] Households with multiple families can be comprised of either a family and at least one subfamily or more than one family. Given the relatively small number of multiple-family households in Seattle and the limited sample upon which CHAS estimates are based, further disaggregation of estimates for this group would likely be unreliable.

Household Disparities by Race and Ethnicity

This section of the Housing Appendix examines disparities by race and ethnicity based primarily on 5-year CHAS data for the period 2015-2019. This analysis is foundational to the City's goal of achieving more equitable housing outcomes through the Comprehensive Plan update.

An important consideration for viewing these data is that the broad racial and ethnic categories in the CHAS tabulations can mask significant differences in housing needs within these groups. Notably, while incomes and housing-related wellbeing generally show Asians faring better than other groups of color, more disaggregated data show that Vietnamese and other Southeast Asian subpopulations tend to be more disadvantaged on these indicators.[36]

Another consideration is that the CHAS data presented predate the COVID-19 pandemic, which exacerbated affordable housing struggles. The Census Bureau's Household Pulse Survey responses in the Seattle metro area show households of color, households with lower incomes, LGBTQ persons, and disabled persons disproportionately likely to have experienced associated reductions in earnings and difficulty making payments for rent and mortgages.[37]

Disparities in Homeownership Rates

As described in Seattle's Equitable Development Community Indicators Report,[38] owning a home is the most common way for households to build and pass on wealth. Although purchasing a home entails financial risk, homeownership generally tends to be associated with greater long term housing stability. For example, in gentrifying areas, homeowners are about half as likely to be displaced as are renters.[39]

Reduced chances for people of color to access and sustain homeownership due to institutionalized racism and discrimination have contributed to an intergenerational legacy and ongoing cycle of diminished economic prospects for these members of our community. Programs to make purchasing a home possible for low-income households can help interrupt such intergenerational cycles and put families on paths to greater economic security. Affordable rental housing also plays a role in making homeownership ownership a possibility for a greater diversity of households as people who are stretched to pay their rent will not be able to save for downpayment on purchase of a home.

---

[36] While not tailored for examining housing needs in the same way that CHAS tabulations are, the ACS Selected Population Tables and the American Indian and Alaska Native Tables include many socio-economic and housing tabulations iterated for more detailed population groups.

[37] Tracking COVID-19's Effects by Race and Ethnicity: Questionnaire One | Urban Institute; Economic, social, and overall health impacts dashboard on Housing security, Public Health—Seattle & King County.

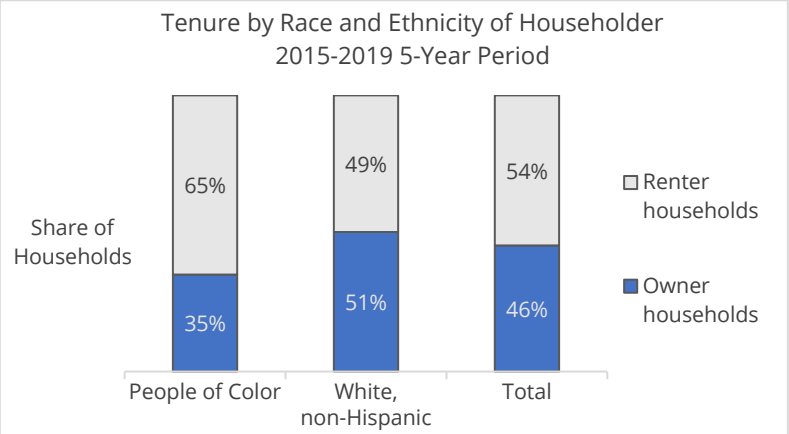
[38] City of Seattle Office, Equitable Development Community Indicators Report, 2021. See pages 22 to 26 for analysis on homeownership.

[39] Martin, I. W., and K. Beck. 2018. Gentrification, property tax limitation, and displacement, *Urban Affairs Review*, *54*(1), 33-73.

Homeownership is much less common for Seattle's households of color than for the city's white households. Figure 17 shows that a little over a third of households of color living in Seattle own their home compared to slightly over half of white households.

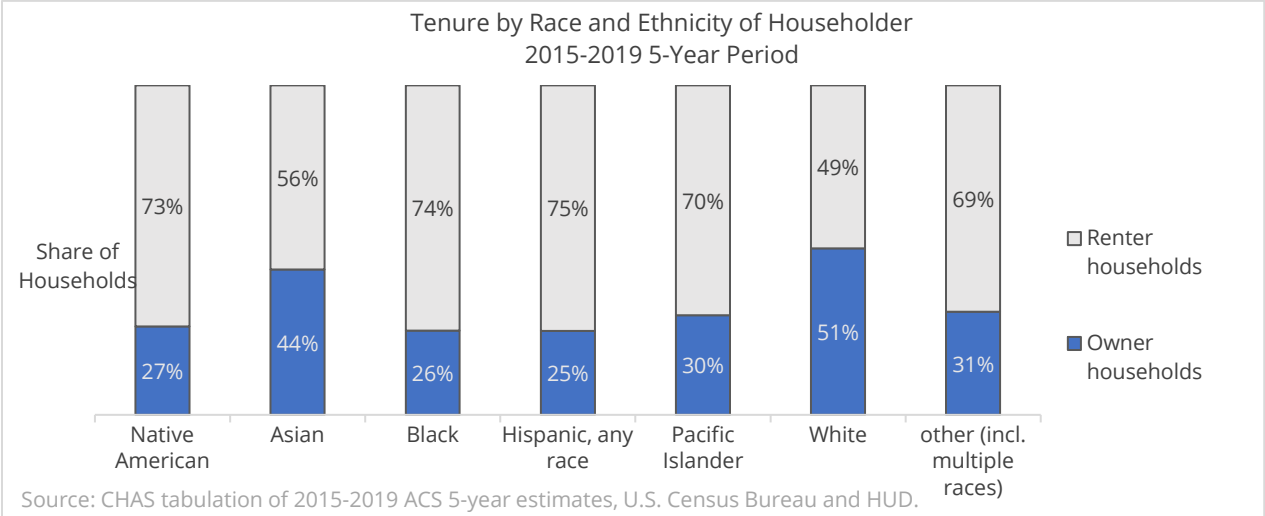
Owning the home in which one lives is uncommon for most groups of color. Figure 18 shows that fewer than one-third of Hispanic/Latino, Native American, Black, and Pacific Islander householders in Seattle are estimated to own their home.[40]

Figure 17



Source: CHAS tabulation of 2015-2019 ACS 5-year estimates, U.S. Census Bureau and HUD.

Figure 18



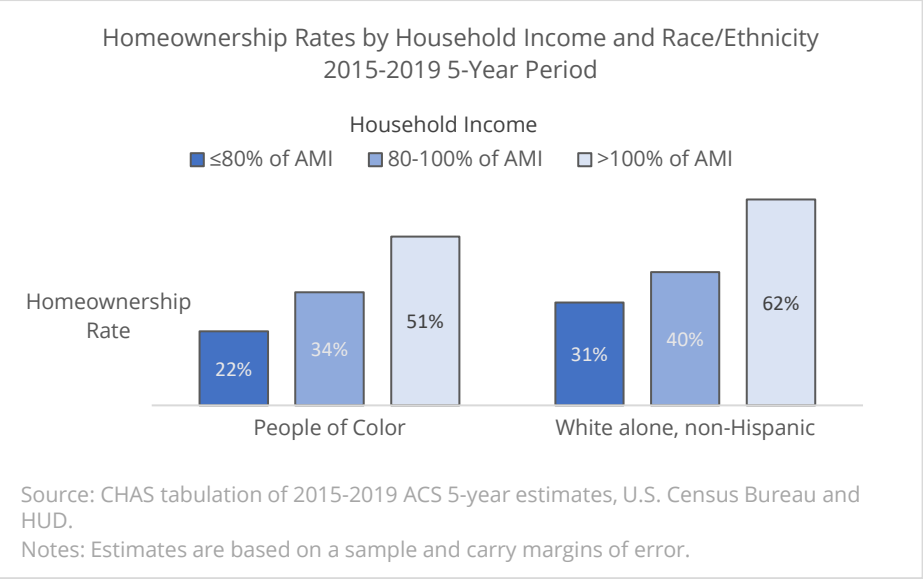
Source: CHAS tabulation of 2015-2019 ACS 5-year estimates, U.S. Census Bureau and HUD.
Notes:CHAS estimates are based on a sample and may be unreliable for small demographic groups including Native Americans and Pacific Islanders.

As shown in Figure 19, even when controlling for income, people of color are less likely to own their home. Household and generational wealth, which tends to be distributed even more inequitably than income, is a major driver in who can afford to purchase and maintain homeownership.

[40] CHAS data (and other ACS data) for households categorizes the race and ethnicity of the household based on that of the householder. Other members of a household may not share the same racial and ethnic characteristics as the householder.

Homeownership rates among people of color have declined markedly in Seattle over recent decades. Comparing estimates from the 1990 decennial Census and the 2019 5-Year CHAS data finds that homeownership rates in Seattle declined by roughly 5 percentage points for households of color but only by roughly 1 percentage point for white households. During this period, Seattle saw an especially steep decline in homeownership among Black households with the rate declining by roughly 11 percentage points (from 37 percent as estimated in the 1990 Census to 26 percent as estimated in the 2019 5-year CHAS dataset.[41]

Figure 19



Source: CHAS tabulation of 2015-2019 ACS 5-year estimates, U.S. Census Bureau and HUD.
Notes: Estimates are based on a sample and carry margins of error.

The long-term decline in the Black homeownership rate reflects both increasing shares of Seattle's Black residents who are immigrants with low homeownership rates and dramatic declines in the homeownership rates among U.S.-born Black householders. The decrease in Black homeownership in Seattle is also linked to broader trends in the U.S. including those from the lingering effects of the Great Recession's foreclosure crisis, continued discrimination in lending, rising student loan debts, and various barriers that confront would-be first-time buyers in expensive markets.[42] That said, it is also likely the case that many Black homeowners have left Seattle to purchase homes or rent in communities outside of Seattle.[43]

[41] Some caution is needed in comparing race and ethnicity crosstabulations between the 1990 Census and more recent Census Bureau surveys given that the Census Bureau questionnaires did not enable respondents to select multiple races until the year 2000. (For the more recent estimates reported, we group all multiracial persons, including persons who identified white as one of their races, as persons of color; this was not possible for the 1990 estimates.) That said the declines in homeownership rates for households of color and for Black households are so large that they dwarf the issues associated with comparability.

[42] City of Seattle OPCD, Equitable Development Community Indicators Report, 2021, p. 23; and "The 'heartbreaking' decrease in black homeownership," *Washington Post*, February 28, 2019.

[43] In the last three decades, the homeownership rate among Black households declined in both Seattle and the remainder of King County. Over the same period, the *number* of Black owner households decreased in Seattle but increased in the remainder of King County. The number of Black renter households also increased at a greater rate in the remainder of the county than in Seattle.

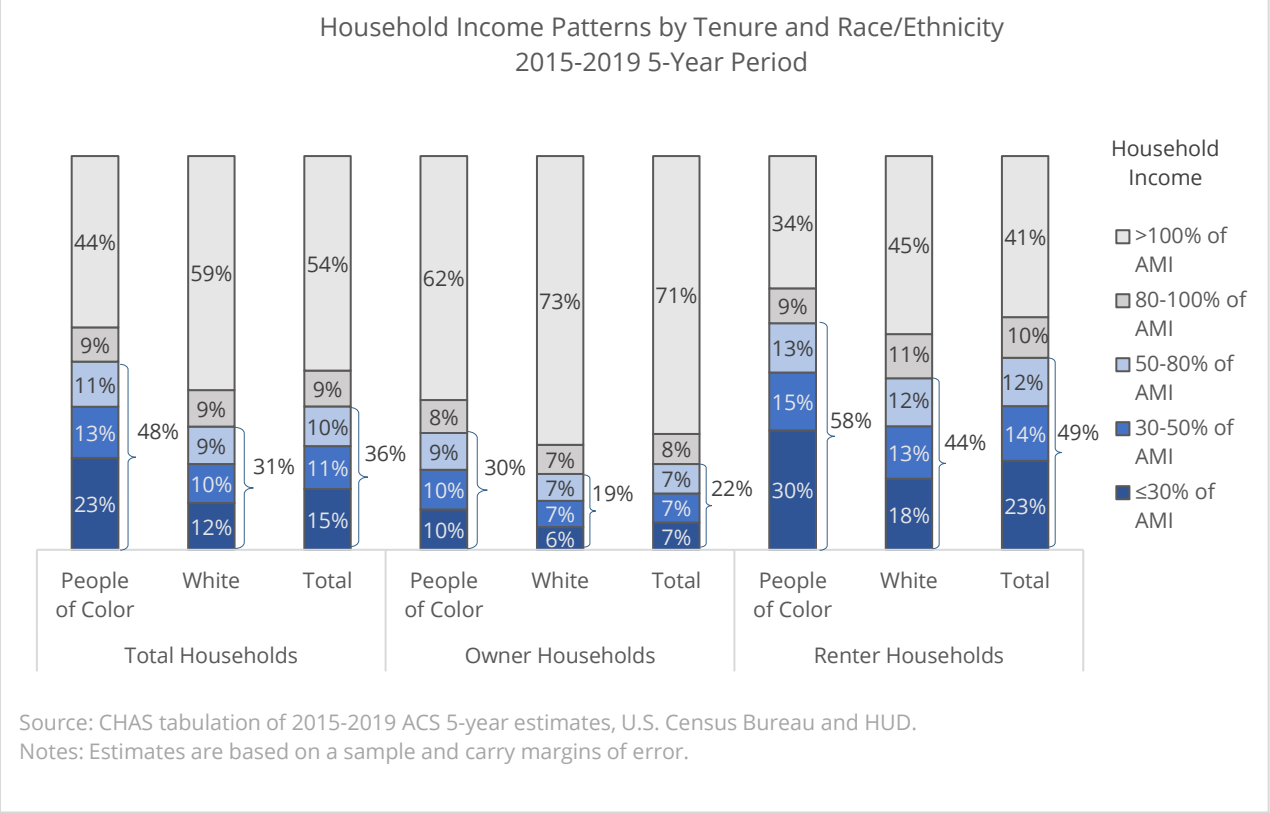
Disparities in Household Income

Household income distribution in Seattle is marked by wide disparities by race and ethnicity despite Seattle's status as a major economic hub and generator of wealth for businesses and individuals in the region.

As shown in Figure 20:

- Close to half of households of color have incomes at or below the 80% of AMI low-income threshold. In contrast, less than a third of white households have incomes below this threshold.
- At 30 percent, the proportion of owner households of color who have low incomes is substantially higher than the proportion of white owner households with low incomes.
- A sizeable majority (58 percent) of renter households of color are living with incomes no higher than 80% of AMI; the proportion of white renter households with incomes at or below 80% of AMI is not nearly as high but is still substantial (44 percent).

Figure 20

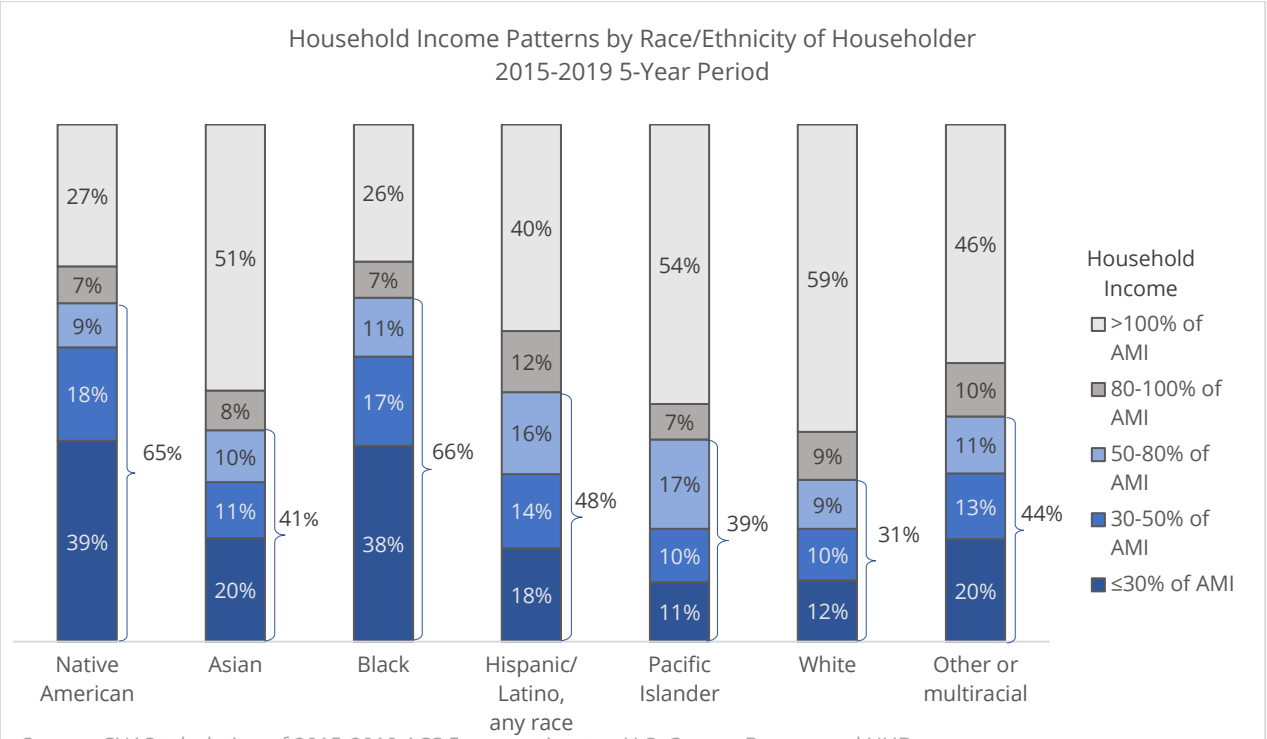


Source: CHAS tabulation of 2015-2019 ACS 5-year estimates, U.S. Census Bureau and HUD.
Notes: Estimates are based on a sample and carry margins of error.

The subsequent chart, Figure 21, shows household income distribution for each of the racial and ethnic groups for which the CHAS data provides tabulations.

- The low-income share of households is greater among every group of color than it is among white households.
- Native American households and Black households are most likely to have low incomes, with close to two-thirds of both groups having incomes at or below 80% of AMI. Nearly half of Hispanic or Latino households have incomes this low.

Figure 21



Source: CHAS tabulation of 2015-2019 ACS 5-year estimates, U.S. Census Bureau and HUD.
Notes: Estimates are based on a sample and carry margins of error. Estimates may be unreliable for small demographic groups including Native Americans and Pacific Islanders.

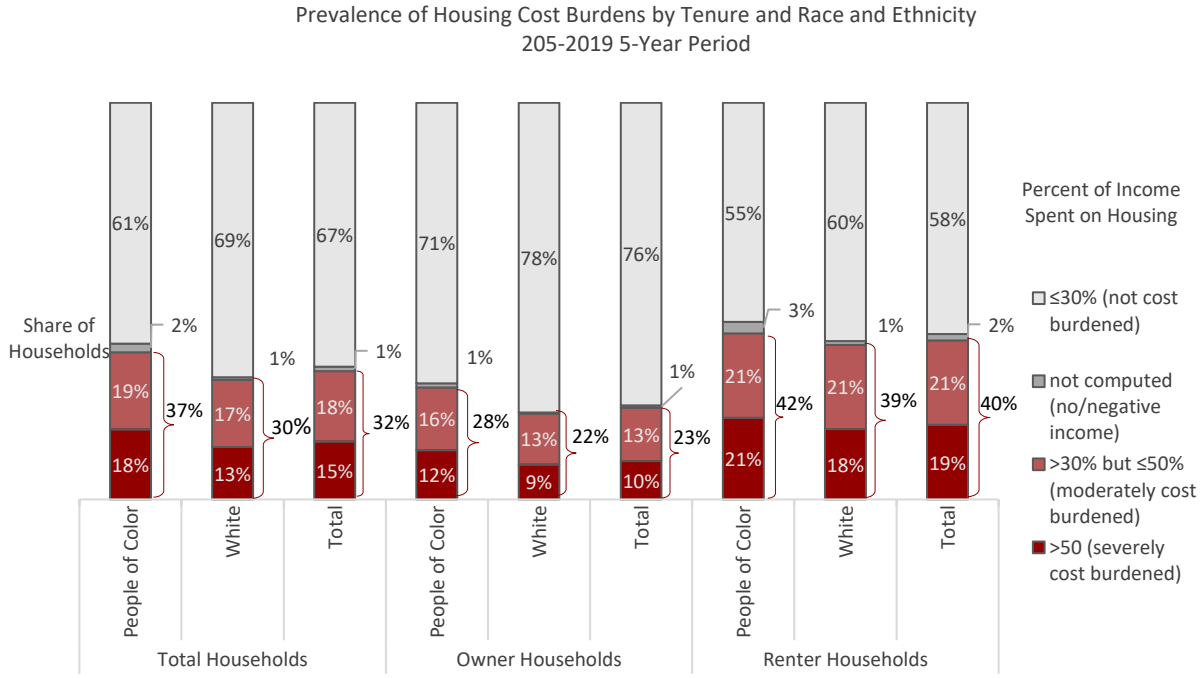
Disparities in the Prevalence of Housing Cost Burden

Housing cost burden falls disproportionately on households of color; this applies when looking at owner households, renter household, and households overall.

As shown in Figure 22, 37 percent of households of color are moderately or severely cost-burdened compared with 30 percent of white, non-Hispanic households. About 18 percent of householders of color are severely cost-burdened, compared to roughly 13 percent of white, non-Hispanic households. At an estimated 42 percent the share of renter households of color who are shouldering unaffordable housing costs is slightly higher than the estimated 39 percent of white, non-Hispanic renter households with unaffordable housing.

While cost burden is less common for owner households than renter households, racial disparities are more pronounced among owner households. Twenty-eight percent of owner households of color are cost burdened compared to twenty-two percent of renter households of color.

Figure 22

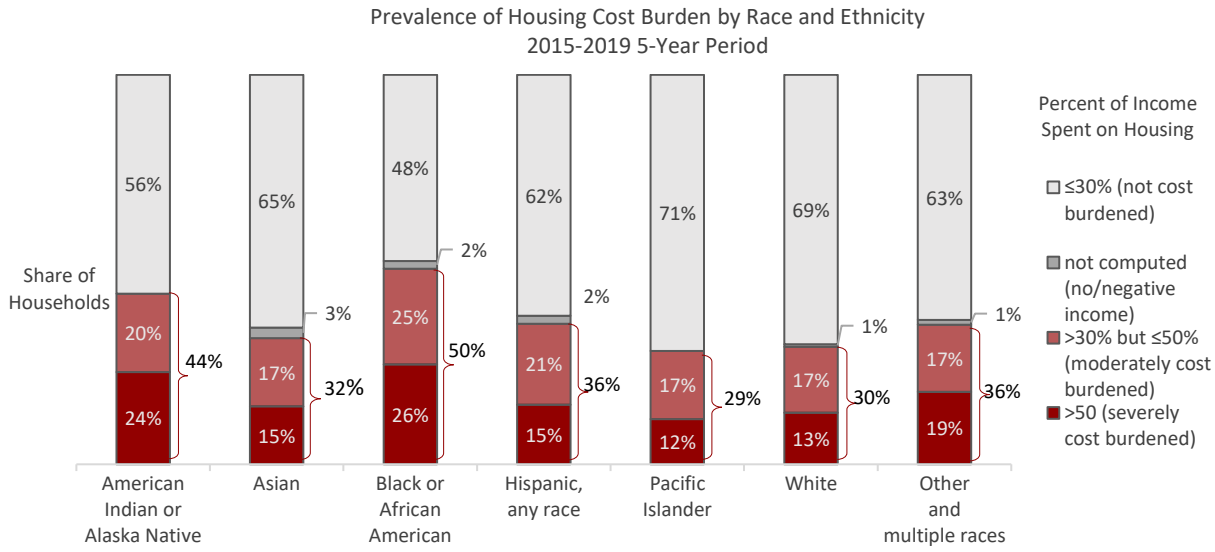


Source: CHAS tabulation of 2015-2019 ACS 5-year estimates, U.S. Census Bureau and HUD.

Notes: ACS estimates are based on a sample and carry margins of error. The Census Bureau and HUD do not calculate the percentage of income spent on housing for households with zero or negative income.

Examining estimates for individual racial and ethnic groups in Figure 23 finds a disproportionately common experience of cost burden for almost every group of color. That said, substantial variation exists in rates of cost burden among groups of color, with Black households and Native American households more commonly impacted. The highest estimated prevalence is found among Black households, about half of whom are cost burdened—and roughly a quarter severely so.[44]

Figure 23



Source: CHAS tabulation of 2015-2019 ACS 5-year estimates, U.S. Census Bureau and HUD.

Notes: ACS estimates are based on a sample and may be unreliable for small demographic groups including Native Americans and Pacific Islanders. See pr evious figure for additional notes.

[44] CHAS estimates can be unreliable for Pacific Islanders and other small populations in Seattle. Looking at the broader Seattle Metro Area provides more statistically reliable estimates and suggests this group is likely disoportionately cost burdened. About 35 percent of Pacific Islander households are cost burdened compared to 29 percent of White households.

Household Sizes, Types, and Needs

The household sizes, types, and needs in a community reflect a variety of demographic and social factors including but not limited to the age and cultural profile of the population; the time in life when young adults form new households; patterns associated with cohabitation, marriage, and divorce; birth rates; and norms associated with supporting elders.

Household sizes are also sensitive to economic and housing market conditions and are shaped by the opportunities and constraints in the existing local housing supply. The prevalence of small units in recent housing production within Seattle, which is detailed in the Housing Supply and Market Analysis section, is an important factor contributing to the size and composition of households that reside in the city.

Table 7

Household Types and Sizes in Seattle, 2020	
	Count
Total households	345,627
	Percent
HOUSEHOLD TYPE	
Family households:	43.0%
Married couple with no own children	21.2%
Families with own children under 18:	16.9%
Married couple with own children	12.7%
Cohabiting couple with own children	0.9%
One-parent household with own children	3.3%
Other family household	4.9%
Nonfamily households:	57.0%
Householder living alone	40.8%
Cohabiting couple	9.2%
Other nonfamily with 2 or more persons	7.0%
PRESENCE OF CHILDREN AND OLDER ADULTS	
With one or more people under 18	17.9%
With one or more people 65 years and over:	19.1%
Householder 65 years and over living alone	8.9%
HOUSEHOLD SIZE	
1 person	40.8%
2 persons	34.8%
3 persons	11.6%
4 persons	8.6%
5 or more persons	4.2%
	Estimate
AVE. NUMBER OF PERSONS PER HOUSEHOLD	2.05

Source: U.S. Census Bureau 2020 Census.

Notes: Own children are biological, adopted, or stepchildren of the householder.

Household Size and Type

As defined by the Census Bureau, a household includes the householder (someone whose name is on the lease or mortgage) along with anyone else occupying the housing unit as their usual residence.

One way the Census Bureau describes households is whether the household is a family household—households of at least two people where one or more persons is related to the householder by birth, marriage, or adoption—or a non-family household.

As shown in Table 7 roughly 43 percent of households in Seattle are family households. About 21 percent of households (and nearly half of family households) are married couple households without own

children under 18. About 17 percent of households are family households with an own child under age 18; about three in four households with own children are married-couple households. About 5 percent of households contain other configurations of families.

In Seattle, family households are outnumbered by nonfamily households. Individuals living alone make up a large majority of nonfamily households and 41 percent of the city's households overall. The balance of nonfamily households includes cohabiting couples and roommate households.

For broader context, the average size of households in the city is 2.05, compared to 2.66 in the remainder of King County and 2.55 nationally. Decennial census data for Seattle have been recording a downward, albeit slowing, trend in average household size for decades, consistent with trends in the U.S. in which people have waited longer to have children and the baby boom has aged. In Seattle, the average number of people per household decreased slightly from 2.06 in 2010 to 2.05 in 2020.[45]

Notably, average household size in King County outside of Seattle followed a different path—*increasing* rather than decreasing during each of the last two decades. The combination of Census data and observations from community stakeholders suggests that divergence in household size trends between Seattle and the rest of King County is partly a function of larger households experiencing increasing difficulty finding units that are affordable and large enough in Seattle to meet their needs. Not only do housing units average fewer bedrooms in Seattle than in the remainder of King County, but this difference in unit sizes has been widening.[46]

Housing Needs of Selected Housing Types

In this section, we discuss housing needs of households with older adults, households with children, and multigenerational households as addressing the needs of these households involves challenges that will require especially thoughtful planning and action.

HOUSING NEEDS OF HOUSEHOLDS WITH OLDER ADULTS

About 19 percent of Seattle's households include one or more persons aged 65 or over, and close to half of these are older adults living alone. With the aging of the baby boom population, the share and number of households with older adults will increase as will the demand for housing that is accessible for older adults and convenient to services.

---

[45] ACS data show that average household size locally and nationally reached a short-term peak between 2010 and 2020. A January 2023 blog post published by the Harvard Joint Center for Housing Studies, The Surge in Household Growth and What It Suggests About the Future of Housing Demand, indicates that at the national level, the main contributor was a delay—exacerbated by affordability challenges-- in millennials' rate of household formation.

[46] From 2008 to 2021 (based1-year ACS estimates), the average number of bedrooms per housing unit declined in Seattle roughly from 2.21 to 2.05. while remaining at 2.81 bedrooms per unit in the remainder of King County. (These are rough calculations; we were not able to calculate a more exact average using the ACS tables readily available because these tables lumped all units with 5 or more bedrooms into one category.)

Many seniors will be aging in place, while others will downsize to a smaller housing unit, move into units in a retirement or assisted living community, while others—especially in their advanced years—will need care in a skilled nursing facility. A growing number of seniors will need in-home services and accessibility features as well as assistance with home repairs and yard care services. Those who have low incomes will need help paying for such services and require discounts on property taxes.

The aging of the baby boom is also likely to drive Seattleites' already strong demand for accessory dwelling units even higher.

HOUSING NEEDS OF HOUSEHOLDS WITH CHILDREN

Living in a home with sufficient space is one of the housing related factors important for children's wellbeing.[47] While housing with two or more bedrooms can be suitable for small families with children, three or more bedrooms are important for accommodating larger families.

The availability of suitably sized units is an important factor influencing where children live. The availability of affordable multi-bedroom housing, in both rental and ownership housing, is necessary for families of a variety of economic means to live in Seattle. Families of color and immigrant families tend to be larger[48] and generally have incomes that are lower[49] than other families. These, and other considerations, make the availability of affordable multi-bedroom housing in a community a key condition for racial equity.

The neighborhood location of these units is a key racial and social equity consideration, as rates of upward economic mobility and a range of outcomes in adulthood, are affected by the characteristics of the neighborhoods in which people lived when they were children.[50]

HOUSING NEEDS OF MULTIGENERATIONAL HOUSEHOLDS

Multigenerational households are those in which there are two or more generations besides or in addition to a parent and one or more of their children under the age of 18. Examples are

---

[47] Solari CD, Mare RD. Housing crowding effects on children's wellbeing**.** Soc Sci Res. 2012 Mar;41(2):464-76. doi: 10.1016/j.ssresearch.2011.09.012. Epub 2011 Oct 15. PMID: 23017764; PMCID: PMC3805127.

[48] In Seattle, per the 2021 ACS 5-Year estimates, the average size of all families (not just families with children) is 2.82. For those with householder of color, it is 3.30, compared to 2.58 for families with a white householder. For families with an immigrant householder, it is 3.08 compared to 2.74 for families with a non-immigrant householder. (Some family households include nonrelatives as well as relatives,

[49] In Seattle, the poverty rate for families with a related child of the householder is 7.2%. Looking at subsets of these families finds a 15.1% poverty rate for families with a householder of color compared to a poverty rate of just 3.1% for those with a white householder; and 13.8% for families with an immigrant householder compared to 5.0% for those with a non-immigrant householder,

[50] See The Opportunity Atlas: Mapping the Childhood Roots of Social Mobility | Opportunity Insights, NBER Working Paper by Raj Chetty, et. al., October 2018, and the non-technical summary here.

grandparents living with grandchildren, adult children living with parents, and households where there may be three or more generations.

Housing that can accommodate multiple generations is important for many cultural groups in Seattle. With the aging of the baby boom generation and the increasing cost of housing, broader demand for housing suitable for multiple generations is also likely to increase.

Multigenerational households currently make up about 8 percent of households in Seattle and 15 percent of households in King County as a whole.[51] At 3.53 persons in Seattle and 3.83 in King County, multigenerational households also have significantly higher average household sizes than other households. The housing units in which these households live are also larger, with more than 3 bedrooms on average for both Seattle and King County. The relatively low shares of large multi-bedroom units in Seattle plays an important role in the lower rates of multigenerational households within Seattle.

Households of color are more likely to live in a multigenerational household than are white households. The groups with the highest rates of multigenerational living in Seattle and King County are Pacific Islanders and Native Americans.[52]

The need for multigenerational housing has been a strong theme voiced by BIPOC community stakeholders including the sləpʔiləbəxʷ Indigenous Planning Group and the Wa Na Wari / CACE 21 team whom OPCD contracted to make recommendations for the Comprehensive Plan. These groups stress the need for more housing that provides opportunities for multiple generations to live with or near each other and that offers accessibility for older family members and outdoor spaces for children to play.

[51] These estimates for multigenerational households described here are from the ACS 2021 5-Year Public Use Microdata Samples, 2017-2021; IPUMS USA.

[52] In Seattle, 31 percent of Pacific Islander households and 25 percent of Native American households are multigenerational; respectively, these rates are six times and three times those of the 12.5 percent multigenerational household rate for white households. Households with a Black, Asian, or Hispanic households are roughly one and half to two times as likely than white households to be multigenerational.

Special Housing Needs

This section focuses on populations who have needs for special forms of housing and/or housing paired with special services. This includes people with a special housing need due to a disability or chronic health problem, those who require permanent supportive housing (PSH), those who live in group quarters, and those who have a medical housing need.

While we describe these populations separately, many people may identify with one or more population groups. Thus, these population groups are rather intertwined, sharing varying housing needs specific to the individual person. As these special housing needs are unique, a diverse supply of appropriate, available, and affordable housing is critical to meeting those needs.

Furthermore, many of these special housing needs are also correlated with a person's vulnerability to homelessness. For instance, populations experiencing homelessness are disproportionately more likely to have a disability or chronic health issue. In addition, permanent supportive housing is specifically for people who are at imminent risk of homelessness or who are currently homeless. We further cover emergency and permanent housing for people facing homelessness in the Homelessness section of this Housing Appendix.

Populations with Disabilities

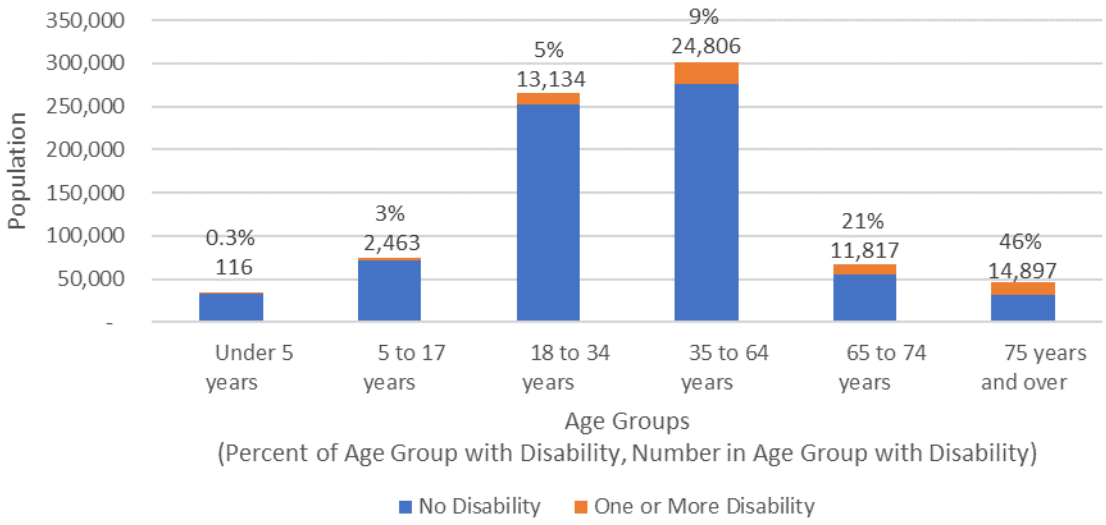
The ACS collects data on people living with disabilities in four domains: hearing, vision, cognition, and ambulation.[53] These data provide important but limited insights into the population in Seattle living with disabilities. Given the ACS's narrow scope of disability questions, the survey underestimates the population living with disabilities and fails to capture the full range of disabilities with which people are living. Researchers note that the ACS particularly underestimates disability due to disabling chronic health conditions and psychiatric conditions.

As shown in Figure 24, roughly 9 percent of Seattle residents (67,233 people) live with one or more of the ACS-identified disabilities. The share of people living with disabilities greatly increases with age. The largest numerical age group of people living with disabilities is the 35-to-64-year range; however, the largest share of people living with disabilities are people aged 75 and up.

[53] The Disability questions in the ACS are shown in this primer from the Census Bureau: "Why We Ask Questions About Disability."

Figure 24

Population in Seattle Living with One or More Disability by Age Group



Source: U.S. Census Bureau 5-Year American Community Survey for 2017 to 2021

Further analysis of ACS data provides information about the socioeconomic conditions of households where one or more persons have a disability. According to our analysis, nearly one in five Seattle households had at least one person with a disability in 2021. Table 8 demonstrates that households where at least one member is living with a disability are more likely to have lower incomes, with more than half at or below 80% of AMI, and more than a third at or below 50% of AMI. Research shows that lower household incomes are tied to a variety of systemic factors that impact individuals with disabilities, such as barriers to accessible education and employment as well as discrimination.[54] In addition, if there is a caregiver in the household, those members may take temporary leave or forego work altogether to assist in care. Female members of households are particularly more likely to forego paid work outside the home for unpaid caregiving work at home.[55]

Given their lower incomes, households where someone has a disability are also significantly more likely to spend a high proportion of their income on housing costs, with greater rates of burden. That burden is more acute as many people with disabilities face higher costs of healthcare. Thus, many households are faced with tradeoffs between the costs of housing, other daily needs, and medical care.[56]

---

[54] Disability & Socioeconomic Status Resources, a series of study outcomes compiled by the American Psychological Association

[55] Caregiving Statistics: Work and Caregiving; a series of statistics on informal and formal caregiving from Caregiver.org

[56] "Medication Adherence and Characteristics of Patients Who Spend Less on Basic Needs to Afford Medications", in Journal of the American Board of Family Medicine. Rohatgi, K., et al. 2021.

Table 8

Household Characteristics by Presence of Person with a Disability			
	Households where no person has a disability	Households with one or more person living with a disability	All Households
Household Income			
≤ 80% of AMI	32.2%	52.0%	36.2%
≤ 50% of AMI	18.4%	37.6%	22.3%
Housing Cost Burden			
>30% of income on housing	31.6%	40.6%	33.5%
>50% of income on housing	14.5%	23.2%	16.3%

Sources: U.S. Census Bureau ACS Public Use Microdata Samples, 2017-2021; IPUMS USA.

Notes: PUMS data uses areas of approximately 100,000 are not always bound to jurisdictional boundaries. This results in some household data for unincorporated King County, particularly in White Center and Highline, being included in PUMS data. Household AMI level is determined using household income as a proportion of FY2021 Area Median Income estimates, adjusted for household size.

Populations Needing Permanent Supportive Housing

Permanent Supportive Housing (PSH) combines housing with services that help residents at risk of homelessness remain housed and improve their quality of life. PSH has been shown to benefit residents by reducing instances of medical emergency, homelessness, and incarceration. It is also a critical portion of the housing supply for populations with incomes at or below 30% of AMI. The specific needs of the population requiring PSH vary greatly depending on each person's situation.

Examples of services residents may need include job training, help with finances, transportation, and health care. Services are most effective if culturally appropriate to the residents, such as those being provided to QT2BIPOC (queer, trans, Two-Spirit, Black, indigenous and people of color) households by the Lavender Rights Project and those provided to Native American/Alaska Native households by Chief Seattle Club. [57]

Table 2 in the Housing Need Projections section of this Housing Appendix shows that King County's Growth Management Planning Council estimates Seattle will need 20,255 PSH units by 2044. This estimate represents an increase of 15,024 units over the existing 5,231 units Seattle had at the beginning of 2020.

Several key conditions apply to the services provided to tenants in PSH. Tenants are not required to pay for services, nor is participation in services required to maintain tenancy in a community. Costs associated with services are considered an integral part of building-level operations and

[57] Lavender Rights Project and Chief Seattle Club will be joint operators of a 35-unit permanent supportive housing program funded by King County's Health Through Housing. For more information about these organizations, visit their webpages: Lavender Rights Project: https://www.lavenderrightsproject.org/ ; Chief Seattle Club: https://www.chiefseattleclub.org/

maintenance, which is paid for through income-restricted rents and out of subsidies from local, state, or federal governments.

Thus, the growing need for PSH in Seattle will require both a significant increase in income-restricted units at the lowest AMI levels as well as operations and maintenance subsidies to provide services required by residents. However, PSH has also been shown to reduce societal costs through homelessness prevention, particularly in the healthcare, shelter, and justice systems.[58] The Income-Restricted Housing section of this Housing Appendix further forecasts the available finances and gap in investments to meet the citywide need for PSH in 2044.

Populations in Group Quarters

Many group quarters categories are devoted to serving people who can broadly be regarded as populations with special housing needs. The Census Bureau defines group quarters as "places where people live or stay in a group living arrangement that is owned or managed by an organization providing housing and/or services for the residents."[59] The decennial Census includes a tabulation of the population residing in group quarters and is thus one of our most valuable sources in understanding the size of this population.

Table 9 shows the 2020 Census enumerated 29,918 people living in group quarters in Seattle. Roughly 25,000 of the persons living in group quarters were counted in noninstitutional facilities while about 4,900 of the group quarters population were counted in institutional facilities, primarily in nursing facilities. Persons aged sixty-five and over made up a large majority of the nursing facilities population.

College/University student housing was the largest noninstitutional category, with nearly 16,000 people. In addition, the 2020 Census counted 3,300 people under "other noninstitutional facilities" like soup kitchens and domestic violence shelters. Many people counted in "other noninstitutional facilities" may have been experiencing homelessness during the census.[60]

The population in group quarters does little to tell us about the demand for these living situations. Rather, it tells us only the number of people who are living in group quarters currently, many of

[58] "Supportive Housing Helps Vulnerable People Live and Thrive in the Community." Center on Budget and Policy Priorities. Dohler, et al. 2016.

[59] For more about the ways the Census Bureau collects and reports data on group quarters, see "2020 Census Group Quarters," U.S. Census Bureau blog post, March 16, 2021; and for detailed group quarters subject definitions see pages B-15 to B-20 in "2020 Census Demographic and Housing Characteristics File (DHC) Technical Documentation," prepared by the U.S. Census Bureau, Washington, DC, 2023.

[60] However, a specific count of persons experiencing homelessness is not reported in the decennial census, and even though the Census Bureau attempted to include these persons in the 2020 Census, the data that we have on the unhoused population from other sources, as described in Homelessness of this Housing Appendix indicates very incomplete coverage of this population in the 2020 Census.

which operate at capacity due to high demand. Despite these limits, key takeaways for group quarters include the following:

- Growth over the last decade has been concentrated in the population in nursing homes (from 2,588 to 3,476), group homes intended for adults (from 1,387 to 2,557), and college dormitories (from 11,804 to 16,318).
- Group quarters populations in carceral facilities shrank from 2010 to 2020, which may reflect moves from facilities inside Seattle to those outside Seattle, changes in incarceration policies, and COVID-19 related early releases that occurred during the 2020 Census. In addition, King County has set forth a Roadmap to Zero Youth Detention, with the 2025 goal of eliminating youth detention in favor of a public health approach for youth.[61]
- The population in residential treatment centers also fell between 2010 and 2020. This may be in part due to COVID-19, which temporarily limited capacity in some facilities due to social distancing needs and labor shortages, but also reflects due to permanent closures of residential treatment centers that have occurred in Seattle[62] and across King County.[63] This comes at a time when there have been notable increases in demand for mental and behavioral health residential treatment centers, which culminated in King County voters approving a levy in 2023 to develop five new residential treatment centers.[64]

[61] "Roadmap to Zero Youth Detention". King County.

[62] Closure of El Rey, a residential treatment facility in Belltown. Written by Seattle Times reporter Sydney Brownstone, October 2020.

[63] "Where did King County's mental health beds go?" Written by Seattle Times reporter Hannah Furfaro, February 2023.

[64] "Voters approve King County's crisis center levy." Written by Seattle Times reporter Michelle Baruchman, April 2023.

Table 9

Seattle Group Quarters Populations								
	2010 Census				2020 Census			
	<18	18 to 64	65 and Up	Total	<18	18 to 64	65 and Up	Total
Total Population in Group Quarters:	700	21,329	2,896	24,925	629	24,798	4,491	29,918
Institutionalized population in Group Quarters								
Total	198	2,502	2,204	4,904	225	1,336	3,352	4,913
Institutionalized population in Correctional Facilities for Adults:								
State Prisons	-	-	-	-	-	85	2	87
Local Jails	-	1,527	14	1,541	-	741	2	743
Correctional Residential Facilities	-	450	-	450	2	170	11	183
Institutionalized population in Juvenile Facilities:								
Group homes	48	10	-	58	122	18	-	140
Residential Treatment centers	57	-	-	57	9	12	-	21
Correctional facilities for juveniles	90	-	-	90	25	5	-	30
Nursing/Skilled-nursing facilities	-	449	2,139	2,588	-	227	3,249	3,476
Institutionalized population in 0other institutional facilities:								
Psychiatric hospitals or units	1	48	4	53	25	64	67	156
Patient in hospital with no home	2	-	-	2	40	2	-	42
In-patient hospice facilities	-	18	47	65	2	12	21	35
Noninstitutionalized population in Group Quarters								
Total	502	18,827	692	20,021	404	23,462	1,139	25,005
College/University student housing	71	11,733	-	11,804	64	16,254	-	16,318
Military quarters, barracks, or ships	-	362	-	362	8	398	2	408
Emergency and transitional shelters with sleeping facilities	227	2,208	115	2,550	104	1,875	140	2,119
Group homes intended for adults	7	1,054	326	1,387	42	1,831	684	2,557
Adult Residential treatment centers	5	619	13	637	2	322	48	372
Maritime/merchant vessels	-	305	2	307	-	134	-	134
Workers' group living quarters	5	41	24	70	3	23	8	34
Other noninstitutional facilities*:	187	2,505	212	2,904	185	2,824	258	3,267

Source: U.S. Census Bureau, decennial Census 2010 & 2020, Table P18

*Soup kitchens, religious group quarters, domestic violence shelters, scheduled mobile food vans, targeted non-sheltered outdoor locations, living quarters for victims of natural disaster

Populations with Housing-Associated Medical Services Needs

There are several kinds of situations in which a persons' medical care needs are paired with their housing need. These situations often involve people who need a change in their housing situation to accommodate their medical need. Populations who require medical services and have a housing need include, but are not limited to:

- hospitalized people who would otherwise face homelessness upon release,
- hospitalized people awaiting admission to another facility,
- people who face homelessness and require medical respite care,
- people staying in temporary or long-term medical facilities, and
- home-bound people who require home health services.

Having appropriate and available forms of medical services paired with housing is critical for improving this system. Skilled nursing and long-term care facilities are notable examples of the provision of housing with medical care, as are types of behavioral health facilities and substance use treatment centers. Emergency housing, such as Harborview's Edward Thomas House Medical Respite Program, also plays a critical role in providing medical services for people experiencing homelessness who are too sick to return to shelters or the street following a hospital stay.

Furthermore, recent conditions in the COVID-19 pandemic resulted in a shortage of available pairings of housing with medical services. In August and September of 2022, the *Seattle Times* reported that Harborview Medical Center began to divert non-critical patients to other local hospitals due to being over capacity. At the same time, some patients ready to be discharged to long-term care and skilled nursing facilities could not be released due to limited space and staffing in those facilities.[65] Instances like this demonstrate the vulnerability of the medical housing system to economic changes and pandemics, and require collaborative efforts between agencies, funders, and governments to reduce their frequency and impacts on local populations.

[65] "Harborview still way over capacity, as long-term care shortage persists". David Gutman. Seattle Times, September 14, 2022.

Balance of Jobs and Housing

A key principle of planning is that there needs to be a balance between jobs and housing within an area so that enough housing is available near people's workplaces. When the ratio of jobs to housing is imbalanced, residents commute long distances, which involves higher transportation costs; takes a toll on social wellbeing and health; and has negative environmental impacts. A supply of ample and affordable housing choices near job centers is especially important to address the needs of low-wage workers who are less to pay the premiums the housing market demands in these neighborhoods.

The Regional Growth Strategy calls upon Metropolitan Cities and Core Cities to improve the jobs housing balance and provide a greater variety and supply of housing to meet the needs of workers. As the largest Metropolitan City and major employment center for the region, Seattle has a particularly important role in this regard.

PSRC's 2022 Regional Housing Needs Assessment[66] states that a "balance" of jobs and housing "is attained where a community or market area attains roughly the regional average ratio." The ratio of jobs to housing units in Seattle is roughly 1.9, much higher than the overall ratio of 1.3 for the 4-county central Puget Sound region. PSRC also examined changes in the region's jobs-to-housing ratio from 2010, when the number of jobs was at a low point in the wake of the Great Recession, to 2019. The ratio increased substantially between 2010 and 2019, with many years of rapid job growth, and sizable—but not as rapid—housing growth.

The remainder of this section looks at trends in the jobs-to-housing ratio within Seattle using data on jobs covered by state unemployment insurance. For looking at trends in Seattle, we use statistics for covered jobs instead of total jobs because the covered jobs dataset provides the longest running and most precise employment numbers on employment available at the city level.[67] Figure 25 shows trends in Seattle from 2004 to the most recent year for which data are available at the time of this analysis—2022 for jobs and 2023 for housing units.

As happened regionally, the jobs to housing also imbalance worsened in Seattle in the 2010s. Between 2010 and 2020 Seattle expanded its housing supply by 19 percent. Even with this boom in housing construction, Seattle's job growth far outpaced its housing growth, as the number of jobs in the city rose by 38 percent. Over the decade, Seattle added nearly 3 times as many jobs as housing units. The net effect was to increase the ratio of covered jobs to housing in the city from 1.5 in 2010 to roughly 1.7 in 2020.[68]

---

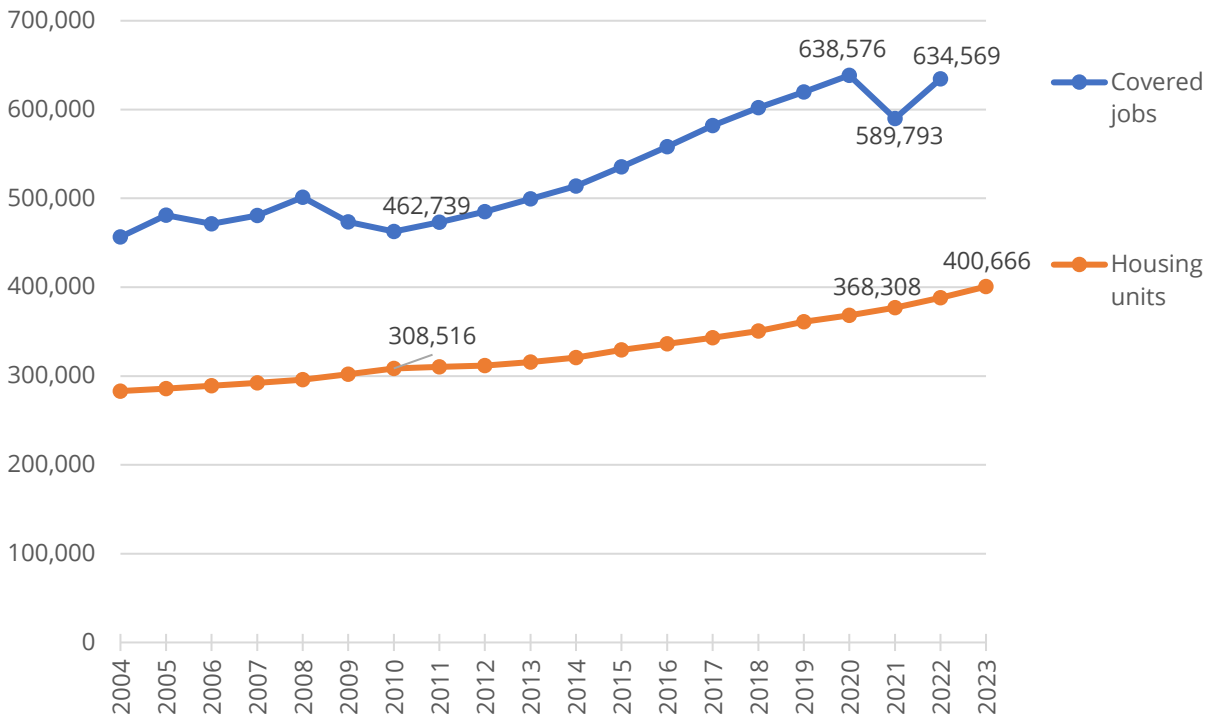
[66] Regional Housing Needs Assessment (January 2022) (psrc.org), pages 84-86.

[67] At the regional level, PSRC estimates that, covered jobs tend to comprise roughly 85 to 90 percent of total jobs. Total jobs estimates are readily available for Seattle only back to 2015.

[68] Factoring covered employment up to total jobs yields an estimate of 1.9 total jobs-to-housing for both 2019 and 2020; this is the ratio for Seattle that we compared to the regional 1.3 total jobs-to-housing ratio earlier in this section.

By 2022, Seattle had one percent fewer covered jobs than in 2020 and five percent more housing units than in 2020 and Seattle's covered jobs to housing ratio had declined to roughly 1.6. During the early pandemic years, large housing developments continued to be constructed, albeit with some delays, by builders with permits issued prior to the pandemic. This happened as the labor market declined and then began recovering. While developers continued to complete large numbers of units into 2023, the City's data shows a sizable recent decline in the number of new units for which developers are getting permits issued. The reduced volume suggests that the "improvement" in the jobs housing balance during the first years of the pandemic may be temporary.

Figure 25



Sources: Covered employment estimates for March obtained from PSRC, and published in City of Seattle's City Annual Stats dataset. Housing unit estimates for April from WA OFM 2000-2020 intercensal estimates and 2021-2023 postcensal estimates.

Notes: Covered employment refers to jobs covered by the Washington State Unemployment Insurance program. These jobs exclude self-employed workers, proprietors, corporate officers, and some other positions. PSRC estimates that covered employment includes about 85-90% of all employment.

In addition to examining the jobs-housing imbalance, PSRC also examined the regional housing backlog that accumulated between 2010 to 2019 by taking into account the number of additional new households the region *would have* gained over the last decade if households were able to form without being constrained by the lack of available housing.[69] Through their examination of pent-up demand for formation of new households, PSRC estimated a backlog from the period 2010 to 2019 of approximately 45,000 to 50,000 units in the central Puget Sound region.[70]

[69] Regional Housing Needs Assessment (January 2022) (psrc.org), page 98.

[70] This was a rough analysis that has limitations:

- Analyses that examine housing formation and production to estimate underproduction must naturally select a time period and baseline. In the baseline year of 2010 for this analysis, the housing vacancy rate in the region was unusually high, at 7.4 percent (compared to an average of 6.0 percent in the four decennial censuses between 1980 and 2010.) Using a baseline with a high housing vacancy rate could lead to the estimated backlog being somewhat of an overestimate.
- Other aspect of the analysis underestimate underproduction in important ways: as PSRC noted, the analysis does not account for housing units needed by the large and growing number of persons experiencing homelessness. The analysis also does not account for households unable to live in the Puget Sound region due to our region's high housing costs.

Housing Supply and Market Analysis

This section focuses on the housing supply and market, including recent development and pricing trends. It includes analyses that assess to what extent different occupations can afford rental housing, the quality and condition of housing, and the roles of ADUs and vouchers in Seattle's housing market.

These analyses are important when making policy decisions that focus on where and how housing should be developed in Seattle and to address gaps relative to housing need. Furthermore, this information can highlight choices and constraints that households face when trying to find and maintain housing in Seattle.

Housing Supply

In this analysis, we use the term "housing supply" to refer to permanent structures in the form of housing units or congregate residences. Housing units include housing forms such as a detached home, flat, or an accessory dwelling unit, each of which would have, at minimum, a private kitchen and bathroom in the unit. Congregate residences include settings like group homes, student dormitories, senior housing, and certain institutional facilities, and may not include private kitchens or bathrooms for residents. For purposes of this section, housing supply does not include temporary or emergency housing accommodations such as shelters, tiny homes, and resident hotels. Temporary forms of housing for individuals experiencing homelessness are discussed in the Homelessness section of this Housing Appendix.

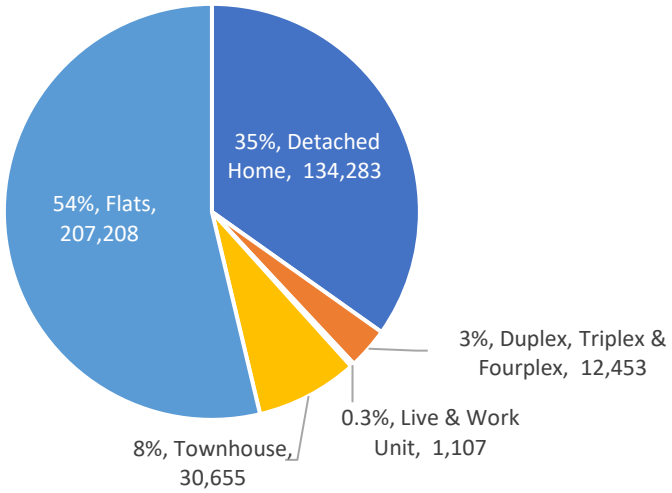
HOUSING UNITS BY TYPE

Figure 26 provides detail on the composition of Seattle's housing unit supply by unit type based on data maintained by the King County Department of Assessments. As of mid-2022, Seattle had 385,706 housing units, with the following shares of unit types:

- Flats, which can be in multifamily or mixed-use buildings and are typically apartments or condominiums, make up 54 percent of units in Seattle.
- Detached homes make up an additional 35 percent of units.
- Townhouses make up 8 percent of housing units.
- Small multiplexes, including duplexes, triplexes and fourplexes make up only 3 percent of housing units.
- The remaining 0.3 percent are made up of live-work units, which vary in form, such as a townhouse where the first floor is used as a salon, or a caretaker unit at a storage facility.

Figure 26

Seattle's Housing Supply by Housing Type



Source: King County Department of Assessments, compiled by City of Seattle, July 2022

HOUSING UNITS BY NUMBER OF UNITS IN BUILDING

Figure 27 categorizes Seattle's housing units based on the number of units in each building. The number of units in each building closely relates to regulations, such as zoning, and market trends present during development. Zoning has precluded development of smaller multifamily structures in most of Seattle's residential land area since Seattle adopted its first zoning policies code in 1923.[71] Many of these smaller multifamily structures have come to be known as the "missing middle" or "middle housing." Local and state reforms in recent years, and policies in this Comprehensive Plan, seek to boost the production of middle housing throughout Seattle.[72]

---

[71] Ordinance 45382 established a First Residential District which was limited to detached homes, public schools, private schools, churches, parks, art galleries, libraries, conservatories for plants and flowers, and railroads. Accessory uses were allowed for physicians and dentists. Fraternity houses, sorority houses, specific private schools, and certain communal spaces were subject to public hearings. The ordinance passed through the Public Safety committee. Visit the Seattle City Archives to find out a more in-depth history of Seattle's zoning, including historical zoning maps.

[72] In their Middle Housing in Washington webpage, the state Department of Commerce provides guidance to help local governments plan for middle housing and implement related requirements established by House Bill 1110, which the state legislature passed in 2023. Commerce's overview explains that:

"Middle housing is a term for homes that are at a middle scale between detached single-family houses and large multifamily complexes. Examples include duplexes, triplexes, fourplexes, fiveplexes, sixplexes, courtyard apartments, cottage clusters, and townhomes. These types are typically 'house-scale'; that is, the buildings are about the same size and height as detached houses."

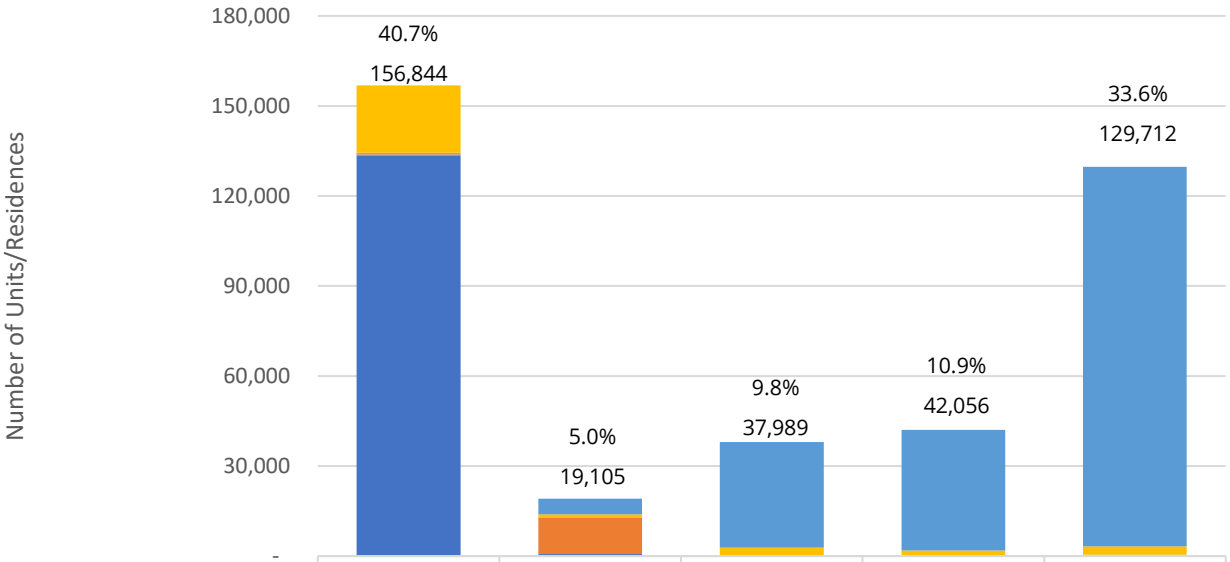
HB 1110 requires cities (with limited exceptions) to allow minimum numbers of middle housing units per lot, with Seattle and other cities with a population 75,000 being subject to the higher unit density requirements for middle housing than other cities.

Most housing units in Seattle are either flats in larger buildings or single units in detached and attached configurations. A more detailed breakdown of the current supply of units in Seattle shows:

- Single-unit buildings comprise 156,800 housing units in total, which includes 133,600 detached homes, 22,300 townhomes, and 900 units in other attached configurations. Single-unit attached configurations indicate that these units are owned fee-simple.[73]
- Buildings with between 2 and 4 units include around 19,100 units across approximately 7,700 buildings. This category includes duplexes, triplexes, and fourplexes along with townhouses and some detached homes.[74]
- Buildings with 5 to 19 units include about 38,000 units in approximately 4,000 buildings.
- Buildings with 20 to 49 units have about 42,100 units in approximately 1,400 buildings.
- Buildings with 50 or more units have about 129,600 units in approximately 1,050 buildings.

Figure 27

Seattle's Housing Supply by Number of Units in Building



	One Unit	2 to 4 Units	5 to 19 Units	20 to 49 Units	50 Units and Up
Flat	112	5,197	35,217	40,194	126,488
Townhouse	22,345	1,052	2,747	1,775	2,736
Live & Work Unit	503	4	25	87	488
Duplex, Triplex & Fourplex	303	12,150	-	-	-
Detached Home	133,581	702	-	-	-

Source: King County Department of Assessments, compiled by City of Seattle, July 2022

[73] Fee-simple ownership indicates that both the land and housing units are sold together. See the Ownership Market section of this Housing Appendix for an in-depth explanation of fee-simple and condominium ownership.
[74] King County Department of Assessments frequently classifies detached homes with ADUs as structures other than detached homes, with many reported to be townhouses.

HOUSING UNITS BY NUMBER OF BEDROOMS

The number of bedrooms that housing units contain is an indicator of how well the supply of housing accommodates households who reside in or seek to reside in Seattle. Examples of how units with various numbers of bedrooms can serve households include:

- Zero-bedroom units, such as studios and small efficiency dwelling units, and 1-bedroom units are important segments of the housing supply for persons living alone or as couple.
- Units with multiple bedrooms are important for meeting the needs of families with children and other multigenerational households, as well as for households with roommates.

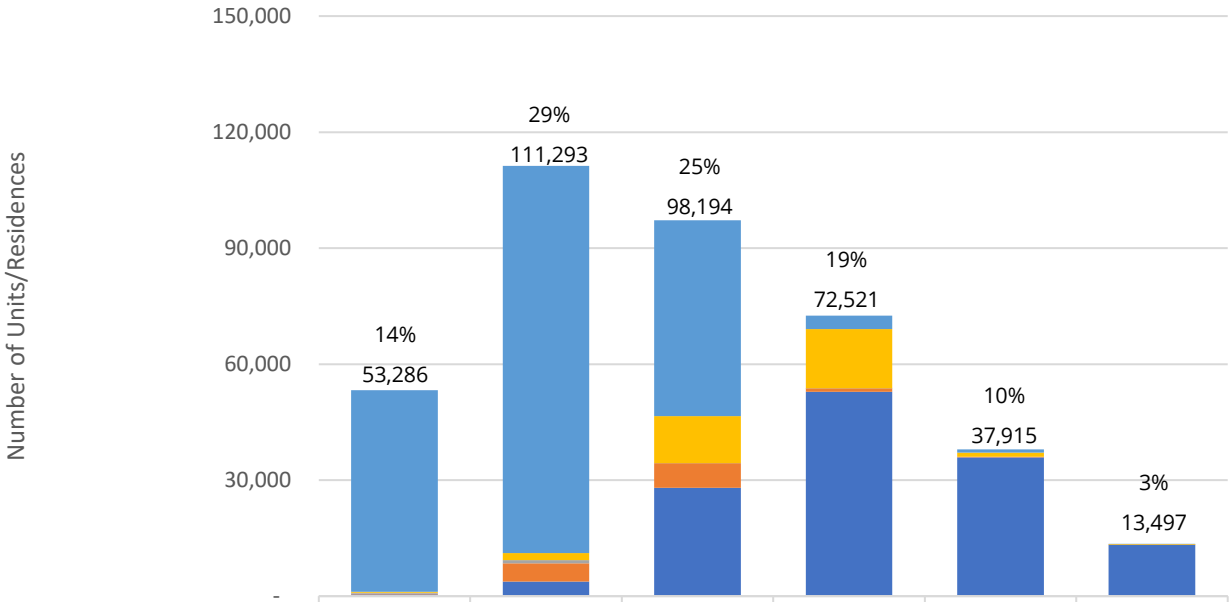
The two most common housing unit types—flats and detached homes—have very different bedroom profiles, as shown in Figure 28. Three-quarters of existing flats in Seattle are 0- or 1-bedroom units. In contrast, more than 95 percent of all detached homes have multiple bedrooms, with most being 3- or 4-bedroom units. Nearly all units with 4 bedrooms or more are detached homes.

Other types of housing, while currently making up relatively small shares of the housing supply, play an important role in contributing units with different numbers of bedrooms. Townhomes, which are typically limited in size and scale through development regulations, are mostly 2- or 3-bedroom units. A large majority of small multiplexes are 1- or 2-bedroom units.

Patterns in housing costs, changes in preferences, and demographic trends are influencing how populations seek housing units of different sizes in Seattle. With young adults being an especially large share of Seattle's residents, demand for studios and 1-bedroom units and for multi-bedroom units that can accommodate roommates is high. At the same time, the limited local supply and affordability of units with more than 2 bedrooms relative to many areas in the Puget Sound region can cause larger households, including families with children, to look outside Seattle even when they would prefer to live in Seattle.

Figure 28

Seattle's Existing Housing Supply by Number of Bedrooms



	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5+ Bedrooms
Flat	52,156	100,154	50,638	3,414	783	63
Townhouse	233	1,797	12,142	15,322	1,041	120
Live & Work Unit	220	846	37	4	-	-
Duplex, Triplex & Fourplex	194	4,685	6,381	969	171	53
Detached Home	483	3,811	27,996	52,812	35,920	13,261

Source: King County Department of Assessments, compiled by City of Seattle, July 2022

SUPPLY BY BUILDING AGE AND HOUSING TYPE

This section analyzes Seattle's housing supply by age and housing type. We use two measures to characterize housing units' age: the year the structure was built, and the effective year built.

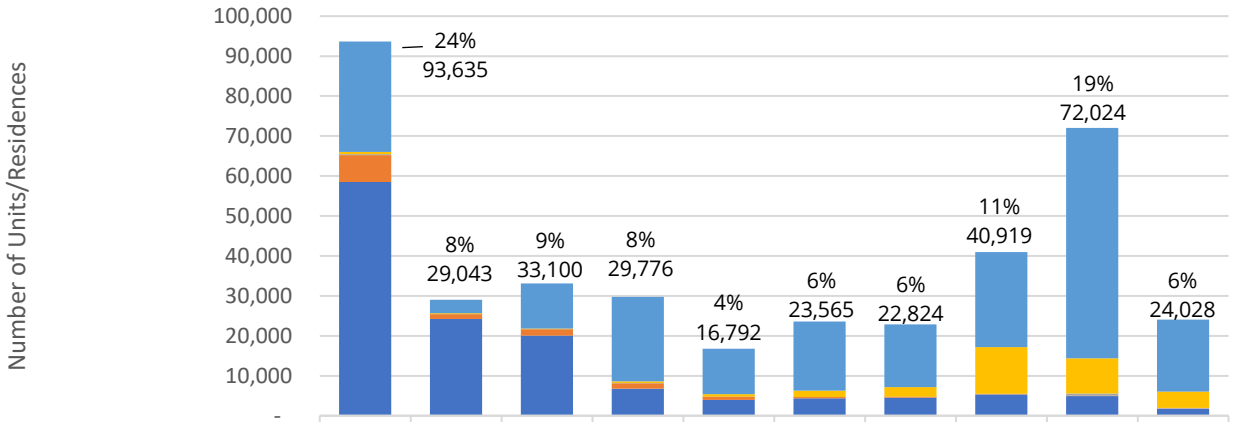
The year a structure was built refers to when a building with a housing unit was first constructed. This is a useful measure for understanding when neighborhoods that exist today were shaped. The age of buildings reflects land use and policy decisions that have been made over time. Exclusive zoning for detached homes has essentially frozen the form of many Seattle neighborhoods in time for over a century, precluding denser development since it was put in place. [75] In comparison, zones that allow townhouses and flats have been limited to few concentrated neighborhoods, primarily within Urban Centers and Urban Villages, which has resulted in changes to their neighborhood form and character as the city has grown.

[75] "Seattle's Single-Family Neighborhoods Already Include Thousands of Duplexes," a 2016 analysis by Margaret Morales at the Sightline Institute, shows where multi-unit housing built many decades ago exists in Single-Family zones (since renamed Neighborhood Residential in 2021).

Figure 29 shows Seattle's existing housing supply by the year a structure was built. Large majorities of Seattle's detached homes and small multiplex units were built prior to 1970. While there is a significant supply of flats in older buildings, nearly half of existing flats are in buildings built in or after the year 2000. Townhouses tend to be even younger, as nearly 80 percent of townhomes have been built since 2000.

Figure 29

Seattle's Existing Housing Supply by Year Built and Unit Type



	1940 or Before	1940-1949	1950-1959	1960-1969	1970-1979	1980-1989	1990-1999	2000-2009	2010-2019	2020 or Later
Flat	27,649	3,404	11,263	21,160	11,419	17,253	15,677	23,782	57,642	17,959
Townhouse	564	207	170	444	642	1,611	2,409	11,682	8,790	4,136
Live & Work Unit	226	28	25	13	7	4	8	78	592	126
Duplex, Triplex & Fourplex	6,704	1,190	1,610	1,418	732	365	198	95	73	68
Detached Home	58,492	24,214	20,032	6,741	3,992	4,332	4,532	5,282	4,927	1,739

Source: King County Department of Assessments, compiled by City of Seattle, July 2022.

In comparison to the year a structure is built, the effective year built refers to when a building was most recently substantially renovated or, if the building has not been substantially renovated, when the structure was first constructed.[76] This measure helps us understand the quality of our housing supply while also accounting for the fact that much of Seattle's housing supply is in older buildings that have been renovated, converted, or upgraded to extend their building life.

Effective year built is a particularly useful measure for understanding the market characteristics of flats, as multifamily rental housing tends to become less expensive as it grows older. However,

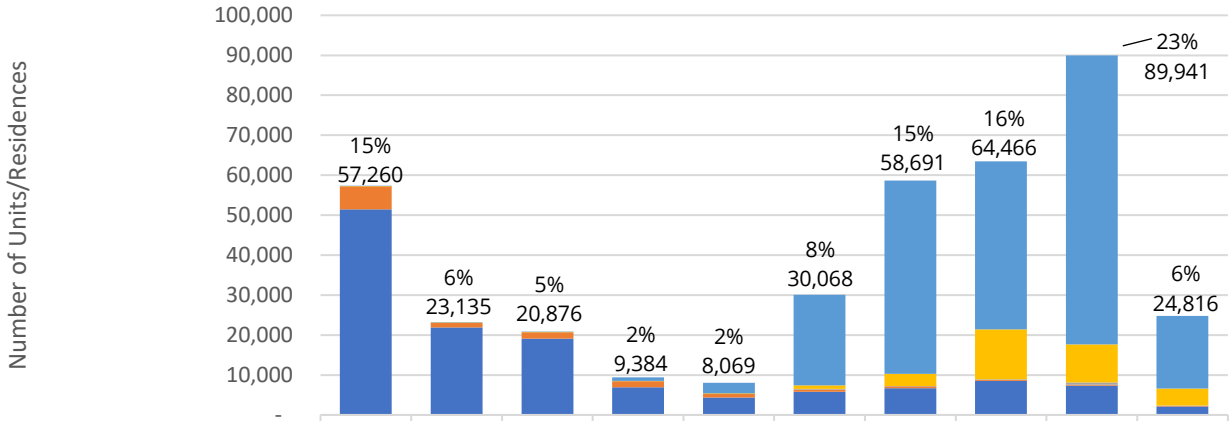
[76] We use the King County Assessor's effective year built. King County's Assessor uses an internal methodology to determine when a building was most substantially renovated; however, typical definitions used include when renovations cost more than 50 or 60 percent of the cost to wholly replace a building, or renovations that extend the useful life of a building.

substantial renovations, whether necessary to maintain unit habitability or simply to improve the marketability of an older building, tend to result in higher rents.

Figure 30 looks at Seattle's housing supply by effective year built. Seattle's existing housing units vary drastically by age in this measure. Of the 110,000 homes older than 1970, approximately 91 percent are detached homes. Nearly all of Seattle's existing flats and townhomes have effective years built in the 1970s or later. These observations reflect that many flats have been built, renovated, or updated since the 1970s, but also point to a portion of the supply of flats that has not been substantially renovated since the 1980s, and is therefore aging.

Figure 30

Seattle's Existing Housing Supply by Effective Year Built and Housing Type



	1940 or Before	1940-1949	1950-1959	1960-1969	1970-1979	1980-1989	1990-1999	2000-2009	2010-2019	2020 or Later
Flat	5	27	97	881	2,630	22,649	48,382	42,071	72,250	18,216
Townhouse	59	73	43	26	179	930	3,103	12,471	9,548	4,223
Live & Work Unit	8	8	7	18	38	91	63	129	618	127
Duplex, Triplex & Fourplex	5,719	1,113	1,625	1,518	839	602	428	299	214	96
Detached Home	51,469	21,914	19,104	6,941	4,383	5,796	6,715	8,496	7,311	2,154

Source: King County Department of Assessments, compiled by City of Seattle, July 2022

SUPPLY OF CONGREGATE RESIDENCES

Congregate residences are several forms of permanent housing which include co-living, group homes, student dormitories, senior housing, and certain institutional facilities. In some cases, congregate residences are rented as just a bedroom, while in others they look like an apartment unit. In some cases, they provide services specific to a population with special housing needs, such as college students, older adults, or individuals with disabilities.

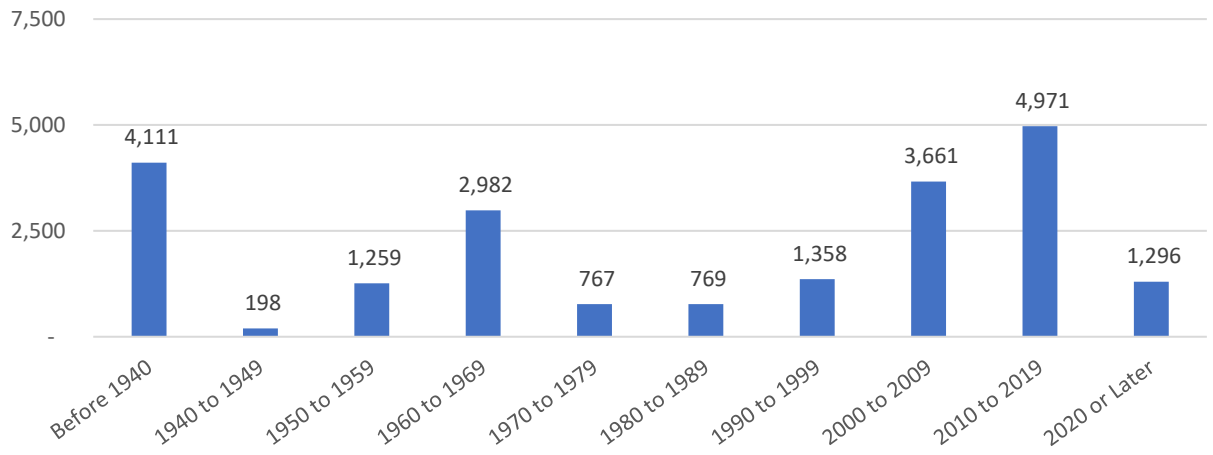
Table 10 shows that Seattle had 21,372 congregate residences as of 2022. Furthermore, congregate residences are largely in buildings that have 50 or more residences. Figure 31 shows there was a growth of over 3,000 congregate residences between the beginning of 2016 and 2022, the period since the last major update of the Comprehensive Plan in 2015.

Table 10

Congregate Residences by Residences in Structure				
Under 5 Residences	5 to 19 Residences	20 to 49 Residences	50+ Residences	Total Residences
189 (1%)	2,243 (10%)	4,015 (19%)	14,925 (70%)	21,372
Source: King County Department of Assessments, compiled by City of Seattle, July 2022				

Figure 31

Congregate Residences by Year Built



Source: King County Department of Assessments, compiled by City of Seattle, July 2022

Recent Housing Production

Data on housing production helps us understand recent market trends and how well our current policies and regulations are shaping housing production to meet housing needs. Annual housing production in Seattle has been strong since 2015, with a temporary slowdown in production during the COVID-19 pandemic. Key factors influencing production during this period include:

- the growth in demand associated with the rising population and employment,
- the large number of high-paid technology jobs added during the 2010s, and
- socioeconomic shifts associated with the COVID-19 pandemic.

Table 11 shows annual permit data for housing units from 2016 through 2022, including numbers of new units finaled, units demolished, and net new units.[77] In total, during this period, 62,739 new units were finaled and 4,411 units were demolished, for a net addition of 58,328 units.

During this period, Seattle's annual net unit growth saw an initial peak in 2019 with more than 10,000 net new units. The following year saw a precipitous drop in housing units finaled due to the pandemic. With rapid changes in the finance and housing markets, net unit production accelerated between 2021 and 2022, with production finals surpassing the 2019 peak in 2022.

Table 11

Annual Housing Unit Production and Demolitions			
Year	New Units Finaled	Demolitions	Net New Units
2016	7,211	607	6,604
2017	10,222	1,254	8,968
2018	9,198	707	8,491
2019	10,961	779	10,182
2020	6,170	408	5,762
2021	7,334	358	6,976
2022	11,643	298	11,345
Total 2016-2022	62,739	4,411	58,328
Source: City of Seattle Quarterly Housing Report Dashboard as of April 10, 2023			

RECENT HOUSING DEVELOPMENT BY PERMIT BUILDING TYPE

Of the 62,739 new units finaled from 2016 to 2022, a total of 59,559 units (90 percent) were in mixed-use and multifamily buildings, as shown in Table 12. Mixed-use and multifamily buildings include units in the form of flats, townhouses, and small multiplexes (duplex, triplex and fourplexes). An additional 3,999 units (6 percent) were detached homes. The remaining 2,173 units (4 percent) were built as Detached Accessory Dwelling Units (DADUs) or Attached Accessory Dwelling Units (AADUs) AADUs, which can be attached to either detached homes or townhouses.

Despite the largest proportion of demolished units being detached homes, Seattle still saw a net gain in the number of detached home units. In juxtaposition, there was a minor net loss of units in

[77] Finaled units refers to units where the construction permit is considered finaled by receiving a final building inspection or temporary certificate of occupancy. Net new units are new units finaled minus units demolished. The numbers in Table 11 do not include data on production of new congregate housing. There were 3,071 congregate residences finaled over the 2016 to 2022 period; however, demolition data for congregate residences is limited.

The data we summarize in this subsection and the next are from the April 10, 2023, publication of the Quarterly Housing Report Dashboard, which uses City of Seattle permitting data to determine when and in what form housing is developed. This dashboard is updated quarterly by OPCD. Data on buildings and units are collected and categorized differently in Seattle's building permits data than in data from the King County Department of Assessments, which is used in many of the other analyses this Housing Appendix includes on Seattle's housing supply. This may result in slightly different building classes and total numbers of unit production being reported in any given year.

"institutional, industrial, or other" forms of housing over this period, which accounts for housing types such as caretaker units and live-work units.

Table 12

Housing Development by Housing Type January 2016 – December 2022			
Unit Type	New Units Finaled	Demolitions	Net New Units
Total Units:	62,739	4,411	58,328
Multifamily	11,705	1,490	10,215
Mixed-use	44,854	257	44,597
Detached	3,999	2,518	1,481
DADU	1,102	17	1,085
AADU	1,071	24	1,047
Institutional, industrial, or other	8	105	(97)
Source: City of Seattle Quarterly Housing Report Dashboard as of April 10, 2023			

RECENT HOUSING DEVELOPMENT BY SIZE OF BUILDING

This section and the following utilize King County Department of Assessments data to estimate housing development, which produces slightly different estimates to the prior section which utilizes City of Seattle permit data but allows for more insights into recent housing development.

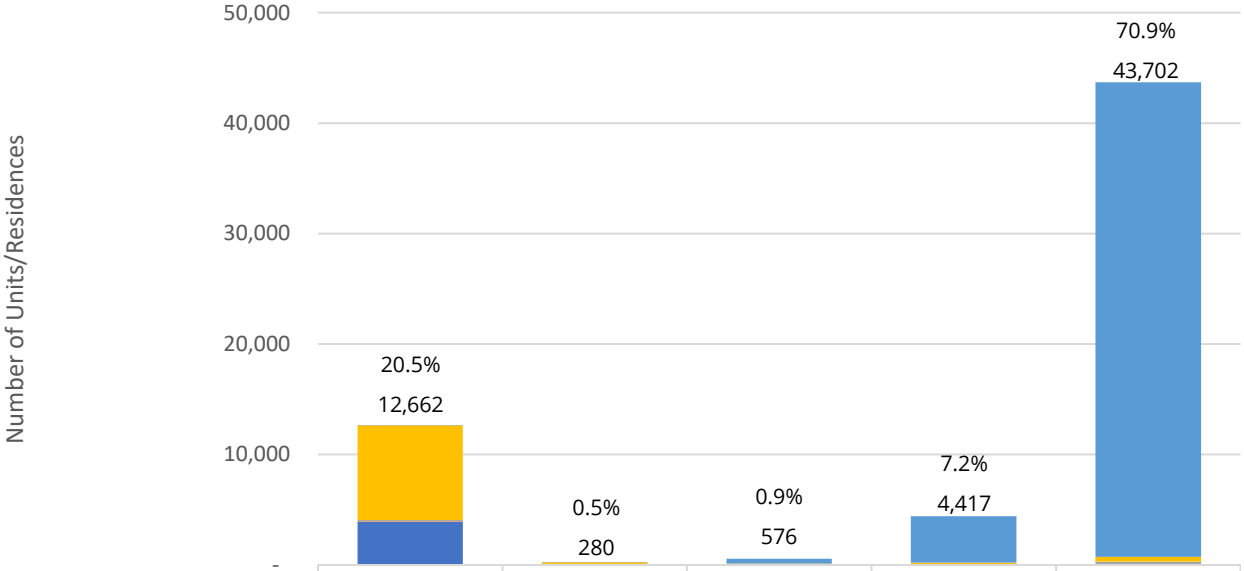
Housing unit development was concentrated in buildings with 50 or more units from 2016 to 2022. Almost 71 percent of units produced were in buildings with more than 50 units, nearly all of which were flats.

Figure 32 shows that only 7 percent of units developed over this period were in buildings with 20 to 49 units, which were also nearly entirely flats. One-unit homes make up about 20 percent of units in recently developed, with double the number of attached townhomes developed than detached homes.[78] Furthermore, very few buildings with between 2 and 19 flats were developed over this period.

[78] As is pointed out in a prior section, one-unit townhouses are those which, in reality, are attached to neighboring townhouses, but these townhouse units sit upon separate townhouse plats. Some townhomes and detached homes are categorized in the Assessor's data as being in a building with more than one unit; these may have characteristics such as having an attached accessory dwelling unit. Many detached homes with accessory dwelling units are characterized as townhomes by the County, which is why these numbers are inconsistent with the permitting about AADUs.

Figure 32

Seattle's Recent Housing Development by Units in Building



	One Unit	2 to 4 Units	5 to 19 Units	20 to 49 Units	50 Units and Up
Flat	3	45	444	4,211	42,969
Townhouse	8,579	138	116	168	419
Live & Work Unit	138	-	16	38	314
Duplex, Triplex & Fourplex	39	44	-	-	-
Detached Home	3,903	53	-	-	-

Source: King County Department of Assessments, compiled by City of Seattle, July 2022.

RECENT HOUSING DEVELOPMENT BY NUMBER OF BEDROOMS

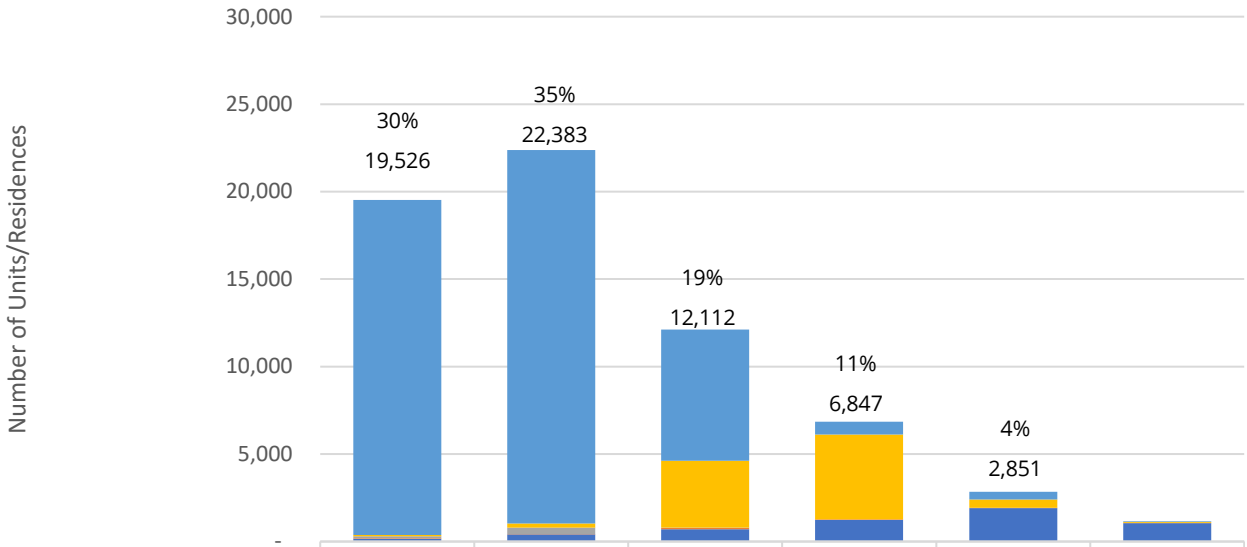
Figure 33 shows that smaller unit sizes made up most of the housing developed from 2016 to 2022. One-bedroom flats comprised the largest share of recently developed units, with 0-bedroom flats, such as studios and efficiency dwelling units, comprising the second largest share. Together 0-bedroom and 1-bedroom made up 65 percent of unit production during this period, with nearly all being flats.

Approximately 19 percent of units produced during this period were 2-bedroom units. While flats constitute most of the 2-bedroom units developed, townhomes were also a significant portion.

Very few flats with 3 or more bedrooms were produced over this period. Most townhomes developed over this period had 2 or 3 bedrooms, while more than three-quarters of detached homes produced over this period had 3 or more bedrooms. Nearly all units with 4 or more bedrooms were developed in detached housing.

Figure 33

Seattle's Recent Housing Development by Number of Bedrooms and Housing Type



	0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5+ Bedrooms
Flat	19,148	21,350	7,496	723	448	29
Townhouse	69	237	3,825	4,861	477	60
Live & Work Unit	126	360	24	-	-	-
Duplex, Triplex & Fourplex	26	23	64	28	13	9
Detached Home	157	413	703	1,235	1,913	1,053

Source: King County Department of Assessments, compiled by City of Seattle, July 2022.

Housing Market Overview

This section looks at the local housing markets for both rental and ownership housing that is not income restricted. Understanding the underlying market data provides key insights into the costs of certain housing forms, as well as homeownership and renting.

At any given time, only a small portion of the overall housing supply is available to be newly leased or sold to households in the housing market. Many units that are available for sale or lease are also occupied by existing renters or owners. Approximately 91.4 percent of all Seattle's 385,000 units were occupied full-time in 2021 according to the ACS, accounting for about 352,000 households. [79] While 8.6 percent of the total housing units in the city were vacant, only about half of those units were vacant and being offered for rent or sale.[80]

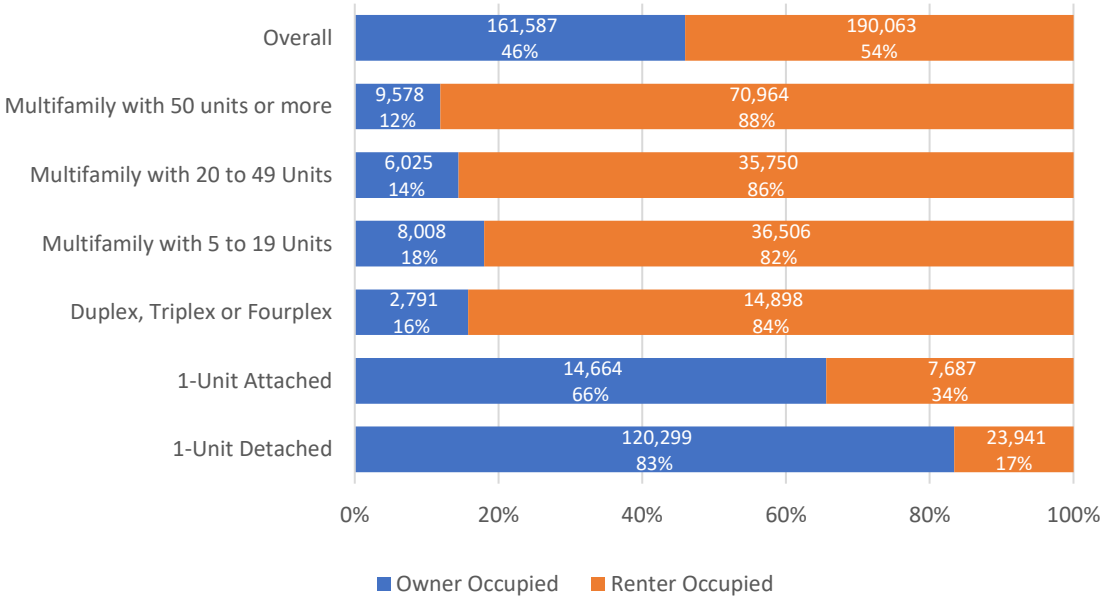
[79] The Census Bureau's definition for housing units excludes group quarters (e.g., college dormitories, skilled nursing facilities, and facilities for people experiencing homelessness) where people reside or stay in a group arrangement. For more on the Census Bureau's classification of living quarters as either housing units or group quarters, see American Community Survey and Puerto Rico Community Survey 2021 Subject Definitions (census.gov), pages 7-10.

[80] The other half of vacant units in the city were recently rented or sold but not yet occupied; unoccupied due to being only for seasonal, recreational, or occasional use, or unoccupied for another reason such as undergoing repairs or renovation.

As shown in Figure 34, a majority (54 percent) of all Seattle households are renters. Households in multifamily and mixed-use buildings (which typically contain flats) and small multiplexes are much more likely to be renters than owners.[81] This is related to the fact that a large proportion of multifamily units are rental apartments rather than condominiums. In comparison, households in attached homes (e.g., townhouses and rowhouses) and detached homes are predominately owner-occupied.

Figure 34

Tenure in Seattle's Occupied Housing Units



Source: American Community Survey 2021 1-Year Estimates, Table B25032
Note: The ACS does not differentiate mixed-use buildings, which occur in all building forms, but mostly in buildings with more multifamily flats.

OWNERSHIP MARKET

This section of the Housing Appendix looks at value, pricing, and income to better understand Seattle's ownership market. Households able to enter and maintain homeownership receive benefits in the form of housing stability and potential to accrue household wealth.

[81] Multifamily units in the ACS may be in multifamily buildings as well as mixed-use buildings.

Home Values

The Zillow Home Value Index (ZVHI) provides estimates of the typical market value of all homes in Seattle.[82] The ZHVI valued the typical detached home in Seattle at $914K in 2022, and the typical multifamily condominium at $502K.

When looking at the value by number of bedrooms in Table 13, regardless of ownership or building form, the value of Seattle homes sharply increases as the number of bedrooms increases. This makes Seattle's housing market especially difficult for young households with children to enter homeownership, potentially pushing them to other markets in the region.

Table 13

2022 ZVHI by Number of Bedrooms				
1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5+ Bedrooms
$467,435	$710,523	$933,231	$1,192,120	$1,351,468
Source: Zillow Home Value Index for 2022; Annual averages of monthly Zillow Home Value Index prepared by OPCD				

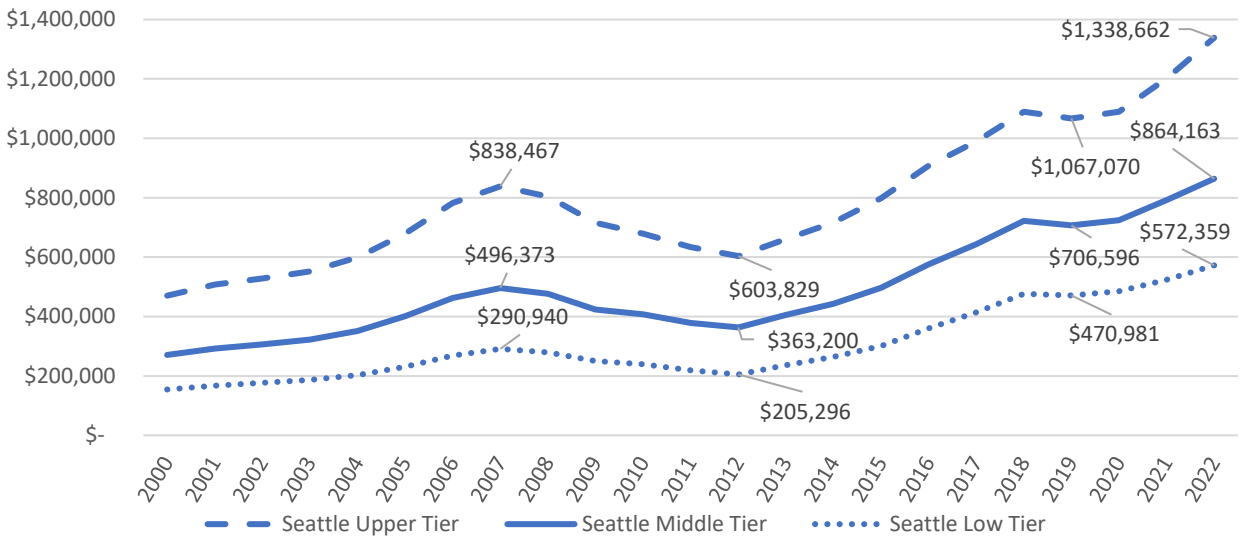
Furthermore, Zillow produces value estimates based on the upper, middle, and lower thirds of the market (referred to as 'tiers'), regardless of building form. Figure 35 shows that the typical home in Seattle, referred to as "middle tier", was valued at $864K in 2022. Upper tier homes had a typical value of $1.339M, while the lower tier had a value of $572K.

Furthermore, Figure 35 shows the rapid increase in home values that have occurred since the Great Recession. In just a decade the value of upper tier homes doubled, while lower and middle tier home values more than doubled. The rapid increase in home values has a dual effect of producing wealth for homeowners, while also becoming increasingly difficult for buyers in the market – in particular first-time homebuyers and homebuyers with moderate incomes.

[82] Zillow tracks recent sales and variations in number of bedrooms, building forms, and market price segment. Numbers presented in this section are 12-month averages of the monthly Zillow Home Value Index.

Figure 35

Zillow Home Value Index for Seattle



Source: Zillow Home Value Index for Cities and Counties as of May 2023;
Annual averages of monthly Zillow Home Value Index prepared by OPCD

Recent Sales Prices by Age and Size of Housing

This section focuses on housing prices of homes sold in Seattle in 2022. We separate the data based on form of ownership and building type, first providing some context for background.

Forms of ownership include fee-simple ownership and condominium ownership. Fee-simple ownership is when a housing unit is sold and owned with the land. Our analysis includes fee-simple detached homes and attached townhomes.

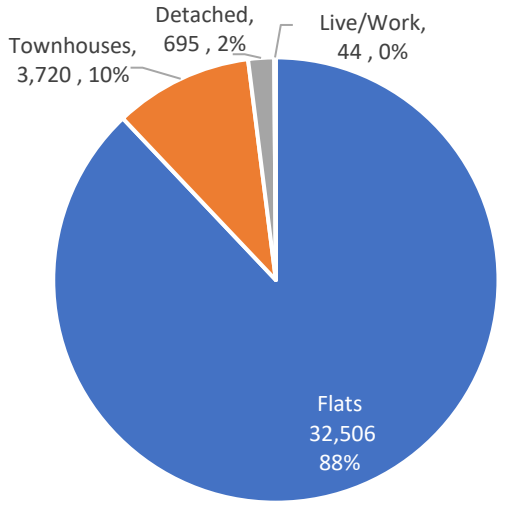
Condominium ownership is a form of homeownership in which multiple units are sold and owned separately, but owners have community interest in the land or community property that is held by an association (i.e., a homeowner's association or condominium board). As shown in Figure 36, while most condominiums in Seattle are flats, there are also condominiums that come in other building forms including townhouses, detached homes, or live/work units.

For this analysis, we further break down ownership types based on building form. We consider detached homes as well as townhomes that are sold fee simple. We consider condominium ownership in Accessory Dwelling Units (ADUs), principal dwelling units, and multifamily units, which

primarily includes flats but with some townhomes.[83] Condominiumized ADUs and principal dwelling units, which are detached homes with slightly larger floor areas that share lots with one or more ADU, are newer forms of for-sale condominium housing in Seattle.

Figure 36

Condominiums by Building Form in Seattle



Source: King County Department of Assessments, compiled by City of Seattle, July 2022

Table 14 shows that the sales prices of all condominium types are less than for detached homes. Fee-simple townhouses are less expensive than detached homes and principal dwelling units, yet more expensive than ADUs and multifamily units. This is, in part, related to the relative size of townhouses, their smaller lot sizes, and their use of shared walls.

We also segment 2022 sales data by the age of housing units, looking at sales of units less than 10 years old to better understand new development and more than 30 years old to understand pricing for a large portion of Seattle's housing supply. Table 14 shows that the median sales price of units in older buildings is less than in newer buildings, particularly for detached homes and multifamily condominiums. Detached homes built in the last 10 years have the highest median sales price of any group, and the highest average number of bedrooms (3.9) and average square footage (2,816 SF).

In comparison, ADUs are the least expensive form of housing less than 10 years old. We find that the median price for ADUs (all of which were less than ten years old) was less than half the price of a detached home less than 10 years old, and about 70 percent of the price of detached homes older than 30 years. The median price of principal dwelling units less than 10 years old was two-thirds the cost of detached homes less than 10 years old but were higher in cost than detached homes over 30

[83] Seattle's Neighborhood Residential zones currently allow two ADUs on every lot, but minimum lot sizes do not allow these units to be subdivided and sold "fee simple" as separate individual tax lots. Given these constraints, some recently constructed ADUs and the principal detached home on the lot are being offered for sale as condominiums. They typically resemble traditional condominiums in square footage and number of bedrooms.

years old. It is worth noting that ADUs and principal dwelling units are both small as a share of all homes sold in 2022 and account for a tiny fraction of the overall housing supply.

The lowest median sales price among all units is in multifamily units older than 30 years, but these units, like ADUs, are some of the smallest forms of homes sold in terms of unit size and number of bedrooms, limiting their suitability for larger households, such as families with children and other multiple-generation households.

Table 14

2022 Median Sales Prices by Unit Age

	Median Sales Prices in 2022			Number of Units in Sample		
Ownership and Unit Type	All Units	Less than 10 Years Old	Over 30 Years Old	All Units	Less than 10 Years Old	Over 30 Years Old
Fee Simple Ownership						
Detached Home	$1,060,000	$1,610,000	$995,000	4,786	410	3,860
Townhouse	$816,250	$830,000	$749,900	2,042	1,390	25
Condominium Ownership						
Accessory Dwelling Unit	$757,500	$757,500	-	104	104	-
Principal Dwelling Unit	$1,176,500	$1,176,500	-	68	68	-
Multifamily Unit	$512,500	$759,000	$495,000	2,581	363	443

Size of Units Sold in 2022

	Average Net Square Feet			Average Number of Bedrooms		
Unit Type	All Units	Less than 10 Years Old	Over 30 Years Old	All Units	Less than 10 Years Old	Over 30 Years Old
Fee Simple Ownership						
Detached Home	1,980	2,816	1,802	3.3	3.9	3.2
Townhouse	1,434	1,427	1,962	2.7	2.6	2.4
Condominium Ownership						
Accessory Dwelling Unit	1,000	1,000	-	2.0	2.0	-
Principal Dwelling Unit	2,126	2,126	-	3.5	3.5	-
Multifamily Unit	924	929	916	1.5	1.7	1.5

Source: King County Recorded Sales, prepared by OPCD as of February 2023

Notes: Sample size is limited based on the recording and documentation of sales and parcel data as of February 2023, which may result in leaving out some newly built units. Principal dwelling units and ADUs that are condominiumized and sold separately are determined based on the 1,000 square foot ADU size limit, plus an additional 200 feet for special exceptions like ADUs above garages, or storage space. ADUs include those units that are under 1,200 square feet and are sold as separate units from the principal dwelling unit and may either be physically detached or attached to a principal dwelling unit.

Affordability Levels of Home Sale Prices in 2022

Table 15 shows the downpayments and monthly housing costs that could be expected for homes purchased in 2022, based on median sales prices in Table 14 in the immediately preceding subsection. We include two downpayment scenarios, one in which a purchaser pays a 20 percent downpayment, which is a typical recommended amount that avoids private mortgage insurance, and one in which a purchaser pays a 5 percent downpayment, closer to what we may expect for first-time homebuyers.[84] Downpayment and monthly costs have an inverse relationship; that is, if a household wants to have a lower monthly payment, they will require a larger downpayment.

Differences in household wealth influence a household's ability to provide a downpayment. Wealth comes from various places, such as equity from a home the household intends to sell, generational wealth from inheritance or familial gifts, or savings accounts and investments.

Downpayment costs can be prohibitive for households with limited access to wealth, an issue that is more acute for people of color, who have systemically been denied opportunities to gain and pass down wealth throughout Seattle's and this nation's history. In 2019 U.S. Black households had an average of $24,100 in net worth, while white households had an average of $189,100.[85] Furthermore, a 2021 study of Seattle found that people-of-color households—especially Black households—are more likely than white households to be both asset poor and have zero net worth.[86]

Among the building forms and scenarios in Table 15, downpayments are highest among detached homes less than 10 years old and lowest among multifamily condominiums over 30 years old. Monthly costs, which also account for homeowners' insurance, taxes, condominium dues, and private mortgage insurance (where necessary), are lowest among ADUs while highest among detached homes less than 10 years old. [87] Color scales of red to green show highest to lowest costs options.

[84] In addition, closing costs between 2 and 5 percent may double a household's upfront costs due at closing, depending on the amount of downpayment. We do not account for closing costs in this model.

[85] The Board of Governors of the Federal Reserve System publishes estimates for Net Worth by Race or Ethnicity. These estimates were last released for the year 2019. In addition to the statistics above, Hispanic households had $36,050 in wealth while households of any other race had a net worth of $74,500.

[86] Prosperity Now prepared The Racial Wealth Divide in Seattle report in 2021. The authors of this report calculate Households with Zero Net Worth and an Asset Poverty Ratio, which is the percentage of households without sufficient net worth to subsist at the poverty level for three months in the absence of income.

[87] Private Mortgage Insurance is generally charged with downpayments lower than 20% of the home purchase price. Therefore, we only apply it to the model with a 5% downpayment.

Table 15

Downpayment and Monthly Costs of Homes by Unit Type in 2022						
Downpayment						
	20% Downpayment			5% Downpayment		
Unit Type	All Units	Less than 10 Years Old	Over 30 Years Old	All Units	Less than 10 Years Old	Over 30 Years Old
Fee Simple Ownership						
Detached Home	$212,000	$322,000	$199,000	$53,000	$80,500	$49,750
Townhouse	$163,250	$166,000	$149,980	$40,813	$41,500	37,495
Condominium Ownership						
Accessory Dwelling Unit	$151,500	$151,500	-	$37,875	$37,875	-
Principal Dwelling Unit	$235,300	$235,300	-	$58,825	$58,825	-
Multifamily Unit	$102,500	$151,800	$99,000	$25,625	$37,950	$24,750
Monthly Costs of Homes						
	With a 20% Downpayment			With a 5% Downpayment		
Unit Type	All Units	Less than 10 Years Old	Over 30 Years Old	All Units	Less than 10 Years Old	Over 30 Years Old
Fee Simple Ownership						
Detached Home	$6,386	$8,947	$5,968	$8,328	$11,667	$7,782
Townhouse	$5,417	$5,434	$5,520	$7,018	$7,041	$7,152
Condominium Ownership						
Accessory Dwelling Unit	$4,112	$4,112	-	$5,322	$5,322	-
Principal Dwelling Unit	$7,308	$7,308	-	$9,484	$9,484	-
Multifamily Unit	$4,235	$5,719	$4,240	$5,416	$7,351	$5,426

Source: King County Recorded Sales, prepared by OPCD as of February 2023

Notes: Assumptions include a 30-year mortgage at a 6% interest rate. An annual property tax levy of 8.8294 mills for Seattle in 2022 was assumed alongside a fee rate of 1 mill, to cover any fire district or other fees the County applies to homes. Homeowners insurance was assumed to be $2 per year for every $1,000 of sale price. For the 5% downpayment model, private mortgage insurance at 1% of the home value per year was applied. We apply a monthly condominium fee of $150 to townhouses, principal dwelling units, and ADUs, and $350 to multifamily units.

Table 16 further presents this analysis by showing the minimum income, as a percent of AMI, that household would need to spend no more than 30 percent of their household income on monthly housing costs, which is a benchmark for what is generally considered affordable. This portion of the analysis is based on the monthly cost of a home under both downpayment scenarios. Key findings from this analysis include:

- Based on this analysis, a household earning between 100 and 120% of AMI would only find that smaller and older multifamily units are affordable to their income, but they would also

require a 20% downpayment of approximately $100,000. Multifamily units also tend to be smaller units, as shown in Table 14, and typically share land and amenity costs.

- Many forms of housing, such as detached homes, are only considered affordable to households with incomes at or above 120% of AMI. Townhouses and ADUs generally require incomes closer to 120% of AMI, while detached homes and principal dwelling units require income substantially higher than 120% of AMI.

Table 16

Income as a Percent of AMI Necessary to Afford Monthly Cost of Homes

	With a 20% Downpayment			With a 5% Downpayment		
Unit Type	All Units	Less than 10 Years Old	Over 30 Years Old	All Units	Less than 10 Years Old	Over 30 Years Old
Fee Simple Ownership						
Detached Home	164%	236%	153%	214%	308%	200%
Townhouse	131%	134%	147%	169%	173%	190%
Condominium Ownership						
Accessory Dwelling Unit	142%	142%	-	183%	183%	-
Principal Dwelling Unit	194%	193%	-	251%	251%	-
Multifamily Unit	119%	163%	112%	152%	208%	142%

Source: King County Recorded Sales, prepared by OPCD as of February 2023; HUD 2022 AMI.

Notes: Income necessary to afford each unit is a weighted average of bedroom-adjusted AMI using 1 person for a 0-bedroom unit, and 1.5 persons per bedroom thereafter.

Monthly Costs of Homeownership and Racial and Social Equity

The affordability of housing is also a racial equity issue due to the legacy and continuation of systemic racism.

First, people of color have less wealth with which to purchase a home, as pointed out in the previous section. As a result, many can only make a lower downpayment or they may be unable to attain a mortgage at all.

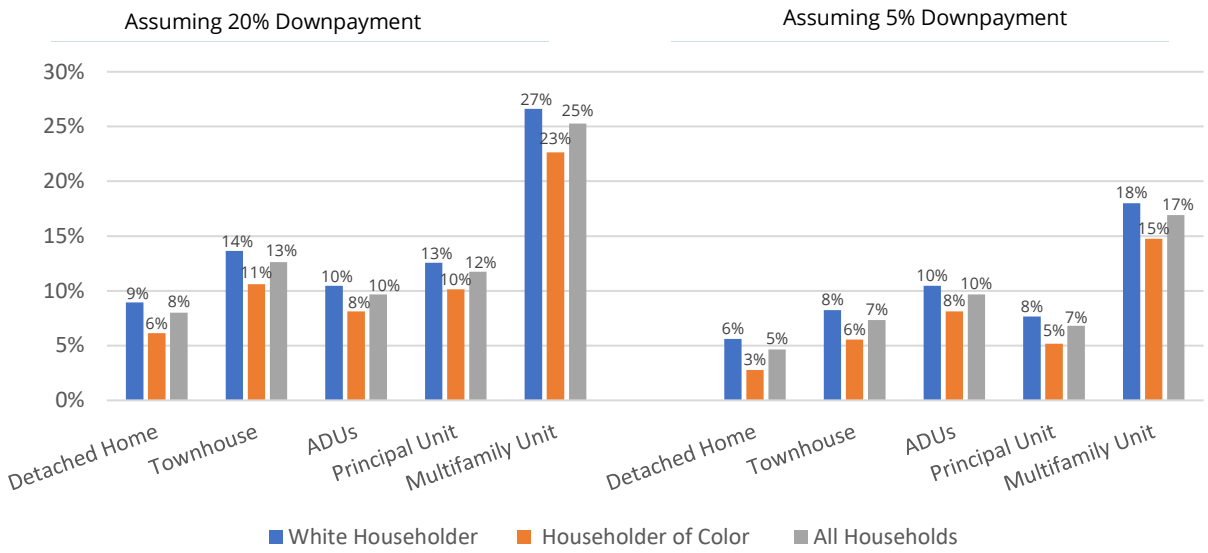
Second, people of color have lower incomes with which to cover the monthly costs of homeownership. The combined disparities in wealth and income make purchasing a home particularly difficult for people of color compared with white households, especially in a high-cost market like Seattle.

Using data from 2022, Figure 37 shows the racially disparate outcomes in who can afford the monthly costs of different housing forms based on the prices in “all units” in Table 14 in the preceding section. Overall, no more than 5 percent of Seattle households had the income necessary to afford monthly costs of a detached home in Seattle in 2022 with a 5 percent downpayment. However, 6 percent of white households could afford the monthly costs associated with a detached

home while just 3 percent of households of color could. This means the proportion of households of color able to afford a detached home is roughly half that of white households; however, very few households can afford the costs of a detached home to begin with. Similar disparities exist between people of color and white householders in being able to afford the monthly costs associated with other housing unit forms.

Figure 37

Share of Seattle Households Who Could Afford the Monthly Costs of a Median Home Purchased in 2022



Source: King County Recorded Sales, prepared by OPCD as of February 2023. U.S. Census Bureau 2017-2021 5-Year Public Use Microdata Samples; IPUMS-USA.

Notes: Median prices for properties of all ages in Table 14 used as input. Assumptions to determine income necessary to afford the monthly housing costs are the same as in Table 16. 2016-2021 5-Year PUMS are advanced to 2022 using the Federal Reserve Bank of Atlanta's Wage Growth Tracker for overall hourly workers over the 12-month period prior to June 2022.

RENTAL MARKET

To analyze Seattle's rental market, we use data from the ACS and from the CoStar real estate analytics company.[88] While these sources are very different in terms of both the methodology for collecting data both of these sources are useful, with each providing important insights into Seattle's housing market.

When considering findings based on the ACS it is essential to keep in mind that the ACS estimates incorporate both rental units that are subsidized to provide affordable units as well as unsubsidized market rental units.[89]

[88] In contrast to the ACS, which collects data from approximately 1 percent of all households per year and releases data after a substantial time lag for processing, CoStar regularly collects and quickly releases data from apartment complex property owners and managers to understand local real estate markets.

[89] The Census Bureau does not distinguish between subsidized and unsubsidized units in either collecting or reporting the ACS data.

Also of note, the ACS provides detail on the single unit and small multiplex (duplex, triplex and fourplex) segments of the rental market which are not covered by CoStar and other real estate analytics companies. These are important segments of the rental market, with the ACS estimating that 13 percent of renter households (24,000 households) rent detached 1-unit homes, 4 percent (7,000 households) rent attached 1-unit homes (such as townhouses, rowhouses), and 9 percent (16,000 households) rent units in small multiplexes.

Rental housing makes up the majority of Seattle's growing housing supply. The 2021 ACS estimates that 190,000 households—54 percent of all households in Seattle—rent the home in which they live.

Table 17 provides ACS estimates of median monthly gross rents (which include the monthly cost of rent and basic utilities) paid by Seattle households in units in buildings of different sizes. Because these estimates incorporate both market rate units and rent- and -income restricted units, they show lower rents than would be found if we were examining rents in unrestricted units. Findings from the ACS data include:

- Detached homes rented for a median price 43 percent higher than the overall median gross rent in the city in 2021. These rents are higher, in part, due to larger unit sizes, but also due to having private outdoor space, and the neighborhood locations where they are located.
- The median gross rent in attached homes, which includes townhomes and rowhouses, was 24 percent higher than the citywide median.
- Only units in small multiplexes, multifamily buildings with 5 to 19 units, and multifamily buildings with 20 to 49 units had lower median rents than the citywide median. This relates, in part, to the fact that these properties tend to be older than larger multifamily properties.
- Multifamily buildings with 50 units or more had median gross rents similar to the overall median in the city. The higher rents found in large multifamily buildings compared to smaller ones is correlated with the fact that larger buildings are generally newer and therefore have a price premium. In addition, larger buildings tend to also be taller, requiring more expensive materials such as steel or concrete framing.[90]

[90] In "Making apartments more affordable starts with understanding the costs of building them" (2020), Hannah Hoyt and Jenny Schuetz at the Brookings Institute present the cost per square foot of buildings by height and size, making note that costs escalate as the scale of residential buildings increase, in particular due to the hard costs of development.

Table 17

Median Monthly Gross Rent in 2021				
Size and Type of Building in Which Renter-Occupied Unit is Located	Percent of Renter Households	Average Number of Bedrooms	Median Monthly Gross Rent in 2021 (PUMS)	Difference from Overall Median Gross Rent
1-Unit, Detached	13%	3.9	$2,567	44%
1-Unit, Attached	4%	3.3	$2,233	25%
Small multiplex (Duplex, Triplex, Fourplex)	9%	2.8	$1,674	-6%
Multifamily with 5 to 19 units	20%	2.3	$1,618	-9%
Multifamily with 20 to 49 units	19%	2.0	$1,618	-9%
Multifamily with 50 units or more	36%	1.9	$1,902	6%
All renter-occupied units	100%	2.4	$1,787	-

Sources: U.S. Census Bureau American Community Survey 5-Year Public Use Microdata Sample (PUMS) estimates for 2017-2021; IPUMS USA; Seattle Office of Planning & Community Development

Note: Median monthly rents are in 2021 dollars

Median Gross Rents by Number of Bedrooms

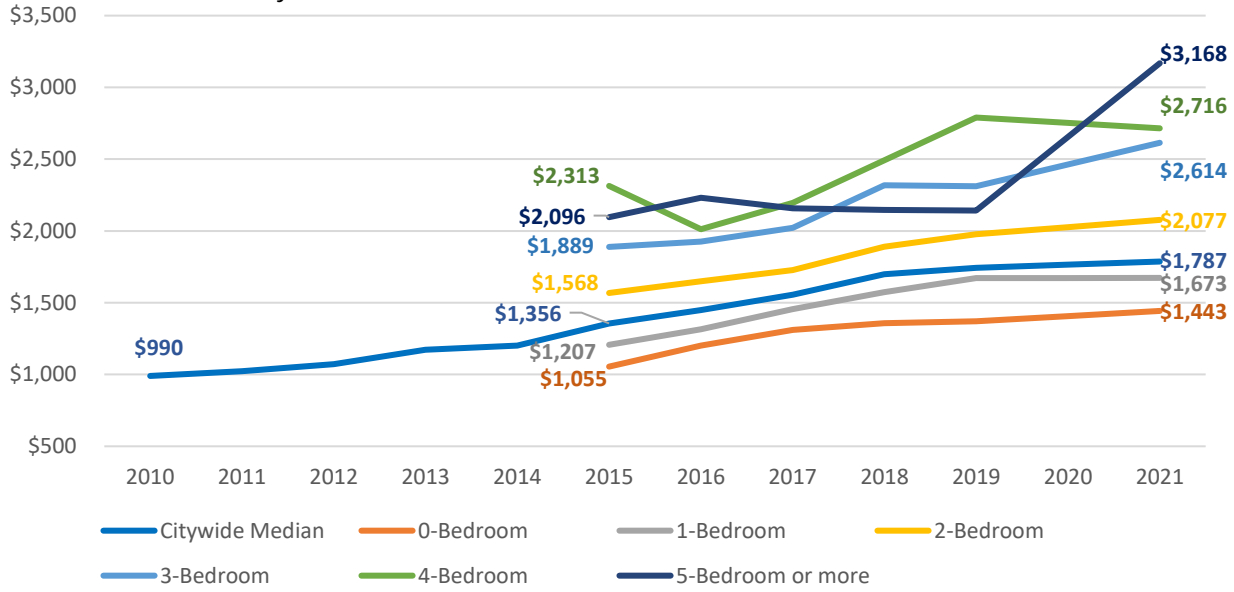
Figure 38 presents estimates from the ACS to show how median gross rents have varied over time and by number of bedrooms in Seattle. These estimates include all building forms. Between 2010 and 2021, Seattle's median gross rent increased by $797 per month, equating to an 81 percent increase. Adjusting for inflation finds that this still constitutes an increase of $550 (45 percent).

The ACS also began providing median gross rent for units by number of bedrooms in 2015. Looking at these estimates gives us the following insights:

- Zero-bedroom units, such as studios and small efficiency dwelling units, typically have median rents $300 lower than the citywide median. 1-bedroom median gross rents were approximately $100 less than the citywide median in 2021.
- At $2,077 per month in 2021, 2-bedroom rents were approximately $300 more than the citywide median and $400 more than the median 1-bedroom.
- Rents for units with 3 bedrooms have increased more rapidly than the overall median rent in the city. While 3-bedroom rents were approximately $500 more expensive than Seattle's median gross rent in 2015, they were $800 more expensive in 2021.

Figure 38

Median Gross Rents by Number of Bedrooms Over Time



Source U.S. Census Bureau American Community Survey 1-Year Data

Notes: Due to COVID-19, The U.S. Census Bureau did not release 2020 1-Year ACS data. 2020 data presented are thus a middle point between 2019 and 2021 and may not reflect costs reductions or increases that households experienced in 2020. The estimates for 4-Bedroom and 5+ Bedroom apartments carry high margins of error due to the limited sample size, which may impact data reliability.

Median Gross Rents and Racial Equity

Figure 39 uses the ACS Median Gross Rents charged in 2021 along with ACS data on incomes to estimate the share of all Seattle households that could afford Seattle rents. Given that rents typically increase with the number of bedrooms in a unit, the share of households able to afford apartment rents generally declines as the number of bedrooms increases.

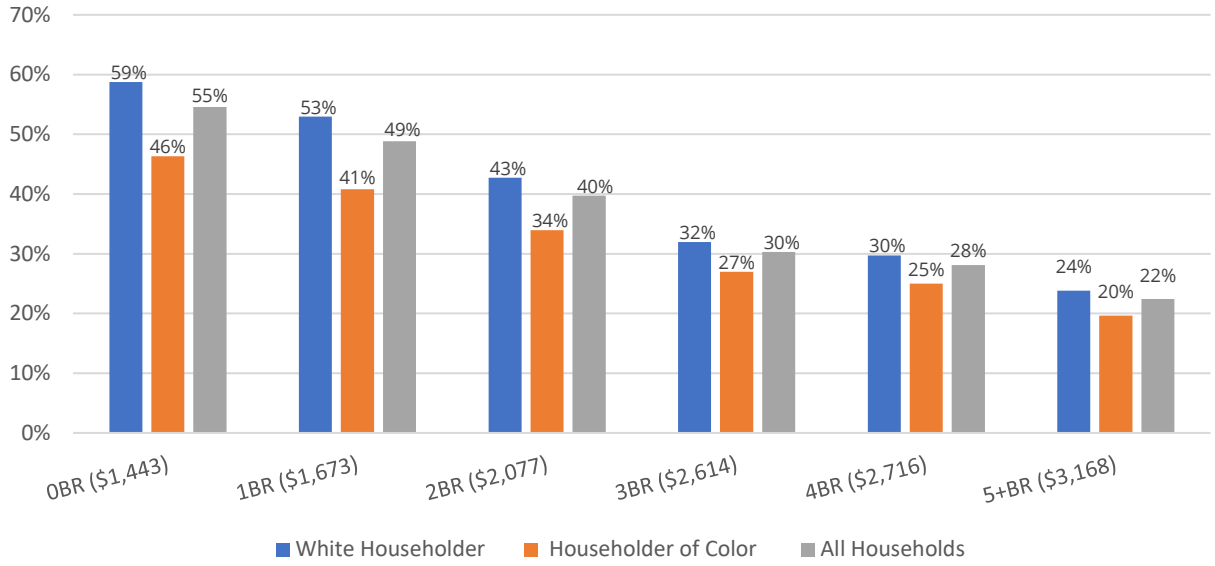
Unfortunately, however, household incomes do not increase uniformly with household sizes. For example, a household comprised of a single parent with multiple children is likely to have a substantially lower income—and is thus likely to be able to afford much lower rents—than a similarly sized or smaller household that contains multiple adult earners.

Furthermore, there is a 13 percent difference in the share of households who can afford a 0-bedroom unit when considering if the householder is white or a person of color. While the percentage-point disparity decreases as the number of bedrooms increases, the overall share of Seattle households able to afford larger units also decreases. Just 43 percent of white householders can afford the typical 2-bedroom rental unit, while only 34 percent of householders of color can, and even fewer households of each group can afford the average 3-bedroom.

It is worth highlighting that this analysis considers the income distribution of owner and renter households in aggregate. If this analysis were constrained to consider only the incomes of renter households, it would show far lower shares of households able to afford these rents.

Figure 39

Share of Seattle Households Who Could Afford Average Gross Rents in Seattle in 2021



Source: U.S. Census Bureau 2017-2021 5-Year Public Use Microdata Samples; IPUMS-USA. & American Community Survey 2021 Samples

Affordability Levels of Apartment Rents

Table 18 presents estimates from CoStar to show how median rents in Seattle apartments vary by building age and by number of bedrooms. [91] The rents we are reporting here are median effective contract rents of market-rate units plus estimated tenant-paid utilities, to show median market-rate gross rents.[92] Key takeaways from this analysis include:

- Apartments over 30 years old play a significant role in housing affordability in Seattle, with effective rents ranging between $220 to $650 per month less than the median of all units with the same number of bedrooms.

[91] Age presented as part of the Costar Multifamily analysis refers to the year the building was built or most recently renovated, therefore similar to effective year built in the Housing Supply analysis.

[92] Sample size is limited to existing and demolished buildings that are market-rate or mixed market-affordable multifamily apartment buildings, including ones that are largely, but not necessarily entirely, not subject to income and rent restrictions. Only buildings with 5 or more units, which are typically CoStar's market focus, with current rent data are included. Further exclusions include cooperatives, dormitories, student housing, congregate housing, condominiums, corporate housing, and military housing. Effective rent estimates incorporate adjustments prorated over the lease term for concessions paid for by the landlord and for certain operating costs for which landlords charge tenants Additional details can be found in the "effective rent" description in CoStar's glossary.

- Larger units are a small share of the overall apartment market in Seattle and are significantly more expensive than smaller units.
- In buildings that are less than 10 years old, the median rent for a 3-bedroom apartment, of which there are only 481 units in this analysis, was over $5,000.

Table 18

Median Gross Rents by Number of Bedrooms in the Apartment

	Median Gross Rent (February 2023)			Number of Units in CoStar Sample		
Number of Bedrooms	All Units	Less than 10 Years Old	Over 30 Years Old	All Units	Less than 10 Years Old	Over 30 Years Old
0 Bedroom (studios, small efficiency dwelling units)	$1,506	$1,600	$1,290	28,806	15,845	7,458
1 Bedroom	$2,062	$2,298	$1,569	60,032	31,022	17,871
2 Bedroom	$2,733	$3,257	$2,084	24,281	10,152	8,442
3 Bedroom	$3,240	$5,052	$2,724	1,383	481	604
4+ Bedroom	$2,560	$4,405	$2,371	48	7	44
All	**$2,087**	**$2,321**	**$1,629**	**114,610**	**57,515**	**34,459**

Sources: CoStar Group, www.costar.com; ACS 5-Year PUMS 2017-2021 prepared by City of Seattle OPCD

Notes: Median gross apartment rents are calculated using CoStar Effective Rents for apartments described in Footnote 92 and PUMS estimates of tenant-paid utilities by the number of bedrooms

Furthermore, Table 19 compares median gross rent data for February of 2023 to bedroom and family-size adjusted affordable rents based on the Department of Housing and Urban Development's 2022 Median Family Income for King County.

Key takeaways from this comparison include:

- Median gross rents, regardless of age or number of bedrooms, are not affordable to households with incomes at or below 30% of AMI or 50% of AMI.
- Median 0-bedroom rents, regardless of age, are affordable to households with incomes of 80% of AMI. Median gross rents of apartments with one or more bedrooms less than 10 years old are not affordable to households at 80% of AMI, while units over 30 years old are.
- Median gross rents are largely considered affordable to households at 100% of AMI and at 120% of AMI. The exceptions are that 2-bedroom apartments less than 10 years old are not affordable to households with incomes at or below 100% of AMI, and 3-bedrooms are not affordable to households with incomes at or below 120% of AMI.

Table 19

Comparison of 2022 Maximum Affordable Gross Rent by AMI Level and Median Gross Rents for Unrestricted Apartment Units								
Unit Size	2022 Maximum Affordable Gross Rent					Median Gross Rents by Age for Unrestricted Apartment Units		
	30% of AMI	50% of AMI	80% of AMI	100% of AMI	120% of AMI	All Units	Less than 10 Years Old	Over 30 Years Old
0-Bedroom	$706	$1,177	$1,885	$2,355	$2,826	$1,506	$1,600	$1,290
1-Bedroom	$756	$1,261	$2,019	$2,523	$3,028	$2,062	$2,298	$1,569
2-Bedroom	$908	$1,513	$2,422	$3,028	$3,633	$2,733	$3,257	$2,084
3-Bedroom	$1,050	$1,750	$2,800	$3,499	$4,199	$3,240	$5,052	$2,724
4-Bedroom	$1,171	$1,951	$3,122	$3,903	$4,683	$2,560	$4,405	$2,371

Sources: HUD MFI for Fiscal Year 2022; CoStar Group, www.costar.com (February 2023); ACS 5-Year PUMS 2017-2021

Note: Median gross apartment rents are calculated using CoStar Effective Rents for apartments described in Footnote 92 and PUMS estimates of tenant-paid utilities by the number of bedrooms.

2022 Maximum Affordable Rents are based on Fiscal Year 2022. Elsewhere in the Housing Appendix, we refer to Fiscal Year 2023 limits. Rents for income-restricted units are generally capped at 30 percent of monthly household income for the AMI level at which rents are restricted.

Seattle's Office of Housing uses a different method to determine maximum rents affordable for City-funded units.

Another, more precise, way to analyze the underlying data is by calculating the lowest *specific* income level that would be needed for median gross rents to be affordable to a household, as shown in Table 20. Analyzing the data this way allows us to understand how apartments less than 10 years old, except for those that are 0-bedroom, are not affordable to households with incomes at or below 80% of AMI, while older apartments tend to have specific AMI levels lower than 80% of AMI.

Table 20

Household Income (Percentage of AMI) Needed to Afford Median Gross Apartment Rent			
Unit Size	All Units	Less than 10 Years Old	Over 30 Years Old
0-Bedroom	64% of AMI	68% of AMI	55% of AMI
1 Bedroom	82% of AMI	91% of AMI	62% of AMI
2 Bedroom	90% of AMI	108% of AMI	69% of AMI
3 Bedroom	93% of AMI	144% of AMI	78% of AMI
4+ Bedroom	66% of AMI	113% of AMI	61% of AMI

Source: HUD MFI for Fiscal Year 2022; CoStar Group, www.costar.com; ACS 5-Year PUMS 2017-2021

Notes: Median gross apartment rents are calculated using CoStar Effective Rents for apartments described in Footnote 92 and PUMS estimates of tenant-paid utilities by the number of bedrooms. AMI is adjusted using standard assumptions about average household size and the number of bedrooms in the unit.

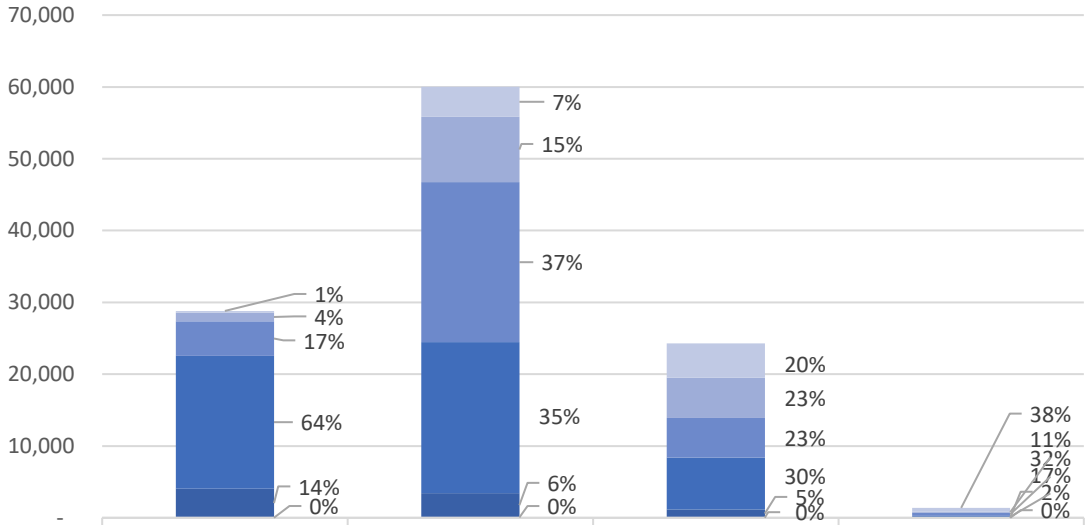
Figure 40 further visualizes the share of apartment units in CoStar's database affordable to varying income levels, using gross rents considered affordable from HUD's 2022 Maximum Affordable Gross

Rents described in Table 18. Rents are considered affordable to an income level when the gross rent cost of the apartment is less than or equal to the affordable rent of that level. Thus, the percentage of units affordable to an income level is cumulative. I.e., the total number of units that are affordable to a household at 50% of AMI includes units affordable at 50% of AMI as well as units affordable to households at 30% of AMI. Key takeaways from this analysis include:

- Out of approximately 115,000 apartment units with rent data, fewer than 150 units are affordable to households at 30% of AMI.
- Very few apartment units are affordable to households at 50% of AMI, with most of those being 0-bedroom and 1-bedroom unit sizes. Likewise, units affordable to households at 80% of AMI are concentrated in 0-bedroom and 1-bedroom sizes.
- Units affordable to households at 100% of AMI are more spread out among unit sizes; however, only 57 percent of 2-bedroom and 51 percent of 3-bedoom units are affordable to households at this AMI level.
- While most units are affordable to households at 120% of AMI, the proportion of units affordable at this level decreases as the number of bedrooms increases.
- Considering both affordability and unit sizes finds that only 7.5 percent of all apartment units with rent data are multi-bedroom units affordable to households with incomes at or below 80% of AMI.

Figure 40

Apartments Affordable to AMI brackets by Number of Bedrooms



	0-Bedroom	1-Bedroom	2-Bedroom	3-Bedroom
Over 120% of AMI	238	4,204	4,778	526
120% of AMI	1,201	9,090	5,603	148
100% of AMI	4,799	22,289	5,527	445
80% of AMI	18,504	21,027	7,211	242
50% of AMI	4,047	3,322	1,140	22
30% of AMI	17	100	22	-

Source: CoStar Group, www.costar.com; ACS 5-Year PUMS 2017-2021

Note: Median gross apartment rents are calculated using CoStar Effective Rents for apartments described in Footnote 92 and PUMS estimates of tenant-paid utilities by the number of bedrooms. A small number of units (~50 units) are not included in this analysis that are analyzed earlier in this section.

Affordability Levels of Small Efficiency Dwelling Units

For this analysis, we look at apartment gross rents by square footage for 0-bedroom and 1-bedroom units. The square footage of smaller apartments dramatically impacts their rents and their ability to accommodate households at various income levels, with the variation in rents in part due to the cost of development.

Table 21 shows CoStar data for 0-bedroom and 1-bedroom apartments, split based on their square footage. We show apartments less than 220 square feet (SF) to represent Small Efficiency Dwelling Units (SEDUs), 220 to 400 SF to represent mid-sized 0-bedroom and 1-bedrooms, and over 400 SF to represent larger 0-bedroom and 1-bedroom apartments.

Seattle has updated its micro-housing building code several times over the last decade to define standards for SEDUs. SEDUs are habitable apartments smaller than 220 SF, yet have complete kitchens, bathrooms, and a closet. SEDUs provide a critical market for lower income households; however, SEDUs provide suitable housing for limited types of households. These are suitable for housing small households, typically comprised of one person. In addition, some SEDUs offer more

vertical space, such as platforms with loft beds, that are most appropriate for people able to climb ladders or stairs.

There is nearly a $1,000 difference in the median rent between SEDUs and 0-bedroom or 1-bedroom apartments over 400 SF. The difference is around $1,100 when looking at units in buildings less than 10 years old. When compared to the 0-bedroom and 1-bedroom rents affordable to various AMI levels in Table 19 in the previous section, SEDUs are affordable to households at or above 50% of AMI regardless of age. In comparison, new 220 to 400 SF apartments are affordable to households at or above 80% of AMI, whereas new apartments over 400 SF are only affordable to households at or above 100% of AMI.

Table 21

Average Rents by Square Footage, for 0-Bedroom and 1-Bedroom Apartments

	Median Gross Rent (February 2023)			Number of Units in CoStar Sample		
Apartment Square Footage	All Units	Less than 10 Years Old	Over 30 Years Old	All Units	Less than 10 Years Old	Over 30 Years Old
Less than 220 SF	$1,025	$1,058	$883	2,351	1,839	200
220 to 400 SF	$1,362	$1,416	$1,247	9,821	6,012	3,013
Over 400 SF	$1,988	$2,182	$1,514	76,377	38,973	21,871

Sources: CoStar Group, www.costar.com; ACS 5-Year PUMS 2017-2021 prepared by City of Seattle OPCD

Notes: Median gross apartment rents are calculated using CoStar Effective Rents for apartments described in Footnote 92 and PUMS estimates of tenant-paid utilities by the number of bedrooms

Median Apartment Rents by Number of Units in Property

This section looks at median gross rents by the size and age of properties.[93] In general, apartments less than 10 years old in Seattle tend to be in properties with 50 or more units, while apartments older than 30 years are more commonly in smaller properties. The relationship to property size, age, and price is also intertwined with the quality, type and safety of building materials used in development, the level of amenities (of which there are typically fewer in smaller buildings), the price of land and financing, and neighborhood characteristics.

Table 22 shows that units in older properties of all sizes have lower median rents than the overall medians for buildings in the corresponding size categories, whereas units in buildings under 10 years old are more expensive. Furthermore, having fewer units in a building is correlated with lower gross rents across all building ages.

[93] CoStar reports multifamily housing at the property level, which may include more than one building, whereas the Assessor's analysis reports multifamily housing at the building level.

Table 22

Median Rents by Number of Units in Building						
	Median Gross Rent (February 2023)			Number of Units in Sample		
Number of Units in Building	All Units	Less than 10 Years Old	Over 30 Years Old	All Units	Less than 10 Years Old	Over 30 Years Old
5 to 19 Units	$1,391	$1,787	$1,370	8,739	389	7,901
20 to 49 Units	$1,647	$1,759	$1,580	20,305	4,706	12,794
50+ Units	$2,243	$2,362	$1,828	85,566	52,420	13,764
All buildings with 5 or more units	$2,087	$2,321	$1,629	114,610	57,515	34,459

Sources: CoStar Group, www.costar.com; ACS 5-Year PUMS 2017-2021 prepared by City of Seattle OPCD

Notes: Median gross apartment rents are calculated using CoStar Effective Rents for apartments described in Footnote 92 and PUMS estimates of tenant-paid utilities by the number of bedrooms

Affordability of Apartment Rents by Worker Occupation

Another way to understand the implications of Seattle's rental housing market is to look at whether people in various occupations can afford the rents being charged. The analysis presented in Table 23 gauges whether a Seattle apartment unit with the average rent for its size is affordable for a household where the worker(s) in the household earn the average pay in Seattle for their occupation(s). We consider a unit affordable if rent consumes no more than 30 percent of wages.[94, 95]

Cells with green checks indicate the average rent for an apartment of the specified size would be affordable to the example households described in each row, while the red "x"s indicate the rent would not be affordable to the household.

[94] This is a simplified analysis in that it does not account for the cost of utilities nor for sources of income besides wages.

[95] For this analysis, we used with average wage statistics for May 2022 for the Seattle-Tacoma-Bellevue MSA from the federal Bureau of Labor Statistics (BLS), adjusting for higher wages paid in the city for many occupations. ACS data (1-year 2022 estimates) indicate that wages in most occupational groups are somewhat higher in the city of Seattle than in the metro area. For occupations in these groups, we estimated average wages paid in Seattle for the occupation by multiplying the metro area earnings from the BLS statistics by the ACS-derived ratio of Seattle median earnings to metro area median earnings for the applicable occupational group. We used the BLS statistics without adjustment for other occupations. Part-time workers in our analysis were assumed to earn half the annual average for a full-time worker in their occupation.

For rents, we used second quarter 2022 average effective rent estimates for apartments in Seattle from CoStar. The apartments in the CoStar multifamily database are limited to units in complexes with 5 or more units. For this analysis we excluded units in properties where all units are income- and rent-restricted. We additionally excluded cooperatives, dormitories, student housing, congregate housing, condominiums, corporate housing, and military housing.

The first rows in the table illustrate affordability for households with a sole wage earner who is in a full-time position in the occupation shown.

- In households with just one wage earner, the worker would need to be employed full time in an occupation earning roughly $58,500 (roughly 1.6 times the minimum wage that large employers in Seattle must pay workers) to afford rent for a studio of average cost. Full-time workers earning the minimum wage would be cost-burdened renting an average cost studio. Childcare workers, groundskeepers, wait persons, and medical assistants earning the average for their occupations are also among those who would be unable to afford the average studio apartment.
- The situation is somewhat better for construction workers, bus drivers, administrative assistants, and social workers; they can afford a studio, but not a one-bedroom apartment.
- Full-time workers in better-paying professional fields can afford a one-bedroom apartment without another wage earner in the home.
- Of all the occupations selected for analysis, registered nurses and software developers are the only ones able to afford an average-cost two-bedroom apartment as a sole wage earner. Of these, only software developers can afford three bedrooms.

The second part of Table 23 shows examples of households with two wage earners.

- Part-time workers in low-paying occupations struggle to afford housing costs even when sharing rent. For example, a part-time waitperson and a part-time bank teller would together be unable to afford even the average studio.
- Two-earner households in which at least one person works full time generally fare better. Still, some households with dual earners in low-paying occupations are unable to afford a one-bedroom apartment.

Of course, not all household members are wage earners; households may include dependents, and multiple bedrooms are needed for many of these households. Seattle's housing market is often more challenging for these households as affording the average rent for a two-bedroom apartment requires earnings of at least $108,000 per year. Households need two wage earners, each in at least a moderately well-paid occupation, or one worker in a well-paid profession to afford average-cost apartments with two bedrooms.

Table 23

Affordability of Seattle Apartment Rents by Occupation of Wage Earners, 2022							
Number of Wage Earners and People in Household	Occupation(s)	Estimated Average Annual Wage Paid in Seattle	Estimated Maximum Afford-able Gross Rent	Affordability of Rent by Unit Size			
				0-BR Ave. rent $1,463 ($58,520 per year to afford)	1-BR Ave. rent $2,006 ($80,240 per year to afford	2-BR Ave. rent $2,701 ($108,040 per year to afford	3+BR Ave. rent $3,882 ($155,261 per year to afford)
1 full-time wage earner in household with 1 or more persons	Minimum-Wage Worker (w/large employer)	$35,922	$898	✗	✗	✗	✗
	Childcare Worker	$41,551	$1,039	✗	✗	✗	✗
	Assembly Worker	$46,430	$1,161	✗	✗	✗	✗
	Groundskeeper	$48,920	$1,223	✗	✗	✗	✗
	Bank Teller	$51,155	$1,279	✗	✗	✗	✗
	Waitperson	$51,796	$1,295	✗	✗	✗	✗
	Hairdresser	$52,511	$1,313	✗	✗	✗	✗
	Medical Assistant	$56,895	$1,422	✗	✗	✗	✗
	Construction Worker	$59,676	$1,492	✓	✗	✗	✗
	Administrative Assistant	$59,686	$1,492	✓	✗	✗	✗
	Bus Driver	$68,910	$1,723	✓	✗	✗	✗
	Child or Family Social Worker	$74,122	$1,853	✓	✗	✗	✗
	Firefighter	$84,270	$2,107	✓	✓	✗	✗
	Teacher (Elementary School)	$92,296	$2,307	✓	✓	✗	✗
	Electrician	$92,521	$2,313	✓	✓	✗	✗
	Community Service Manager	$107,871	$2,697	✓	✓	✗	✗
	Registered Nurse	$109,506	$2,738	✓	✓	✓	✗
	Software Developer	$165,294	$4,132	✓	✓	✓	✓
2 wage earners—full-time (FT) or part-time (PT) in household with 2 or more persons	Waitperson (PT) and Bank Teller (PT)	$51,475	$1,287	✗	✗	✗	✗
	Childcare Worker (full-time) and Hairdresser (part-time)	$67,806	$1,695	✓	✗	✗	✗
	Two minimum-wage workers (both full-time)	$71,843	$1,796	✓	✗	✗	✗
	Assembly Worker (FT) and Medical Assistant (PT)	$74,878	$1,872	✓	✗	✗	✗
	Admin Assistant (FT) and Hairdresser (PT)	$85,934	$2,148	✓	✓	✗	✗
	Construction Wkr (FT) and Community Srvc Mgr (PT)	$113,611	$2,840	✓	✓	✓	✗
	Bus Driver (FT) and Firefighter (FT)	$153,180	$3,830	✓	✓	✓	✗
	Registered Nurse (FT) and Electrician (FT)	$202,027	$5,051	✓	✓	✓	✓

Sources: Bureau of Labor Statistics (BLS), Occupational Employment and Wage Statistics (OEWS), www.bls.gov/oes/; American Community Survey; CoStar Group, www.costar.com. See Footnote 92 for details on sources and analysis methodology.

The Role of ADUs in Meeting Housing Needs

Accessory dwelling units (ADUs) are small, secondary living units allowed in residential areas. They go by many names — backyard cottage, carriage house, accessory apartment, in-law unit — and offer many benefits to their owners and occupants. ADUs were common in cities like Seattle in the first half of the 20th century but fell out of favor after World War II with the rise of detached homes and expansion of single-family-only zoning.

Seattle relegalized these traditional dwellings in our Neighborhood Residential zones starting with attached ADUs (AADUs) in 1994, as required following passage of the Washington Housing Policy Act, and continuing with detached ADUs (DADUs), first in 2007 as a pilot in southeast Seattle and then citywide in 2010. Despite their many benefits for owners and occupants, including rental income, flexible space to meet changing family needs, and a lower-cost alternative to large, detached homes, relatively few ADUs in the years after DADUs were allowed citywide.

Since then, Seattle has taken steps to encourage production of ADUs as part of our broader work to increase housing opportunities and address neighborhood exclusion. In 2019, Seattle reformed its rules for ADUs and removed several regulatory barriers that historically discouraged or prevented property owners from creating this type of housing. Under Seattle's updated ADU regulations:

- Two ADUs are allowed on all lots in Neighborhood Residential zones. They can be configured as two AADUs or, depending on lot size, one AADU and one DADU. (House Bill 1337, adopted in 2023, will require cities in Washington to allow two DADUs in either one or two separate structures.)
- No off-street parking is required when an ADU is added.
- The ADUs and the principal dwelling unit can each be rented by different tenants, owned by a single property owner, owned as condominium units, or a mix of these forms of tenure. Seattle does not have an owner-occupancy requirement.
- New ADUs have a maximum size limit of 1,000 square feet, excluding garage and storage space. ADUs in a converted living space or accessory structure can exceed this size limit.
- DADUs have a maximum allowed height of 23 or 25 feet tall on most sites, allowing for a second story of living space.
- On sites with an alley, a DADU can be located at the lot line that abuts the alley.
- ADUs are not subject to subjective or discretionary design requirements.

In addition to regulatory reforms, Seattle implemented other programmatic strategies to address ADU barriers. In 2020, OPCD launched ADUniverse, a one-stop online portal for ADU guidance and resources, including a property search tool that offers site-specific information about ADU feasibility and a gallery of pre-approved DADU designs that offer a faster and more predictable permitting process for residents.

Due in part to these efforts, ADU production in Seattle has increased substantially over the last several years. OPCD's 2022 ADU Annual Report[96] provides data and findings related to ADU production and outcomes in Seattle, with highlights summarized below. In 2022, the City issued permits for nearly 1,000 ADUs; this was more than four times the number of units permitted in 2018, the last full year before ADU reforms took effect. Permits were issued for 437 AADUs and 551 DADUs, primarily in Seattle's NR zones. About 40 percent of these permits included multiple units (either an AADU and DADU or two AADUs), and one-third of ADUs were permitted along with a new detached home, likely as part of a full redevelopment of a site in an NR zone. More than 70 percent of new detached homes permitted in Seattle in 2022 included an ADU, likely a reflection of the floor area ratio (FAR) limit established through the 2019 ADU reforms, which limited the size of new detached homes and exempts floor area in an ADU as an incentive to include those units in new developments.

ADUs in Seattle are used in various ways:

- Survey data suggests the average monthly rent for an ADU is substantially less than a typical multifamily apartment. Most respondents to our 2022 survey of ADU owners and occupants reported monthly rents between $1,250 and $2,000, with an overall median of $1,650. About 80 percent reported rents below the Seattle median one-bedroom apartment rent, and a portion of respondents reported rents under $1,000.

- Some ADUs are offered as short-term rentals (STRs), where they are listed for nightly rental on platforms like Airbnb and Vrbo. Seattle has regulations that limit the number of units an operator can offer for short-term rental. Data from the City's STR licensing system suggests that about 12 percent of ADUs in Seattle are associated with an active STR license.

- Through City permitting and County recording data, we can identify the share of ADUs created and sold as condominium units, which appears to be a rising trend. Very few ADUs were created as condos before 2018, but this became much more common starting in 2020. In 2021, roughly one-third of ADUs permitted were part of a condo. A manual review of a sample of condo sales in 2021 and 2022 suggests that ADUs sold as condos typically offer a lower price point for new construction otherwise available in NR zones.

Together, these findings offer some potential conclusions about the role of ADUs in meeting Seattle's housing needs. First, ADU production has increased in recent years, due at least partly to the 2019 regulatory reform, and consequently ADUs are the primary form of net housing unit growth in Seattle's NR zones. Second, high demand for ownership housing in these high-opportunity neighborhoods is driving a rise in ADUs offered as condominiums, suggesting that additional reforms to increase the potential for similar middle housing options would help meet the need for lower-cost homeownership options. Third, survey responses suggest ADUs provide myriad benefits for their owners — including the ability to house family members, adapt to changing household

[96] Accessory Dwelling Units 2022 Annual Report, City of Seattle OPCD, March 2023. Readers can access the report as well as other resources on OPCD's webpages related to our work Encouraging Backyard Cottages.

needs, and afford the costs of homeownership — but their high cost generally restrict these benefits to homeowners who have high incomes and wealth and who are disproportionately white.

Housing Condition

Substandard and otherwise poor housing conditions harm health and pose safety hazards. Living in such housing can exacerbate chronic diseases and heighten risks of infection and injury. Having substandard housing is also correlated with poor mental health.[97] Overcrowding of occupants within housing units, which is one of the covered in the earlier discussion of housing problems that households face, is connected to similar harms. The importance of housing conditions for health has recently been highlighted by research showing elevated COVID-19 case rates and deaths among households in housing with a lack of complete kitchen facilities, complete plumbing facilities, and/or overcrowding.[98]

Low-income renters, households of color, and other marginalized populations tend to experience the greatest exposure to and risks of substandard housing conditions. The youngest and oldest members of a community are particularly vulnerable as are those with a health condition or disability.

UNITS LACKING COMPLETE KITCHEN AND PLUMBING FACILITIES

The proportions of households in units lacking complete kitchen facilities and complete plumbing facilities are generally small in the U.S. and Seattle, although the shares tend to be somewhat higher for renters than for owners.

- About 1.8 percent of occupied housing units lack complete kitchen facilities, with lower rates for owner-occupied units (0.4%) than for renter occupied units (2.9%).[99]
- About 0.4 percent of occupied housing units lack complete plumbing facilities, again with lower rates for owner-occupied units (0.2%) than for renter occupied units (0.6%).

RISK OF EXPOSURE TO LEAD PAINT

The state Department of Health uses data on housing units built before 1980 as a general indicator of potential risk of exposure to lead paint. When lead paint is present, risks are typically greatest for households with young children or pregnant persons, and when paint is being disturbed such as

---

[97] Housing and Health: Time Again for Public Health Action, https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1447157/

[98] Zachary Parolin, Emma K. Lee, "The Role of Poverty and Racial Discrimination in Exacerbating the Health Consequences of COVID-19," The Lancet Regional Health - Americas, Volume 7, 2022,

[99] The lack of a complete kitchen does not always signal a problem, Per the ACS, roughly one in three Seattle renter households whose units lack complete kitchens have their meals included in their rent. Another consideration is that tenants in some units, such as the microunits built in substantial numbers in Seattle in the early 2010s, may lack a complete kitchen within their individual space, but share a full kitchen with others in a building. (The ACS data is not detailed enough to tell us how tenants in microunits answered the question about kitchen facilities.)

during renovations. An estimated 54 percent of housing units in the city were built prior to 1980.[100] Mapping shows that the prevalence of housing this old is higher in most neighborhoods in Seattle and communities just to the north and south of Seattle than in more suburban communities in King County.[101]

UNSAFE HOUSING CONDITIONS FOUND BY RENTAL HOUSING INSPECTIONS

Seattle's Rental Registration and Inspection Ordinance (RRIO) program provides additional insights into unsafe housing conditions. The RRIO Annual Report for 2022[102] indicates that the most common reasons that City inspectors found that year for units failing initial inspections that year included unsafe electrical equipment and exposed wiring, missing or nonfunctional smoke alarms, and issues with railing.

EXPERIENCES OF TENANTS

Questions about housing condition were part of a non-random online survey that the organization Washington CAN! conducted about the challenges experienced by renters in Seattle.[103] Mold was by far the most common problem that respondents identified with the physical condition of their unit. Other problems identified include problems with pests, exposed wiring, broken thermostats, broken windows, and broken locks.

The Washington CAN! survey additionally asked respondents to indicate barriers to securing needed repairs and barriers, if any, that would keep them from moving. Nearly nine in ten indicated that the up-front costs associated with moving into a different unit would be a barrier; concerns about discrimination by potential landlords was also a common response. Also common were worries that a landlord may retaliate if asked to repair a problem.

The King County Board of Health's "Healthy Housing" report echoes many of these themes and highlights that households with lower incomes confront tradeoffs between housing condition and affordability. The authors also explain that part of why renters are at higher risk than owners of living in deficient housing is due to the lower level of control they have regarding the housing in which they live.[104]

---

[100] Based on 2021 1-year ACS estimates.

[101] Washington State Department of Health, Lead Risk from Housing | Washington Tracking Network (WTN), 2015-2019 5-year ACS estimates.

[102] Seattle Department of Construction and Inspections "Rental Registration and Inspection Ordinance (RRIO) 2022 Annual Report to the City Council," March 2023.

[103] Seattle's Renting Crisis: Report & Policy Recommendations Washington CAN!, July 2016.

[104] The King County Board of Health Guideline and Recommendation on Healthy Housing was produced in 2018 to inform regional and local implementation of earlier updates of the King County Countywide Planning Policies on housing.

OTHER HAZARDS

Other hazardous housing conditions do not present day-to-day danger, but place people at great risk when earthquakes and other disasters happen. Earthquakes present the greatest risks of severe damage. [105] At greatest risk of severe damage and collapse during earthquakes are unreinforced masonry (URM) structures; typically, these are brick buildings built prior to 1945.

According to a report associated with the City's recently updated URM inventory,[106] there are 362 URM buildings with residential occupancy, 47 of which contain income-restricted affordable housing units. The same report notes anecdotal information that many non-income restricted URM buildings also provide relatively affordable units and commonly house low-income and immigrant tenants.

The Role of Housing Vouchers in Seattle's Rental Market

The Seattle Housing Authority (SHA) administers 10 voucher programs financed through federal and state resources. Rental vouchers are critical in opening opportunities to housing across the city while ensuring that households with vouchers pay limited rental costs.

These voucher programs aim to ensure that income qualified tenants pay no more than 30 to 40 percent of their household income on housing, with some exceptions explained later in this section. These programs do so by providing a subsidy for voucher holders for rent costs that exceed 30 to 40 percent of household income, which are paid by SHA.

Table 24 shows that, as of 2023, SHA administers 13,117 vouchers to local households. The Moving To Work (MTW) program has the largest number of vouchers, with 10,406 vouchers locally. The MTW program serves families from waiting lists based on SHA or project-based local priorities; serving households with incomes at or below 30% of AMI is one of those priorities. Each of the other 9 voucher programs are targeted to serve a specific population or housing development need, such as how Veterans Affairs Supportive Housing (VASH) serves veterans.

To qualify for a voucher, households must have household incomes at or below 50% of AMI.[107] However, unlike Medicaid, Medicare, Social Security, or the Supplemental Nutritional Assistance Program (SNAP), housing vouchers are not an entitlement program. This means there are very limited vouchers compared to the number of households that may qualify for them. Given the 2019 baseline of approximately 45,000 households in Seattle with incomes at or below 50% of AMI, there were vouchers for less than a third of households who would otherwise meet the income qualifications for voucher programs.

---

[105] Seattle City Office of Emergency Management, Seattle Hazard Identification and Vulnerability Analysis.

[106] The List of URMs Identified by the City in 2023 and the associated Report To Policy Committee On URM List Validation and ConfirmedURMList.pdf (seattle.gov) can be found with other information on URM's the Seattle Department of Construction and Inspects webpage at Unreinforced Masonry Buildings - Project Documents - SDCI | seattle.gov.

[107] For further eligibility information, visit Seattle Housing Authority's Housing Choice Voucher Eligibility webpage

Utilization rates, or the percentage of vouchers currently in use, further presented in Table 24 show the degree to which local households are able to use the vouchers assigned to Seattle. Variances in utilization rates are dependent on the quality of housing, the ability to move income-qualified individuals into units, and a variety of market-related factors, such as cost, location, and discrimination, that may otherwise exclude households from housing. Timing is also highly important. SHA recently received more VASH vouchers, many of which are yet to be utilized, which had driven the utilization rate down.

Table 24

Vouchers by Program					
Program Names	Number of Vouchers			Utilization Rate (as of June 2023)	
	Project-based Vouchers	Tenant-based Vouchers	Total Vouchers	Project-Based Vouchers	Tenant-Based Vouchers
Moving to Work (MTW)	4,389	6,017	10,406	91%	88%
Tenant Protection Vouchers (TPV)	-	147	147	-	78%
Rental Assistance Demonstration (RAD)	396	-	396	94%	-
Emergency Housing Voucher (EHV)	-	518	518	-	114%
Veterans Affairs Supportive Housing (VASH)	169	500	669	91%	69%
Mainstream	89	216	305	91%	74%
Family Unification Program	-	210	210	-	87%
Family Unification Program Youth (FUPY)	-	65	65	-	92%
Foster Youth to Independence (FYI)	-	163	163	-	15%
Moderate Rehabilitation:	238	-	238	69%	-
Total:	5,281	7,836	13,117		

Source: Seattle Housing Authority as of June 2023

Note: Program descriptions and waitlists for vouchers are further available on Seattle Housing Authority's Housing Choice Voucher webpage, and linked Special Purpose Voucher Program webpages.

As shown in Table 24, vouchers can be either project-based – meaning tied to a specific unit in a housing development – or tenant-based – meaning they are given to a household so that they may find housing in the local market. As the total number of vouchers is limited by the financing given to programs by Congress, every project-based voucher issued results in one less that is tenant-based.

Project-based vouchers are tied to income-restricted housing developments throughout the city. SHA works with developers or, more commonly, Seattle's Office of Housing (OH), to determine which developments receive project-based vouchers. This is beneficial for both tenants and the income-restricted housing developers, as the presence of project-based vouchers can help income-restricted developments receive development financing.

Tenant-based vouchers give households the opportunity to choose where to rent. Households have opportunities to reside in diverse forms of housing, as well as neighborhoods where there may

otherwise be no subsidized rental housing, but where there are amenities such as job access, schools, transit, or public space that fit household needs.

In allowing tenants to seek their own housing in the market, tenant-based vouchers have a maximum subsidy, called a payment standard, paid on behalf of a voucher holder. Payment standards are determined by annual market studies conducted by SHA, which considers vacancy rates, leasing success rates, and other metrics when developed. In general, payment standards are roughly an estimate of the 40th percentile rents for units within the Seattle-Bellevue HUD Fair Market Rent (FMR) Metro Area.

Furthermore, voucher payment standards vary by the type of rental unit—market-rate or affordable. Market-rate units are those which have no income-restrictive covenants, whereas affordable units are those which do, such as those financed through OH.[108] Based on a 2023 survey of landlords who work with SHA, approximately half of tenant-based voucher holders live in housing that is otherwise income-restricted, and half live in units which are market-rate.

Table 25 below describes the number of vouchers by project-based and tenant-based, as well as the tenant-based voucher payment standards. Vouchers and payment standards are broken down by the size of the units, so that households may better afford to rent units that are right sized for their household needs.

Seventy-two percent of project-based vouchers are for 0-bedroom units, whereas tenant-based vouchers are spread more evenly across unit sizes but are mostly for units with 2 or fewer bedrooms. The concentration of project-based vouchers can be a function of the populations these developments serve, such as through permanent supportive housing.

Tenant-based voucher holders can often have long searches to find appropriate housing, in part due to a limited supply that meets the payment standard budget. Tenants do have the option to exceed this payment standard budget; however, they will not receive additional subsidy, and families entering an initial lease with a Housing Choice Voucher must not pay more than 40 percent of their income toward rent costs. Tenants can exceed this rate after their initial lease.

[108] This is true with one exception - SHA considers Multifamily Tax Exemption Units to be market-rate.

Table 25

SHA Voucher Payment Standards as of October 2022						
Minimum Persons in Household	Maximum Persons in Household	Number of Bedrooms	Number of Vouchers at SHA		Tenant-Based Voucher Payment Standard	
			Project-Based	Tenant-Based	Market-Rate	Affordable
1	1	0	3,468	1,432	$1,747	$1,358
1	2	1	534	1,757	$1,816	$1,455
2	4	2	575	1,794	$2,134	$1,747
3	6	3	235	956	$2,917	$2,018
5	8	4	32	217	$3,430	$2,251
7	10	5	2	42	$3,945	$2,484
Higher than 7	Higher than 10	6 or Higher	0	12	$4,458	$2,769

Source: SHA Voucher Payment Standards as of October 2022

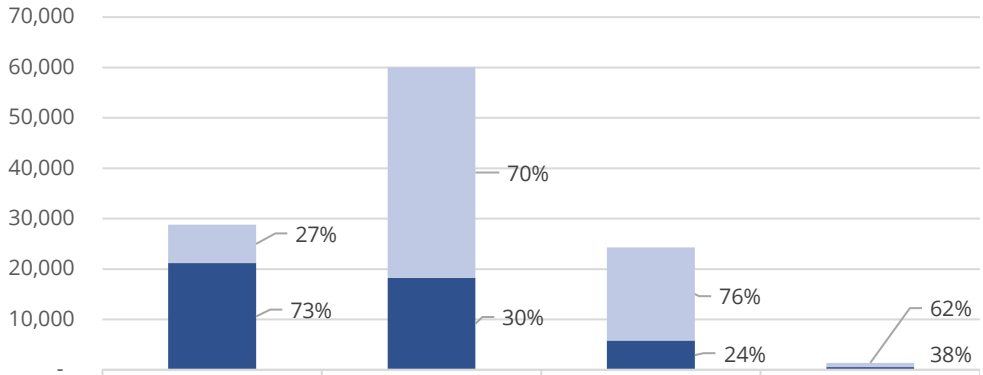
Note: Voucher standards only apply to tenant-based vouchers; Project-based voucher rents and therefore maximum subsidy are negotiated directly with income-restricted housing operators.

Figure 41 breaks down apartment rents in Seattle based on whether they are at or below payment standards by their size. The sample is limited and does not include income-restricted housing, and therefore uses the market-rate voucher payment standard in Table 25as a benchmark. The share of Seattle apartments that are at or below the payment standard is limited, especially in the 1-bedroom and 2-bedroom sizes. The overall number of 3-bedroom units below the payment standard is much lower than all other unit sizes. In addition, households are ultimately not required to rent a unit that is the exact number of bedrooms as their voucher is worth; they may rent a smaller unit if that is the only one available.

We can further look at the vouchers currently in utilization by building type. Table 26 shows a sample of 9,688 vouchers in utilization for which we have building type data. A combined 23 percent of voucher utilizations are in detached homes, small multiplexes such as duplexes, and rowhouses or townhouses. Of 2,184 vouchers in these building forms, 1,584 or approximately three-quarters of these vouchers, are tenant-based. This sizable portion demonstrates how tenant-based vouchers increase the variety of building forms, and therefore also neighborhoods, accessible to voucher holders. The remaining 77 percent of vouchers utilized are in multifamily buildings, with nearly all being used in multifamily buildings with 3 stories or more.

Figure 41

Share of Apartments with Rents at or Below Payment Standards



	0-Bedroom	1-Bedroom	2-Bedroom	3-Bedroom
Over Payment Standard	7,645	41,745	18,456	863
At or Below Payment Standard	21,161	18,287	5,825	520

Sources: SHA; CoStar Group, www.costar.com; ACS 5-Year PUMS 2017-2021 prepared by City of Seattle OPCD

Notes: Median gross apartment rents are calculated using CoStar Effective Rents for apartments described in Footnote 92 and PUMS estimates of tenant-paid utilities by the number of bedrooms.

Table 26

Voucher Utilizations by Building Type			
Building Type	Project-Based Vouchers	Tenant-Based Vouchers	**Total**
Detached Home	128	508	**636 (7%)**
Duplex or Triplex	103	317	**420 (4%)**
Fourplex, Townhouse, and 1 & 2 story multifamily	369	759	**1,128 (12%)**
Multifamily, 3 or more stories	4,246	3,258	**7,504 (77%)**
Total	**4,846 (50%)**	**4,842 (50%)**	**9,688 (100%)**
Source: Seattle Housing Authority as of June 2023			

Affordability of Housing: Analysis Based on CHAS Data

This section uses 2015-2019 5-year CHAS data from the same period to analyze the affordability of Seattle's housing supply. With this analysis, we are examining the affordability of Seattle's housing supply independent of the households who currently live in the housing units.

Affordability of each housing unit is categorized based on the income level that a hypothetical household would need to afford the monthly housing costs associated with the unit, assuming the household spends no more than 30 percent of its monthly income on housing costs. The fact that suitable unit sizes vary by household size is accounted for by assuming one person per studio and 1.5 persons per bedroom for other unit sizes.[109]

The estimates from the CHAS data on the affordability of Seattle's housing supply refer to affordability in a broad sense; units tabulated as affordable to households at specified income levels may include market-rate as well as units that are income- and cost-restricted.

Affordability of Ownership Units

To represent the monthly costs associated with an ownership housing unit independent of any household currently in the unit, the CHAS tabulations simulate a situation in which a generic household has recently purchased the unit for the home value reported in the ACS and is making payments on an FHA-insured, 30-year mortgage.[110] This analysis provides a useful, but limited picture of ownership housing affordability. One limitation is that the approach does not address whether down payments involved in purchasing a home would be affordable at a given income level.[111] An added caveat for interpreting the findings is that self-reported estimates of home value tend to lag home sales price trends in the market.[112] During the 2015-2019 5-year period reported here, sales prices in Seattle were increasing rapidly.

---

[109] For more information on the CHAS data, see "Measuring Housing Affordability," by Paul Joice, US Department of Housing and Urban Development, *Cityscape: A Journal of Policy Development and Research*, Volume 16, Number 1, 2014.

[110] The ACS asks owners of owner-occupied and vacant, for-sale units to estimate how much the housing unit (and associated lot, if applicable), would sell for. These self-reported amounts are reported in the ACS as home values.

Joice, Paul. *Measuring Housing Affordability*. *Cityscape: A Journal of Policy Development and Research*, *16*(1). 2014. In this publication, Paul Joice of HUD explains that the CHAS tabulations on ownership housing affordability consider a home affordable to a household of a given income level if the home's value is no higher than 3.36 of the household's income. The assumed purchase price is the home value that the respondent provided on the ACS questionnaire. Joice explains that the 3.36 ratio is based on the following terms for FHA-insured mortgages: 31% monthly payment standard, 96.5% loan-to-value ratio, 5.5% interest rate, 1.75% upfront insurance premium, .55% annual insurance premium, and 2% annual taxes and hazard insurance. We have an inquiry into HUD to ask if the assumptions used in modeling ownership housing affordability have changed since the referenced publication was written.

[111] The approach also does not account for how completion of mortgage payments can impact a household's ability to afford the home in which they live nor, for that matter, how the accumulation of equity after purchase can affect a household's wealth.

[112] On the Nature of Self-Assessed House Prices, Morris A. Davis and Erwan Quintin, June 2016.

Table 27 summarizes the 2019 5-year CHAS estimates for ownership units in Seattle. The table shows the estimated number of owner-occupied units (disaggregated by whether the units have a mortgage) and vacant for sale units, along with percentages of these units by their AMI-based affordability category.

On a cumulative basis, only 6 percent of ownership units analyzed are affordable at or below 80% of AMI while the share of ownership units affordable at or below 100% of AMI is estimated at 13 percent.

To see how ownership housing affordability varies by neighborhood, see the maps in the Geographic Analysis section of this appendix.

Table 27

Affordability of Ownership Units				
	Owner-occupied units with a mortgage	Owner-occupied units with no mortgage	Vacant for-sale units	Total ownership units
Ownership units:	108,835	42,165	1,360	152,360
By affordability category:				
Affordable with income of 0–50% of AMI	1.6%	3.0%	7.4%	2.1%
Affordable with income of 50–80% of AMI	3.4%	5.1%	3.3%	3.9%
Affordable with income of 80–100% of AMI	6.7%	6.6%	1.5%	6.6%
Affordable with income above 100% of AMI	88.2%	85.3%	87.9%	87.4%
By affordability level (cumulative):				
Affordable with income at or below 80% of AMI	5.1%	8.1%	10.7%	6.0%
Affordable with income at or below 100% of AMI	11.8%	14.7%	12.1%	12.6%

Source: CHAS tabulations of ACS 2015-2019 5-year estimates, U.S. Census Bureau and HUD.

Notes: As ACS estimates, CHAS tabulations are based on a sample and carry margins of error that can be substantial for small groups of housing units, including for vacant for-sale units in this table. The estimates in this table exclude units that lack complete plumbing and kitchen facilities.

Affordability of Rental Units

Like the preceding estimates for ownership housing affordability, the estimates presented below on rental housing affordability are based on the 2019 5-year CHAS tabulations.

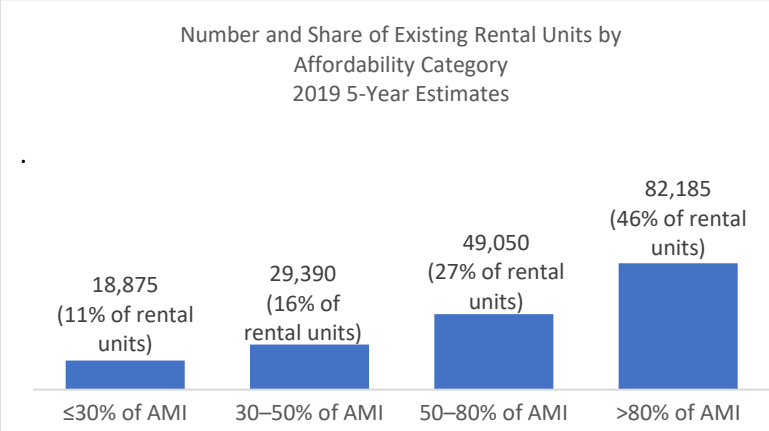
The affordability categories in the CHAS data for rental housing differ somewhat from those for ownership housing; these include more detail in the lowest part of the income spectrum but do not provide detail needed for gauging affordability at 100% of AMI.

Both market-rate and rent/income-restricted housing units are included in the CHAS data with no distinction between the two.

Figure 42 shows the estimated numbers of existing rental units in Seattle that are affordable within different income categories.

- Only 11 percent of Seattle rental units are affordable with an income at or below 30% of AMI.
- About 16 percent are affordable with incomes in the 30–50% of AMI category.
- Another 27 percent are affordable in the 50–80% of AMI category.

Figure 42



Source: CHAS tabulations of ACS 2015-2019 5-year estimates, U.S. Census Bureau and HUD.

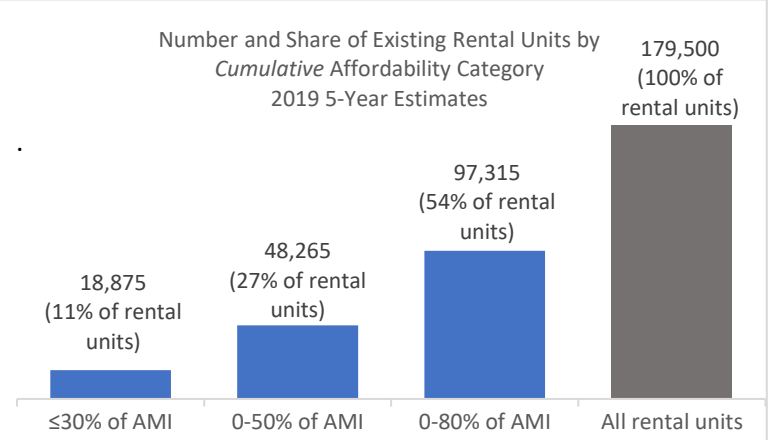
Notes: Chart reflects 179,500 total rental units (including 173,825 occupied rental units and 5,675 vacant, for rent units). Excludes an estimated 6,525 units that lack complete kitchen or plumbing facilities as HUD considers such units to be substandard.

Figure 43 shows affordability levels on a cumulative basis to provide additional perspective.

- At 50% of the AMI threshold, 27 percent of the rentals in Seattle could be afforded.
- With an income of 80% of AMI, the affordable share doubles—to 54 percent of rental units.

To see how patterns in rental housing affordability vary by neighborhood, see the maps in the Geographic Analysis section.

Figure 43



Source: CHAS tabulations of ACS 2015-2019 5-year estimates, U.S. Census Bureau and HUD.

Notes: Chart reflects 179,500 total rental units. See Figure 42 for additional notes.

TRENDS IN RENTAL AFFORDABILITY COMPARED WITH RENTER HOUSEHOLD INCOMES

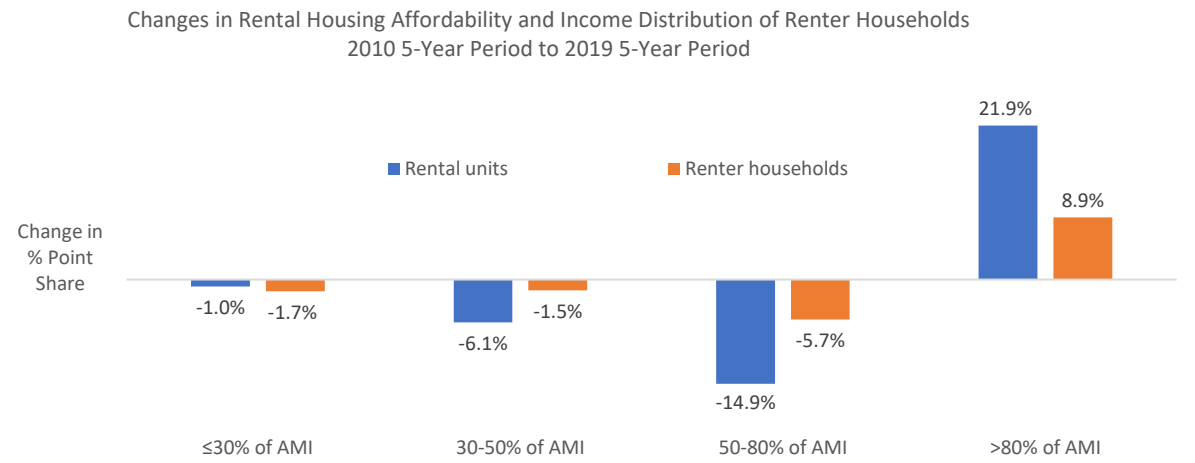
We can also examine CHAS data to understand trends in the capacity of Seattle's rental housing supply to meet the needs of households. The analysis below measures change between the 2010 5-year CHAS estimates and the 2019 5-year CHAS estimates.

As described earlier in the Housing Appendix, the income profile of Seattle's renter households has been shifting as the number of renter households has increased. To summarize, shares of renter households in low-income categories have decreased, with the 50-80% of AMI band showing a decline in rental households not only in proportional terms but also in sheer number. At the same time, the number and share of renter households with incomes above 120% of AMI have increased.

The affordability profile of rental units in the city has also changed, and this has included a large shift toward units renting for more money than households with incomes at or below 80% of AMI household can afford.

Figure 44 shows proportional changes in rental housing supply in comparison with proportional changes in household income distribution. Table 28 provides additional perspective on these trends by showing the absolute changes in the number of rental units and renter households that accompanied these trends.

Figure 44



Source: CHAS tabulations of 2006-2010 and 2015-2019 ACS 5-year estimates, U.S. Census Bureau and HUD.

Notes: CHAS data do not distinguish between rent/income-restricted housing and market-rate units without such restrictions. Housing unit estimates include renter-occupied and vacant for rent units. Units that lack complete plumbing or kitchen facilities are excluded as HUD considers such units substandard. See prior tables for additional notes.

Table 28

Changes in Rental Housing Affordability and Income Distribution of Renter Households 2010 5-Year Period to 2019 5-Year Period

	Income Categories			
	≤30% of AMI	30-50% of AMI	50-80% of AMI	>80% of AMI
Change in number of renter households	5,945	2,910	-3,640	31,525
Change in number of rental units in in each affordability category	2,210	-3,155	-12,100	47,630
Change in share of renter households (percentage points)	-1.7%	-1.5%	-5.7%	8.9%
Change in share of rental units in each affordability category	-1.0%	-6.1%	-14.9%	21.9%

Source: CHAS tabulations of ACS 2006-2010 and 2015-2019 5-year estimates, U.S. Census Bureau and HUD.

Notes: Estimates are based on a sample and carry margins of error. See prior tables for additional notes.

The following trends are apparent from these estimates.

- The rental housing market is doing an increasingly poor job providing housing that is affordable to households with incomes at or below 80% of AMI.
    - The share of rentals affordable only with incomes above 80% of AMI increased more than the share of households with income above 80% of AMI, indicating that housing growth in Seattle has done a better job addressing demand from households above 80% of AMI than it has serving households who need units that cost less.
- The lack of affordable housing options is reflected in the declining share of lower income households in the city.
    - Households in the 50-80% of AMI income range, a group most reliant on increasingly scarce affordable market rate rentals, have declined both proportionally and in absolute numbers. This suggests that these households are increasingly not moving into Seattle, or are leaving the city, due to lack of affordable rentals.
    - Households with incomes at or below 50% of AMI are also impacted by market forces, but this impact is mitigated by the availability of subsidized affordable units to many, but far from all households who need it.

Affordability and Availability of Rental Units

The analysis of affordability presented in the preceding sections estimate how much of Seattle's overall rental housing supply is affordable within low-income categories.

For a fuller picture, we need to find out if rental units affordable to households with incomes at or below low-income thresholds are also *available* to renter households with incomes at or below these thresholds. By available we mean that the units are either vacant, or if occupied, the units are not occupied by households with higher incomes.[113] The "affordability and availability" steps and findings are summarized below. (A table detailing the affordability and availability calculations is provided in the supplemental tables available online.)

To gauge shortages confronting low-income renters, we start by comparing shares of households at or below low-income thresholds with the shares of renter-occupied units affordable to these households. Based on the 2019 5-year CHAS data, which include both market-rate units and rent- and income-restricted units, we find the following.

[113] This analysis for Seattle is based on the affordability and availability methodology described in "Measuring Housing Affordability," by Paul Joice of HUD. The affordability and availability approach has been widely adopted for modelling gaps between rental housing needs and supply at low-income levels. Examples include the analysis of affordability and availability by the National Low Income Housing Coalition's 2023 report "The gap: A shortage of affordable homes" and HUD's "2021 Worst Case Housing Needs Report to Congress."

- Just 11 percent of rental units can be afforded with an income of 30% of AMI. However, 23 percent of renter households have incomes at or below 30% of AMI. (Expressed as a ratio, that is 46 rental units per 100 renter households.)
- About 27 percent of rental units are affordable at 50% of AMI while 36 percent of renter households have incomes at or below 50% of AMI. (As a ratio, this is 73 rental units per 100 renter households.)
- About 54 percent of rental units are affordable at 80% of AMI. In comparison, about 49 percent of renter households have incomes at or below this level. (This equates to 111 rental units per 100 renter households.)

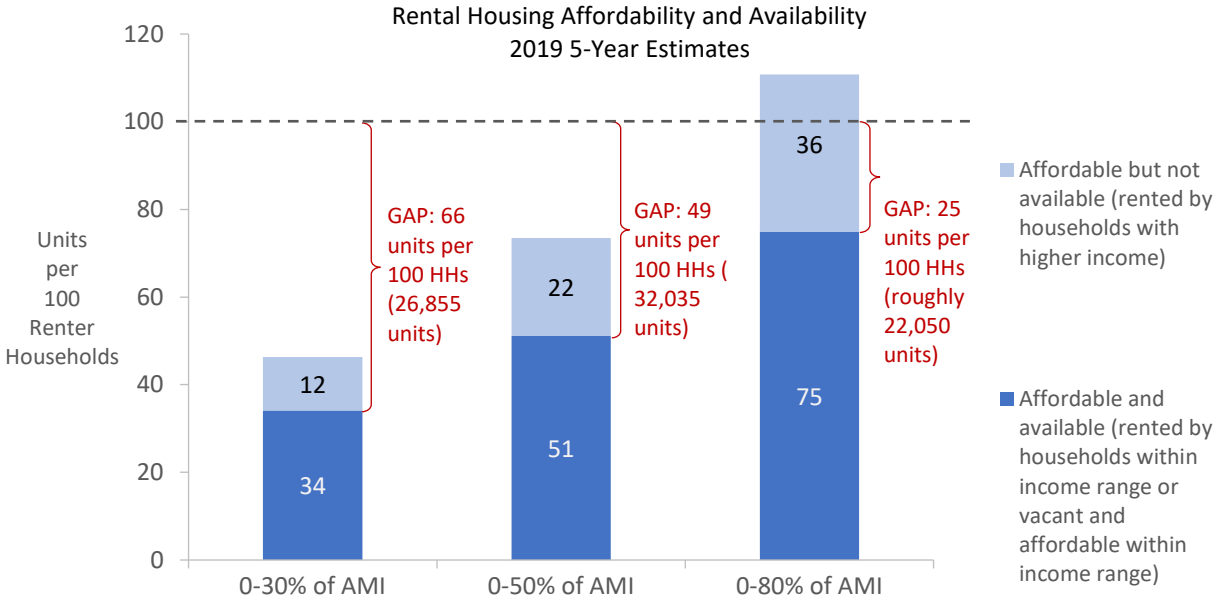
From these comparisons, we can readily see that there are shortages in rentals affordable at 30% of AMI and at 50% of AMI. At the same time, there *appear* to be sufficient units affordable at 80% of AMI.

We now need to adjust for the fact that some rentals affordable at each of these three low-income levels are occupied by households with incomes higher than these respective levels. This adjustment is necessary as market-rate rental units affordable at or below a given income threshold can be—and often are—occupied by households with incomes higher than that threshold.

After taking this into account, we find that supplies of rentals at 30% of AMI and at 50% of AMI are extremely short and that the supply at 80% of AMI is also insufficient. As shown in Figure 45, there are only:

- 34 affordable and available rental units for every 100 renter households with incomes at or below 30% of AMI,
- 51 affordable and available units for every 100 renter households with incomes at or below 50% of AMI, and
- 75 affordable and available rental units for every 100 renter households with incomes at or below 80% of AMI.

Figure 45



Source: CHAS tabulations of ACS 2015-2019 5-year estimates, U.S. Census Bureau and HUD.

Notes: CHAS data do not distinguish between rent/income-restricted housing and market-rate units without such restrictions. Housing unit estimates in this table exclude units that lack complete plumbing or kitchen facilities as HUD considers such units substandard.

And yet, even these statistics underestimate unmet needs for affordability.

- This standard methodology likely overstates affordability within each income band, because households with incomes at the lower end of the band are less able to afford housing that would be affordable to households at the top of the band.
- Households experiencing homelessness, who are by definition not finding housing that is affordable and available, are not included in this analysis. (For information about the size and needs of the unhoused population see the Homelessness section later in the Appendix.)
- The analysis does not include households displaced from Seattle and other households who want to live in Seattle but reside in surrounding areas so they can afford housing.
- Because the analysis is based on pooled data gathered over five years, it does not fully reflect the increased rents being charged at the end of the period.

Analysis produced as part of Seattle's Equitable Development Monitoring Program tapped the ACS Public Use Microdata Sample (PUMS) data to provide analysis that extended beyond the 80% of AMI income level. That analysis found shortages of affordable and available rental units even at 100% of

AMI, with a ratio of 93 affordable and available rental units to 100 renter households.[114] The analysis indicated that rental housing shortages only abate once income levels reach 120 percent of AMI.

TRENDS IN THE AFFORDABILITY AND AVAILABILITY OF RENTAL UNITS

With the shifts in renter household income and rental unit affordability profiles described earlier, Seattle has seen increased gaps between demand for and supply of units affordable and available at low-income levels.

These trends include a substantial worsening of the shortages of affordable and available rental housing at 50% of AMI and 80% of AMI affordability levels. Accounting for both affordability and availability, the number of rentals per 100 renter households declined by 5 units at the 50% of AMI threshold and by 14 units at the 80% of AMI threshold.

[114] City of Seattle Equitable Development Monitoring Program Heightened Displacement Risk Indicators dashboard.

Zoned Development Capacity

In preparation for the major update to the Comprehensive Plan, the Office of Planning and Community Development (OPCD) has updated estimates of Seattle's development capacity to accommodate new housing and jobs. The analysis of the city's zoned development capacity evaluates the supply of housing and employment floor area, under the existing zoning regulations, that could be produced by the end of the next twenty-year planning period ending in 2044.

While Seattle's development capacity analysis represents a snapshot of what current zoning can feasibly accommodate it and does not attempt to predict market demand for a particular type of development nor does it estimate how much or how quickly development will occur in coming years.

Based on current zoning, OPCD estimates that the city has development capacity to add approximately an additional 168,000 housing units and 242,000 jobs, The existing development capacity is sufficient to accommodate the minimum requirement for growth under the adopted Countywide Planning Policies of 80,000 housing units and 158,000 jobs over the 20-year planning period.

OPCD maintains a development capacity model is updated at the beginning of each comprehensive plan update process. Results were initially included in the King County Urban Growth Capacity Report (2021) in compliance with the state "buildable lands" requirements, using 2019 as a base year (RCW 36.70A.215). The results summarized in this section are based on a model updated to reflect August 2022 development site and zoning data.

The development capacity model provides the City with data to help us evaluate how well the city is prepared to accommodate future growth in housing and jobs, including minimum targets for the new 20-year planning period (with a horizon year of 2044) adopted by the GMPC.[115]

The development capacity estimates produced by the model are one among several data points that are used to inform an updated growth strategy in the One Seattle Plan. Other key data include growth and market trends, including data reported elsewhere in this appendix about high demand for housing in the city, growth outpacing the city's current GMA targets, rapid increases in home prices and rents, declining affordability for low and even moderate-income households, and increased risk of displacement. Maintaining ample capacity for future residential growth across the city is needed to not only meet our statutory obligations, but also meet our goals to become a more affordable, resilient, and equitable city.

[115] These GMA requirements are found in the Revised Code of Washington sections 36.70A.215. Visit King County's Urban Growth Capacity webpage to find out more information about recent reports and planning as part of the Buildable Lands requirements.

Development Capacity Methodology[116]

The capacity model estimates the amount of potential additional development in the city by comparing existing land uses, housing units and non-residential square feet to the development that could be built under current zoning regulations. The difference between potential and existing development yields the capacity for new development. This capacity is measured as housing units, non-residential floor area square feet and the number of potential jobs accommodated by that floor area. The capacity model uses a range of data sources and assumptions, including building and density trends, environmentally critical areas, and estimated market availability of land.

Key model steps include the following:

- Analyzing recent building trends, including actual densities achieved in each zone category,
- Identifying sites that are generally assumed to not be available for future housing or commercial development, such as public lands,
- Identify vacant and redevelopable sites based on the amount of underdevelopment relative to a site's potential,
- Identify and remove environmentally critical areas,
- Apply a market factor reduction to account for the reality that not all properties will become available for development during the 20-year planning period,
- Estimate capacity for housing and commercial floor area based on assumed densities that are consistent with recent development trends.

More detailed documentation of the capacity model are available online in the Zoned Development Capacity background paper.

Zoned Development Capacity Throughout the City

Overall, Seattle's current zoning provides development capacity to accommodate more than 168,000 additional housing units during the next 20 years, over and above the existing 391,000 units in the city today. The following sections describe the zoned development capacity by the types of housing that zoning typically supports, and by growth area of the city.

A primary purpose of this analysis is to inform land use and zoning changes enacted as part of the Comprehensive Plan update. The updated Growth Strategy described in the One Seattle Plan will create capacity for more housing and new and more diverse types of housing across the city. The impact of those changes is not reflected in the current capacity model and won't be fully calculated until the final Plan is adopted along with implementing zoning.

Capacity estimates for major zoning and housing types

We consider the capacity for additional housing units by zoning category to understand the types of housing that can potentially be produced by potential unit types, as shown distributed throughout

[116] For more information about the methodology, see this information on the Zoned Development Capacity Model.

the city in Figure 46. A zoning map is also included in Figure 46 for reference. The results are further described in Table 29.

Capacity for higher-density multifamily and mixed-use residential building forms that typically result in stacked flats are grouped as follows:

- **Zones with > 85-foot height limits** have a combined 17 percent of the city's existing housing units (68,000 units) and 27 percent of capacity for new units (46,000 units). These zones allow for flats in multifamily and mixed-use buildings and have height maximums above 85 feet, typically requiring steel, concrete or cross-laminated timber construction when built to maximum height. This zone group includes Highrise Multifamily zones as well as mixed-use zones of Neighborhood Commercial, Commercial, Seattle Mixed, and Downtown.

- **Zones with 50- to 85-foot height limits** have a combined 31 percent of the city's existing housing units (119,000 units) and 56 percent of capacity for new units (95,000 units). These zones allow for flats in multifamily and mixed-use buildings and have height maximums between 50 and 85 feet, allowing for lower cost wood-frame construction. This zone group includes Midrise Multifamily zones, mixed-use zones of Neighborhood Commercial, Commercial, Seattle Mixed, and Downtown, and Lowrise 3 zones in Urban Centers or Urban Villages.

- **Zones with < 50-foot height limits** have a combined 7 percent of the city's existing housing units (27,000 units) and 4 percent of capacity for new units (7,000 units). These zones allow for flats in buildings under 50 feet in height, typically allowing for stacked flats up to 4 stories in height. This zone group includes mixed-use zones of Neighborhood Commercial and Commercial, as well as Lowrise 3 zones outside Urban Centers or Urban Villages**.**

Capacity for lower-density residential building forms are as follows:

- **Lowrise 1 and 2** have a combined 11 percent of the city's existing housing units (42,000 units) and 5 percent of capacity for new units (9,000 units). These zones allow townhouses, small apartments, and multiplexes, along with their ADUs, but typically result in townhouse and rowhouse development. This zone group includes Lowrise 1 and 2.

- **Residential Small Lot zones** have a combined 1 percent of the city's existing housing units (7,000 units) and 1 percent of capacity for new units (2,000 units). These zones allow for detached homes, ADUs, and small multiplexes on small lots. This zone group includes only Residential Small Lot zones.

- **Neighborhood Residential zones** have a combined 32 percent of the city's existing housing units (126,000 units) and 6 percent of capacity for new units (5,000 units). These zones allow for detached homes and up to two ADUs at a density of no greater than one principal dwelling unit per 5,000 square feet. This group includes only Neighborhood Residential zones.

- **Accessory Dwelling Units (ADUs)**, including both attached and detached formats, are allowed in Lowrise, Residential Small Lot and Neighborhood Residential zones. ADU estimates across each of those zones are included in this category. The estimated 20-year production for ADUs accounts for approximately 3 percent of capacity for new units (5,000 units).

- **Industrial zones** have a combined 0.1 percent of the city's existing housing units (400 units) and 0.0 percent of capacity for new units (81 units), which would consist exclusively of accessory or caretaker units. This group includes only industrial zones.

There are several key takeaways from Table 29:

- Almost ninety percent of housing unit development capacity is in high density multifamily and mixed-used zones that typically produce flats. As the Housing Production section of this Housing Appendix points out, flats produced in recent years have been predominately 0-bedroom units (such as studios and small efficiency dwelling units), or 1-bedroom units.

- About 7 percent of unit development capacity is in the Lowrise 1 and 2 and the Residential Small Lot zone groups. These zone groups are the most likely to result in middle housing types. Just 3 percent of capacity units are in Neighborhood Residential zones. An additional 3 percent of capacity is accounted for by additional ADUs that may be added in these zones.

- Neighborhood Residential zones constitute the greatest share of residential land area (63 percent) and are also a large proportion of the Vacant or Redevelopable land area (28 percent). Despite this, density limits mean that redevelopment of these properties would result in very few additional dwelling units, many of which would be Accessory Dwelling Units. This capacity mismatch illustrates how existing Neighborhood Residential zones are limited in their ability to accommodate additional housing units under current zoning.

Capacity estimates for urban centers and urban villages

Development capacity can also be estimated for the existing Urban Centers and Urban Villages (UCUVs) which are the focus of planned growth in the Seattle 2035 Comprehensive Plan. More than 80 percent of the capacity for new housing is within existing UCUV boundaries.

About 35 percent of the city's overall residential development capacity is within Urban Centers (renamed Regional Centers in the One Seattle Plan). Of the six Urban Centers, Downtown has the greatest share of that capacity. The city's Urban Villages (renamed Urban Centers in the One Seattle Plan) contribute 46 percent of Seattle's total residential capacity.

Table 29

Seattle Residential Development Capacity Model Estimates										
	Land Area						Development Capacity			
	Total Zoned Land Area (Acres / % of Acres)		Total Developable Land Area* (Acres / % of Acres)		Vacant or Redevelopable Land Area* (Acres / % of Acres)		Existing Residential Units (Units / % of Units)		Residential Unit Development Capacity (Units / % of Units)	
TOTAL	38,501		29,064		3,759		391,402		168,167	
By Residential Building Form:										
Zones with > 85 ft. height limits	1,098	2.9%	1,014	3.5%	261	6.9%	67,939	17.4%	45,741	27.2%
Zones with 50 to 85 ft. height limits	4,019	10.4%	3,094	10.6%	1,104	29.4%	118,798	30.6%	94,641	56.3%
Zones with < 50 ft. height limits	1,304	3.4%	859	3.0%	248	6.6%	27,456	7.1%	7,001	4.2%
Lowrise 1 and 2	2,295	6.0%	1,874	6.6%	411	10.9%	41,911	10.7%	8,745	5.2%
Residential Small Lot	936	2.4%	862	3.0%	247	6.6%	7,335	1.9%	2,311	1.4%
Neighborhood Residential	24,096	62.6%	17,530	60.3%	1,051	28.0%	126,070	32.2%	4,727	2.8%
Accessory Dwelling Units**	-	-	-	-	-	-	-	-	4,920	2.9%
Industrial	4,753	12.3%	3,832	13.2%	437	11.6%	415	0.1%	81	0.0%
By Existing Growth Area:										
Inside Urban Centers (renamed "Regional Centers")	2,135	5.5%	1,755	6.0%	400	10.7%	111,834	28.6%	57,090	35.0%
Downtown	540	1.4%	477	1.6%	101	2.7%	34,696	8.9%	22,003	13.5%
First Hill/Capitol Hill	566	1.5%	425	1.5%	85	2.3%	40,139	10.3%	11,536	7.1%
Northgate	296	0.8%	234	0.8%	77	2.1%	5,171	1.3%	7,914	4.8%
South Lake Union	196	0.5%	160	0.6%	36	0.9%	11,199	2.9%	4,607	2.8%
University District	317	0.8%	247	0.9%	61	1.6%	11,792	3.0%	6,740	4.1%
Uptown	220	0.6%	212	0.7%	40	1.1%	8,837	2.3%	4,290	2.6%
Inside Urban Villages (renamed "Urban Centers")	4,296	11.1%	3,931	13.5%	1,382	36.8%	91,207	23.3%	75,732	46.4%
Manufacturing and Industrial Centers	4,552	11.8%	3,688	12.7%	408	10.8%	355	0.1%	74	0.0%
Remainder of City	27,519	71.5%	19,689	67.7%	1,569	41.7%	188,186	48.1%	30,351	18.6%

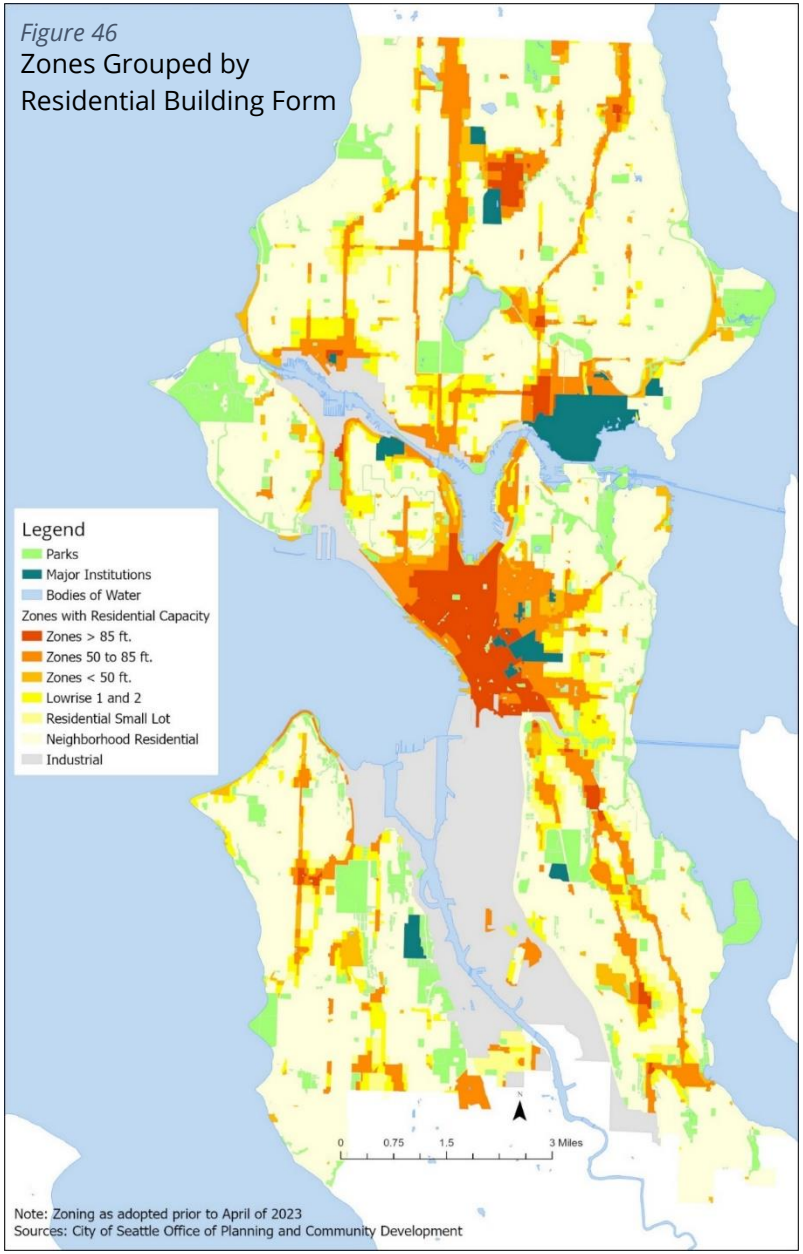
Source: Development Capacity Report, OPCD, May 2023

*Environmentally Critical Areas and Parks are not developable lands but have zoning, much of which is Neighborhood Residential – which are included in the "Total Zoned Land Area" but excluded from the "Total Developable Land Area" column. Major Institutions are also excluded, as these institutions follow their own development plans (i.e., Harborview, University of Washington).

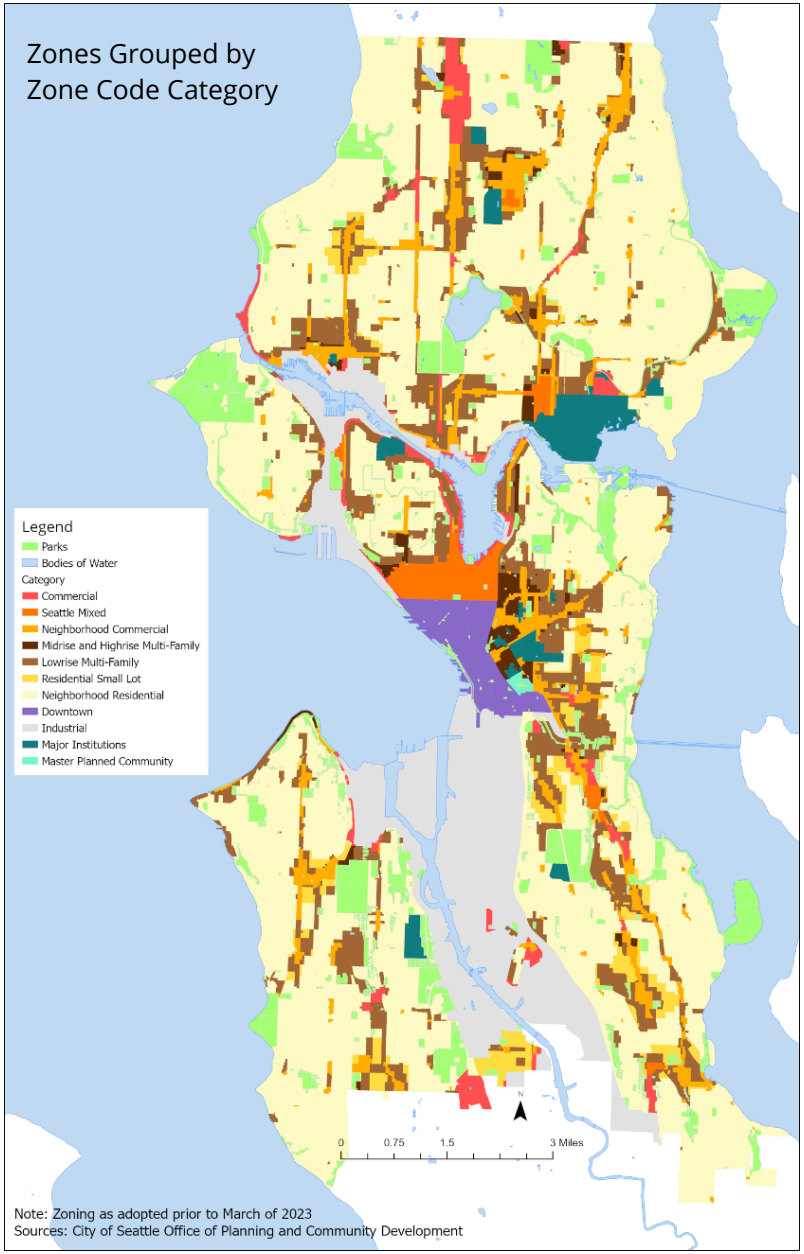
**ADUs estimates are for both attached and detached ADUs. Existing ADUs are counted in the Existing Residential Units in Neighborhood Residential, Residential Small Lot and Lowrise zones. The ADU capacity estimate is calculated by doubling the 10-year estimate from the ADU Final EIS's Preferred Alternative (Pg. 4-203).

Figure 46

Zones Grouped by Residential Building Form



Zones Grouped by Zone Code Category



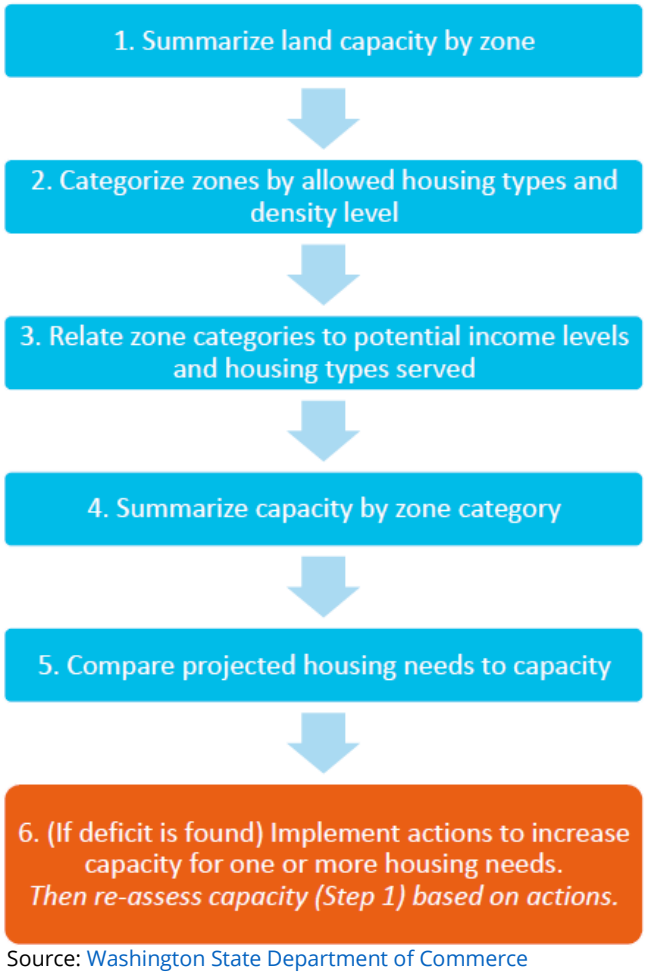
Land Capacity and Housing Affordability Analysis

As described in the Growth Targets and Housing Needs Projections section of this appendix, pursuant to recent changes to state GMA requirements, the GMPC adopted in 2023 housing needs projections for each of several income ranges as well as the need for permanent supportive housing (PSH), for each city in King County. The GMA also requires that local comprehensive plans document that existing zoned capacity may be capable of meeting those needs.

Seattle's analysis of capacity to meet affordable housing needs is summarized in this section. We use the development capacity model along with the analytical steps shown in Figure 47 that reflect guidance provided by the State Department of Commerce.

Figure 47

Steps for the Land Capacity and Housing Affordability Analysis



Source: Washington State Department of Commerce Guidance for Updating Your Housing Element

SUMMARIZE LAND CAPACITY BY ZONE

The first step of the Land Capacity and Housing Affordability Analysis involves classifying the City's residential zones into groupings based on the resulting housing unit types and level of affordability.

Over one hundred zoning codes throughout the city were summarized into seven groups, as shown in Table 29. Industrial zones, which were largely limited in residential development capacity to caretaker units and artist studios, are excluded from the Land Capacity and Housing Affordability analysis.[117]

We summarize the results of the development capacity model, which is conducted at the development site level, by these zone groups, which are shown in Table 29.

CATEGORIZE ZONES BY ALLOWED HOUSING TYPES AND DENSITY LEVEL

Zone groups are reflective of zones where housing developments are similar in type. Housing type refers to the height, density, material, and unit forms typically built in each zone. Table 30 describes these zone groups as they relate to housing types.

In addition, we considered where income restricted housing is developed when forming these zone groups and housing types. For example, separating multifamily zones with height limits under 50 feet from those which have 50 to 85 ft. height limits was based on deliveries of income-restricted housing developments from 2013 to 2021.[118] During this period, 74 percent of units that came into service were in buildings between 5 and 8 stories, which we estimate to be approximately 50 to 85 ft. in height. Just 21 percent of units were in buildings 4 stories or under, or typically less than 50 ft. in height. In addition, just 5 percent of units were in buildings greater than 8 stories, which would be approximately 85 feet or taller.[119]

[117] This development capacity model was created prior to City of Seattle adoption of the Industrial and Maritime Strategy in July of 2023.
[118] This definition includes buildings that receive subsidies and public finance provided by nonprofit or private affordable housing developers, but excludes buildings which only participate in MFTE, MHA, or IZ programs.
[119] For information about subsidized housing, our analysis uses the King County Income-restricted Housing Database, which the King County Department of Community and Human Services developed in collaboration with Seattle, other cities, and the Puget Sound Regional Council. This database includes all rent-restricted units within Seattle, and thus the total number of units may differ from data on the individual portfolios of the City of Seattle, the Washington State Housing Finance Commission, or the Seattle Housing Authority. OPCD then joined this dataset to King County Assessors data to determine the number of rent-restricted units by building type in buildings that were built between 2013 and 2021. Units in the development pipeline that were not yet in service by 2021 are not included.

Table 30

Land Capacity and Housing Affordability Analysis Density Level Assumptions	
Zone Groups	**Typical Housing Types allowed**
Zones with > 85 ft. height limits	Multifamily flats in buildings with approximately 9 or more floors (maximum height higher than 85 feet and max residential FAR between 4.5 and 30) and generally requiring steel, concrete, or cross-laminated timber construction.
Zones with 50 to 85 ft. height limits	Multifamily flats in buildings with no more than 8 floors (maximum height higher than 50 but no more than 85 feet and max residential FAR between 2.3 and 6.25) allowing for wood timber construction, up to 6-over-2.
Zones with < 50 ft. height limits	Multifamily flats in buildings with typically no more than 4 floors (maximum height no more than 50 feet with a max residential FAR of 1.8 to 3)
Lowrise 1 and 2	Townhomes and small multiplexes allowed, but townhomes largely encouraged (maximum height no more than 40 feet with a max residential FAR of 1.3 to 1.6)
Residential Small Lot	Detached homes, cottages, and small multiplexes (maximum height no more than 40 feet with a max residential FAR of 0.75)
Neighborhood Residential	Detached single-family homes (Up to 0.5 FAR and no more than one principal dwelling unit for every 5000SF of lot area)
Accessory Dwelling Units	Attached and Detached Accessory Dwelling Units, which are allowed in Neighborhood Residential, Residential Small Lot, and Lowrise Zones throughout the city.

Table 31 further describes the density ranges of the individual zones in each zone group. We present density ranges in terms of floor area ratio (FAR), residential density, and height maximums. The figures in the table reflect what is allowed under current zoning, which is used to estimate development capacity, as well as data on recent development outcomes and market trends.

Table 31

Zone Groups Related to Density Levels				
Zone Groups	**Housing Types Typically Allowed**	**Residential Max Floor Area Ratio (FAR)**	**Assumed Residential Density (Units/Acre)**	**Height Maximum (Feet)**
Zones with > 85 ft. height limits	Multifamily flats, approximately 9 stories or more	4.5 - 30 FAR	196 – 1,307 Units/Acre	95 - 1000 feet
Zones with 50 to 85 ft. height limits	Multifamily flats, approximately 5 to 8 stories	2.3 - 6.25 FAR	54 - 272 Units/Acre	50 - 85 feet
Zones with < 50 ft. height limits	Multifamily flats, approximately 4 stories or less	1.8 - 3 FAR	54 - 131 Units/Acre	30 - 45 feet
Lowrise 1 and 2	Townhomes, small multiplexes, and ADUs	1.3 - 1.6 FAR	34 Units/Acre	30 - 40 feet
Residential Small Lot	Detached homes, ADUs, cottages, small multiplexes	0.75 FAR	22 Units/Acre	30 feet
Neighborhood Residential	Detached homes, ADUs	0.5 FAR	5 - 9 Units/Acre	30 feet

Relate Zone Categories to Potential Income Levels and Housing Types Served

We next use recent market and development data to determine the lowest income level that various types of new housing can reasonably be expected to accommodate. We considered each form of housing described in Table 31 to provide an understanding of the income levels at which market rate and subsidized housing developments are able to serve households.

We estimated the lowest potential income levels served for each zoning group based on three individual analyses:

- As described in the Ownership Housing section of this Housing Appendix, we estimate income necessary to afford the monthly costs of newer homes sold in 2022 that were built between 2013 and 2022.
- We modeled multifamily rental data to look at affordability levels by number of bedrooms and building form. Our model employs CoStar data on effective unit rents in 2022 for market-rate units developed between the beginning of 2013 to the end of 2022. We supplement rent data from Costar with average costs for tenant-paid utilities by number of bedrooms from ACS Microdata obtained from IPUMS-USA.
- Finally, we conducted spatial modeling of subsidized housing developments that came into service from the beginning of 2013 to the end of 2021 to estimate which zones and building types were more likely to accommodate subsidized housing in the future.

The following findings informed our final classification of zone groups to different levels of income represented in our housing needs projections:

- Current development in the for-sale housing market largely caters to households that have incomes well above 120% of AMI. However, new ADUs sold as individual units, studio and 1-bedroom stacked flats sold as condominiums, and townhomes are sold at prices closer to, but still above, 120% of AMI. Recently developed principal dwelling units sold separately from ADUs, stacked flats with 3+ bedrooms sold as condominiums, and detached homes are sold at substantially higher price points.

- In the unrestricted rental market, multifamily developments over 8 stories (over approximately 85 feet in height) are primarily affordable to households with incomes above 120% of AMI. In comparison, new unrestricted apartments in multifamily buildings shorter than 8 stories tend to be affordable to households with incomes in the > 80 to 120% of AMI range. In addition, 0-bedroom and 1-bedroom units tend to be more deeply affordable than 2-bedroom units, after adjusting for household size. Newly developed 3-bedroom units, of which there are very few, are primarily affordable to households with incomes above 120% of AMI, regardless of building height.

- Income-restricted rental housing is primarily developed in buildings between 5 and 8 stories (approximately 50 to 85 ft. in height). Units developed in wholly income-restricted rental housing developments that serve lower income levels and receive public financing were primarily in buildings with 8 stories or fewer. In comparison, income-restricted units in taller buildings were largely limited to the > 50 to 80% of AMI ranges and did not receive public financing, rather took part in the city's Incentive Zoning, MFTE and MHA programs.

- Income-restricted for-sale housing is limited in its local scalability (e.g., it takes the form of smaller dispersed projects that represent a relatively few units overall added to the stock) compared to both income-restricted rental housing and the for-sale housing market. Newly developed for-sale housing that is subsidized has typically been constructed as townhomes in recent years; however, there has been a shift in development to include flats sold as condominiums in multifamily zones between 45 and 85 ft. in height as well.

These results inform our assumptions about the deepest affordability levels that the City's development capacity can serve, which are presented in Table 32. Zones with 50 to 85 ft. height limits are assumed to be affordable to households 0 to 80% of AMI and PSH at their deepest level of affordability, as income-restricted housing developments have been concentrated in these zones in recent years. We assume developments in Zones with < 50 ft. height limits to be affordable to households > 80 to 120% of AMI, particularly as recent unrestricted rental developments in these zones have served households in this income band, and as there has been less of a concentration of income-restricted housing developments in these zones in recent years. Based on market data for both for-rent and for-sale housing, developments in all other zone groups are assumed to be affordable to households whose incomes are > 120% of AMI.

It is important to note that even if a given zone can theoretically accommodate additional income-restricted housing, this analysis did not consider other factors such as the availability of funding.

These barriers are discussed more in the Income-Restricted Housing section and Barriers and Actions section.

Table 32

Lowest Potential Income Served by Zone Groups			
Zone Groups	**Lowest Potential Income Served**		**Assumed Affordability Level for Capacity**
	Market Rate	**With Subsidies**	
Zones with > 85 ft. height limits (Multifamily flats in buildings above 8 floors)	>80 to 120% of AMI**; >120% of AMI	Not typically feasible at scale	>120% of AMI
Zones with 50 to 85 ft. height limits (Multifamily flats in buildings between 5 and 8 floors)	>50 to 80% of AMI*; >80 to 120% of AMI	0-80% AMI and PSH	0 to 80% of AMI and PSH
Zones with < 50 ft. height limits (Multifamily flats in buildings with typically no more than 4 floors)	>50 to 80% of AMI*; >80 to 120% of AMI	Not typically feasible at scale	>80 to 120% of AMI
Lowrise 1 and 2 (i.e., Townhomes, multiplexes, and ADUs)	>120% of AMI	Not typically feasible at scale	>120% of AMI
Residential Small Lot (i.e., Cottages, multiplexes, small lot detached homes, and ADUs)	>120% of AMI	Not typically feasible at scale	>120% of AMI
Neighborhood Residential (i.e., Detached single-family homes, and ADUs)	>120% of AMI	Not typically feasible at scale	>120% of AMI
*We only found 0-bedroom and 1-bedroom units to be affordable to households with incomes >50% to 80% of AMI in our analysis of CoStar Effective Market Rents **We only found 0-bedroom and 1-bedroom units to be affordable to households with incomes >80% to 120% of AMI in our analysis of CoStar Effective Market Rents			

Summarize Capacity by Zone Category

Once assumed affordability levels have been determined for each housing type, we relate these affordability levels back to zone groups and aggregated housing unit development capacity. These are described in Table 33.

Table 33

Development Capacity by Zone Group and Assumed AMI					
Zone Groups	Vacant or Redevelopable Land Area (Acres / % of Acres)		Residential Development Capacity (Units / % of Units)		Assumed AMI Level
Zones with > 85 ft. height limits	261	7.2%	45,741	27.2%	> 120% AMI
Zones with 50 to 85 ft. height limits	1,078	29.6%	94,641	56.3%	0 to 80% of AMI and PSH
Zones with < 50 ft. height limits	325	8.9%	7,001	4.2%	> 80 to 120% AMI
Lowrise 1 and 2	428	11.7%	8,745	5.2%	> 120% AMI
Residential Small Lot	255	7.0%	2,311	1.4%	> 120% AMI
Neighborhood Residential	1,300	35.6%	4,727	2.8%	> 120% AMI
Accessory Dwelling Units	-	-	4,920	2.9%	> 120% AMI
Total**	3,648		**168,086**		

Source: Development Capacity Model, OPCD, May 2023
*Based on existing boundaries as adopted prior to May 2023
****This number excludes zones that do not currently carry residential capacity, as well as the units limited to caretaker units in industrial zones

Compare Projected Housing Needs to Capacity

The final step in the analysis compares the capacity to projected housing needs by income level. We aggregate housing needs based on the forms of housing likely to accommodate them, as is consistent with Commerce guidance. This results in three groups of aggregated housing needs: 0 to 80% of AMI including PSH, >80 to 120% of AMI, and >120% of AMI.

We use a "discrete" level of analysis, which uses an exclusive one-to-one match of housing type to affordability level, along with a cumulative analysis to show that Seattle currently has sufficient capacity for the housing types and densities that can support development to meet projected needs at all income levels.

When allocating capacity to discrete income bands, we identify sufficient capacity for households at >120% of AMI and at 0 to 80% of AMI including PSH, but not for the band >80 to 120% of AMI Table 34 shows that Seattle only has 60 percent of development capacity required through 2044 for households in the 80 to 120% of AMI category using the discrete method. This deficit is a result of only accounting for Zones with <50 ft. height limits when counting capacity for the >80 to 120% of AMI band.

Results from the market analysis, presented in the Affordability of Recently Developed Housing, show however that unsubsidized housing development in Zones with <50 ft. height limits and Zones with 50 to 85 ft. height limits can serve households with incomes >80 to 120% of AMI. Thus, we present a Cumulative Capacity to demonstrate that when accounting for all zones that would serve

households with incomes >80 to 120% of AMI, there is sufficient development capacity for this, and therefore all, income bands.

Meeting this minimal GMA and county requirement is necessary, but not sufficient to address our housing needs and goals going forward. Additional analyses in this appendix and goals and policies in the Comprehensive Plan address other considerations, including the need for substantial funding sources to realize our potential to provide subsidized income-restricted housing, increasing neighborhood racial and economic inclusivity, providing additional capacity for middle housing with opportunities for more family housing and more homeownership, prevention of displacement of vulnerable populations, targeting growth in areas that are well served by transit and other amenities, and growth of climate and economically resilient neighborhoods where all households have their daily needs met.

Finally, this analysis has several technical limitations due to its ability to only look at overall affordability and unit production.

- **Development of varying unit sizes:** This analysis does not account for the size of unit development. Current market production is largely limited to studio and 1-bedroom units, which are not apt to serve the needs of families with children or multigenerational households.
- **Neighborhood level variation in cost and affordability:** This analysis only considers forms and production of housing based on affordability ranges, whereas Seattle's housing market produces a large variety of housing within these income ranges. For example, newer condos, middle-housing, and townhomes are sold at prices affordable closer to 120% of AMI, whereas new detached homes are typically affordable only to households of much higher incomes. Similarly, some neighborhoods around Seattle have produced housing that is more affordable due to land costs and the forms of housing available.
- **The role of existing housing in housing market affordability:** This analysis is limited in its focus on production. It does not consider the critical role that the older housing stock plays in Seattle, in particular how units in older multifamily buildings are more affordable at lower income ranges and provide much of the housing for low-income households across Seattle.

Table 34

Zoned Land Development Capacity Analysis and Projected Housing Needs[120]							
Housing Needs (AMI %)	**Projected Housing Unit Need**	**Zone Groups Serving These Needs**	**Aggregated Housing Unit Need**	**Capacity Units**	**Vacant or Redev. Land in Acres**	**Discrete Capacity Surplus/ Deficit**	**Cumulative Capacity Surplus/ Deficit**
0 to 30% of AMI, PSH	15,024	Zones with 50 to 85 ft. height limits	70,726 (63.1%)	94,641 (56.3%)	**1,104 (33.2%)**	**+23,915 (134%)**	**+23,915 (134%)**
0 to 30% of AMI, Non-PSH	28,572						
> 30 to 50%	19,144						
> 50 to 80%	7,986						
> 80 to 100%	5,422	Zones with <50 ft. height limits	11,572 (10.3%)	7,001 (4.2%)	**248 (7.5%)**	**-4,571 (60%)**	**+19,344 (124%)**
>100 to 120%	6,150						
> 120%	29,702	Zones with > 85 ft. height limits, Lowrise 1 and 2, Neighborhood Residential, Residential Small Lot, ADUs	29,702 (26.5%)	66,444 (39.5%)	**1,970 (59.3%)**	**+36,742 (224%)**	**+56,086 (150%)**
Total	**112,000**		**112,000**	**168,086**	**3,322**	**+56,086 (150%)**	**+56,086 (150%)**

[120] Permitting monitoring shows that Seattle has added 24,051 housing units between 2019 and 2023 and is on track to gain a total of 32,000 units for the 5-year period of 2020 to 2024. This leaves approximately 80,000 units in our 112,000-unit 2019-2044 target, the former of which is referenced throughout the Comprehensive Plan as our 20-year growth target. The LCHAA is not prorated for these 5-years of development; however, all development prior to October 2022 was incorporated into the development capacity model. If we reduced aggregated housing needs for the 20-year period, it would show even higher cumulative surplus capacity for projected housing need.

Housing Production Barriers and Actions

This section provides a high-level summary of barriers to housing production that contribute to shortfalls in meeting the needs by type and affordability. It broadly outlines actions the City could take to begin closing those gaps. This section of the appendix addresses new requirements in the GMA, guidance from the Department of Commerce, and countywide policy.

This section focuses on regulatory, process, and cost barriers—and actions to address barriers—that make developing housing challenging. The Income-Restricted Housing section focuses on programs and funding gaps specific to production, support, and rehabilitation of housing dedicated to households in the lower economic segments of the community.

Barriers

REGULATORY AND PERMITTING BARRIERS

Some barriers to housing production generally, and Seattle's ability to accommodate housing demand and meet housing needs in particular, result from how the City regulates and permits housing. This section summarizes some ways those barriers arise in Seattle's regulations and outlines forthcoming analysis or reform intended to help the City reduce them. This discussion is intended to fulfill new GMA requirements added in HB 1220 that cities document barriers to housing and actions to overcome them.

Zoning

A fundamental way that regulation serves as a barrier to housing production is zoning. Zoning determines whether housing is allowed in an area. Where housing is allowed, zoning generally directly limits the amount and/or type of housing allowed on a particular site and, more indirectly, influences the feasibility of housing development and affordability of housing produced. In Seattle, most land where housing can be built has Neighborhood Residential zoning that primarily allows only low-density detached housing (see Zoned Development Capacity section). The One Seattle Plan includes a new Growth Strategy that envisions increasing land area with zoning that allows greater housing production. See further discussion of these barriers in the Growth Strategy and Housing elements.

Development standards

Where zoning broadly governs where housing is allowed across Seattle, a zone's development standards determine specific housing outcomes for an individual site. Seattle's residential zones rely primarily on maximum height, floor area ratio (FAR), and/or lot coverage limits. Certain low-density zones also use a maximum density limit to determine the number of units (and therefore their size) allowed on a site, though most residential and mixed-use zones in Seattle do not have outright limits on density in the Land Use Code. Other development standards also affect the form, layout, and configuration of buildings, and therefore play a role in the viability of housing development. These include standards regarding the size, length, and extent of facades; modulation requirements;

setbacks; and design standards. In some cases, the interaction of development standards and market forces produces underbuilding. For example, in Seattle's Lowrise 2 and Lowrise 3 zones, developers frequently choose to build townhouses below the allowed height and FAR instead of stacked flats that are more likely to use the full development capacity available.

Permitting times

The time required to receive a permit to build also affects our ability to produce housing. Seattle's permitting process involves several types of review, including compliance with not only zoning and land use regulations but also construction codes (the Seattle Building Code for most multifamily housing and the Seattle Residential Code for detached houses, duplexes, and most townhouses); regulations for drainage, stormwater, and environmental factors; requirements for street and utility improvements; and many others. Together, the many reviews involved can create extended timelines and bottlenecks for housing development, which in turn reduce the overall amount of housing produced and raise prices as delays boost holding costs and create uncertainty.

CONSTRUCTION COST AND FINANCING

Though largely outside the City's direct influence, many additional factors contribute to the availability to finance, cost to construct, and eventual price of housing. Changes in the complex system of real estate financing, including interest rate hikes and many other variables, can slow overall housing starts and stall individual projects that may no longer be profitable to develop. When cost inputs increase, the feasibility of building housing can decline, sometimes precipitously. In recent years, for example, prices have risen for lumber and other raw materials used in housing construction. These barriers are interrelated; longer permitting timelines can jeopardize financing arrangements or introduce uncertainty into a project's pro forma (financial analysis) due to volatility in material costs.

Actions to Address Barriers

Through the One Seattle Plan and other efforts, the City is pursuing strategies to address these barriers. Several respond to recently adopted state legislation that addresses the supply and affordability of housing, and the Washington Legislature is currently considering additional bills that could provide further direction or add requirements for housing reforms. These strategies include:

- Zoning reform to implement the Plan's new growth strategy, which would expand capacity for new housing in many areas, including for middle housing in Neighborhood Residential zones as required by HB 1110.
- Modifications to development standards intended to improve housing outcomes in several zones, including specifically to increase the feasibility of housing types like stacked flats that are allowed but rarely built in certain zones or areas of Seattle currently.
- A review of the City's permitting processes to identify opportunities across departments to simplify, streamline, and accelerate these processes. This includes compliance with recent state legislation on design review.

Income-Restricted Housing

Income-restricted housing helps lower-income households secure housing in Seattle. This section provides an overview of Seattle's income-restricted housing supply and strategies, including capital and operating funding, used to develop and preserve that housing. This section on income-restricted housing specifically focuses on housing units that have covenant restrictions but does not include housing that is low-cost for other reasons. The final portion of this section identifies actions that could address gaps between lower-income housing needs and supply to help achieve Seattle's affordable housing goals.

Income-Restricted Housing Supply

As of 2022, the estimated supply of income-restricted housing units in Seattle is approximately 34,000 rental units. Slightly over half of these units were made income restricted with the assistance of the City of Seattle's investment. Other income-restricted units have no City investment, like some owned by SHA, or non-profit providers subsidized by other sources. In addition, there are over 250 owner-occupied homes subject to ongoing limits to future sales prices.[121] All future sales of these homes will be restricted and affordable to eligible households with incomes at or below 80% of AMI.

Figure 48 shows income-restricted rental units by affordability level. Actual AMI limits may be anywhere within an affordability band; for example, most rental units in the 51% to 80% of AMI band are subject to a rent and income limit of 60% of AMI.

As shown in the figure, 39 percent of rental units have affordability limits up to 30% of AMI, 18 percent have affordability limits 31 to 50% of AMI, 41 percent have affordability limits between 51 and 80% of AMI (although most do not exceed 60% of AMI), and 2 percent are restricted at levels above 80% of AMI.[122]

Production and preservation of income-restricted rental housing is primarily funded with investments awarded by public agencies and private investment largely made through the federal Low-Income Housing Tax Credit program. Rent for publicly funded rental housing is usually capped at levels affordable to households with incomes 60% of AMI or less. Units with rents capped at levels higher than 60% of AMI are typically select units in largely market-rate buildings. Income-restricted affordable units in market-rate buildings are typically provided as a condition of land use or incentive requirements.

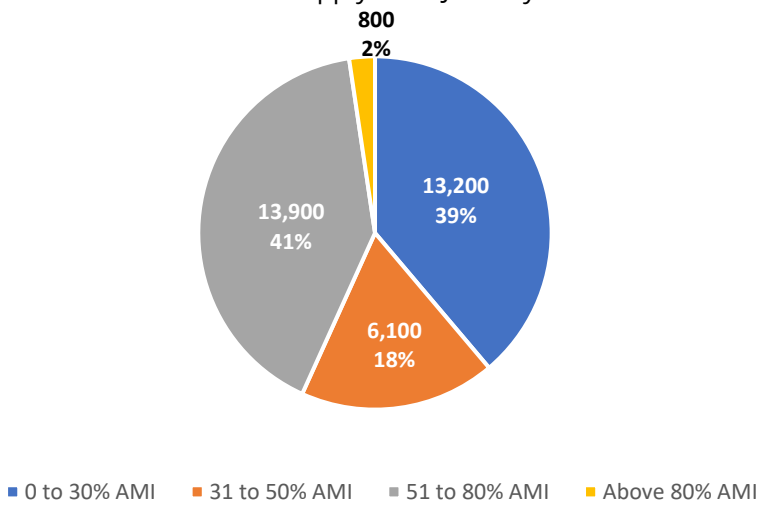
[121] For rental, the 34,000-unit estimate does not include units that came into service in 2022, whereas for homeownership includes all units which came into service up through December 31, 2022.-The rental unit estimate, which comes from the King County Income-restricted Housing Database, includes City-funded income restricted housing held, as well as income-restricted housing units that the City has not funded.

[122] The King County database only tells us data about the affordability limit of housing units. It does not tell us the income-level of actual tenants in these units, which may be lower than the affordability limit.

For-sale affordable homes are funded by a combination of public and philanthropic dollars (typically 1/3 of the development cost) leveraged with the eligible homebuyers' affordable mortgage and downpayment. Households eligible to purchase an affordable home have incomes no higher than 80% of AMI.

Figure 48

Income Restricted Rental Unit Supply as of January 2022



Sources: King County Income-restricted Housing Database, developed through a survey of public regulatory agencies in collaboration with the Puget Sound Regional Council.

City Investments in Permanently Affordable Housing

Investment in permanently affordable housing is one of the most critical City actions to address public health and safety, prevent residential displacement, and reverse historic and ongoing harms to communities of color because of institutionalized discriminatory policies and practices.

This section of the Housing Appendix provides a high-level overview of the Seattle Office of Housing's efforts to produce and preserve affordable housing through various funding sources. As a City, we invest in income-restricted housing that other agencies, such as nonprofit affordable housing providers and SHA, own and operate. We cover funding and housing outcomes for the Rental Housing, Homeownership, Home Repair, and Weatherization programs, along with emergency rental assistance in response to the ongoing economic impacts of the coronavirus pandemic. This section also describes agreements with market-rate developers to include a modest share of income-restricted units affordable to low- and moderate-income families and individuals. Those units augment Seattle's supply of City-funded low-income housing.

City investments in affordable housing infrastructure help advance racial equity, given the disproportionately high housing cost burden, displacement, and potential for homelessness experienced by people of color. City-funded housing programs in particular make special efforts to reach people of color and immigrant and refugee communities. Based on available demographics of households that reside in City-funded housing or that receive other types of City-funded assistance, those programs serve greater shares of people of color and lower income households compared to

the overall housing market.[123] For income-restricted units in otherwise market-rate buildings (provided as a condition of Multifamily Property Tax Exemption or Mandatory Housing Affordability requirements, for example), racial equity outcomes have not been documented to equal or surpass those achieved through City-funded affordable housing programs. The Office of Housing is working to improve collection and quality of demographic data for more thorough investigation of racial equity outcomes of the City's housing strategies.

RENTAL HOUSING PROGRAM

The OH portfolio of City-funded rental housing totals more than 18,000 affordable units in service, which is slightly more than half of the income-restricted units in Seattle. Funding has been awarded for an additional 3,500 affordable apartments in the development pipeline. City-funded rental apartments are in all parts of Seattle where zoning allows for development of multifamily housing.

OH awarded $154.75 million in 2022 to build, acquire, and preserve 990 affordable rental homes in neighborhoods across Seattle. These investments support a spectrum of housing types for low-income residents, including supportive housing for those experiencing homelessness and apartments for low-income individuals and families.

Table 35 shows that in 2022, $137 million of the City's $154 million of capital investment in affordable rental was for the development of new housing. This $137 million of OH investments will result in additional investments totaling $144.6 million for new low-income housing, not including funding for ground floor commercial or community spaces. The $144.6 million supplementing City funding derives from multiple sources, with the largest being federal Low-Income Housing Tax Credit program private activity bonds and equity investment, which is administered by the Washington State Housing Finance Commission.

[123] City of Seattle, Office of Housing, 2022 Annual Investments Report, pages 39-42.

Table 35

New production, reinvestment, and preservation funds awarded for rental housing (2022)		
Fund Source	2022 Funding Awarded	Description
Seattle Housing Levy	$17M	The voter-approved Seattle Housing Levy[124] provides approximately $29 million per year for the rental housing program. Based on cumulative outcomes over the first six years of the current levy period, the Rental Production and Preservation Program has already exceeded its 7-year goals.
Seattle Mandatory Housing Affordability (MHA) payments	$52.8M	In areas subject to MHA requirements, residential and commercial developers' either make financial contributions for new low-income housing or include a modest number of affordable units as part of their developments.
Seattle Incentive Zoning / Bonus payments	$4.95 M	Residential and commercial developers whose developments are not subject to MHA make payments to the City to achieve additional floor area under Incentive Zoning requirements.
Other local funds, including JumpStart Payroll Expense Tax	$67.3 M	The Seattle Payroll Expense Tax is a business excise tax; a percentage of revenue is dedicated to affordable housing, including rental housing production.
Federal funds, which may include HOME, CLFR, or other	$12.2 M	The HOME Investment Partnerships Program (HOME) provides formula grants to states and municipalities to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing. Coronavirus Local Fiscal Recovery Funds (CLFR), a part of the American Rescue Plan Act (ARPA), provide local governments resources to support households, businesses, and public services impacted by the pandemic.
Total	$154.3M	
Source: City of Seattle Office of Housing		

HOMEOWNERSHIP PROGRAMS

Development of New Affordable For-Sale Homes

For more than 20 years, OH has invested in the development of affordable for-sale homes. The homes are resale restricted to help provide permanent affordability for low-income homeowners. Initial sales prices are affordable to eligible buyer households who have incomes at or below 80 percent of AMI. In return for the opportunity to purchase a home at an affordable price, homebuyers agree to resale price limits to enable another low-income household to own their own home. These agreements balance initial homebuyers' need for affordability, stability, equity, and legacy with the desire of future homebuyers to experience those same benefits. OH, in partnership with several nonprofit development and stewardship organizations, oversees a portfolio of roughly

[124] In 2022, Levy funds awarded by the Office of Housing were from the Seattle Housing Levy approved by voters in 2016. A new housing levy is on the ballot for Seattle voter consideration in Fall 2023.

275 owner-occupied homes with lasting affordability. The power of permanent affordability is that public investment in the development of each home serves multiple income-eligible buyer households well into the future. Nearly 200 more OH-funded resale-restricted homes will come on the market in the next few years.

Table 36 shows that in 2022, OH awarded $10.48 million to develop 95 permanently affordable homes at six sites for low-income homebuyers. Development of homeownership housing typically leverages between $4 and $5 per dollar spent of City funding. The homebuyer's mortgage, borrowed from a conventional mortgage lender, and their down payment amount constitutes the largest share of that leverage, averaging roughly two-thirds of the cost of each home. Other subsidy sources include State Housing Trust Fund, Federal Home Loan Bank, the U.S. Department of Housing and Urban Development's Self-Help Homeownership Program (SHOP), along with philanthropic and volunteer labor contributions.

Table 36

Permanently affordable, resale-restricted for-sale housing (2022)		
Fund Source	2022 Funding Awarded	Description
Seattle Housing Levy	$5.8M	The 7-year Seattle Housing Levy dedicates $14.3 million to a variety of homeownership programs, including development of new permanently affordable for-sale housing and down payment assistance loans for income-qualified first-time homebuyers.
Seattle Mandatory Housing Affordability (MHA) payments	$3.78M	A portion of the developer payment proceeds under the MHA program (see description above, under Rental Housing) is used for development of permanently affordable, resale-restricted for-sale housing.
Mercer Mega Block sales proceeds	$910K	A portion of the proceeds from the City's sale of the Mercer Mega Block in 2020 was set aside to fund the development of permanently affordable homeownership in the Rainier Valley as part of the Rainier Valley Affordable Homeownership Initiative.
Total	$10.48M	
Source: City of Seattle Office of Housing		

Downpayment Assistance

OH-funded downpayment assistance (DPA) for homebuyers, also known as "purchase assistance," is administered through nonprofit partners. The amount available to each income eligible household is currently $55,000. DPA is structured as a non-amortizing, 3 percent simple-interest, secondary loan due upon resale or refinance. DPA is often layered with other, non-City subsidies that help low-income, first-time homebuyers purchase homes available in the open market. Seattle Housing Levy-funded DPA loans that closed in 2022, supported eight homebuyer households with the purchase of their first homes.

Foreclosure Prevention Loans

In 2018, OH launched a pilot Homeowner Rescue Fund to help prevent home foreclosures. Since then, HomeSight, a local nonprofit partner, has originated 13 loans (including four in 2022). These loans enable eligible homeowners to retain ownership of their homes and continue living in the neighborhoods they call home. Despite the relatively modest volume of foreclosure prevention loan activity, this tool has been determined to be critical to City-led anti-displacement efforts. For that reason, it is now an ongoing program and no longer a pilot.

Home Repair Program

This program funds critical health and safety repairs, helping low-income homeowners preserve what is often their greatest financial asset and remain in their homes. In 2022, OH's Home Repair Program provided nearly $486,693 in loans and grants to 41 low-income homeowners to address critical health, safety, and structural issues. This funding was from a variety of sources, including Community Development Block Grant (CDBG) and the Seattle Housing Levy.

Weatherization Program

In 2022, OH's HomeWise Weatherization Program expended $4.73 million to provide energy efficiency and indoor air quality improvements in affordable apartment buildings serving low-income renters and single-family homes with low-income owners. This funding was from a variety of sources, including Seattle City Light, U.S. Department of Health and Human Services, U.S. Department of Energy, Bonneville Power Administration, Puget Sound Energy, and JumpStart Payroll Expense Tax revenue.

Emergency Rental Assistance

In 2022, the City continued its work administering emergency rental assistance to provide stability for renters with low incomes who were economically impacted by the COVID-19 pandemic.

To distribute available funds, the City employed a three-pronged strategy that reached more than 10,000 Seattle renters whose housing stability was jeopardized by the pandemic's economic impacts. This approach to program implementation emphasized efficient and trusted partnerships, through:

- A direct contract with United Way of King County, building on their strong foundation of existing eviction prevention work;
- Innovative delivery through OH direct support to nonprofits that operate City-funded affordable housing; and
- Intentionality with respect to communities most negatively impacted by COVID-19, through direct engagement with community-based organizations, including agencies led by and serving BIPOC, immigrant, and refugee communities.

By the end of 2022, approximately $46.7 million in rental assistance had been paid out to 10,503 households. The three-program strategy ensured quick disbursal of federal funding in a streamlined yet equitable manner. Across community-based organizations, the United Way, and other OH

partners, about 66% of rental assistance recipients identified as people of color and 15% identified as Hispanic ethnicity.

INCOME-RESTRICTED UNITS IN MARKET-RATE MULTIFAMILY BUILDINGS (NOT CITY-FUNDED)

OH's affordable housing portfolio also includes income-restricted units in otherwise market-rate buildings. Two vehicles for restrictive housing covenants are described in this subsection.

Multifamily Tax Exemption Program (MFTE)

This program exempts multifamily building owners from property taxes on residential improvements in exchange for a set-aside of income-restricted units, generally for up to 12 years. In 2022, OH issued Final Certificates of Tax Exemption for 22 multifamily housing developments in neighborhoods throughout Seattle. Those multifamily properties total 3,738 rental units, of which 793 MFTE units are income-restricted, and 12 for-sale homes. Exemptions for properties with a Final Certificate issued in 2022 became effective on January 1, 2023.

OH's portfolio of in-service rental units includes over 6,000 MFTE units. Preliminary applications have been approved for another 1,900 MFTE rental units in permitting or under construction. City-funded low-income housing that is tax exempt through MFTE is not included in these totals.

Nearly 90% of in-service MFTE units either have zero or one bedroom. Publicly funded low-income housing using MFTE provides far higher shares of units sized for families with children compared to properties that are largely market-rate. For publicly funded low-income housing using MFTE, one-third of total rental units and roughly eight in ten of owner-occupied homes have two or more bedrooms.[125]

Two-thirds of MFTE units are designated for households with incomes between 75% AMI ($72K for an individual to $92K for a three-person household) to 90% AMI ($86K for an individual to $111K for a three-person household). Fewer than five percent are for households with incomes below 60% AMI ($58K for an individual or $74K for a 3-person household).[126]

Mandatory Housing Affordability (MHA)

MHA requires inclusion of a modest share of affordable homes in new multifamily and mixed-use development or a contribution to a City fund designated for preservation and production of low-income housing. MHA has been implemented periodically in Seattle, concurrent with area-wide zoning changes and Land Use Code modifications that increased development capacity.

Funds contributed through MHA payment option are awarded for production and preservation of income-restricted housing (both rental and ownership) by OH. Total MHA payments received by the

[125] Seattle Office of Housing, 2022 Annual MFTE Report, page 12.

[126] Seattle Office of Housing, 2022 Annual MFTE Report, page 14. Income limits are as published for fiscal year 2023.

City for projects with building permits issued as of December 31, 2022, total $246.1 million.[127] The share of total City funding awarded annually for affordable rental and ownership housing is reflected in the first two subsections above.

In 2022, performance housing agreements were executed and recorded on the title of 14 properties. Once constructed, those properties will include 66 income-restricted units, three of which will be homes subject to limits on sale prices (including resales) that are affordable to buyer households with incomes no higher than 80% of AMI. Affordability limits for rental units depend on the apartment's square footage: 40% of AMI for those with net unit area of 400 square feet or less and 60% of AMI for those larger than 400 square feet. MHA performance units are generally subject to 75-year housing affordability covenants.

FUNDING FOR PRODUCTION AND PRESERVATION OF INCOME-RESTRICTED HOUSING

This section presents the results of a recently completed analysis of future housing production conducted by OH to develop the proposal for the 2023 Seattle Housing Levy. We use this analysis to better understand to what extent City financing and available leverage funds can be used to meet Seattle's projected housing needs for households with incomes at or below 80% of AMI, including Permanent Supportive Housing (PSH), through 2044.

OH staff developed financial models to better understand costs associated with development of new income-restricted multifamily rental homes and permanently affordable for-sale homes. This analysis also provided cost modeling for reinvestment in Seattle's existing portfolio of City-funded income-restricted housing, as well as ongoing operating and maintenance needs, including operating, maintenance, and tenant services (OMS) needs for PSH residents.

Existing housing resources include the Housing Levy approved by Seattle voters in November of 2023, JumpStart/Payroll Expense Tax, Mandatory Housing Affordability (MHA), Federal funds, and funds typically leveraged from partner public funders. Affordable housing development requires layering of multiple fund sources for both capital and long-term operating costs.

OH invests in affordable housing to address the full continuum of needs, from homeownership to rental apartments to homelessness prevention. Due to statutory requirements, investment of public funding through OH is limited to housing that serves households with incomes at or below 80% of AMI. A recent study also indicates that new housing in Seattle is less likely to be affordable to households with incomes below 80% of AMI, and states that, absent subsidies and other government action, newly developed housing cannot be both profitable and affordable to households with incomes below 50% of AMI. Public investment is needed to create housing for households with the lowest incomes.[1]

To better understand the need for affordable housing in Seattle, OH reviewed several data sources including the King County GMPC Jurisdictional Housing Needs. GMPC data indicates approximately 112,000 new homes will be needed by 2044, with about 63% of those homes affordable to households with incomes at or below 80% AMI. To arrive at their housing need estimates, the GMPC

[127] Seattle Office of Housing, 2022 Annual MHA/IZ Report, page 12.

employed the Washington State Department of Commerce's Housing for All Planning Tool. The GMPC established 25-year (2019 to 2044) PSH and housing need projections by AMI bracket.
OH staff conducted an analysis of housing needs to inform the 2023 Seattle Housing Levy proposal. This analysis is based on the seven-year period that the 2023 Housing Levy will cover (2024-2030). OH staff annualized the GMPC's 2019-2044 projections by dividing by 25 and then multiplied by seven to estimate housing need over the seven-year Levy period (2024-2030). Housing needs for 2031-2044 were also extrapolated using this same methodology.

Results of this analysis show it may be possible for OH, in coordination with all other public funding partners, to develop approximately 27% of the estimated need for the 2024-2030 period, for homes affordable to households with incomes at or below 80% AMI (roughly 5,350 units of the 19,800 units estimated to be needed in that time frame). Addressing that share of the estimated need will require leverage of all City affordable housing capital funds, including the newly adopted 2023 Housing Levy. Other public capital sources that would need to be leveraged include Low Income Housing Tax Credits (LIHTC), State funding, and County funding, comprising about 55% of total project development budgets.

For the 2024-2030 Seattle Housing Levy period, it might be possible for OH, in coordination with its public funding partners, to fund approximately 15% of the OMS needs for PSH, as estimated by the GMPC. All available City OMS funds would need to leverage other public sources, including Housing Choice Vouchers as well as OMS funds at the federal, state, and county level.
Capital and OMS funding gaps would need to be filled to meet the total Jurisdictional Housing Needs as estimated by the State. To calculate this funding gap, staff assumed that local and leverage funds and development and operation costs would be similar to what was assumed for purposes of the 2023 Seattle Housing Levy modeling, plus a reasonable annual escalation of costs (3.2% for capital and 4% for OMS).

Substantial capital and OMS funding gaps remain to meet the total state Jurisdictional housing needs through 2044 for households with incomes at or below 80% of AMI. The estimated gap totals $30.4 billion ($27.7 billion for capital costs and $2.7 billion for PSH OMS costs).
To work toward closing this gap, the City must continue to advocate for significant expansion of the federal LIHTC program and new and/or increased federal and state fund sources for capital and OMS costs of production and preservation of low-income housing, including PSH.

Homelessness

Seattle has established a goal in the Housing element to make instances of homelessness rare and brief. To achieve this goal, there is a significant need for emergency housing and shelters. The King County Countywide Planning Policies estimate that Seattle will need to accommodate a total of 25,734 emergency shelter beds by 2044, a five-fold increase of 21,401 beds over the 4,333 beds in the city as of the end of 2019. These beds are critical to reducing and preventing street homelessness in Seattle, which has grown in prevalence, in particular during the COVID-19 pandemic.

In addition, permanent housing opportunities that are available to people experiencing homelessness, such as permanent supportive housing (PSH), are critical, both in Seattle and in the larger region, to reducing homelessness and reducing the future need for emergency housing.[128]

Populations Experiencing Homelessness in King County

Seattle coordinates its local homelessness system with King County and its other cities, as part of the unified countywide system called the King County Regional Homelessness Authority (KCRHA). KCHRA estimated that a total of 52,000 people throughout King County experienced homelessness at some point in 2022, and the number experiencing homelessness is projected to grow to nearly 62,000 by 2028.[129] People can experience homelessness for various lengths of time, depending on the ability of the homelessness system to meet their needs, and their own ability to gain and maintain permanent housing.

This section describes the population experiencing homelessness at a given point in time. The Washington State Department of Commerce publishes January and July estimates of people experiencing homelessness in its biannual "Snapshot of Homelessness in Washington State" report.[130] These estimates are produced by combining a variety of data sources, such as Medicaid claims, Temporary Assistance for Needy Families (TANF), Basic Food Assistance, and Homelessness Management Information Systems.[131]

---

[128] Guidance for Updating Your Housing Element pg. 49. Washington State Department of Commerce, August 2023.

[129] King County Regional Homelessness Authority Update, March 2023.

[130] The snapshot tallies we include here in the Housing Appendix refer to the population who are experiencing homelessness, which include both those in emergency shelter and those who are unsheltered. (The snapshots also include broader tallies, not included in this Housing Appendix, encompassing persons who are unstably housed in addition to persons experiencing homelessness.) These snapshots are prepared by the Washington State Department of Social and Health Services (DSHS) Research and Data Analysis Division for Commerce and are published on the Homeless System Performance section of Commerce's website.

[131] For a fuller understanding of the data contributing to the Snapshots and the limitations of the Snapshots, view "Measuring Homelessness Using Administrative Data: A Review of the Snapshot of Homelessness," DSHS Research and Data Analysis Division, October 2022; and "Understanding the Snapshot Report." Commerce Housing Division Data and Performance Unit, November 2022.

Table 37 shows Commerce's Snapshot estimates for people experiencing homelessness in King County as of July 2022. These estimates are grouped by the type of household in which each of these persons is a member. The Snapshot tallied 33,652 people experiencing homelessness in the county in July 2022. Of these, 22,120 were members of adult-only households, 9,411 were members of households with an adult 25 years or older with one or more minor (person under 18), and 2,082 were members of households where everyone was 24 years or younger.

The largest number of people experiencing homelessness by race are in white and Black racial groups. However, the Black population is overrepresented as a proportion of the population experiencing homelessness when compared to their overall countywide population. In addition, the Black population is the largest group of households with minors experiencing homelessness. American Indian or Alaska Native, the Native Hawaiian or Pacific Islander, and the Hispanic or Latino racial and ethnic groups are also overrepresented as a proportion of the population experiencing homeless when compared to their overall countywide population. This is consistent with other data showing racial disparities in housing and income that are documented in this appendix.

Table 37

King County Population Experiencing Homelessness By Household Type, Race and Ethnicity, Sheltered or Unsheltered, July 2022

Race and Ethnicity	Persons in Youth or Young Adult Household, All Members 24 or Younger	Persons in Adult-Only Households with at Least One Member 25 or Older	Persons in Households with One or More Adults 25 or Older and One or More Minors	Persons in Unknown Household Type	**Total Population Experiencing Homelessness**
American Indian or Alaska Native	216	2,564	887	<11	**3,669 (10.9%)**
Asian	160	1,347	685	-	**2,191 (6.5%)**
Black or African American	881	6,906	4,180	17	**11,984 (35.6%)**
Hispanic or Latino	392	2,589	z1,808	<11	**4,791 (14.2%)**
Native Hawaiian or Pacific Islander	153	1,164	934	<11	**2,252 (6.7%)**
White	547	9,696	1,993	16	**12,251 (36.4%)**
Unknown	108	510	714	<11	**1,334 (4.0%)**
Total	**2,082 (6.2%)**	**22,120 (65.7%)**	**9,411 (28.0%)**	**39 (0.1%)**	**33,652 (100%)**

Source: Snapshot of Homelessness in Washington for July 2022, Washington State Department of Commerce.

Note: Based on combined Medicaid, Economic Service, and HMIS populations Includes service recipients and all associated household members.

Table 38 shows racial and ethnic composition of the overall population in King County as reported in the Census Bureau's American Community Survey (ACS) alongside that of the population experiencing homelessness as reported in Commerce's Snapshot of Homelessness. Because

Commerce does not report multiracial categories, its estimates are not strictly comparable to the ACS. The disproportionalities in rates of homelessness are so large that they are evident even when considering the differences between the data sources in tabulating race and ethnicity.

Table 38

Racial and Ethnic Distribution: Population Experiencing Homelessness and Overall Population in King County			
Snapshot of Homelessness Tallies of Population in Experiencing Homelessness		American Community Survey (ACS) Estimates for Total King County Population	
Race and Ethnicity	Percent of Population Experiencing Homelessness (July 2022)	Race and Ethnicity	Percent of Population (2021 ACS)
Total:	100.0%	Total:	100.0%
American Indian or Alaska Native	10.9%	American Indian and Alaska Native alone, not Hispanic	0.5%
Asian	6.5%	Asian alone, not Hispanic	20.0%
Black or African American	35.6%	Black or African American alone, not Hispanic	6.6%
Native Hawaiian or Pacific Islander	6.7%	Native Hawaiian and Other Pacific Islander alone, not Hispanic	0.9%
White	36.4%	White alone, not Hispanic	54.6%
		Some other race alone, not Hispanic	0.6%
		Two or more races, not Hispanic	6.8%
Hispanic or Latino ethnicity	14.2%	Hispanic or Latino ethnicity (any race or race combinations)	10.8%
Unknown	4.0%		
Sources: Snapshot of Homelessness in Washington for July 2022, Washington State Department of Commerce; 2020 decennial census, U.S. Census Bureau.			

POINT-IN-TIME ESTIMATES

An additional source of data for estimating the population experiencing homelessness is the Point-in-Time Count. The Point-In-Time Count is a survey count of people experiencing homelessness. It is conducted one night each January at locations in Seattle and elsewhere in King County. The survey is used to identify the extent and nature of homelessness.

The One Night Count has two components: a count of unsheltered homeless, which was conducted by the Seattle/King County Continuum of Care until 2020 and by the King County Regional Homelessness Authority thereafter, and a count (by agency staff) of people being served that same night in emergency shelters and transitional housing programs. Agency staff also provide information about those people being served. As Point-In-Time counting does not occur everywhere and not all people experiencing homelessness prefer to be counted, the Point-in-Time count represents a limited sample of people experiencing homelessness in Seattle and King County.

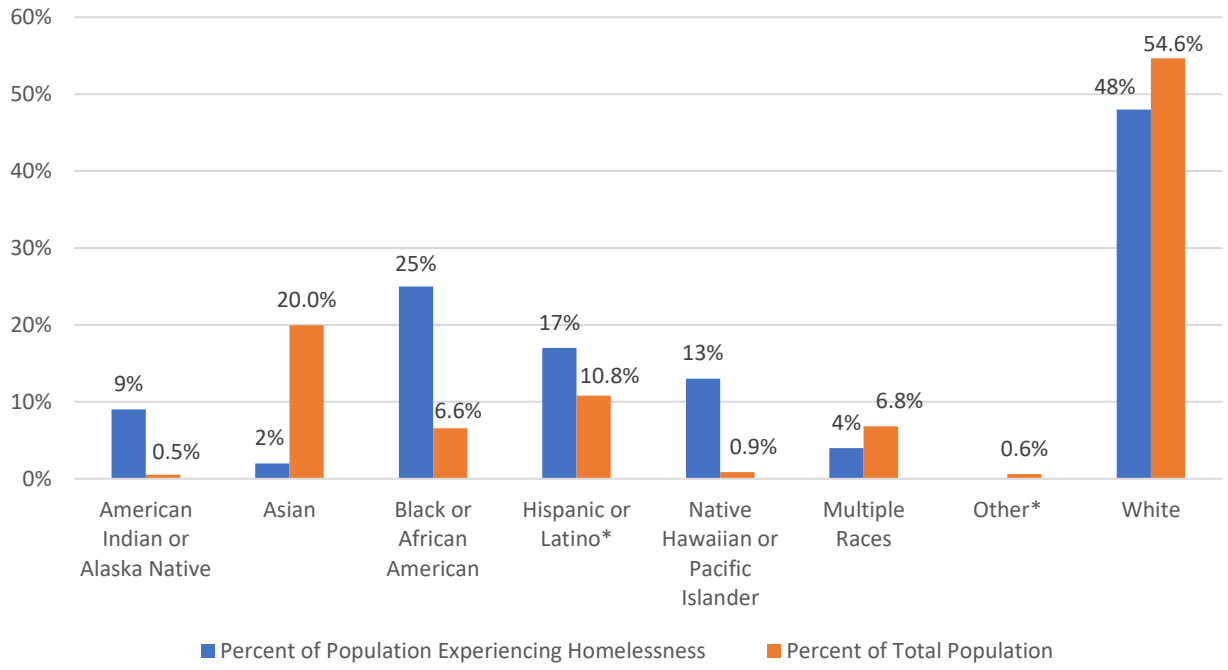
The 2022 Point-in-Time Count counted 13,368 people experiencing homelessness that night in January in King County, with 57 percent of those being unsheltered and 43 percent sheltered. Sheltered spaces surveyed include family transitional housing, congregate and non-congregate emergency shelters, and tiny house villages. Unsheltered people included those who were in both sanctioned and unsanctioned encampments with tents; and people located somewhere outside on the street, located in an abandoned building, or living in a vehicle.

Of those surveyed in 2022, 51 percent identified themselves as having a disability, 31 percent identified themselves as having a mental health disorder, and 37 percent identified themselves as having a substance use disorder.

Race and ethnicity estimates from the 2022 Point-In-Time survey shown in Figure 49 reveal that several groups are overrepresented in the population experiencing homelessness, similar to patterns seen in Commerce's "Snapshot of Homelessness." Black, Native Hawaiian or Pacific Islander, American Indian or Alaska Native, and Hispanic or Latino groups are all overrepresented in the population experiencing homelessness. Native Hawaiian or Pacific Islanders were 13 times more prevalent among the population experiencing homelessness than in the overall King County population.

Figure 49

2022 Point in Time Count by Race and Ethnicity



Source: 2022 Point in Time Count for King County, King County Regional Homelessness Authority; U.S. Census Bureau 2020 decennial census
Note: King County 2022 Point-in-Time Count did not include data for people who identify as Other race

Comparing overall results between 2020 and 2022 allows for some insights into how homelessness has changed over time. In the January 2020 count, 47.5 percent of the overall 11,751 people experiencing homelessness counted were unsheltered while 52.5 percent were sheltered. Thus,

there has been an increase of 10 percentage points in the share of unsheltered people between 2020 and 2022, which occurred as the number of people experiencing homelessness overall increased.

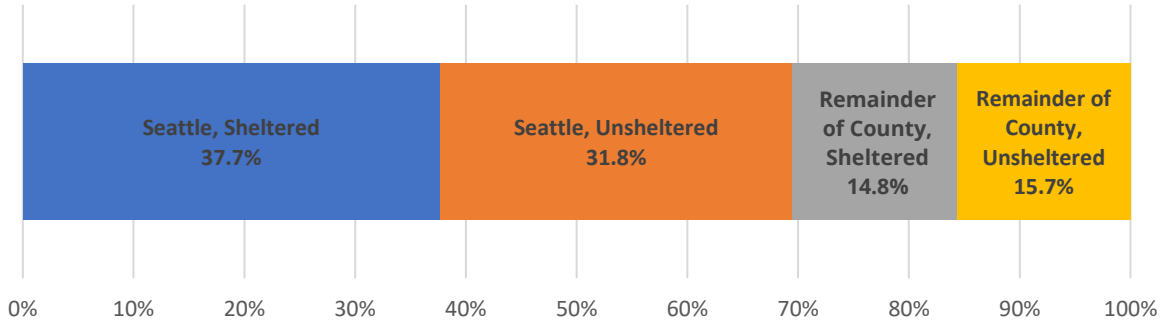
Furthermore, the 2020 Point-In-Time Count report provides details not available in the 2022 count, such as the location of people experiencing homelessness in King County. Figure 50 shows 69.5 percent of King County's people experiencing homelessness were found in Seattle as of the Point-in-Time Count in 2020. Of those in Seattle, a little more than half were sheltered.

Other key survey findings from the Point-In-Time 2020 count for King County include the following:

- Twenty-nine percent of people experiencing homelessness were considered chronically homeless, meaning they had spent more than 1 year experiencing homelessness or had experienced homelessness on four separate occasions in the last 3 years.
- People in families with children make up nearly one-third of people experiencing homelessness. Additional large demographic groups included single adult men and veterans.
- Reporting on issues such as disabilities and health conditions is voluntary. The most commonly reported disabilities and health conditions reported were mental illness, alcohol or substance abuse, and physical disability.
- In addition, self-reported reasons for experiencing homelessness most commonly included job loss, substance use, mental health issues, and not being able to afford a rent increase.

Figure 50

2020 Point in Time Count by Location



Source: 2020 Point in Time Count for Seattle and King County

Existing Emergency Shelter and Housing for People Experiencing Homelessness

Table 39 shows the existing emergency shelter and housing supply for people experiencing homelessness.

As of 2023, there are a total of 5,344 emergency shelter beds situated in King County. About 55 percent of these beds are for adults without children, while 45 percent allow for adults with children. In addition, small shares of these beds are for specific populations, including victims of domestic violence, people living with HIV, veterans, and youth between the ages of 18 and 24.

Transitional housing, which is limited in length of stay typically to 2 years, provides an additional 1,900 beds, mostly for households with children.

Forms of permanent housing include rapid rehousing, permanent supportive housing, and other permanent housing. Rapid rehousing is the smallest of these three categories, with 1,200 bed equivalents that serve households who are placed in permanent housing quickly through financial and housing support. Permanent supportive housing is the second largest of the groups, with 7,400 beds, while other permanent housing, which does not include supportive services typical of PSH, provides 4,100 beds. There are approximately 1,900 veteran PSH beds, the largest permanent housing supply for any specific population.

It is worth noting that beds serving victims of domestic violence, people living with HIV, veterans, and youth under the age of 25 vary in whether they also allow adults with accompanying children. Beds serving victims of domestic violence almost entirely allow adults with children, while beds serving people living with HIV do not. About a third of beds serving veterans and youth also allow for adults with children.

Table 39

Supply of Beds by Population and Shelter/Housing Type in King County, 2023

Bed Type	Emergency Shelter	Transitional Housing	Permanent Housing		
			Rapid Rehousing	Permanent Supportive Housing*	Other Permanent Housing
Total Beds	5,344	1,895	1,247	7,416	4,057
Beds by Household Status					
Adults Only	2,928	33	113	5,309	2,003
Allow Adults with Children	2,416	1,862	1,134	2,107	2,054
Beds for Specific Populations					
Victims of Domestic Violence	169	295	243	-	18
Living with HIV	26	-	-	58	-
Veterans	34	-	178	1,936	59
Youth Aged 18 to 24	147	226	156	80	70

*Includes Supportive Housing and Permanent Supportive Housing, although most are Permanent Supportive Housing
Source: King County Regional Homelessness Authority, 2023 Housing Inventory Count for King County

Emergency Housing and Shelter Capacity

Both permanent housing and emergency housing are critical to meeting our goal of making homelessness in Seattle rare and brief.

The City of Seattle is required by GMA to identify land capacity for the additional emergency housing and shelter beds needed to serve Seattle's population experiencing homelessness. There are two ways to identify this land capacity, by conducting an additional Land Capacity Analysis specific to emergency housing and shelter, or by demonstrating that local policies do not prevent the development of emergency housing and shelter. Commerce sets forth two conditions under which a city is not required to conduct a quantitative Land Capacity Analysis for Emergency Housing and Shelter Capacity:

1. One or more zones that allow hotels, all of which allow for emergency housing by right.

2. No regulations that limit the occupancy, spacing, or intensity of emergency housing.

Seattle satisfies both of these conditions. The City has zones in which hotels are a permitted use and emergency housing is allowed by right. In addition, the City has no regulations that universally limit the occupancy, spacing, or intensity of emergency housing beyond those applicable to other uses as a whole.[132]

[132] Seattle has a spacing requirement only on tiny house villages, not on all forms of emergency housing and shelters. Tiny house villages had spacing requirements by city council districts. However, once there was an established tiny house village in each district, as has been complete, it allowed spacing requirements for future villages to be overridden.

Geographic Analysis of Racial and Social Equity in Housing

Citywide analysis presented earlier in the Housing Appendix reveals deep racial and social disparities in housing opportunities. This section provides analyses of how zoning, development and land uses relate to where people of color and low-income people live in and around Seattle. We present these analyses to show how land use and housing policies, including the legacy of past racist policies and practices, contribute to neighborhood segregation and racial and social disparities in housing and place-based quality of life outcomes.

Patterns of Where People Live

Patterns of where people live reflect policies and market forces that limit or expand choices in housing alongside the choices made by individual households within this system. This section looks at how population changes in neighborhoods and the current geography of racial and ethnic demographics relate to the decisions of years past and ongoing policy. This includes a look back at historical redlining maps, a consideration of the Urban Village Strategy, and zoning.

HISTORICAL EXCLUSION THROUGH REDLINING[133]

Redlining maps were created by the Home Owners' Loan Corporation (HOLC) in the wake of the Great Depression as part of the New Deal in the 1930s. The expressed purpose in the HOLC's "City Survey Program" was to create maps to assess mortgage lending risk at the neighborhood level in large cities throughout the United States. HOLC agents used a mix of local data, reports, surveys, and interviews in making these maps. Many of these interviews were with local lenders, real estate brokers, liquidators, and insurance agencies.[134]

Each of these groups, including the HOLC agents, brought their own racial and social biases into the mapmaking process. In this sense, the maps reflected existing systems, both public and private, in denying housing capital to people of color and in devaluing the neighborhoods and homes where they lived.

The HOLC maps graded neighborhoods on a scale of lowest lending risk to highest, from "A" to "D." In Seattle, the highest grades typically included those neighborhoods with high homeownership rates, residents who had upper middle-class incomes or higher, racial covenants that prevented people of color, Jewish people, and/or certain foreign-born populations from living there, and development covenants that prevented development aside from detached homes. The

[133] See also: The Seattle Municipal Archives article "Redlining in Seattle" for more information about how community organizers and local leaders organized to change the practices of redlining and racialized lending and in the 1970s.

[134] Michney, Todd M. "How the City Survey's Redlining Maps Were Made: A Closer Look at HOLC's Mortgage Rehabilitation Division." Journal of Planning History. 2022, Vol. 21 (4), 316-344.

neighborhoods with the highest HOLC grades also had good access to neighborhood schools and parks. The lowest grades were given to neighborhoods that had larger proportions of low-income households, mixes of nationalities, high rates of Black households, proximity to substantial sources of pollution and environmental hazards, little access to schools and parks, a lack of transportation connectivity, and high vacancy rates.[135] Central business districts and industrial areas were not mapped, as these were viewed by the HOLC as commercial areas. Figure 51 shows redlining maps for Seattle, along with current city boundaries.

Table 40 presents recent data from the 2020 Census on the demographics of people living in areas that had been assigned HOLC grades. The areas the HOLC graded highest still have fewer people of color. While Seattle continues to work towards a more equitable future, the legacy of historical exclusion, racial biases, and unfair policies prevalent in this period remain visible in the distribution of race and ethnic groups today. Furthermore, zoning large areas of the city for predominantly detached homes has perpetuated economic exclusivity of the highest graded neighborhoods, precluding many householders of color, who have disproportionately lower incomes, from entering them.

Table 40

Population and Housing Units by HOLC Grade

	Population				Housing	
	Total Population in each HOLC Area	Percent of Area's Residents Who are People of Color	Percent of Area's Residents Who are White	Percent of Citywide Population in each HOLC Area	Units	Percent of Citywide Housing Supply in each HOLC Area
HOLC Grade "A"	16,937	21%	79%	2%	6,154	2%
HOLC Grade "B"	209,630	30%	70%	28%	93,052	27%
HOLC Grade "C"	162,801	47%	53%	22%	76,174	22%
HOLC Grade "D"	95,768	52%	48%	13%	44,391	13%
Not Mapped*	251,879	42%	58%	34%	125,856	36%
Total Citywide	737,015	41%	59%	100%	345,627	100%

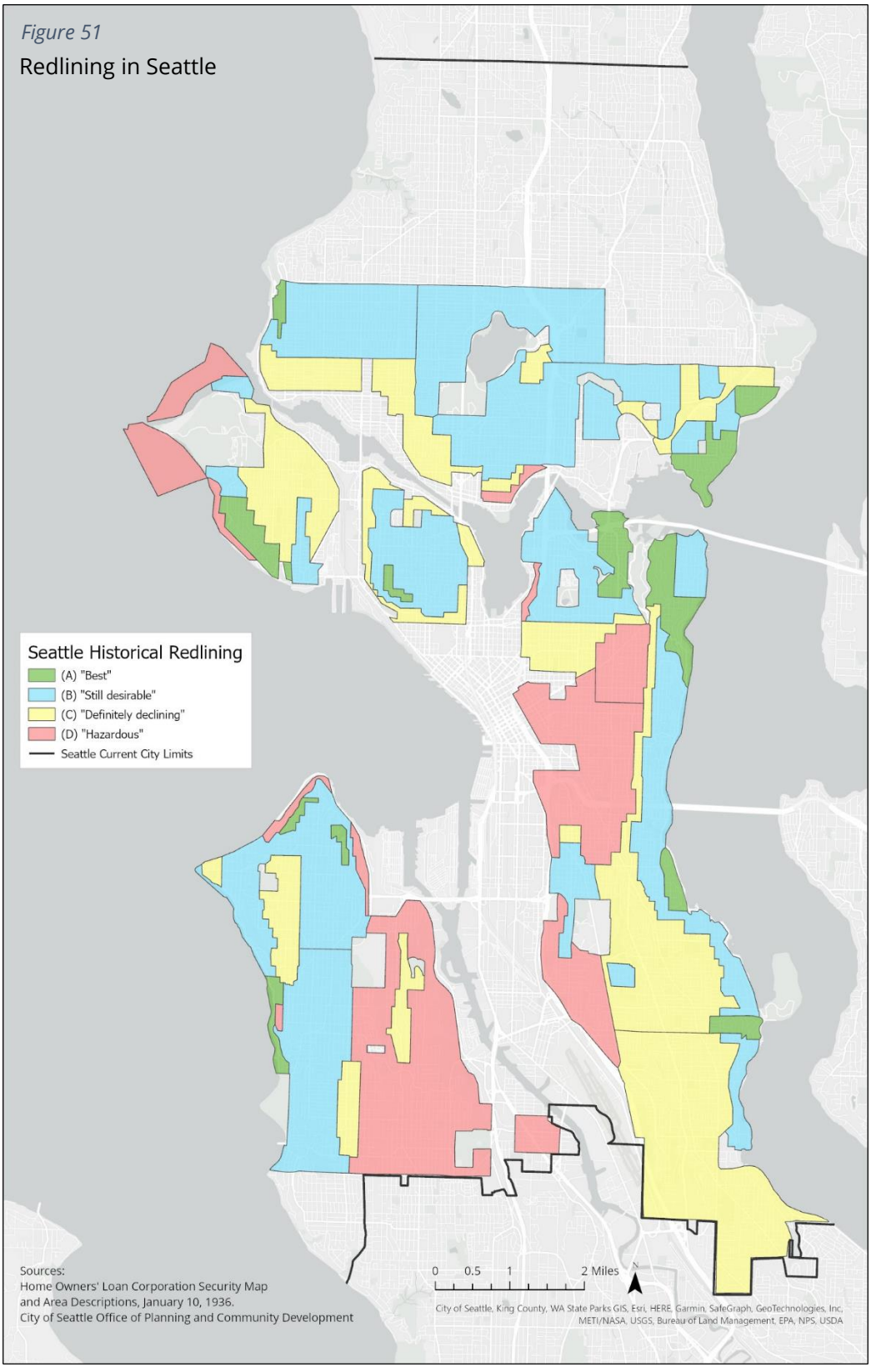
Sources: 2020 decennial Census, U.S. Census Bureau; Analysis by City of Seattle Office of Planning and Community Development based on the location of the center of 2020 census blocks.

Note: Neighborhoods unincorporated as of 1933 were not included in HOLC mapping. Many have racially restrictive covenants on the deed which are no longer enforceable, as well as detached home development covenants which remain enforceable under current state law. In addition, incorporated neighborhoods with heavy commercial or industrial presence, like the Central Business District, were not included in HOLC mapping.

[135] "Mapping Inequality: Redlining in New Deal America," a project by Nelson R., Winling, L., Marciano, R., et al. Hosted at the University of Richmond.

Figure 51

Redlining in Seattle



REGIONAL SHIFTS IN COMMUNITIES OF COLOR

To make sense of demographic changes in Seattle neighborhoods we need regional context. The side-by-side maps in Figure 52 provide some of this context. These maps show patterns in the share of the population who are people of color in neighborhoods in and around Seattle as measured in the last four decennial censuses.

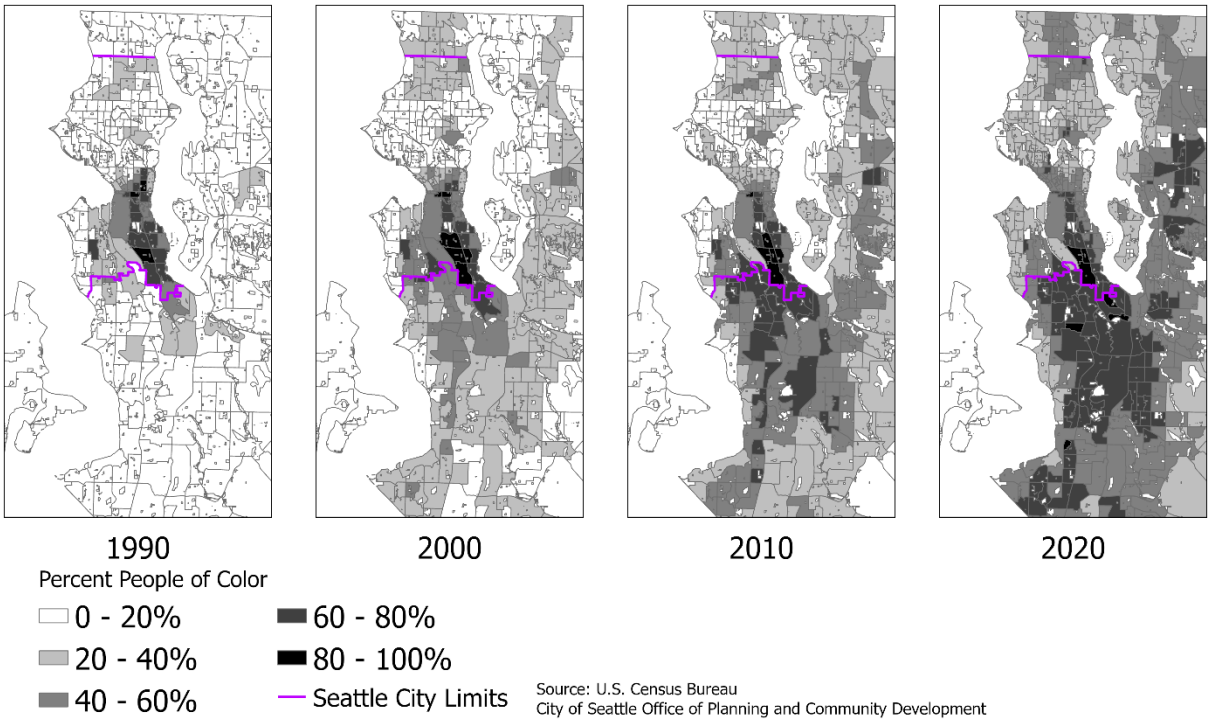
As of 1990, much of the racial and ethnic diversity in King County was still concentrated in Seattle's Central District and in Southeast Seattle. Rapid distributional changes occurred beginning in the 1990s as the population of color in many parts of King County grew; this growth was especially rapid in areas to the south and southeast of Seattle such as Tukwila and SeaTac. Neighborhoods in parts of north Seattle, Shoreline, Bellevue, and Redmond also saw increases in diversity. Furthermore, many neighborhoods in Seattle that saw little change before 2010 in the share of population comprised of people of color experienced increasing diversity in the 2010s.

These changes have been accompanied by a dramatic decline in and around Seattle's Central District in the proportion of residents who are people of color. This trend largely reflects reductions in the Black population within these neighborhoods—a trend that began in the 1970s and continues today.

While census data do not allow us to measure the extent to which displacement has been involved, data suggest that many people of color have left the city of Seattle and moved to nearby, rapidly diversifying, communities located to Seattle's south and southeast.

Figure 52

Percent People of Color by Census Tract, 1990 to 2020



CHANGES IN THE RACIAL AND ETHNIC MAKEUP OF SEATTLE NEIGHBORHOODS

Another way to gain insights into demographic changes across the city's neighborhoods is to examine rates of growth for the overall population and for groups of color. We present a pair of additional maps in Figure 53 focused on the population of color. The map on the left shows rates of growth for the population of color in Community Reporting Areas between 2010 and 2020. The map on the right shows the share of each area's residents who are people of color. Side by side, these maps show that many of the neighborhoods in which the population of color grew most rapidly are areas with relatively few residents of color. In contrast, the areas with the lowest population-of-color growth rates, and with net decreases in the population of color, happened where people of color are a large share of residents.

Trends within individual racial and ethnic groups vary greatly by community reporting area and by group. Some of these trends are continuations of trends seen in previous decades, while others are newer.[136]

Trends from 2010 to 2020 include:

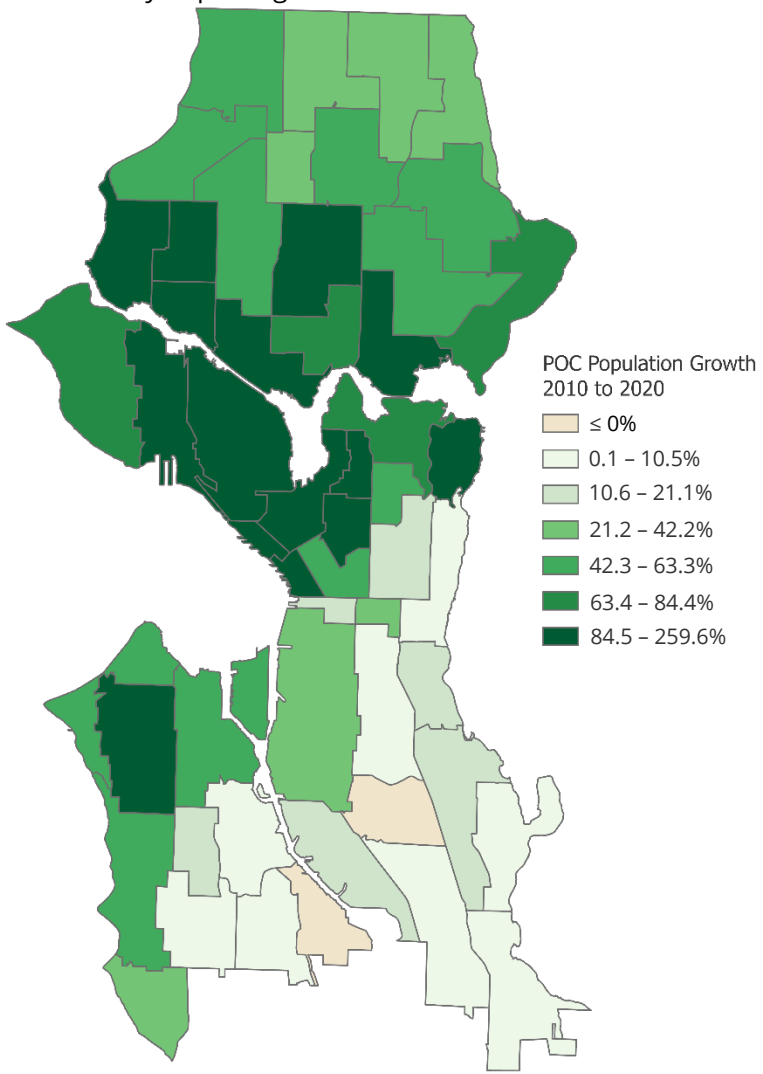
- Shrinking shares of residents who are Black in and around the Central District, and in much of Southeast Seattle and downtown, but increasing shares in some neighborhoods in north Seattle and in West Seattle.
- Increasing shares of residents who are Asian in South Lake Union, Downtown, Queen Anne, and most of north Seattle, but decreasing shares in the Chinatown-International District and Southeast Seattle.
- Decreasing shares of neighborhood populations who are white in most areas, except for Southeast Seattle, where the share increased.
- Increases in the shares of people who identify as multiple races across all Seattle neighborhoods.
- Increases in the shares of residents who are Hispanic in almost all areas of the city. South Park was one of the few exceptions to this trend. South Park, which had seen a burgeoning Hispanic population in prior decades, saw a reduction between the 2010 and 2020 censuses in both the Hispanic proportion and count of neighborhood residents.[137]

[136] A tabular report with decennial census estimates on race and ethnicity from 1990, 2000, 2010, and 2020 is available for Seattle and its Community Reporting Areas on OPCD's Population and Demographics webpages.

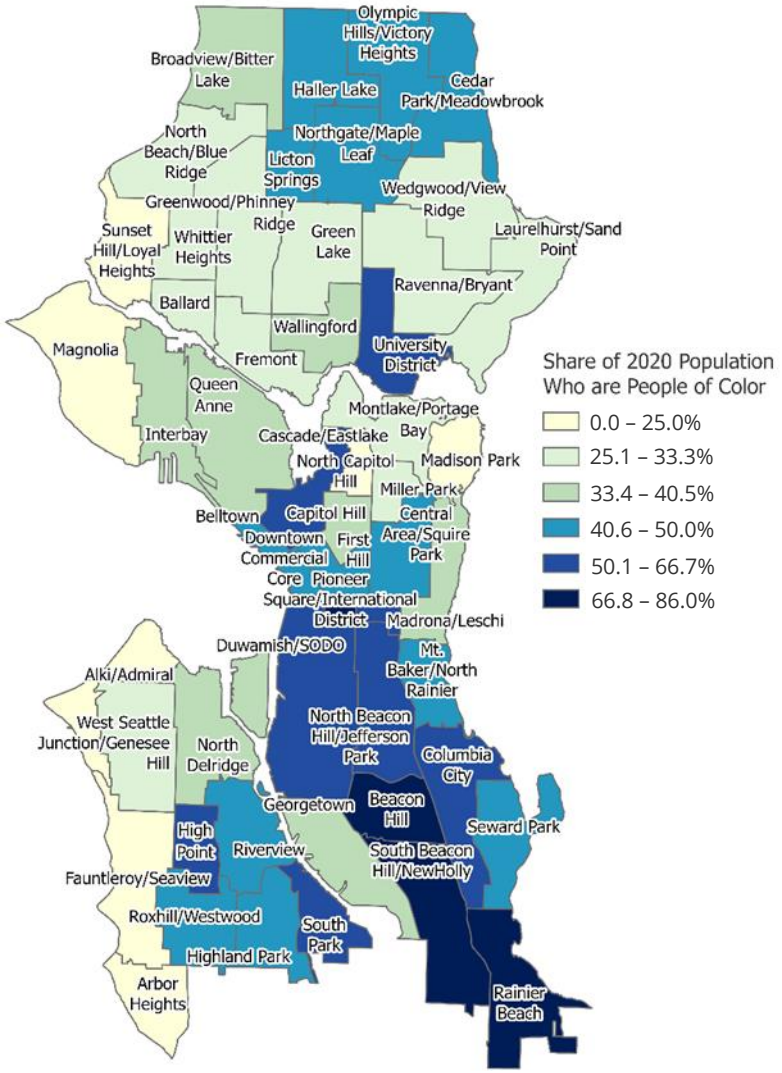
[137] Some but not all of the reduction in census statistics for Hispanics in South Park is likely attributable to the worsened undercount of Hispanics found nationally in the 2020 census. (Undercounts in the 2020 Census are described in a March 2022 Census Bureau press release.)

Figure 53

Population of Color Growth Rates in Community Reporting Areas: 2010 to 2020



2020 Share of Community Reporting Area Population Who Are People of Color



GROWTH AND DIVERSITY IN URBAN CENTERS AND URBAN VILLAGES

This section examines how Seattle's growth strategy prior to the 2044 One Seattle Plan is associated with changes in the racial diversity of Seattle's neighborhoods. The Urban Village Strategy was adopted in 1994 as part of the City's first comprehensive plan under the GMA. Since that time, Urban Centers and Urban Villages (UCUVs) have been focus areas for housing and job growth with the goal of locating housing in dense areas with high levels of access to transit, jobs, services, and other important amenities.

Table 41 which is based on decennial census counts, shows the distribution in 2010 and 2020 of people of color, the white non-Hispanic population, total population, and housing units by location inside or outside of an urban center or village. Compared with white persons, persons of color are disproportionately likely to live in UCUVs. The city's UCUVs saw rapid population growth between 2010 and 2020, with the population of color growing especially rapidly in these areas. Over the same period, decennial census figures indicate that the city added approximately 8,000 housing units outside UCUVs and 50,000 inside UCUVs. By 2020, half of the city's residents of color lived in UCUVs while the proportion of white people living in UCUV's reached 36 percent.

While broad data on growth presented in Table 41 shows net changes in the population, it does not allow us to discern the numbers of people moving out of their homes amidst the rapid growth occurring in their neighborhoods. Community input and displacement-related data points suggest that many households, particularly those who are low income or people of color, have been displaced from these areas over this period.

Table 41

Distribution of Population and Housing Units:
Inside and Outside of Urban Centers and Urban Villages

	Population						Housing	
	People of Color		White		Total		Number of Units	Percent of Units
	Number	Percent	Number	Percent	Number	Percent		
2020								
Inside UCUVs	149,369	50%	158,938	36%	308,307	42%	181,810	49%
Outside UCUVs	149,478	50%	279,230	64%	428,708	58%	186,498	51%
Total	298,847	100%	438,168	100%	737,015	100%	368,308	100%
2010								
Inside UCUVs	91,785	45%	129,241	32%	221,026	36%	130,400	42%
Outside UCUVs	113,297	55%	274,337	68%	387,634	64%	178,116	58%
Total	205,082	100%	403,578	100%	608,660	100%	308,516	100%

Source: 2010 and 2020 decennial Census estimates, U.S. Census Bureau; City of Seattle Office of Planning and Community Development.

Housing Affordability and Income

This section looks at variations in the affordability of Seattle's housing supply and household incomes by neighborhood. It describes where proportionally larger shares of low-income households live, where the housing supply is affordable to households of various income levels, and where the greatest shares of households are cost burdened. This analysis uses 2019 5-year CHAS data from the American Community Survey (ACS) which include both subsidized and unsubsidized units.

Affordability is a key constraint on housing and neighborhood choice, especially for lower income households. Neighborhoods with less affordable housing preclude households with lower incomes from entering them or remaining in them without becoming cost burdened.

SHARE OF HOUSEHOLDS BY INCOME CATEGORY BY CENSUS TRACT

Historical practices, existing land use patterns, and localized housing prices have resulted in concentrations or exclusion of low-income households in different parts of the city. Examining household incomes by neighborhood assists us in understanding these patterns and in planning programs, policies, and capital projects important for equitably serving low-income households.

Figure 54 shows three maps with the shares of households by census tract at or below the income thresholds of 30% of AMI, 50% of AMI, and 80% of AMI.

There is a great deal of variation between neighborhoods in the prevalence of households with incomes at or below 30% of AMI, with some of the greatest concentrations around Pioneer Square. High prevalence of households with incomes of 50% of AMI or under is additionally found in the Duwamish Valley, Rainier Valley, Downtown, and a handful of neighborhoods in North Seattle, including Aurora-Licton Springs, Northgate, and Lake City. Concentrations of households in these extremely and very low-income categories point to opportunities for creating equitable policies that serve these households and their neighborhoods.

When looking at the prevalence of households at or under 80% of AMI, we see a somewhat more diffuse pattern. However, many neighborhoods, particularly those with predominantly single-family detached housing have very low shares of households with incomes under 80% of AMI, pointing to the economic exclusivity of these neighborhoods.

AFFORDABILITY OF HOUSING

Figures 55 and 56 present the share of housing units in each census tract affordable at or below a specific income level by tenure based on analysis of CHAS data. Figure 56 shows rental housing affordability at or under 30%, 50%, and 80% of AMI while Figure 55 shows ownership housing affordability at or under 50%, 80%, and 100% of AMI. These maps help us understand the large variations in housing affordability that exist between areas within Seattle. However, some caution is needed in viewing them as the reliability of the estimates can be low where only small numbers of housing are either renter or owner-occupied.

Housing costs in the ACS-derived CHAS data are lower than those reflected in our analyses of CoStar data presented in earlier sections of this appendix. This reflects a variety of differences in these datasets including the wider inclusion of subsidized units in the ACS. The CHAS data are also different in that they are based primarily on responses from households and are not as up to date as the CoStar data.

The vast majority of tracts in Seattle have 5 percent or fewer ownership units affordable at or below 80% of AMI. Ownership units affordable at or below 100% of AMI are also scarce in most tracts. Only in and around South Park are more than half of owner units estimated to be affordable at or below 100% of AMI. It is important to note that the affordability estimates for ownership housing use *survey respondents' estimates* of what their home would sell for *if* it were for sale rather than actual sales prices, such estimates tend to lag trends in sales prices in rapidly changing markets.

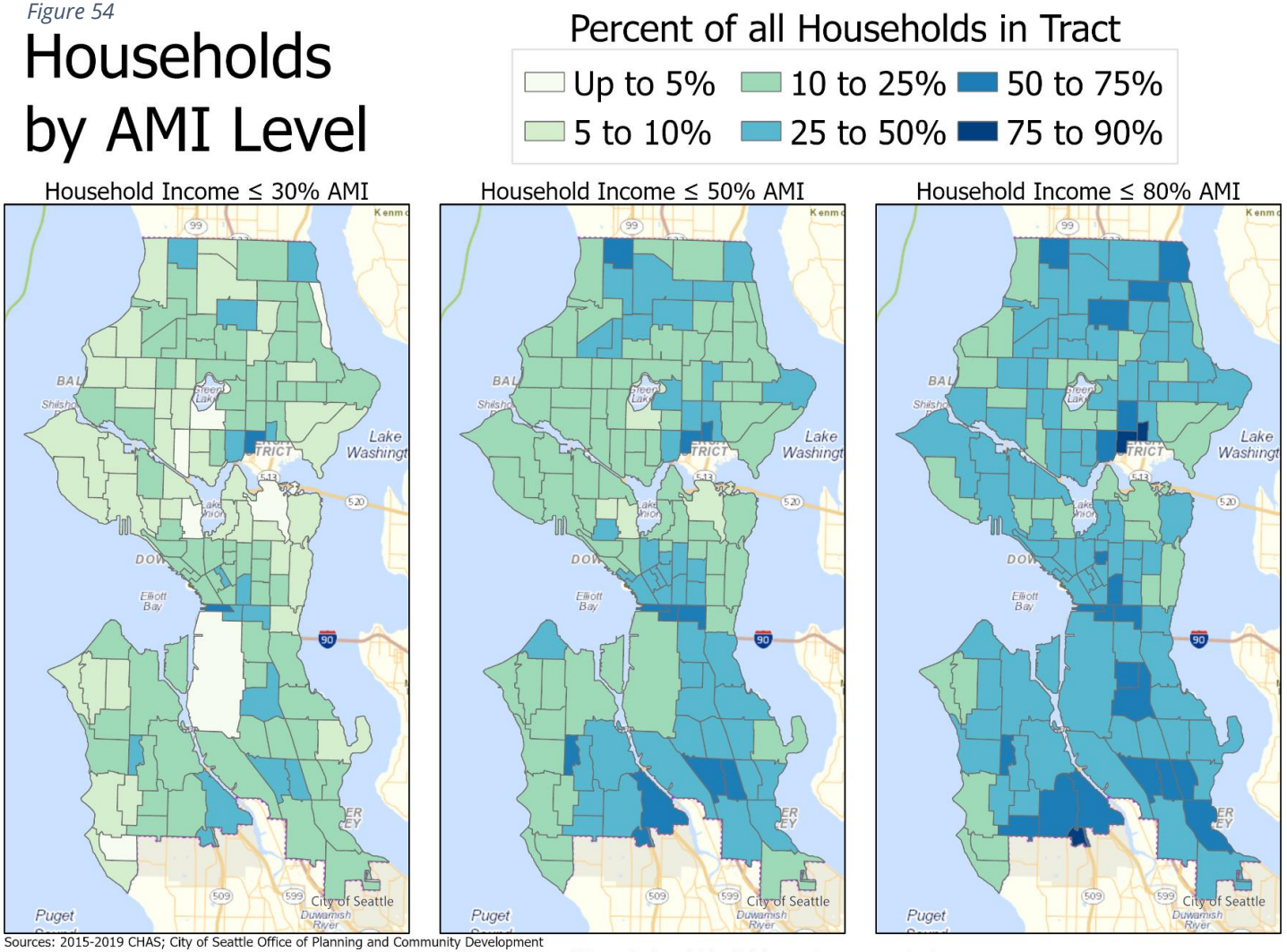
The vast majority of tracts have very low shares of rental units affordable to households at or below 30% of AMI. Nearly no tracts have a majority of rental housing units affordable to households at or below 50% of AMI. A small number of tracts, mostly in the city's southern and northern neighborhoods, have majorities of rental units affordable at or below 80% of AMI. While useful for picturing relative patterns in affordability by neighborhood, these maps do not fully capture challenges. For example, roughly a third of rentals affordable at 80% of AMI are not available to low-income households because they are rented by higher income households.

HOUSING COST BURDEN BY CENSUS TRACT

Figure 57 following this section shows the estimated percentages of households in each census tract with housing costs exceeding 30 percent or 50 percent of their income, respectively. Not surprisingly, high percentages of cost-burdened households are found in many of the tracts where there are large shares of lower-income households. This indicates that, even in areas with a greater supply of housing that is relatively lower in price compared to other parts of the city, there is still an acute shortage of housing units affordable to households with lower incomes.

Figure 54

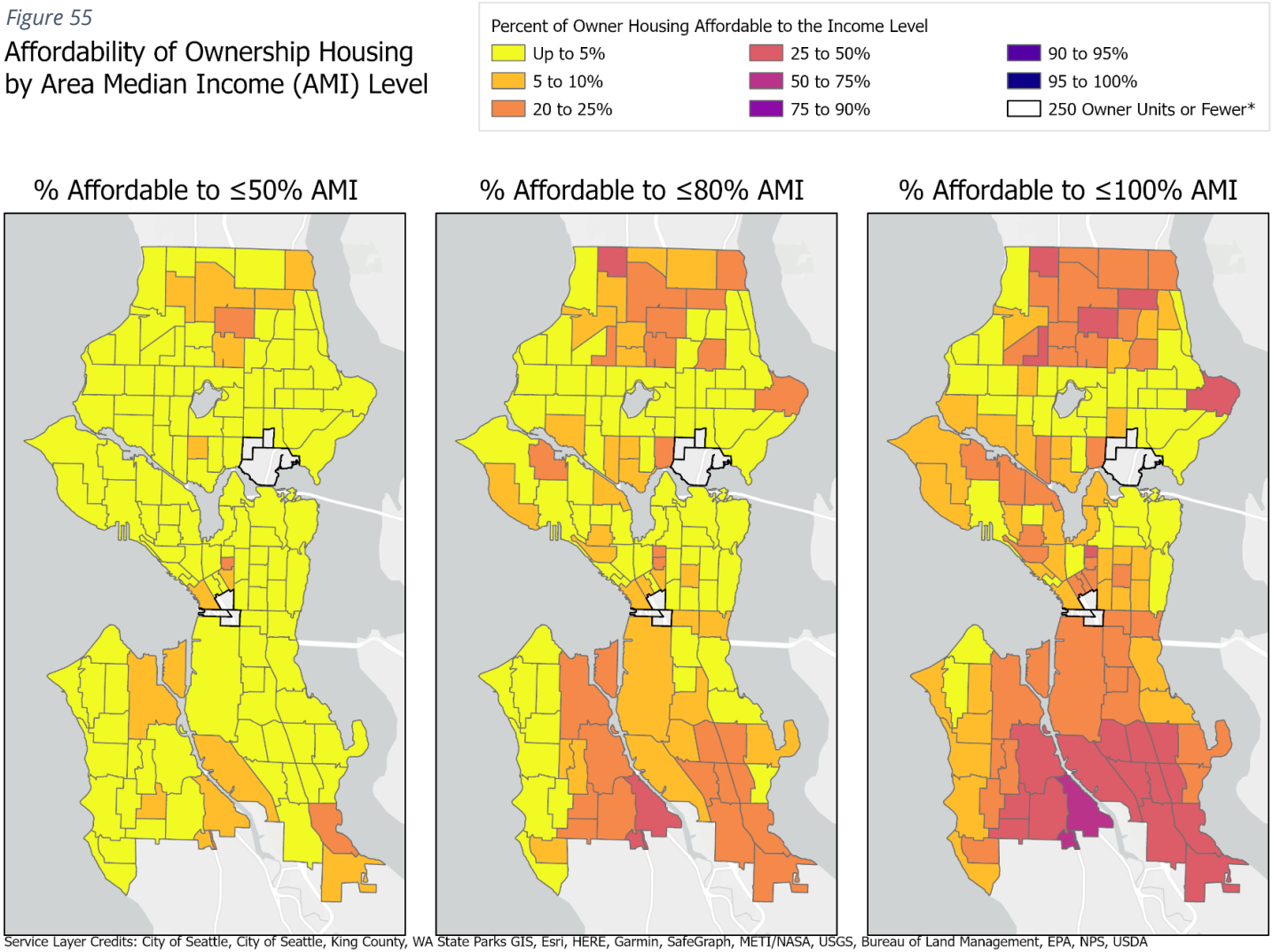
Households by AMI Level



Sources: 2015-2019 CHAS; City of Seattle Office of Planning and Community Development
Notes: Households for which no income calculation are provided are included in denominator, which may be households which have no income or negative income
Census Tracts with fewer than 250 households are not included in this analysis due to relatively high margins of error, which decrease reliability of the data.

Figure 55

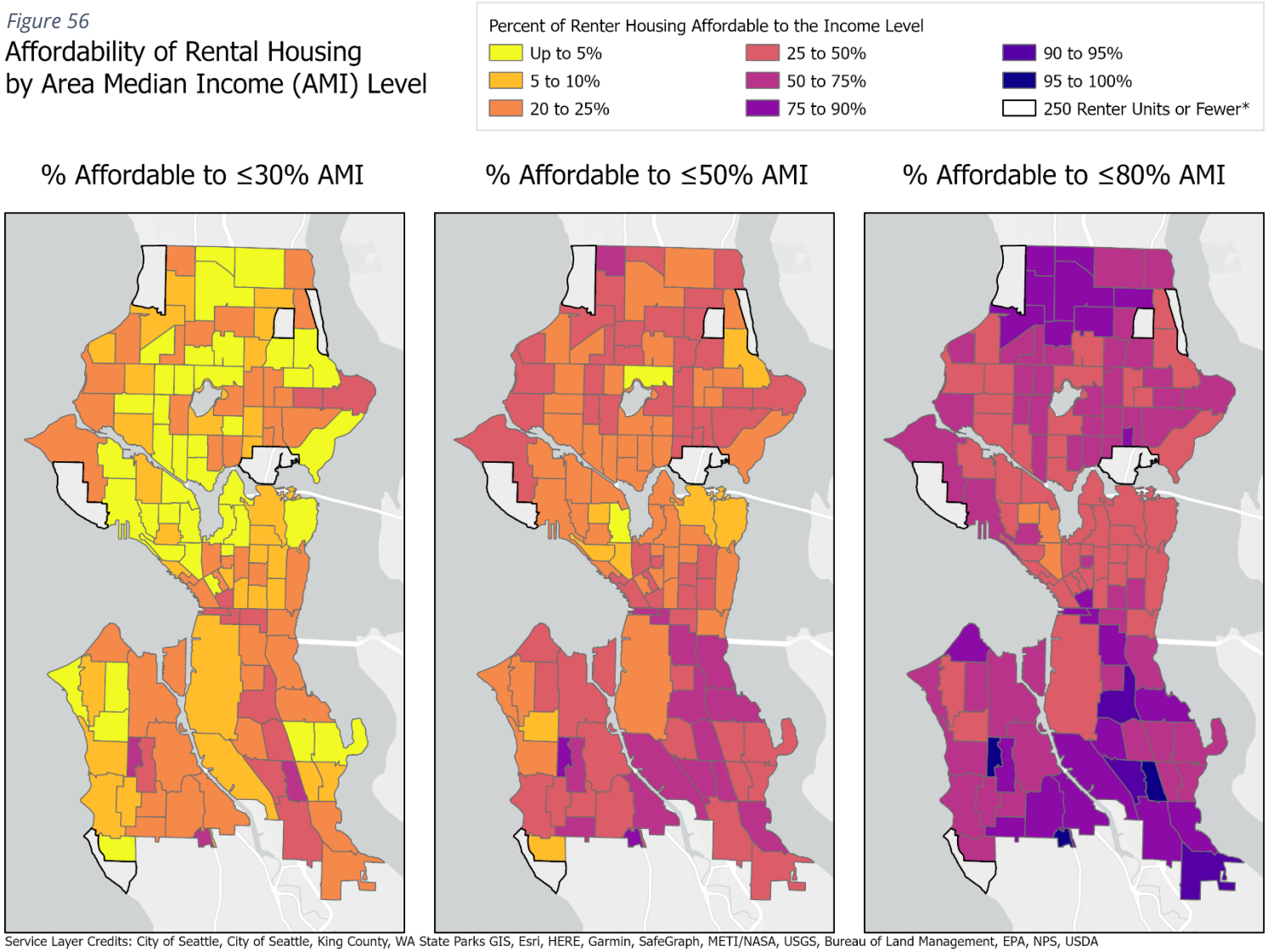
Affordability of Ownership Housing by Area Median Income (AMI) Level



Service Layer Credits: City of Seattle, City of Seattle, King County, WA State Parks GIS, Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA
Sources: 2014-2019 Comprehensive Housing Affordability Strategy Data, U.S. Department of Housing and Urban Development; U.S. Census Bureau; City of Seattle Office of Planning and Community Development
*Tracts with 250 owner units or fewer were excluded from this analysis due to high margins of error, which decreases the reliability of data in these census tracts.

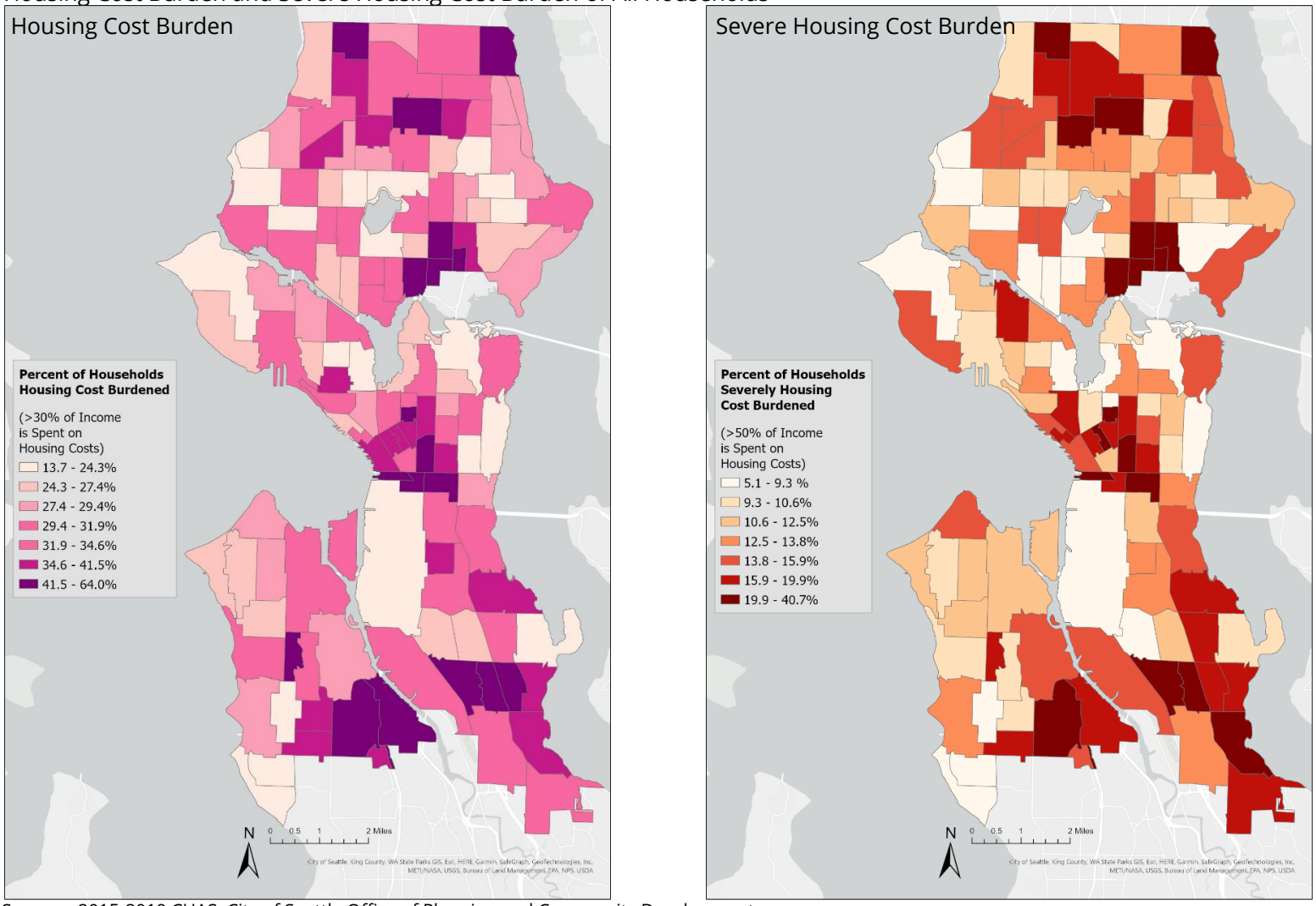
Figure 56

Affordability of Rental Housing by Area Median Income (AMI) Level



Service Layer Credits: City of Seattle, City of Seattle, King County, WA State Parks GIS, Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA
Sources: 2014-2019 Comprehensive Housing Affordability Strategy Data, U.S. Department of Housing and Urban Development; U.S. Census Bureau; City of Seattle Office of Planning and Community Development
*Tracts with 250 rental units or fewer were excluded from this analysis due to high margins of error, which decreases the reliability of data in these census tracts.

Figure 57 Housing Cost Burden and Severe Housing Cost Burden of All Households



Sources: 2015-2019 CHAS; City of Seattle Office of Planning and Community Development
Notes: Households for which no income calculation are provided are included in denominator, which may be households with have no income or negative income; Tracts with 250 housing units or fewer are excluded from these analyses due to high margins of error.

LOCATION OF INCOME-RESTRICTED HOUSING

Income-restricted housing reduces local displacement pressures and can contribute to creating more economically and racially inclusive neighborhoods. Moreover, income-restricted housing provides greater housing stability and access for households unable or struggling to afford the cost of housing in Seattle. However, income-restricted housing is not equally distributed among the city, with zoning creating or impeding opportunities for income-restricted housing development in neighborhoods.

Table 42 estimates the number of units in each zone category by tenure and income limit of eligible households. Income-restricted units are primarily in zones that allow for multifamily development. Income-restricted ownership housing units are primarily in lowrise zones, which allow for townhomes and rowhouses, as well as neighborhood commercial and residential small lot. Around 98 percent of income-restricted rental units are in areas zoned for multifamily housing, with Neighborhood Commercial, Downtown, and Lowrise Multifamily being the most common. Figure 58 further shows the general location of income-restricted units with regards to zone categories.

Table 42

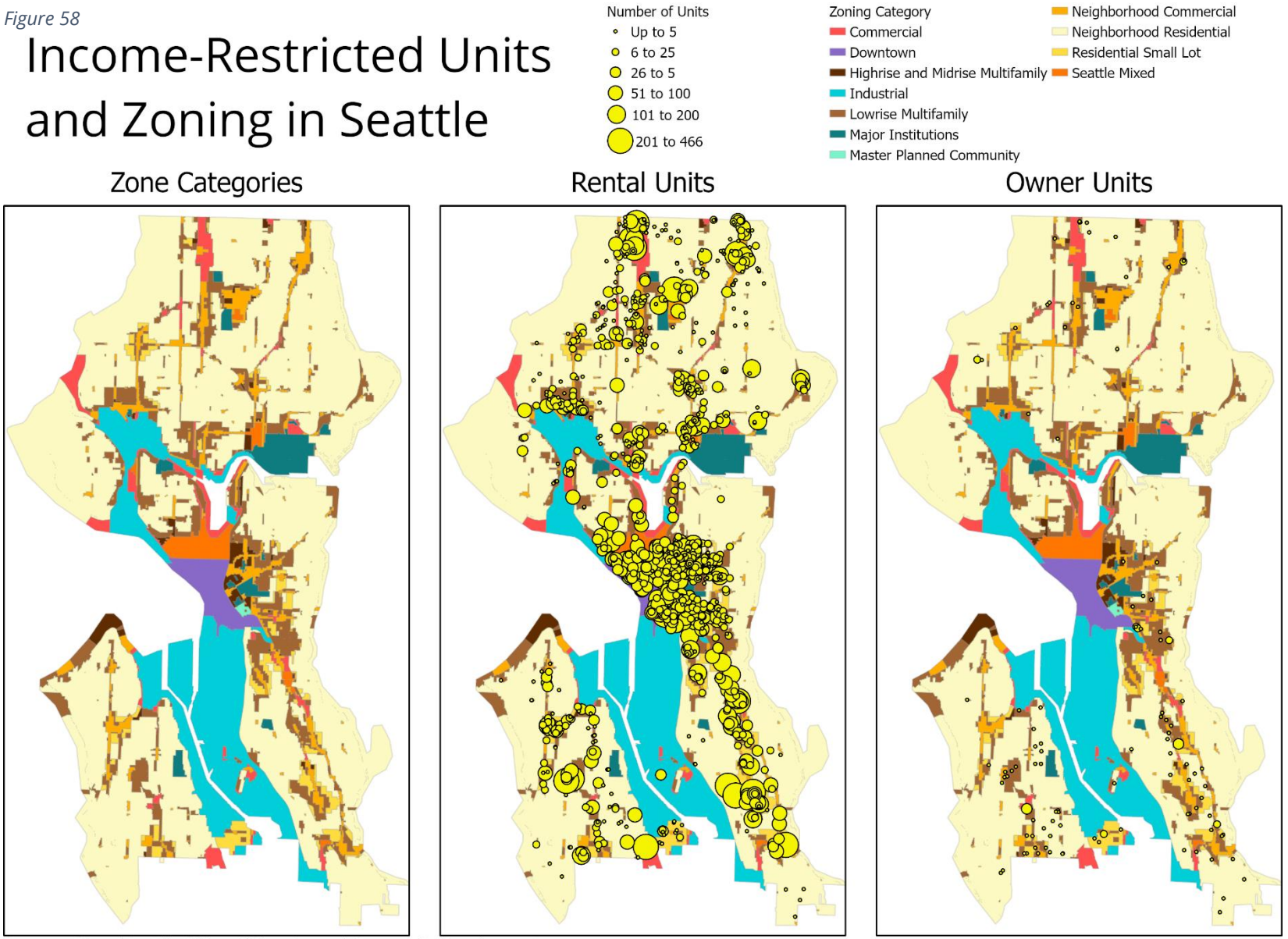
Income-Restricted Units by Zone Category		
Existing Zone Category	Rental Units (% of Rental)	Owner Units (% of Owner)
Commercial	3,050 (9%)	- (0%)
Downtown	7,125 (21%)	- (0%)
Highrise and Midrise Multifamily	3,700 (11%)	- (0%)
Industrial	50 (0%)	- (0%)
Lowrise Multifamily	7,200 (21%)	125 (50%)
Major Institutions	75 (0%)	- (0%)
Master Planned Community	450 (1%)	- (0%)
Neighborhood Commercial	9,075 (27%)	25 (10%)
Neighborhood Residential	825 (2%)	75 (30%)
Residential Small Lot	125 (0%)	25 (10%)
Seattle Mixed	2,175 (6%)	- (0%)
Total	**34,000***	**250**

Sources: City of Seattle Office of Planning & Community Development; King County Income-restricted Housing Database, which the King County Department of Community and Human Services developed in collaboration with Seattle, other cities, and the Puget Sound Regional Council.

Note: Approximately 100 rental units for households with incomes up to 30% of AMI and 50 rental units for households with incomes up to 80% of AMI could not be geocoded for this analysis but are included in rental unit total.

Figure 58

Income-Restricted Units and Zoning in Seattle



Sources: City of Seattle Office of Planning and Community Development;
King County Income-restricted Housing Database, developed through a survey of public regulatory agencies in collaboration with the Puget Sound Regional Council.

USE OF VOUCHERS BY LOCATION

Housing vouchers are funded by federal and state dollars and distributed locally by SHA. These vouchers aim to ensure that tenants pay between 30 and 40 percent of their income on housing costs, while the voucher covers any remaining rent costs.

In addition, vouchers can be tenant based or project based, meaning tied to rental units in a specific publicly funded low-income housing property. Tenant-based vouchers are assigned to a household to be used to lease a housing unit in the local market. In choosing where to rent, households are given opportunities to reside in neighborhoods where there may otherwise be no subsidized rental housing, but where amenities such as job access, schools, transit, or public space fit their household needs.

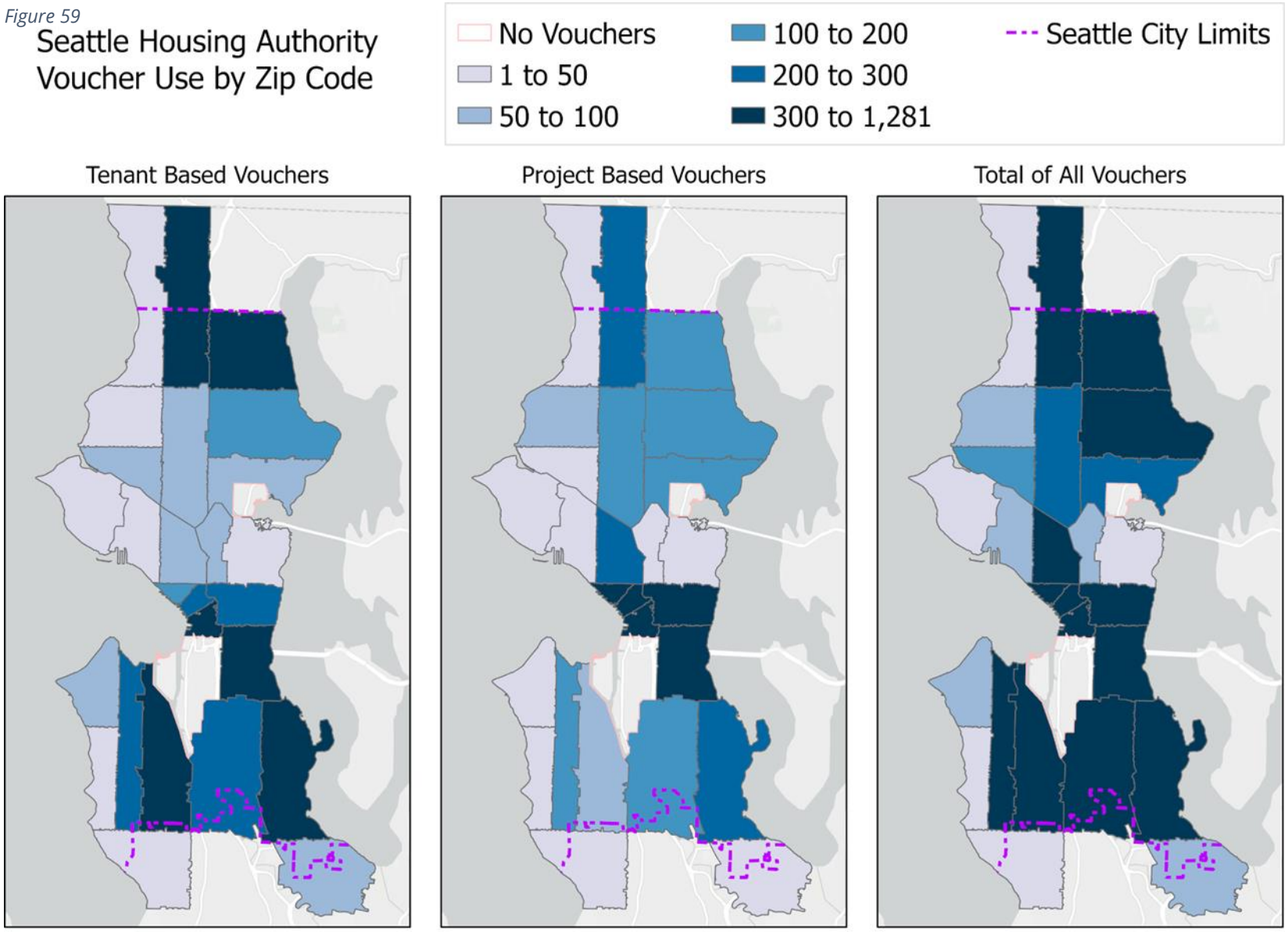
A variety of factors such as the location of project-based vouchers, price of housing, proximity to transit, and location in SHA's market area, can limit where vouchers are in use throughout the city. Low access to high-cost neighborhoods, in particular those that also have high access to neighborhood amenities, poses a question of economic justice for the City. As such, SHA has implemented programs aimed at increasing access to more neighborhoods throughout Seattle. One such program, Creating Moves to Opportunity (CMTO), provides additional services and resources to families during their search for a unit to make higher opportunity neighborhoods more accessible. Another program, the Family Access Supplement (FAS), increases the maximum value of a voucher so that households can afford units in higher opportunity neighborhoods.

Figure 59 shows three maps indicating where vouchers are used locally based on ZIP Code. Key findings include:

- Tenant-based vouchers and project-based vouchers vary in their areas of use throughout Seattle. Tenant-based vouchers have concentrations in ZIP codes associated with Downtown, Rainier Valley, Delridge, Bitter Lake/Licton Springs, and Northgate. Project-based Vouchers are primarily concentrated in Downtown and Central Seattle.
- There is low voucher use in neighborhoods where the housing supply is primarily detached homes, in particular the West Seattle neighborhoods of Fauntleroy and Arbor Heights, Magnolia, Madison Park, Montlake, Broadview and Crown Hill. Neighborhoods with a large multifamily stock have greater voucher utilization.

In addition, tenant-based vouchers can be used outside of Seattle after the tenant has lived in Seattle with a voucher for one year, giving tenants the opportunity to find rental housing that fits their household's need anywhere in the United States. June 2023 data from SHA indicates that 659 of the 673 voucher holders who moved to SHA's market area ("ported in") held vouchers for 0-bedroom units, such as studios and small efficiency dwelling units, while 1,791 of the 1,808 voucher holders who moved out ("ported out") of Seattle held vouchers for 1-bedroom or larger units. This is tied to the limited local stock of reasonably priced multi-bedroom rental units, which may push multi-bedroom voucher holders to look outside of Seattle.

Figure 59



Sources: Seattle Housing Authority 2023; King County; City of Seattle Office of Planning and Community Development
Service Layer:City of Seattle, King County, WA State Parks GIS, Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA

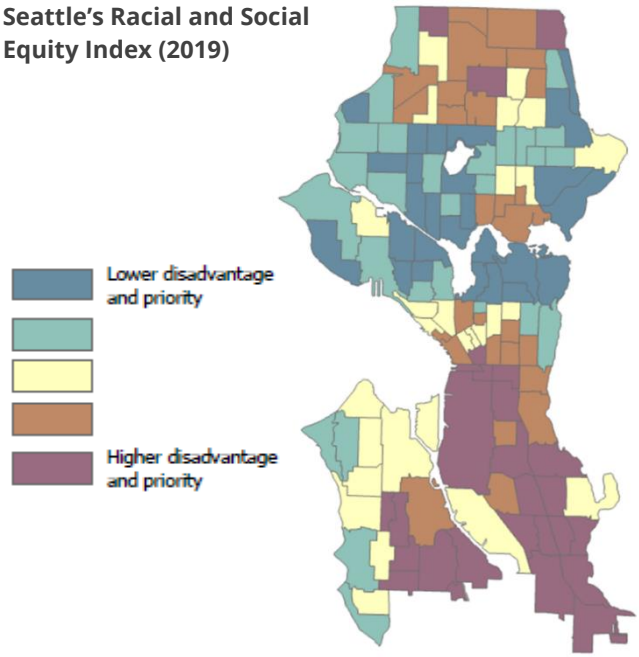
Community Indicator Outcomes in Racial and Social Equity Priority Areas

A key principle in the Countywide Planning Policies is supporting more equitable access to housing and neighborhoods of choice, e.g., neighborhoods with essential components of livability such as well-funded schools, healthy environments, open space, and nearby employment. The CPPs call upon jurisdictions to analyze, monitor, and work to eliminate disparities in access to neighborhoods of choice. The City's Equitable Development Monitoring Program (EDMP), [138] launched in 2020 to inform and gauge progress on the Comprehensive Plan, helps fulfill this responsibility.

This section summarizes how neighborhoods in Racial and Social Equity (RSE) Priority Areas are faring on several community indicators selected for monitoring in the EDMP. As identified by the City's RSE Index,[139] RSE priority areas are census tracts where persons of color and people with socioeconomic and health disadvantages make up relatively large proportions of neighborhood residents. Figure 60 shows the RSE Index used in the 2020 report; "RSE Priority Areas" are shown in orange and maroon.

Figure 60

Seattle's Racial and Social Equity Index (2019)



- **Affordability of housing**—While scarce overall, rentals affordable to low-income households are more common in most RSE priority areas than elsewhere in the city. However, several RSE priority areas, including neighborhoods in the Central Area, have a relatively low share of affordable units, making it increasingly hard for historical communities to remain.

- **Income-restricted housing**—Approximately two-thirds of all rent- and income-restricted housing in Seattle is in RSE priority areas (which are commonly also areas of high displacement risk), reflecting ongoing investment in affordable housing as an anti-displacement strategy. However, the concentration of income-restricted housing inside RSE priority areas also reflects that zoning in many other neighborhoods prohibits development at densities required for construction of income-restricted housing to be feasible.

---

[138] Release of the Equitable Development Community Indicators Report in 2020 launched in the EDMP and also helped inform the 2021 Racial Equity Analysis examining how the Urban Village Strategy contributed to outcomes for communities of color.

[139] The current iteration of the RSE Index can be found online at: https://maps.seattle.gov/RSEIndex.

- **Proximity to grocery stores**—At the time of analysis, several RSE priority areas in South Seattle lacked a grocery store. Populations in RSE priority areas tend to have lower incomes and fewer transportation options, which can limit access, especially when affordable or culturally relevant stores are many miles away.

- **Air pollution exposure risk**—Households in RSE priority areas face disproportionately high risks of exposure to outdoor air pollution due to proximity to industrial districts and major transportation routes.

- **Access to frequent transit service**—Based on 2019 schedules, about three-quarters of households in Seattle and 80 percent in RSE priority areas were within walking distance of frequent transit service running weekdays, nights, and weekends. However, some RSE priority areas near the northern and southern city limits lacked access to this level of service. With reductions in service since 2019, areas without frequent service have likely expanded.

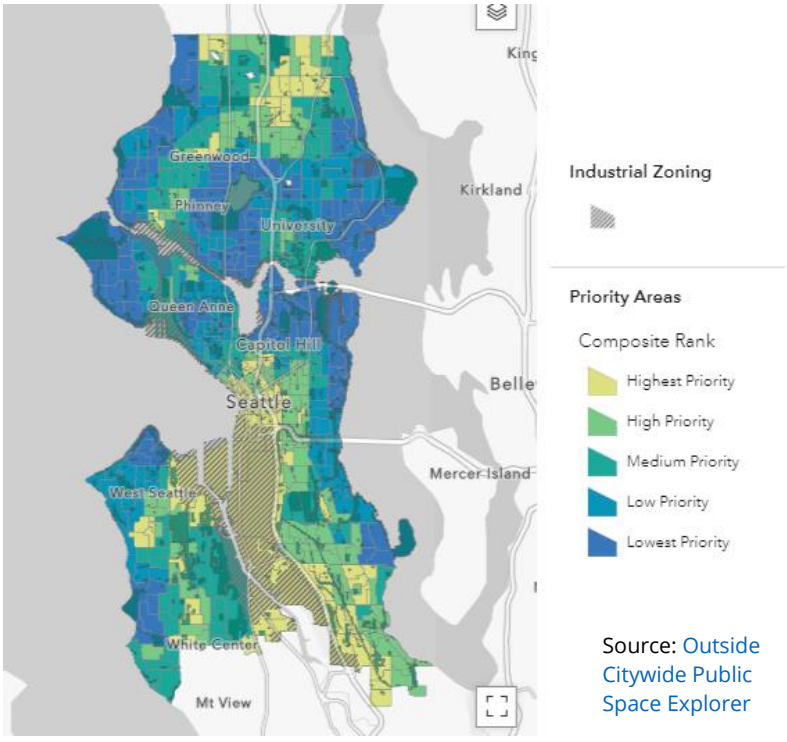
- **Jobs accessible by transit**—The supply of jobs accessible by transit is particularly important for equity as low-income households and people of color are disproportionately transit dependent. Residents throughout the city, including residents of RSE priority areas, have relatively good transit access to jobs.

- **Quality of neighborhood elementary schools**—The Washington Schools Improvement Framework, an index of school performance, shows large differences among Seattle's elementary schools. While high-scoring elementary schools exist in many parts of Seattle, attendance areas for the lowest-scoring schools are all located fully or partially within RSE priority areas.

- **Access to Parks and Open Space**—The City's Outside Citywide Program recently inventoried public outdoor spaces and recommended priority areas for public space improvements, as shown in Figure 61, based on an array of data. The measures included outdoor space quality and accessibility, pressure on park acreage from surrounding population, access to private yards, and 2023 RSE Index. The Outside Citywide Public Space

Figure 61

Outside Citywide Prioritization



Source: Outside Citywide Public Space Explorer

Explorer highlights areas where outdoor public spaces could be expanded or enhanced to serve Seattle residents more equitably.[140] These areas include several neighborhoods in Southeast Seattle adjacent to I-5; South Park, and portions of other Southwest Seattle neighborhoods; much of downtown; and some parts of north Seattle.[141, 142]

The disparities between neighborhoods found in the EDMP, Outside Citywide, and other analyses summarized in this appendix have been shaped by redlining, racially restrictive covenants, and other historical practices that segregated people of color, commonly near environmental hazards,[143] and that underinvested in these communities. These disparities have also been perpetuated by aspects of zoning introduced in the 1900s, but still in place as of 2023.

- This includes zoning in much of the city that prohibits construction of housing at densities low-income households can afford. This kind of exclusionary zoning concentrates students of color in higher poverty schools that struggle to meet their needs. The location of multifamily housing near major roadways can help with transit access but exposes residents in these units to higher levels of air pollution. This land use pattern also results in inequitable access to large parks and open spaces that are more commonly located in neighborhoods with primarily single-family housing where yards with trees are already more abundant.
- Another example is residential neighborhood zoning that restricts large areas of the city to exclusively residential uses. This effectively prohibits many community serving amenities such as small grocery stores, cafes, and arts and culture spaces that could otherwise provide walkable access to fresh produce, services, and gathering spaces near people's homes.

[140] The Outside Citywide Public Space Explorer is a tool for exploring Seattle's public outdoor spaces and identifying priority areas for improvements. provides maps and details the methodology. OPCD's Outside Citywide webpage provides additional background about the overall program.

[141] Access to Parks and Open Space is one of the indicators selected for Monitoring in the EDMP and an indicator feasible to monitor on an ongoing basis is being developed.

[142] Tree canopy coverage, while not accounted for directly in the Outside Citywide is another important contributor to the quality of life in neighborhoods and to overall environmental health. The City's 2021 Tree Canopy Assessment found that RSE Priority Areas not only have less tree canopy but have also been losing tree canopy at a greater rate than has the city as a whole.

[143] "Exposure Disparities by Income, Race and Ethnicity, and Historic Redlining Grade in the Greater Seattle Area for Ultrafine Particles and Other Air Pollutants," K Bramble, et. al. Environmental Health Perspectives. 2023,131(7), 077004, DOI: 10.1289/EHP11662.

HOUSING WITH ACCESS TO TRANSIT

Having housing and jobs with direct access to high-capacity transit allows for Seattle to reduce total vehicle miles travelled in cars, reduce GHG emissions, reduce traffic, and improve access to areas of the city that are more difficult to travel to for households without vehicles.

The King County Countywide Planning Policies require that cities conduct several housing analyses with regards to ½ mile proximity to High-Capacity Transit (HCT) and Frequent Transit. This section of the Housing Appendix addresses these requirements with analysis of proximity to transit for existing housing units, income-restricted housing units, recently developed housing units, and for our housing unit development capacity.

Figure 62 shows HCT walksheds measured to one-half mile of bus rapid transit, monorail, light rail, and commuter rail stations in Seattle. HCT walksheds cover approximately 16,100 acres, or around 30 percent of Seattle's total land area. Furthermore, Figure 62 shows Frequent Transit walksheds, which include the HCT walksheds as well as walksheds for additional transit options with frequent service.[144] Frequent Transit walksheds cover approximately 36,800 acres, or about 69 percent of Seattle's total land area.

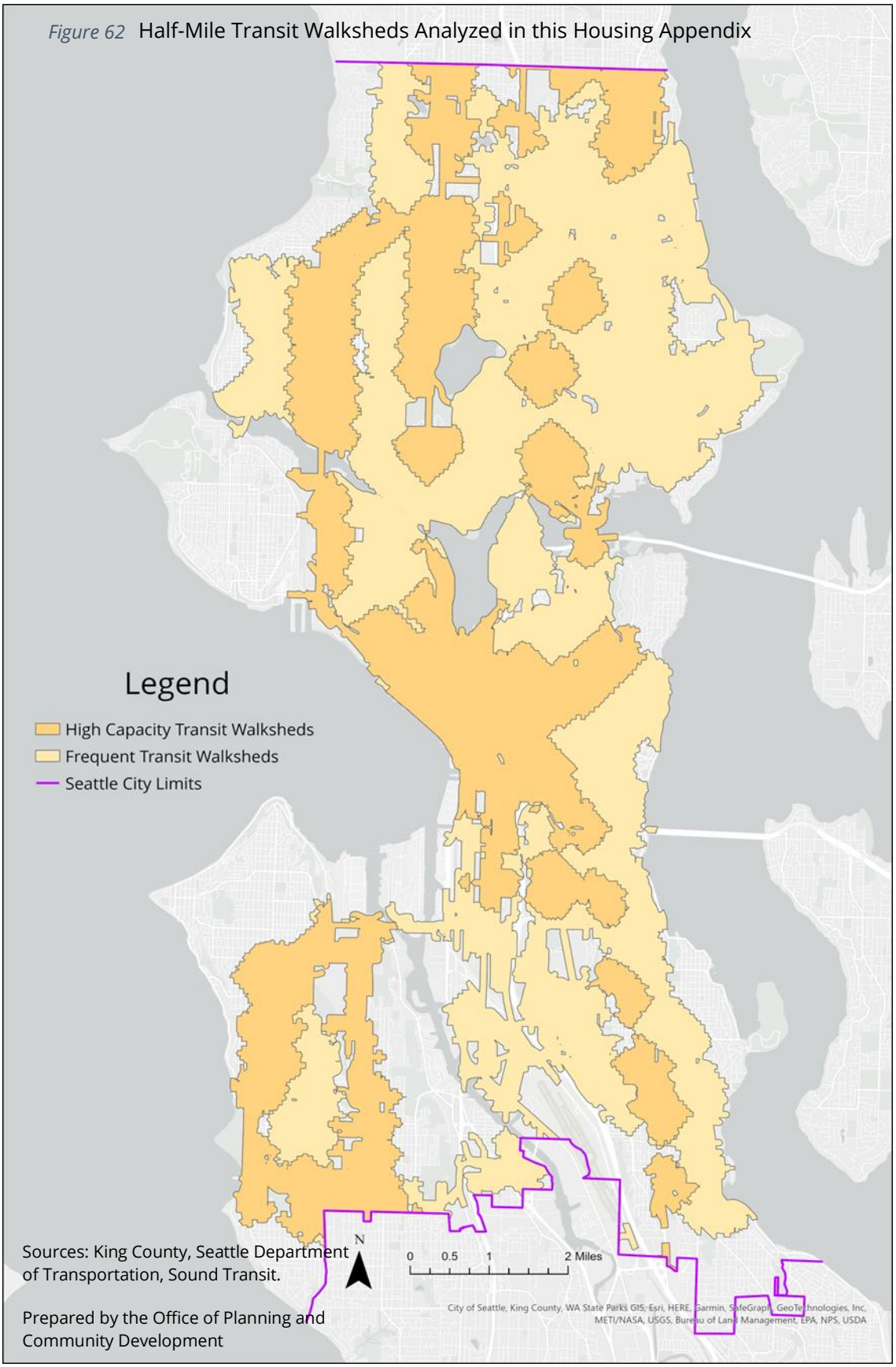
A majority (55%) of Seattle's existing housing units are within a half-mile walk of HCT, as shown in Table 43. About 73 percent of flats and 55 percent of townhomes are within HCT walksheds. However, majorities of both detached housing units and duplexes, triplexes and fourplexes are outside of HCT walksheds. Outside of these walksheds are 72 percent of detached units and 59 percent of small multiplexes.

Approximately 90 percent of housing units are within a half-mile walk of Frequent Transit. Ninety-five percent of flats and 92 percent of townhomes are within Frequent Transit walksheds. In addition, majorities of both detached housing units (77 percent) and duplexes, triplexes and fourplexes (77 percent) are inside of Frequent Transit walksheds.

[144] Existing frequent transit service is identified by Seattle Department of Transportation, August 2023. Walksheds are generated by OPCD based on the center of the platform of existing and future high-capacity transit stations, using distance along a connected network of streets, trails, or stairs where the streets are not limited-access (i.e., highways or freeways). Frequent Transit walksheds include HCT walksheds, and also include frequent bus service.

SDOT maintains a Frequent Transit Network webpage as part of its Transit Master Plan.

Figure 62 Half-Mile Transit Walksheds Analyzed in this Housing Appendix



Sources: King County, Seattle Department of Transportation, Sound Transit.

Prepared by the Office of Planning and Community Development

Table 43

Existing Housing Supply and Transit Walksheds						
	High-Capacity Transit			**Frequent Transit**		
Housing Type	Outside Walkshed	Inside Walkshed	**Total (Units/ Residences)**	Outside Walkshed	Inside Walkshed	**Total (Units/ Residences)**
Flat	55,462 (27%)	151,746 (73%)	207,208	9,593 (5%)	197,615 (95%)	207,208
Townhouse	13,750 (45%)	16,905 (55%)	30,655	2,315 (8%)	28,340 (92%)	30,655
Live & Work	424 (38%)	683 (62%)	1,107	73 (7%)	1,034 (93%)	1,107
Duplex, Triplex & Fourplex	7,297 (59%)	5,156 (41%)	12,453	1,252 (10%)	11,201(90%)	12,453
Detached	96,991 (72%)	37,292 (28%)	134,283	30,565 (23%)	103,718 (77%)	134,283
Total Units	**173,924 (45%)**	**211,782 (55%)**	**385,706**	**43,798 (11%)**	**341,908 (89%)**	**385,706**
Congregate	8,429 (39%)	12,943 (61%)	21,372	1,027 (5%)	20,345 (95%)	21,372
Source: King County Department of Assessments, compiled by City of Seattle, July 2022; King County Metro.						

Table 44 further looks existing income-restricted units by these walksheds. More than 70 percent of Seattle's income-restricted rental units and 60 percent of income-restricted owner units are located within a half-mile walk of HCT walksheds. Nearly all income-restricted units are within a half-mile walk of Frequent Transit walksheds.

Table 44

Income-Restricted Units and Transit Walksheds						
	High-Capacity Transit			**Frequent Transit**		
Housing Type	Outside Walkshed	Inside Walkshed	**Total (Units)**	Outside Walkshed	Inside Walkshed	**Total (Units)**
0 to 30% AMI	3,700 (28%)	9,400 (71%)	13,200	200 (2%)	12,900 (98%)	13,200
31 to 50% AMI	1,700 (28%)	4,400 (72%)	6,100	300 (5%)	5,800 (95%)	6,100
51 to 80% AMI	3,400 (24%)	10,450 (76%)	13,900	200 (1%)	13,650 (98%)	13,900
Above 80% AMI	100 (13%)	700 (87%)	800	0 (%)	800 (100%)	800
Total	**8,900 (26%)**	**24,950 (74%)**	**34,000**	**700 (2%)**	**33,150 (98%)**	**34,000**
Owner Units	100 (40%)	150 (60%)	250	0 (%)	250 (100%)	250
Source: King County Metro. City of Seattle Office of Planning & Community Development; King County Income-restricted Housing Database, which the King County Department of Community and Human Services developed in collaboration with Seattle, other cities, and the Puget Sound Regional Council. Note: Estimates are rounded to nearest 50. Approximately 100 units serving households 0 to 30% of AMI and 50 units serving households 51 to 80% of AMI could not be geocoded for this analysis but are included in totals.						

Housing development during the 2016 to 2022 period was largely concentrated in areas served by HCT and Frequent Transit, as shown in Table 45. Seventy-five percent of units developed during this period were within HCT walksheds. Units in mixed-use and multifamily buildings, which include flats, townhouses, and small multiplexes, were highly concentrated in HCT walksheds. Eighty-four percent of units in mixed-use buildings were developed in HCT walksheds, and 62 percent of units in multifamily buildings were. In contrast, new detached housing was primarily developed outside of HCT walksheds. Similarly, AADUs and DADUs, which can be built on the same lots as detached homes and townhomes throughout much of the city, were developed mostly in areas outside of ½ mile HCT walksheds.

Ninety-seven percent of units developed during this period were within Frequent Transit walksheds. Nearly all units in mixed-use and multifamily buildings were within Frequent Transit walksheds, while other forms were slightly less concentrated in Frequent Transit walksheds.

Table 45

Recently Developed Units and Transit Walksheds						
Housing Type	**High-Capacity Transit**			**Frequent Transit**		
	Outside Walkshed	Inside Walkshed	**Total (Units/ Residences)**	Outside Walkshed	Inside Walkshed	**Total (Units/ Residences)**
Detached Unit	2,451 (61%)	1,548 (39%)	3,999	745 (19%)	3,254 (81%)	3,999
AADU	759 (71%)	312 (29%)	1,071	190 (18%)	881 (82%)	1,071
DADU	748 (68%)	354 (32%)	1,102	183 (17%)	919 (83%)	1,102
Multifamily	4,446 (38%)	7,259 (62%)	11,705	506 (4%)	11,199 (96%)	11,705
Mixed-Use	7,229 (16%)	37,625 (84%)	44,854	513 (1%)	44,341 (99%)	44,854
Institutional, Industrial or Other	6 (75%)	2 (25%)	8	2 (25%)	6 (75%)	8
Total Units	**15,639 (25%)**	**47,100 (75%)**	**62,739**	**2,139 (3%)**	**60,600 (97%)**	**62,739**
Congregate	510 (17%)	2,561 (83%)	3,071	0 (0%)	3,071 (100%)	3,071
Source: King County Metro; City of Seattle Quarterly Housing Report Dashboard as of April 10, 2023						

Remaining development capacity for additional housing units is also concentrated in HCT and Frequent Transit walksheds. As of the time of this analysis, 77 percent of unit capacity (125,000 units) and about half of the overall redevelopable parcel area (2,100 acres) is within a half mile walkshed of an HCT station. Table 46 further shows that 96 percent of unit capacity (159,000 units) and 83 percent of redevelopable parcel area (3,400 acres) is within a Frequent Transit walkshed. This is a result of zones within a one-half mile walkshed of transit typically allowing for notably higher densities than those outside of high-capacity transit walksheds.

Table 46

Residential Development Capacity and Transit Walksheds						
Measure	**High-Capacity Transit**			**Frequent Transit**		
	Outside Walkshed	Inside Walkshed	**Total**	Outside Walkshed	Inside Walkshed	**Total**
Capacity (Units)	38,442 (24%)	124,805 (76%)	163,247	4,476 (4%)	158,771 (96%)	163,247
Parcel Area (Acres):						
Total Area	24,604 (64%)	13,930 (36%)	38,534	8,787 (23%)	29,747 (77%)	38,534
Area Vacant or Redevelopable	2,075 (50%)	2,086 (50%)	4,161	725 (17%)	3,436 (83%)	4,161
Source: City of Seattle Quarterly Housing Report Dashboard as of April 10, 2023						

Displacement

As strengthened by HB 1220, GMA requires that a comprehensive plan identify factors that contribute to displacement to inform establishment of anti-displacement policies, with particular consideration given to the preservation of historical and cultural communities. Analysis is also required to identify areas that may be at higher risk of displacement from market forces, including those associated with zoning changes and capital investments.

Prevalence and Demographics of Displacement

Severe housing cost burden places households at increased risk of displacement. Households in the lowest income categories, renter households, and households of color disproportionately shoulder severe housing cost burdens. By race and ethnicity, the highest rates of severe housing cost burden are among Black households and Native American households.

Renters tend to face heightened vulnerability to displacement since they have less control over their housing status and can experience large and sudden rent increases that force them to relocate or make other sacrifices, including deferring on saving towards homeownership. Most households (54%) in Seattle rent, but nearly two-thirds of households of color are renters.

Owning one's home can increase household stability over renting, and in gentrifying neighborhoods, homeowners are about half as likely to be displaced as are renters.[145] Homeownership, especially permanently affordable homeownership, can be a bulwark against market pressures and, like income-restricted rental housing, offers stability, predictability, and a range of better outcomes in health, education, and well-being. However, Black, Native American, and Hispanic households have far lower rates of homeownership than white households.

Given the escalating prices of ownership housing options, many Seattle-area households lack the income and savings needed to purchase a home. This relegates these households to renting, where despite tenant protections adopted and strengthened locally in recent years renters remain vulnerable to price increases that lead to economic displacement. For families with children and multigenerational households unable to afford homeownership, many of whom are families of color and immigrant households, affordable and suitable rental housing is scarce. Less than 10 percent of apartment units across the market have two or more bedrooms and are affordable to households with incomes at or below 80% of AMI, though larger units affordable to low-income families are more common within publicly funded housing.[146]

---

[145] Martin, I. W., and K. Beck. 2018. Gentrification, property tax limitation, and displacement, Urban Affairs Review, 54(1), 33-73.

[146] OPCD estimates based on data from CoStar Group, www.costar.com.

The Puget Sound Regional Council Household Travel Survey asks households who said they moved in the last 5 years why they relocated. Table 47 summarizes responses. About 24 percent of surveyed households who moved within the region did so for one or more displacement-related reasons; at 27 percent, the share was somewhat higher for those who left Seattle. In both cases, rising housing costs was the most common displacement-reason. The survey found that people of color who moved cited all four displacement-related reasons more commonly than white movers did.

Table 47

Reason(s) for Moving from Previous Home		
	Percent among households who:	
	Moved within region	Moved from Seattle to some other place within region
One or more displacement related reason(s):	**24.0%**	**27.4%**
Could no longer afford housing costs of previous home due to increase in housing costs	16.0%	16.6%
Forced (e.g., evicted, foreclosure, building demolition)	4.8%	6.0%
Could no longer afford housing costs of previous home due to change in household income or finances	4.3%	8.7%
Friends, family, or cultural community leaving area	2.1%	1.8%

Source: Puget Sound Regional Household Travel Survey (2019)
Notes: The question about reasons for moving from one's previous home was asked of households who moved within the past five years. The data shown are limited to households who moved within the region.

Other research on moves in King County found that residents of low socioeconomic status (SES) who moved in the wake of the Great Recession tended to move to neighborhoods with substantially lower life expectancy.[147] Overall rates of moving, however, were lower for low-SES residents than for moderate- and middle-SES households, a finding that prompted the researchers to emphasize the importance of supports to protect low-SES households from displacement.[148]

Legacy of Institutionalized Racism and Shifts in Communities of Color

In their report, "Systematic Inequality: Displacement, Exclusion, and Segregation," researchers at the Center for American Progress describe how a legacy of institutionalized racism including redlining set

[147] Hwang, Jackelyn, Bina P. Shrimali, Daniel C. Casey, Kimberly M. Tippens, Maxine K. Wright, Kirsten Wysen, 2022. "Who Moved and Where Did They Go? An analysis of residential moving patterns in King County, WA between 2002–2017." Federal Reserve Bank of San Francisco Community Development Research Brief 2023-01. doi: 10.24148/cdrb2023-01.

[148] The authors of the study also note that national research has also demonstrated that a lack of financial resources needed to move can also render households in low-SES groups stuck in areas of concentrated poverty regardless of whether or not these households wish to remain in place.

the stage for recent and ongoing displacement of communities of color. For decades after World War II, development of predominantly white suburbs was subsidized with housing finance and highway systems that disproportionately benefited white middle class and affluent households.

Then, in more recent decades, neighborhoods close to prosperous regional job centers, including neighborhoods in previously redlined areas, grew in popularity with middle class and higher income households. Increased demand for housing near job centers resulted in many underinvested, previously redlined urban neighborhoods becoming too expensive for the resident communities of color who had been excluded from other neighborhoods due to discriminatory policies and practices. This pattern, and the accompanying "suburbanization of poverty," has played out in many communities including in our own region.[149]

The population of color has risen much faster in the rest of King County than in Seattle. Several Seattle neighborhoods have also seen net population declines among racial and ethnic groups that previously comprised majorities or large shares of neighborhood populations. For example, from 2010 to 2020 the decennial census counts of Black residents in the Central Area, Madrona/Leschi, and Rainier Beach; Asian residents in Beacon Hill and in North Beacon Hill/Jefferson Park; and Hispanic/Latino residents in South Park saw substantial declines. For some of these neighborhoods, the loss between 2010 and 2020 is part of a multi-decade trend.

Most dramatic is the loss of the Black population in the Central Area. Maps by the Civil Rights and Labor History Consortium[150] show that in 1970, Black people comprised a large majority of residents in the Central District. As of 2020, Black residents make up only about 13 percent of neighborhood residents in Seattle's Central District.[151]

The census data available do not allow us to measure the specific extent to which displacement has contributed to these regional and neighborhood trends. However, the combination of quantitative data and documentation of the lived experience of households strongly supports a finding that many households of color from Seattle's cultural communities have been displaced from Seattle over time due to rising housing costs.

---

[149] This process is described in Systemic Inequality: Displacement, Exclusion, and Segregation: How America's Housing System Undermines Wealth Building in Communities of Color," by authors Danyelle Solomon, Connor Maxwell, and Abril Castro at the Center for American Progress, published Aug 7, 2019. For more on the suburbanization of poverty, see The changing geography of US poverty, Brookings Institution, 2017.

[150] See Seattle's Race and Segregation Story in Maps 1920-2020 compiled by the Civil Rights and Labor History Consortium at the University of Washington.

[151] Decennial Census data tabulated for the Central Area/Squire Park Community Reporting Area by Seattle's Office of Planning & Community Development.

Neighborhoods at Greatest Risk of Displacement as Growth Occurs

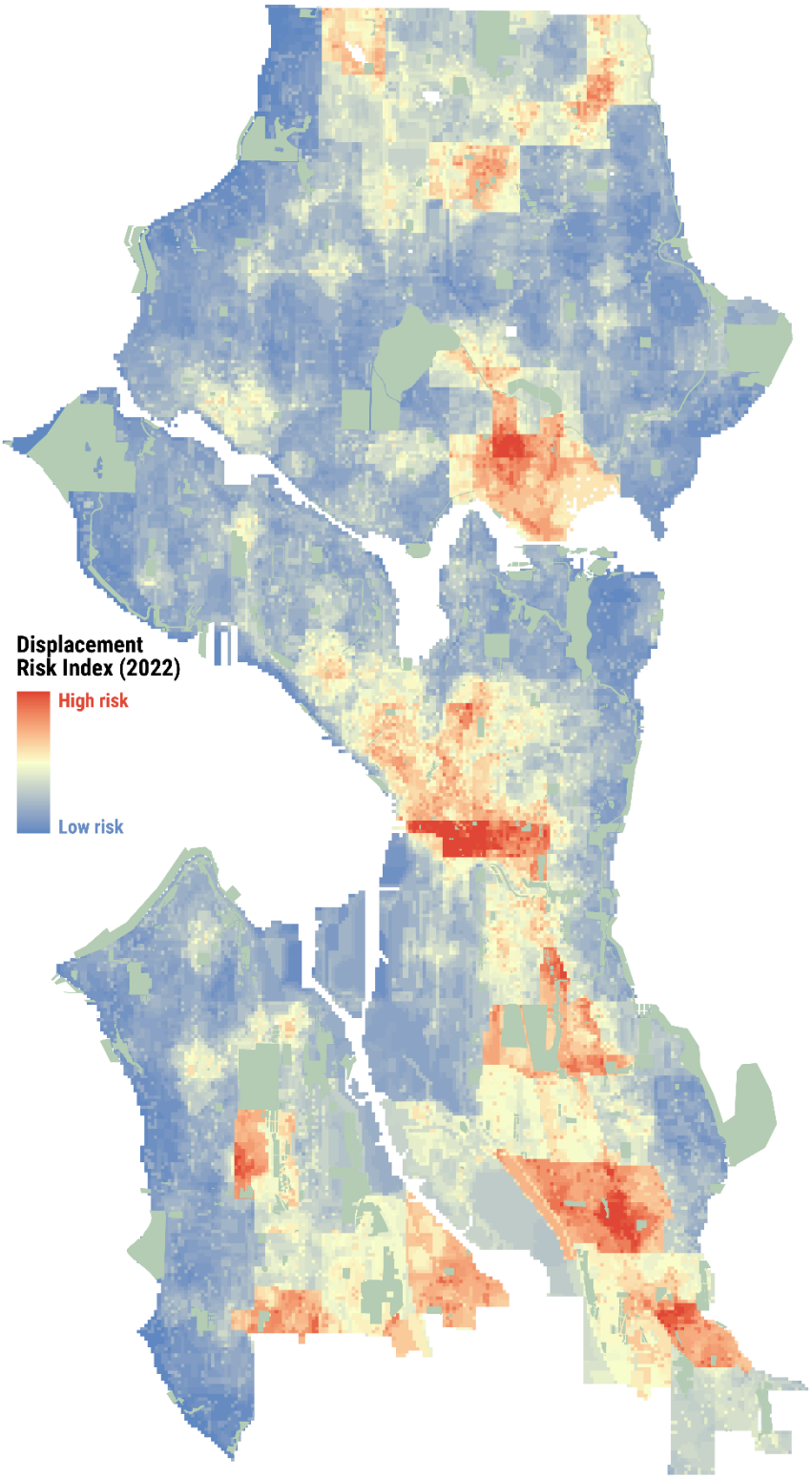
In 2016, the Office of Planning & Community Development created and published the displacement risk index in its *Growth & Equity* report as part of the Seattle 2035 Comprehensive Plan. The displacement risk index identifies areas of Seattle where displacement of people of color, low-income people, renters, and other populations susceptible to displacement may be more likely. It combines demographic, place-based, and market data to provide a longer-term view of displacement risk based on neighborhood characteristics like the presence of vulnerable populations and amenities that tend to increase real estate demand.

Shown in Figure 63, the displacement risk index informs the City's growth strategy and anti-displacement strategies. In 2022, OPCD updated the index in two ways. First, we updated the individual factors with the most current data available. Second, we made a few methodological improvements based on community input and best practices. The updated displacement risk index presents a similar overall pattern as the 2016 version, with the areas at greatest risk in southeast Seattle, South Park and Westwood–Highland Park, the Chinatown–International District, the University District,[152] and parts of north-end neighborhoods like Northgate and Lake City. For more discussion of the methodology and findings of the displacement risk index, see the Anti-Displacement Framework that accompanies the Plan.

[152] The University District has relatively high risk but should considered carefully, as demographic data for student populations is often less reliable, and their comparatively lower incomes may not necessarily indicate the same degree of risk as it does elsewhere.

Figure 63

Displacement Risk Index



Source: City of Seattle Anti-Displacement Framework, 2024