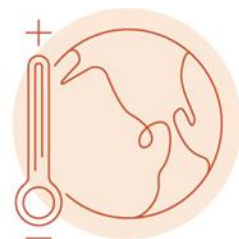


## 3.8 Population, Housing, & Employment



Source: City of Seattle, 2023.

This section addresses population, employment, and housing, as well as the historical context of racial segregation that has contributed to today's demographic patterns. A review of these aspects of the affected environment—on a citywide scale and for each analysis area—will serve as a baseline for analyzing the impacts of the five alternatives.

The analysis of impacts addresses likely outcomes of each alternative on Seattle's population, employment, and housing stock. A primary focus of this analysis is the evaluation of how effectively each alternative achieves three objectives:

- Increase the supply, diversity, and affordability of market-rate housing.
- Increase the supply of income-restricted housing.
- Reduce residential displacement.

This analysis also evaluates the potential for increased physical displacement compared to the No Action Alternative. Such an adverse impact is considered significant if the projected number of physically displaced renter households exceeds the projected number of new income-restricted affordable housing units that would be created through Seattle's Mandatory Housing Affordability (MHA) and Multifamily Tax Exemption (MFTE) programs.

Mitigation measures and a summary of any significant unavoidable adverse impacts are included following the impacts analysis.

### 3.8.1 Affected Environment

#### Citywide

##### Population

The City of Seattle's population as of 2022 was 762,500.<sup>37</sup> Population growth in Seattle has been rapid compared to previous decades. Between 2010 and 2020 the city's population grew by more than 20%. In the previous decade, Seattle experienced population growth of 8% (see [Exhibit 3.8-1](#)).

**Exhibit 3.8-1. Total Population of Seattle, 2000-2020**

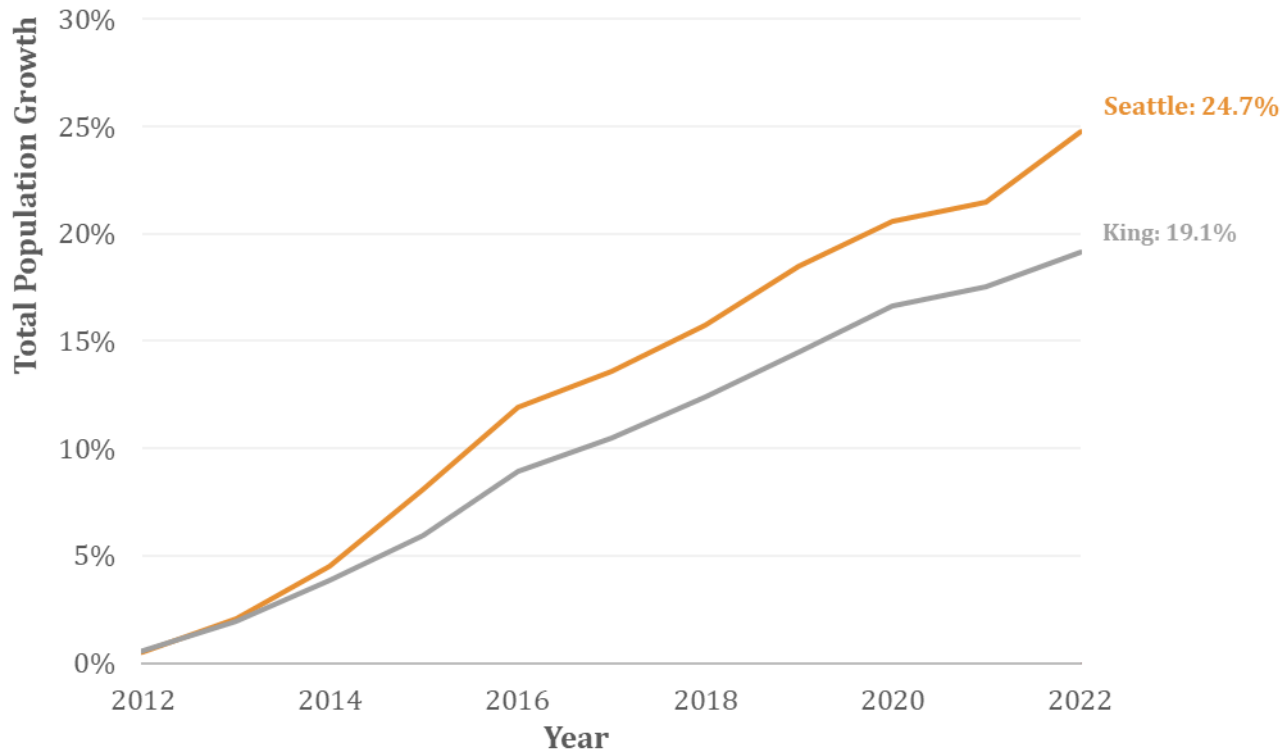
Census Year	Population	% Increase over previous 10 years
2000	563,374	
2010	608,660	8%
2020	737,015	21%

Sources: US Census Bureau, 2000, 2010, 2020.

<sup>37</sup> Washington State Office of Financial Management, 2022.

Over the last decade, Seattle's has grown faster than King County as a whole (about 25% from 2012 to 2022 compared to 19%; see [Exhibit 3.8-2](#)). Seattle's rapid population growth has been driven in large part by strong job growth and in-migration. Between 2010 and 2020, Seattle gained nearly 176,000 net new jobs. Many of these new jobs attracted foreign-born workers. As of 2021, Seattle's foreign-born population was over 140,000 people (almost one in five Seattle residents) of whom 46% were naturalized U.S. citizens.<sup>38</sup>

**Exhibit 3.8-2. Population Growth in Seattle and King County, 2012-2022**



Sources: Washington Office of Financial Management, 2022; BERK, 2023.

[Exhibit 3.8-3](#) shows population by analysis area. The population is not evenly distributed among the areas. Areas 1 (Northwest Seattle) and 2 (Northeast Seattle) each have approximately 150,000 residents, compared to under 9,000 in Area 7, which includes the maritime and industrial areas along the Duwamish River. Slightly less than half (46%) of Seattle's residents live in Neighborhood Residential zones, where the predominant housing type is detached homes. The remainder live in zones that feature a greater diversity of housing types, such as apartments or townhomes.

<sup>38</sup> Source: American Community Survey 5-Year Estimates (2017-2021): S0502 SELECTED CHARACTERISTICS OF THE FOREIGN-BORN POPULATION BY PERIOD OF ENTRY INTO THE UNITED STATES

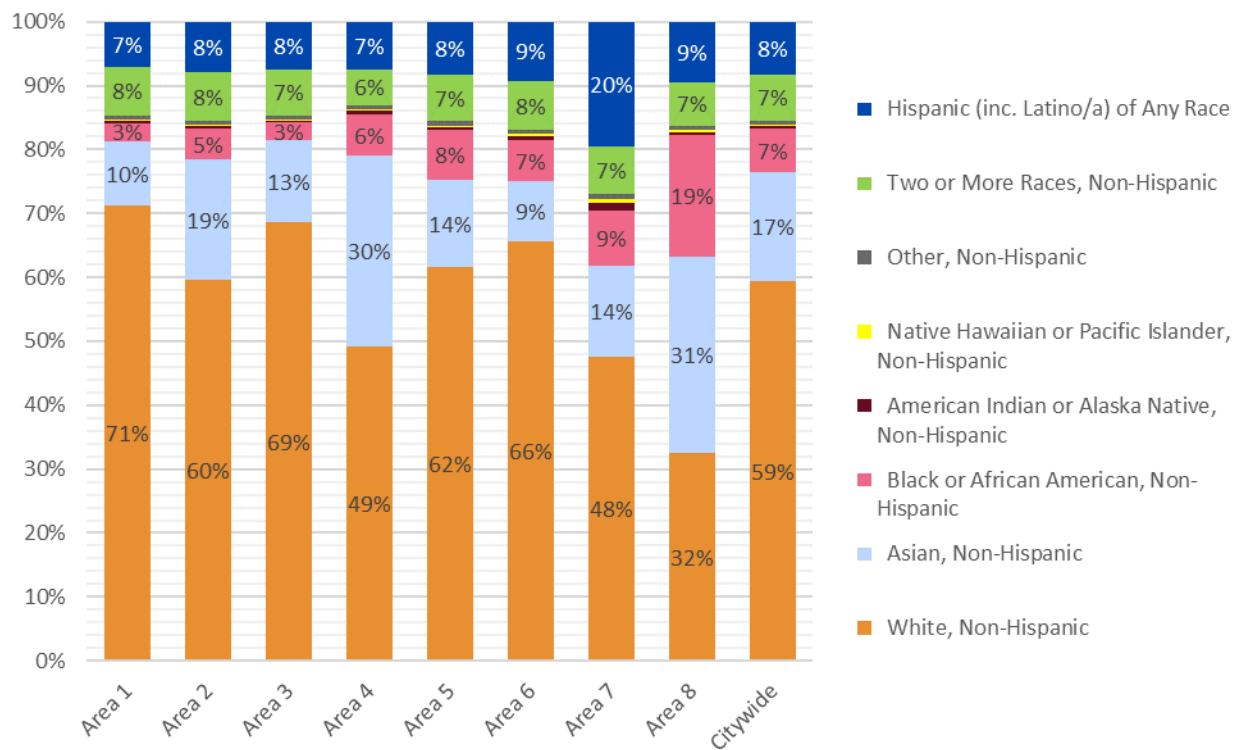
**Exhibit 3.8-3. Population by EIS Analysis Area, 2020**

	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Citywide
Population	151,708	148,334	68,927	63,298	108,053	93,220	8,767	94,708	737,015
Percent of total population	21%	20%	9%	9%	15%	13%	1%	13%	

Source: 2020 U.S. Census, Table P2: Hispanic or Latino, and Not Hispanic or Latino by Race; City of Seattle, 2023.

## Race & Ethnicity

In 2020, approximately two in five Seattle residents (41%) and more than half of youth under 18 (51%) were people of color.<sup>39</sup> This includes all residents who identify as a race or ethnicity other than White Non-Hispanic.<sup>40</sup> As of 2020, 8% of Seattle residents identified as Hispanic or Latino, 7% as Black or African American, Non-Hispanic; 17% as Asian, Non-Hispanic, and more than 10% as Two or More Races, Non-Hispanic, as shown in [Exhibit 3.8-4](#).

**Exhibit 3.8-4. Shares of Population by Race and Ethnicity, 2020**

Note: Percentage values less than 2% are not labeled for readability.

Sources: US Census (Table P2: Hispanic or Latino, and Not Hispanic or Latino by Race), 2020; City of Seattle, 2023.

<sup>39</sup> Source: 2020 U.S. Census, Table P2: Hispanic or Latino, and Not Hispanic or Latino by Race.

<sup>40</sup> Note, the Census group people who identify as "Hispanic" and "Latino" in a single category. References to "Hispanic" in this report are inclusive of persons who identify as Latino or Latina.

The breakdown of population by race varies across the city, as shown in [Exhibit 3.8-4](#). The percentage of population that identifies as White, Non-Hispanic ranges from 34% in Area 8 (Southeast Seattle) to 73% in Area 1 (Northwest Seattle). There is also variation by place type. About 67% of residents in Neighborhood Residential zones identify as White, Non-Hispanic, compared to 54% of residents living outside of these zones.<sup>41</sup>

### *Historical Context of Racial Segregation*

Seattle and the Puget Sound Region have a long history of discrimination shaping where people of color could live, own property, and sustain their culture, beginning with the arrival of white European settlers in the Pacific Northwest in the 1840s. At that time, Washington was part of the Oregon Territory and therefore subject to Black exclusion laws, which effectively prohibited Black people from settling or owning property in the territory as a way of ensuring the region's early development was primarily white. In 1855, the Treaty of Point Elliott was signed, establishing tribal reservations and guaranteeing the Tribes hunting and fishing rights in exchange for ceding tens of thousands of acres of their land to European-American settlers. Just ten years later, one of the City of Seattle's first laws after incorporation (Ordinance 5) barred Native people from living within City limits unless employed by a non-Native person.

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: the 1882 Chinese Exclusion Act and subsequent anti-Chinese riots in Seattle; the Alien Land Law enshrined in Washington's first constitution that prohibited land ownership by "aliens ineligible for citizenship," targeting Asian people whom Congress ruled in 1875 could not become citizens; and 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 both 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 contemporary practices used to establish and solidify exclusion. In the early 1900s, U.S. cities began to control the type and intensity of land use in cities across the U.S., with Los Angeles and New York as early adopters of standards to separate uses and regulate building form. Shortly after, first Baltimore and then other cities began employing zoning to segregate neighborhoods explicitly on the basis of race. After this practice was ruled unconstitutional in 1917, city officials substituted other standards like minimum lot size and prohibitions on multifamily housing—both still present in Seattle's zoning today—as covert ways to shield white neighborhoods from lower-income residents and people of color.

<sup>41</sup> Sources: US Census (Table P2: Hispanic or Latino, and Not Hispanic or Latino by Race), 2020; City of Seattle, 2023.



While Seattle never had explicit racial zoning, its first zoning ordinance, adopted in 1923, was promoted by the City's own zoning commission as a way to prevent "lowering...the standard of racial strength and virility" and crafted by a planner who touted zoning's power to "preserve the more desirable residential neighborhoods" and prevent movement into "finer residential districts ... by colored people." Before the advent of zoning, Seattle's building code regulated development, and dwellings with multiple families were allowed citywide. The 1923 zoning ordinance established and mapped the "First Residence District" where only "detached buildings occupied by one family" were allowed. In the subsequent decades, periodic downzoning expanded the extent of restrictive zoning into areas that previously allowed a mix of housing types. For a century, zoning in Seattle has curtailed access to many neighborhoods by barring lower-cost, denser housing 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 due to structural racism.

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 restricting the sale and use of property based on someone's race, ethnicity, and religion. As some residential areas began to diversify in the 1910s, racial covenants became widespread in Seattle, especially after the Supreme Court validated their use in 1926. Many neighborhoods prohibited the sale or occupancy of property to Asian Americans, Jewish people, and Black people, or even more broadly to anyone "other than one of the White or Caucasian race." One such covenant for 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." 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 common pathway to stability and wealth.

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 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 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," with a rationale explicitly referencing their racial composition. The neighborhood of Windermere, for example, was touted as "protected...by racial restrictions," while the Central Area redlined because "it is the Negro area of Seattle" and "composed of mixed nationalities." In appraisal standards that undergirded its lending decisions, the Federal Housing Administration (FHA) also employed a "whites-only" requirement, making racial segregation an official requirement of the federal mortgage insurance program and depriving people of color of the opportunity to own a home and build and pass on wealth.

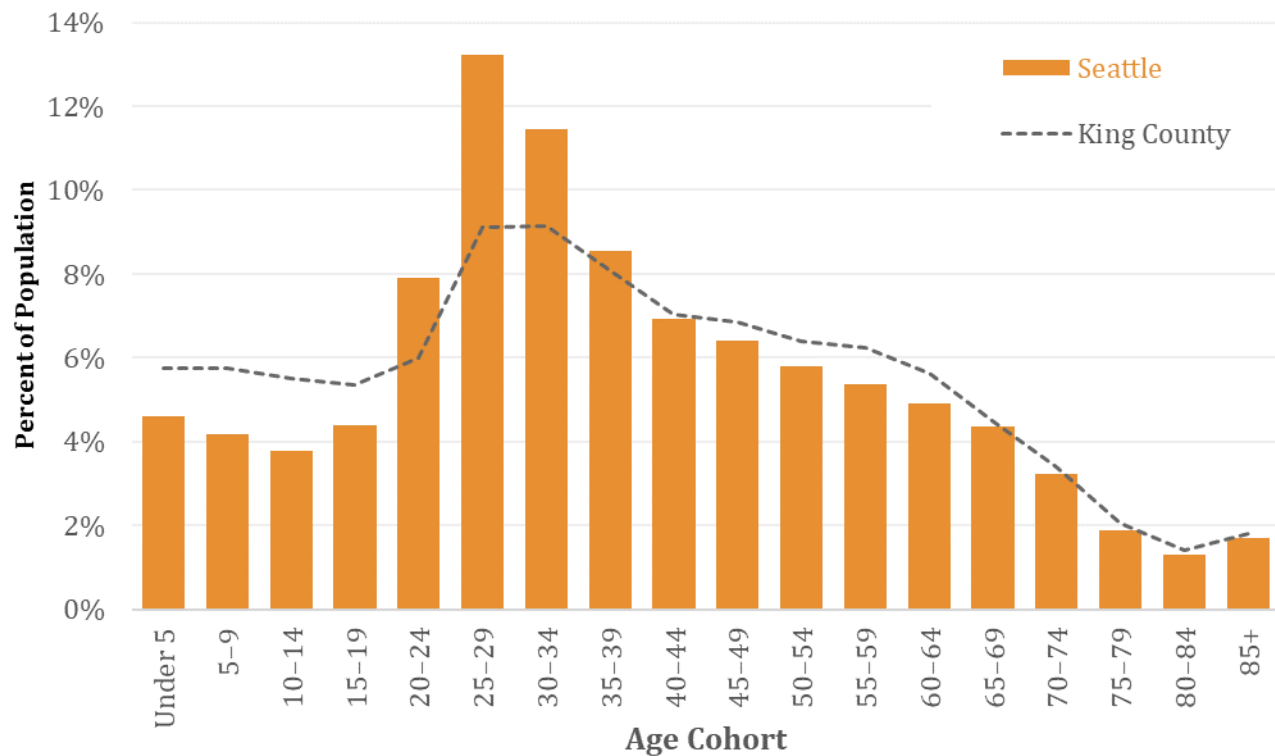
Informal practices and unwritten rules also contributed to housing discrimination. Real estate agents typically didn't show houses in predominantly white neighborhoods to people of color, and, even if they did, purchasing that housing was difficult for a buyer of color. Discrimination in the sale or 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.

The legacy of these practices persists in several quantifiable ways that reveal where lasting exclusion and inequality remain. In areas with NR zoning where detached homes predominate, residents are disproportionately White, Non-Hispanic. Households of color generally and Black households in particular are much less likely to own their home compared to White, Non-Hispanic households (35% and 26% compared to 51%, respectively), and in recent years homeownership among people of color has declined faster than for white households, especially for Black households, whose homeownership rate dropped from 37% in 1990 to 23% in 2020. Similarly, Black households in Seattle today are twice as likely as white households to have zero or negative net worth (17.7% versus 33.1%, respectively). These and myriad other disparities originated in the explicit racism of the 19th and 20th centuries, hardened through 100 years of exclusionary zoning, and today persist in large part due to the market pressures of an increasingly unaffordable city.

## Age Profile

**Exhibit 3.8-5** shows Seattle’s population by age range in 2020, with comparison to the age profile of King County. Seattle has a notably higher concentration of young adults, with about a third of its total population in the 19- to 34-year-old range. King County as a whole has a slightly greater share of its population under age 19 or between 45 and 64.

**Exhibit 3.8-5. Shares of Population by Age in Seattle and King County, 2020**



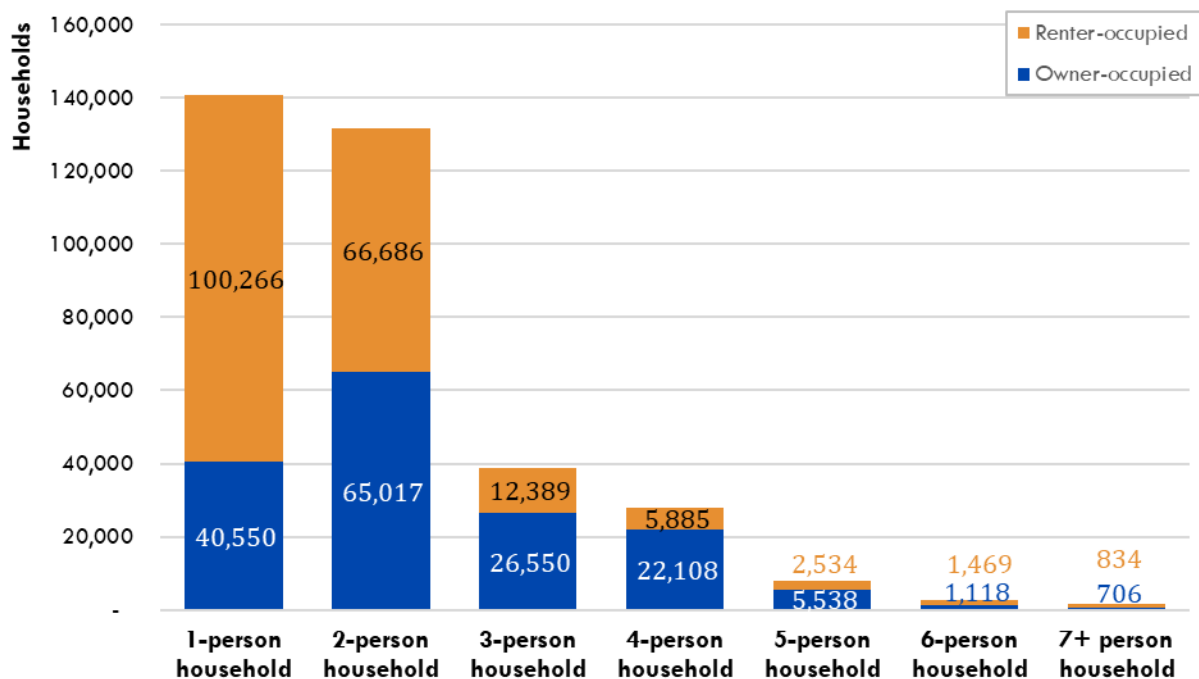
Source: ACS 5-Year Estimates, 2016-2020.



## Household Characteristics

In 2021, Seattle had 337,361 households, with an average household size of 2.08.<sup>42</sup> After declines between 1980 and 2000, household size in Seattle has remained relatively steady over the last two decades. In 2021, about 45% of housing units were owner-occupied and 55% renter-occupied,<sup>43</sup> while in 2010 about 49% of households owned their homes.<sup>44</sup> This decline in homeownership rate is at least partly a reflection of new housing in Seattle, three-quarters of which are apartments (see [Exhibit 3.8-7](#), below). [Exhibit 3.8-6](#) breaks down all households in Seattle by tenure and household size. More than three-quarters of Seattle households have only one or two members.

**Exhibit 3.8-6. Households by Tenure and Household Size, 2021**



Sources: ACS 5-Year Estimates, 2017-2021 (Table B25009: Tenure by Household Size); BERK, 2023.

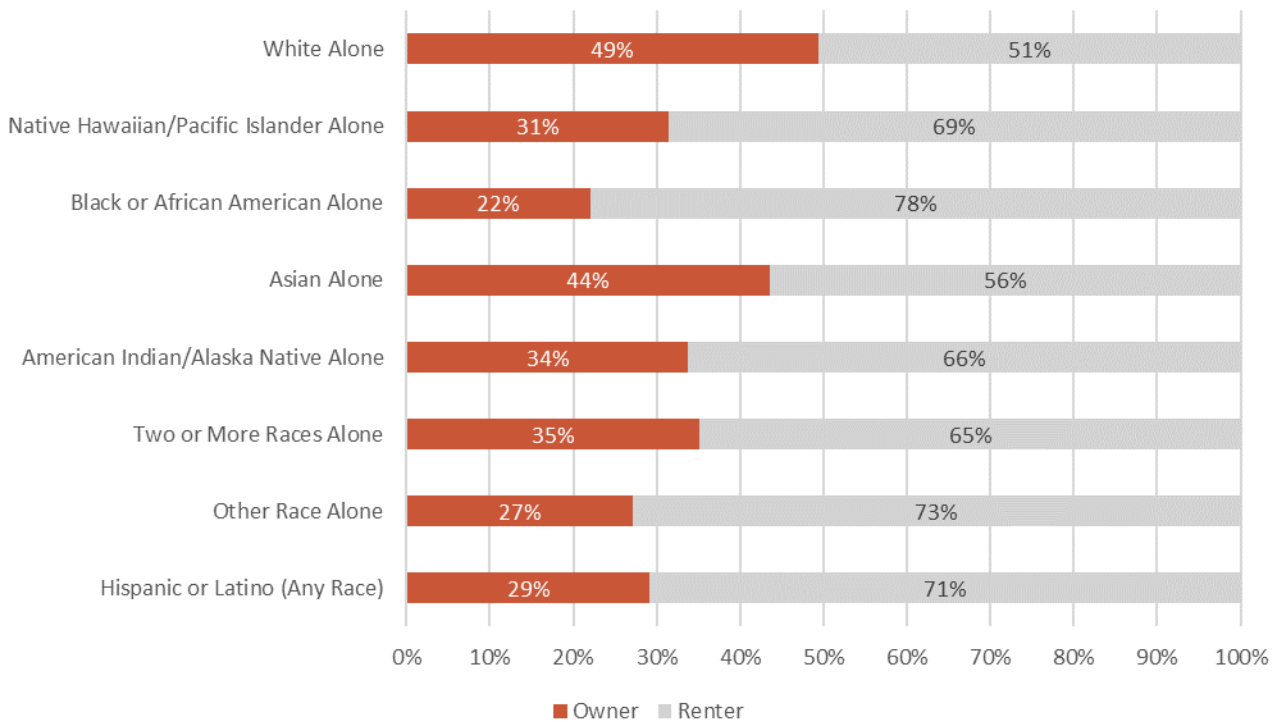
Homeownership bestows important benefits for stabilizing housing costs and providing long-term wealth generation potential. However, considerable disparities exist in Seattle's homeownership rate by householder race and ethnicity, as shown in [Exhibit 3.8-7](#). Nearly half (49%) of White households in Seattle are homeowners, compared to only 22% of Black households and 29% of Hispanic or Latino households.

<sup>42</sup> Source: American Community Survey 5-Year Estimates (2017-2021): S1101 Households and Families

<sup>43</sup> Source: American Community Survey 5-Year Estimates (2017-2021): B25003: Tenure

<sup>44</sup> Source: American Community Survey 5-Year Estimates (2006-2010): B25003: Tenure

**Exhibit 3.8-7. Housing Tenure by Householder Race and Ethnicity, 2021**

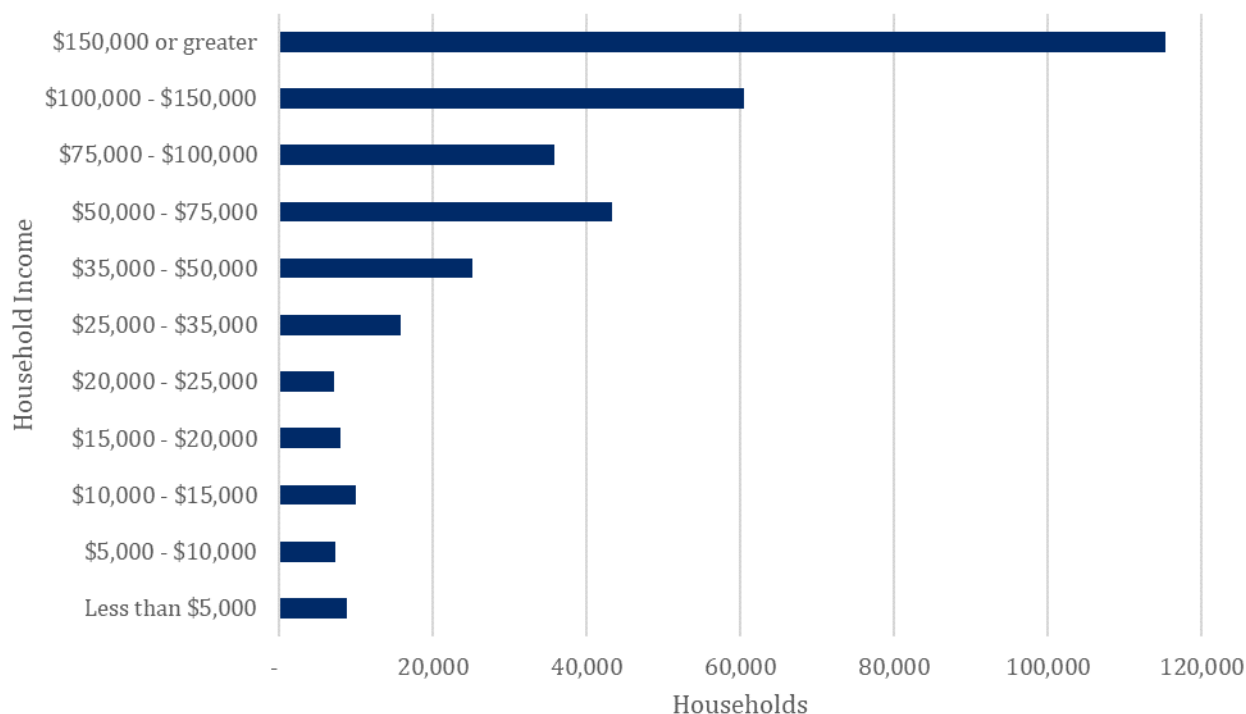


Sources: ACS 5-Year Estimates, 2017-2021 (Table S2502: Demographic Characteristics for Occupied Housing Units); BERK, 2023.

In 2021, the median income of all households in Seattle was \$105,391.<sup>45</sup> [Exhibit 3.8-8](#) shows the distribution of Seattle households by income level. [Exhibit 3.8-9](#) shows the wide variation in incomes by race and ethnicity of householder. The median income for both Black households and American Indian or Alaskan Native households is less than half that of non-Hispanic White and Asian households.

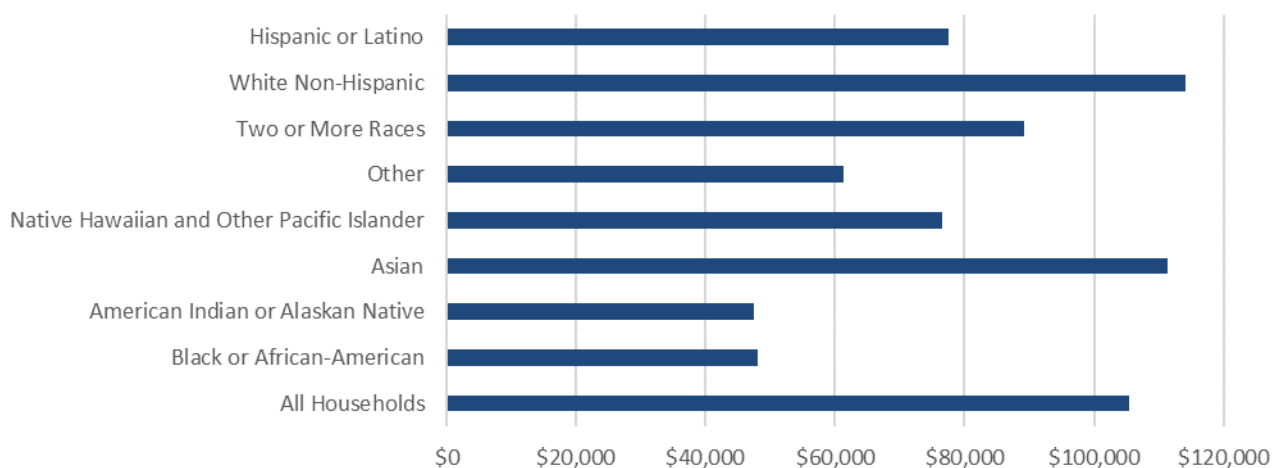
<sup>45</sup> Source: American Community Survey 5-Year Estimates (2017-2021): S1901 Income in the past 12 months (in 2021 inflation-adjusted dollars).

**Exhibit 3.8-8. Seattle Households by Income Level, 2021**



Sources: ACS 5-Year Estimates, 2017-2021, Table S1901: Income in the past 12 months (in 2021 inflation-adjusted dollars); BERK, 2023.

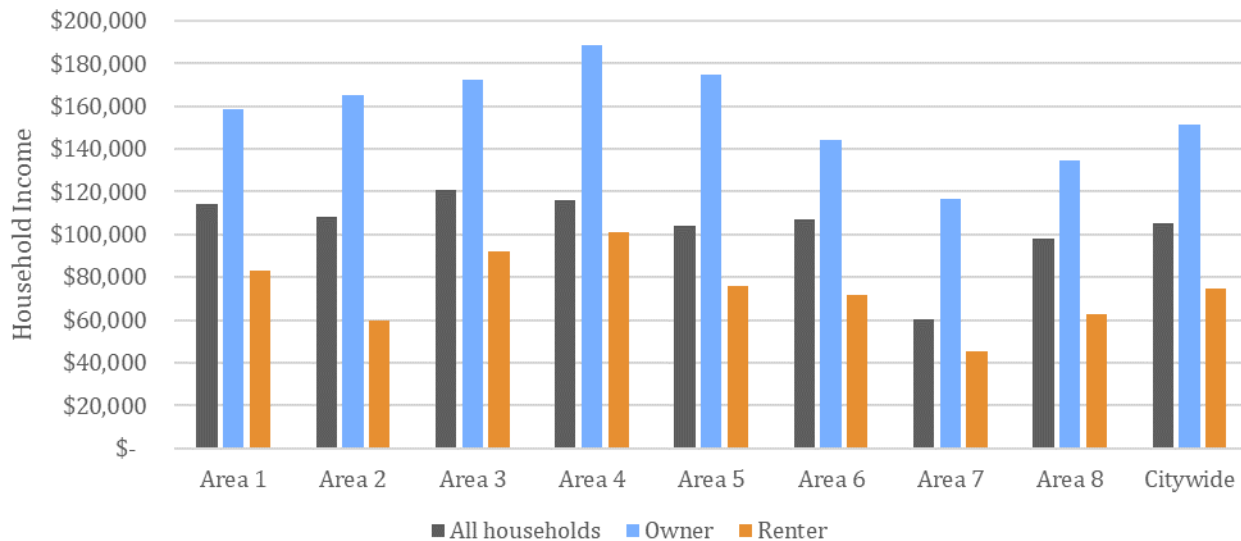
**Exhibit 3.8-9. Median Income by Householder Race or Ethnicity, 2021**



Sources: ACS 5-Year Estimates, 2017-2021, Table B19013: Median Household Income in the past 12 months (in 2021 Inflation-Adjusted Dollars); BERK, 2023.

Household income also varies substantially across the city and by tenure. **Exhibit 3.8-10** below shows median household income for owner, renter, and all households by analysis area. For all households, average income ranges from \$60,000 for the roughly 3,500 occupied units in Area 7 (Port of Seattle and Harbor Island) to more than \$180,000 in Area 4 (Downtown Seattle), which has about 40,000 occupied units. Citywide, the median income of owner households (\$151,430) is more than twice the median income of renter households (\$74,580).

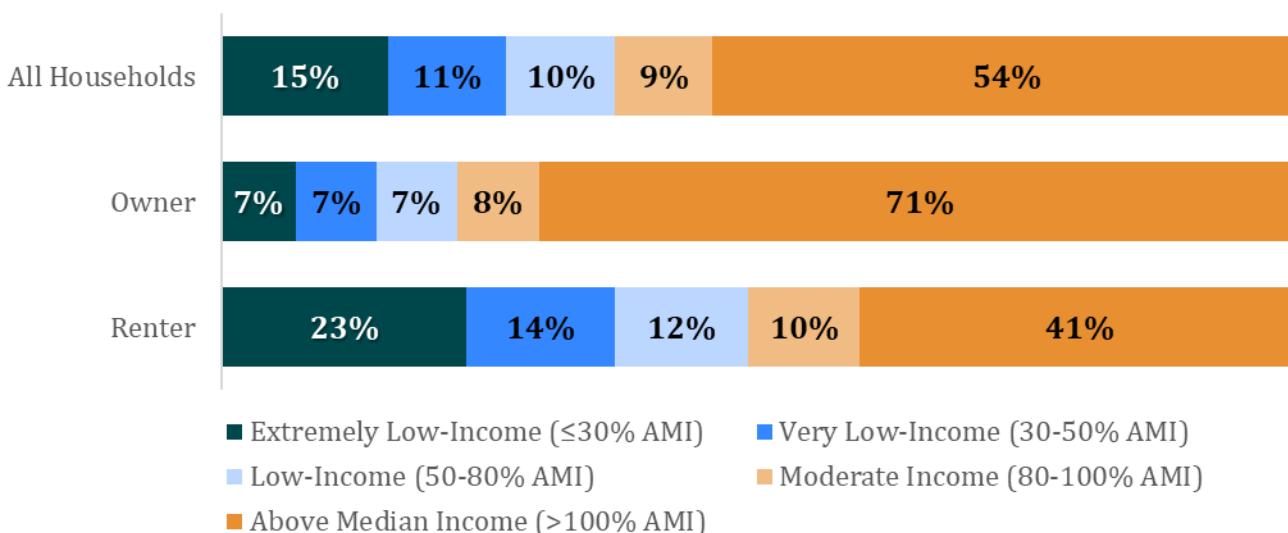
**Exhibit 3.8-10. Median Household Income by Tenure and EIS Analysis Area, 2021**



Sources: ACS 5-Year Estimates, 2017-2021 (Table B25119: Median Household Income the past 12 months (in 2021 inflation-adjusted dollars) by Tenure); City of Seattle, 2023; BERK, 2023.

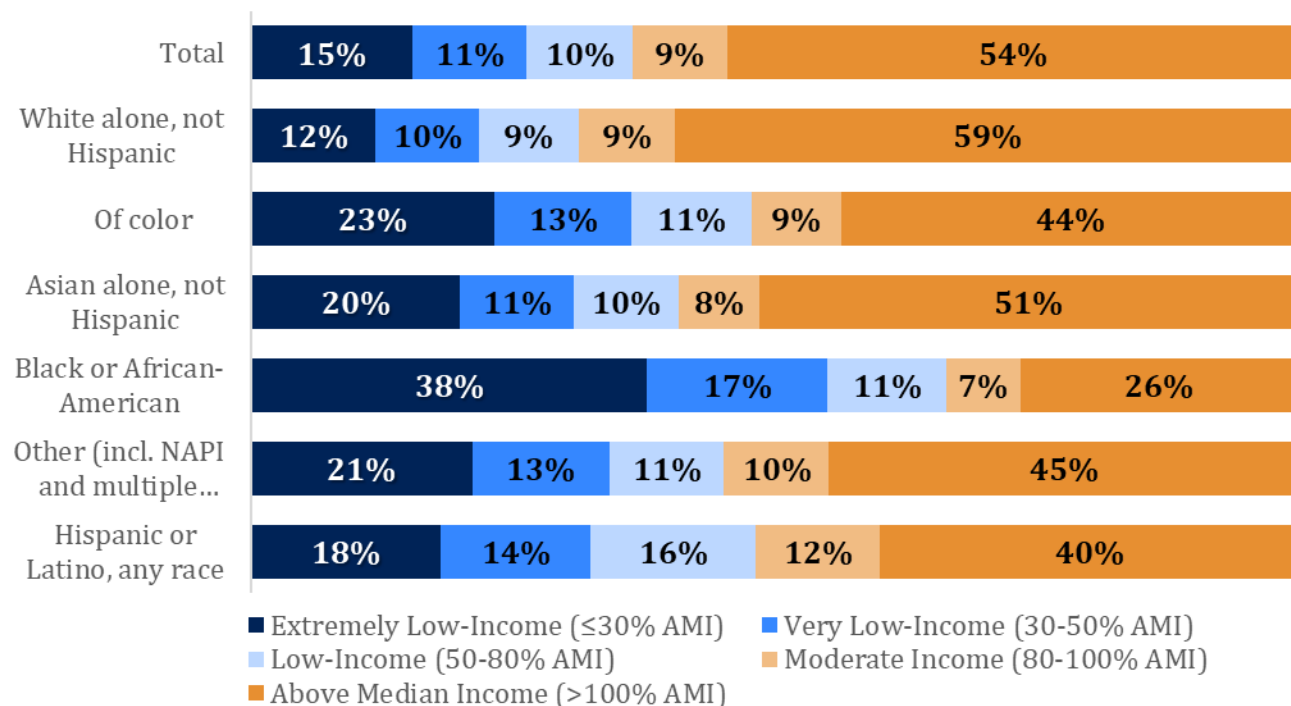
The 2022 HUD Median Family Income (also known as Area Median Income, or AMI) in the Seattle metropolitan area was \$134,600.<sup>46</sup> AMI is typically higher than median income reported by the ACS because AMI is based only on the incomes of family households (which may have multiple working-age adults rather than a single person living alone) and is projected forward to the current year. Income limits are typically set relative to AMI when determining eligibility for income-restricted affordable housing. These income limits are also adjusted for household size. **Exhibit 3.8-11** presents the percentage of all households by income level relative to AMI and by tenure. It shows significant income disparities between owner and renter households, with a much higher percentage of owner households having incomes above AMI.

<sup>46</sup> Source: HUD, 2022. <https://www.huduser.gov/portal/datasets/il/il2022/2022MedCalc.odn>.

**Exhibit 3.8-11. Household Income Level by Tenure, 2015-2019**

Sources: US HUD CHAS data, 2015–2019; BERK, 2023.

Household income in Seattle varies considerably by race and ethnicity, as shown in [Exhibit 3.8-12](#). As of 2019, only 41% of White, non-Hispanic households had incomes below AMI, compared to 74% of Black or African American households and 64% of all households of color.

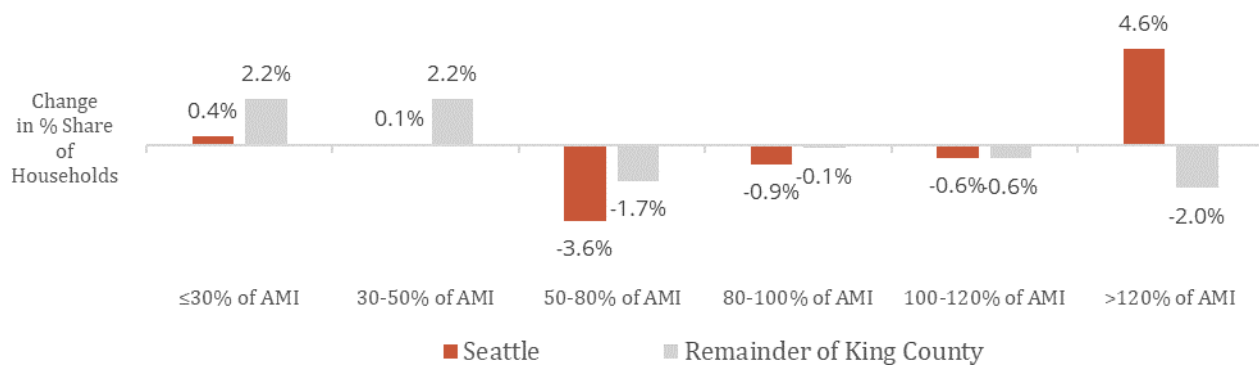
**Exhibit 3.8-12. Household Income Level by Race and Ethnicity, 2019**

Sources: US HUD CHAS data, 2015–2019; BERK, 2023.



Over the past decade, the distribution of households by income level has changed. [Exhibit 3.8-13](#) shows the percent change in share of households by income level in both Seattle and the remainder of King County.<sup>47</sup> It shows that much of the increase in new households in Seattle has been among those at the highest income level, while the remainder of King County saw a reduction in the share of these households. During the same period, the share of households with incomes between 50% and 120% of AMI declined in both Seattle and the remainder of King County, although the declines among 50-80% AMI households were much more significant in Seattle. The lowest income bands (0-50% AMI) remained mostly steady in Seattle as a share of total households but increased dramatically in the remainder of King County. These trends suggest that lower-income households are increasingly looking to the remainder of King County for housing, possibly due to the lack of affordable options in Seattle.

**Exhibit 3.8-13. Change in Household Income Distribution 2010 5-Year Period to 2019 5-Year Period, Seattle and Remainder of King County**



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

## Housing Supply

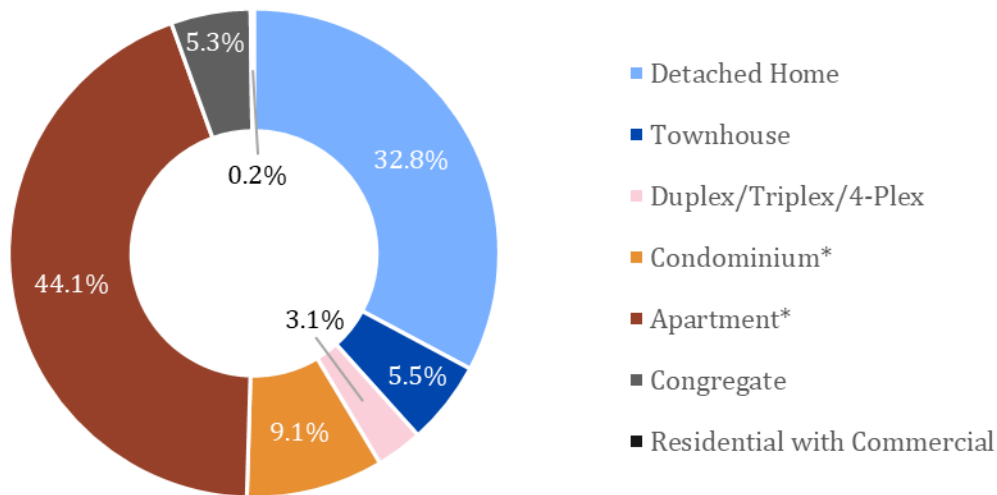
As of 2022, Seattle had 385,745 housing units and 21,402 congregate residences, such as dormitories, group homes, and certain kinds of senior housing. [Exhibit 3.8-14](#) breaks down Seattle's housing inventory by type. More than three-quarters of all homes are detached homes (33%) and apartments (44%).

Between 2018 and 2022, more than 46,000 new housing units were built in Seattle.<sup>48</sup> [Exhibit 3.8-15](#) breaks down these newly constructed homes by housing type. More than three-quarters were apartment units, while townhouses and accessory dwelling units (ADUs) combined comprised 17% of the new inventory. Detached homes accounted for 5%.

<sup>47</sup> Note that this chart does not show the absolute percentage gain or loss of households by income level. Rather it shows the change in percentage share of total households. So, for example, Seattle may have had a slight decline in share of households at 100-120% AMI while seeing a growth in the total number of these households overall.

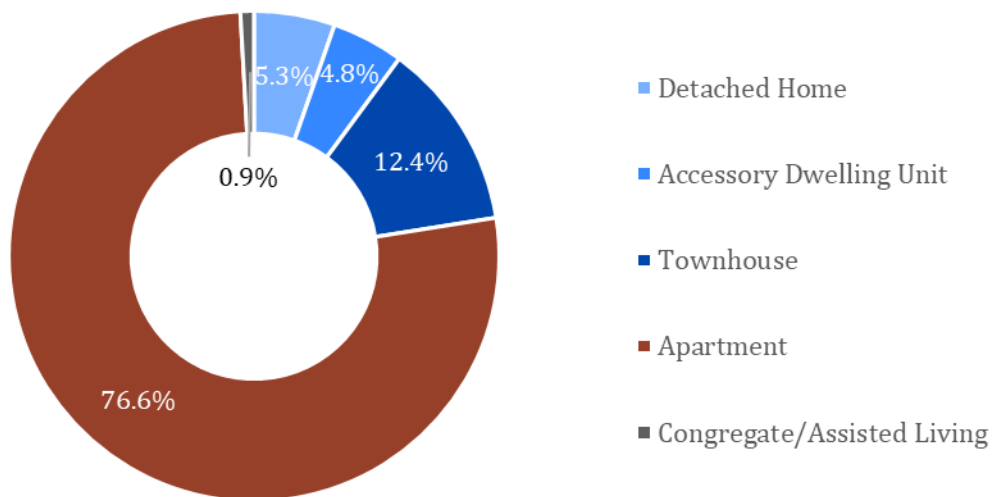
<sup>48</sup> Source: Seattle OPCD summary of permit completions from Department of Construction and Inspections, Permit Tracking System. [Residential Permitting Trends](#), 2023.

**Exhibit 3.8-14. Housing Unit Inventory by Housing Type, 2022**



Note: Condominiums in apartment use are categorized as apartments in this summary. Duplex/Triplex/4-Plex refers to all lots with 2-4 units that are not unit lot subdivided. This includes a combination of detached and attached units. Sources: King County Department of Assessments, compiled by City of Seattle, July 2022; BERK 2023.

**Exhibit 3.8-15. Units in Completed Housing Permits by Housing Type, 2018-2022**



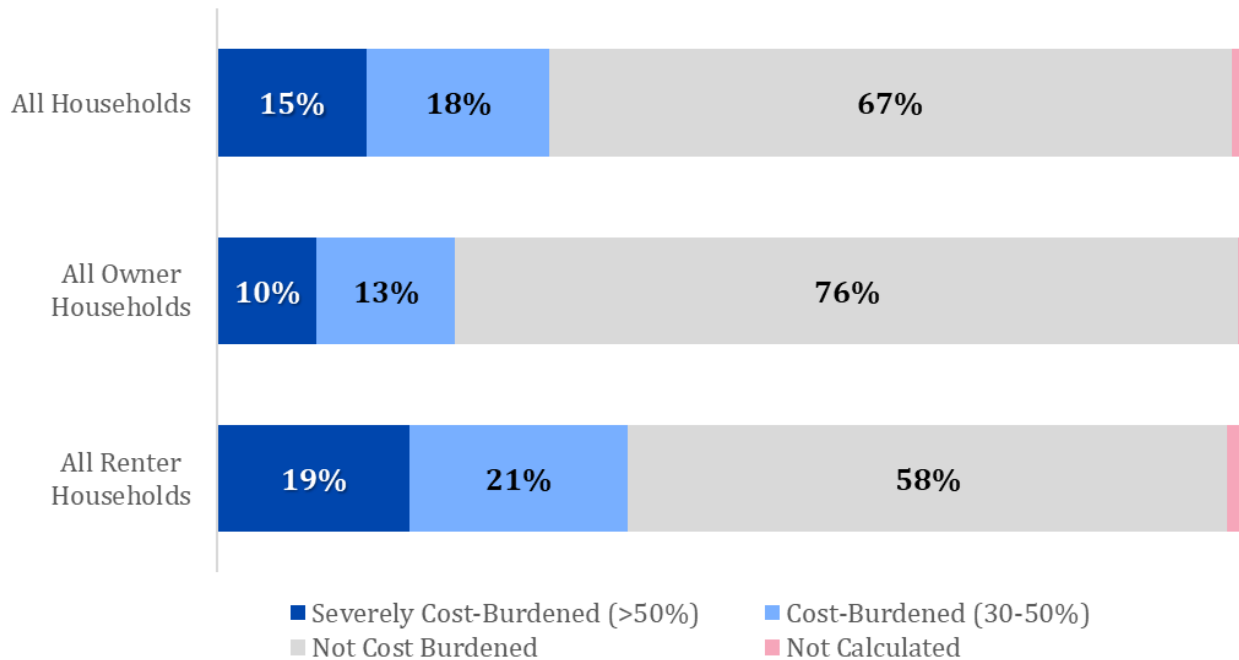
Sources: Seattle OPCD summary of permit completions from Department of Construction and Inspections, Permit Tracking System. [Residential Permitting Trends](#), 2023; BERK, 2023.

## **Housing Affordability**

The affordability of housing depends on two factors: the cost of the housing and the income of the household living there. A broadly used standard considers housing costs that consume 30% or less of a household's income to be affordable. Households paying more than 30% of their gross income for housing costs may have difficulty affording necessities such as food, clothing, transportation, and medical care. HUD considers households to be "cost burdened" if they spend more than 30% of their gross income on housing costs and "severely cost burdened" if they spend more than 50%.

The most recent data about housing cost burden reflects conditions between 2015 and 2019. During that period, about one-third of all Seattle households were cost-burdened, and 15% of all households were severely cost-burdened. Renter households were almost twice as likely to be cost-burdened than owner households, as shown in [Exhibit 3.8-16](#).

**Exhibit 3.8-16. Proportion of Households by Cost Burden Status and Housing Tenure, 2019**



Note: "Not Calculated" refers to households with no or negative income, and therefore degree of cost-burden cannot be calculated.

Sources: US HUD CHAS data, 2015–2019; BERK, 2023.

### Rental Housing Affordability

[Exhibit 3.8-17](#) breaks down renter household cost burden by income category. Not surprisingly, households with incomes at or below 50% AMI were most likely to experience cost burden. More than four out of five of these households were cost burdened, including those with no or negative income. Though these very low- and extremely low-income households represent 36% of all households, they represent 70% of cost-burdened households, suggesting substantial need to production and access to affordable housing for this segment of the population.

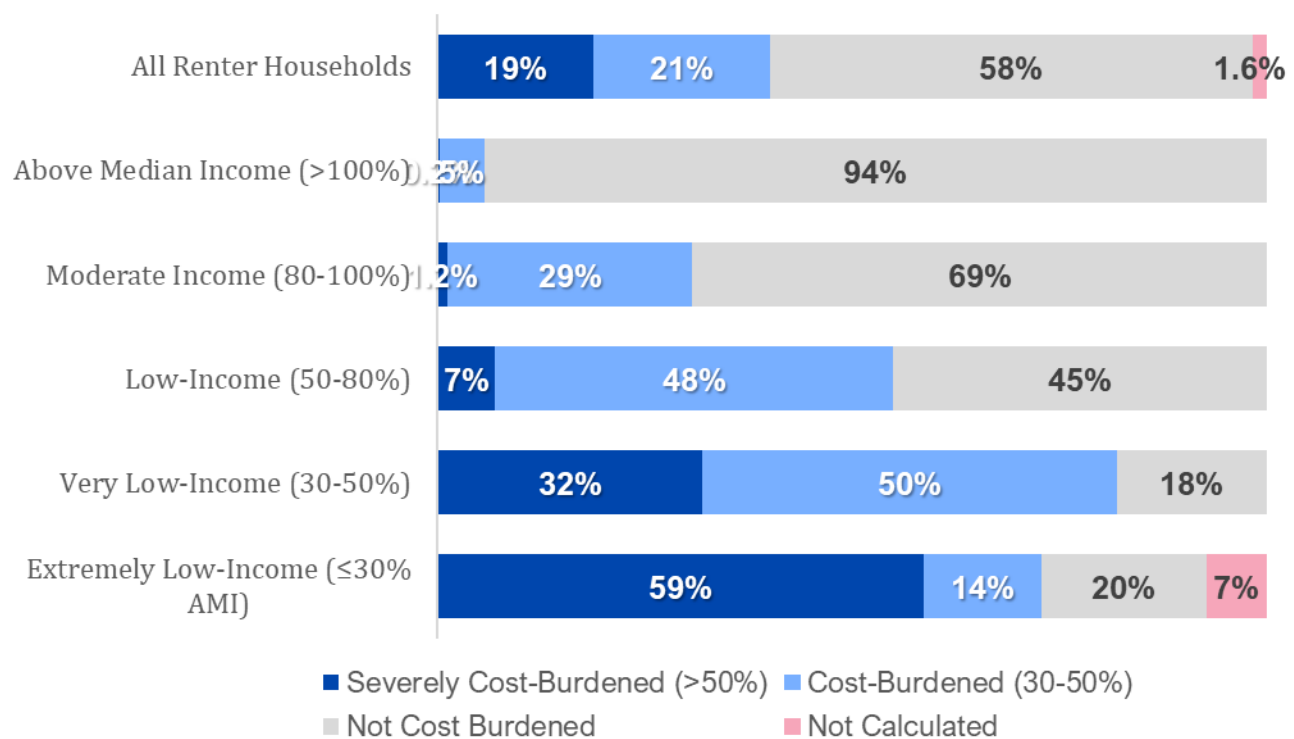
More than half of low-income renter households (50-80% AMI) were cost-burdened, and even in the moderate-income category (80-100% AMI), about a third of renter households experienced cost burden. We can conclude that gaps in affordable rental housing availability exist up to median family income levels. See [Exhibit 3.8-18](#).

**Exhibit 3.8-17. Renter Households by Income Level and Cost Burden Status, 2019**

Income category (% of AMI)	Not cost burdened	Cost burdened (30-50% of income)	Severely cost burdened (>50% of income)	Not calculated	Total households
Extremely low-income (≤30%)	8,110	5,805	23,895	2,955	40,760
Very low-income (30-50%)	4,505	12,450	7,970	0	24,925
Low-income (50-80%)	9,975	10,655	1,545	0	22,175
Moderate-income (80-100%)	12,865	5,475	230	0	18,570
Above median income (>100%)	69,540	3,980	155	0	73,675
<b>All renter households</b>	<b>104,995</b>	<b>38,365</b>	<b>33,795</b>	<b>2,955</b>	<b>180,105</b>

Note: “Not calculated” refers to households with no or negative income, and therefore degree of cost-burden cannot be calculated.

Source: US HUD CHAS data, 2015–2019.

**Exhibit 3.8-18. Share of Renter Households by Income Level and Cost Burden Status, 2019**

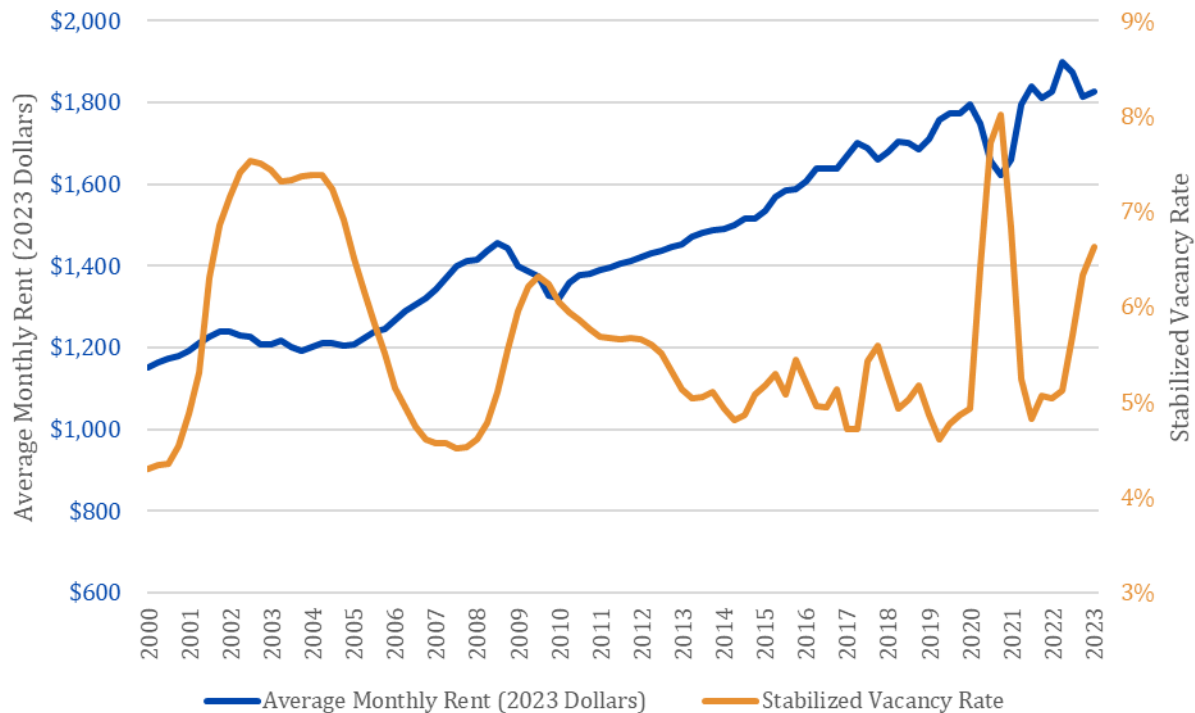
Note: “Not Calculated” refers to households with no or negative income, and therefore degree of cost-burden cannot be calculated.

Source: US HUD CHAS data, 2015–2019; BERK, 2023.

Substantial increases in rents are a key reason for the rise in the share of renter households that are cost burdened. Between 2012 and 2022, average monthly rents rose 32% after adjusting for inflation, from \$1,430 to \$1,897. Market housing rents typically rise when housing supply is insufficient to meet high demand. In Seattle, high housing demand is being driven in

large part by rapid job growth in Seattle and increased household preferences for in-city living. **Exhibit 3.8-19** shows inflation-adjusted rents in 2023 dollars and the stabilized rate of apartment vacancy.<sup>49</sup> Over the past 23 years, rents have increased most steeply during or slightly after periods when vacancy rates dipped to around 5% or lower. This is visible from 2000 to 2001, 2006 to 2009, 2012 to early 2020, and much of 2021.

**Exhibit 3.8-19. Average Monthly Rent and Vacancy Rate, 2000-2022**



Note: Rents are adjusted for inflation and are shown in 2023 dollars. The stabilized vacancy rate excludes properties that were still new and in the lease-up stage to ensure the sample is more representative of the full renter housing market. Sources: CoStar, 2023; BERK, 2023.

Market rents typically vary by the age of the structure. **Exhibit 3.8-20** shows the affordability of apartment rents by age of structure and analysis area, as a percentage of AMI. On average, older apartments are more affordable than newer units. Citywide, the median rent for a one-bedroom apartment in a building constructed before 1994 is affordable at 57% AMI, compared to 86% AMI in newer buildings constructed after 2013.

<sup>49</sup> The stabilized vacancy rate excludes properties that were still new and in the lease-up stage to ensure the sample is more representative of the full rental housing market.



**Exhibit 3.8-20. Percent of AMI Needed to Afford a Median Rent for a One-Bedroom Apartment by Year Built and EIS Analysis Area**

	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Citywide
All apartments	76%	65%	73%	91%	76%	69%	28%	71%	77%
Built 2013-2023	84%	74%	80%	98%	82%	79%	39%	79%	86%
Built prior to 1994	52%	54%	61%	70%	61%	57%	28%	52%	57%

Note: Percent AMI calculation assumes 1.5 person household, consistent with HUD methodology (Joice 2014).  
Source: CoStar, 2023; City of Seattle, 2023; BERK, 2023.

### Ownership Housing Affordability

Homeownership costs are far out of reach for the vast majority of Seattle and King County households. Most owner households in Seattle live in detached homes, the median sales price of which was \$1,060,000 in 2022, as shown in [Exhibit 3.8-21](#). Assuming a 20% down payment (\$212,000)—which already excludes many households lack these resources—a household needs an annual income of at least \$261,499 to afford this median-priced home. For a four-person household this is equivalent to 194% of AMI. A lower down payment would increase the income necessary to afford such a home.

**Exhibit 3.8-21. Summary of Detached and Townhouse Sales Prices, 2022**

	75th percentile sales price	Median sales price	25th percentile sales price	Average number of bedrooms	Assumed household size for AMI	Household Income required to purchase median home (% AMI)
Detached homes	\$1,495,000	\$1,060,000	\$835,000	3.31	4	194%
Townhouses	\$975,000	\$816,250	\$709,950	2.65	3	166%

Note: Affordability estimates assume 20% down payment and assumed household size. For households who lack the 20% down payment, the percentage of AMI needed to buy the home would be higher.  
Sources: King County Assessor, 2023; City of Seattle, 2023.

The cost of housing varies by age. [Exhibit 3.8-22](#) shows the average affordability of detached homes by age of structure and analysis area as a percentage of AMI. The lowest value is for older homes (built before 1994) in Area 7, where the median sales price is equivalent to 122% of AMI. While older homes cost less than newer homes, in no area of the city is an older median value detached home affordable for a moderate-income household (80-120% AMI).

**Exhibit 3.8-22. Percentage of AMI Needed to Afford a Median-Price Detached Home by Year Built**

	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Citywide
All detached homes	202%	202%	284%	276%	280%	163%	117%	155%	194%
New homes (built 2013-2023)	343%	312%	454%	237%	367%	227%	169%	209%	299%
Older homes (built before 1994)	192%	187%	264%	277%	257%	155%	110%	147%	182%

Note: Affordability level calculation assumes availability of a 20% down payment and 4-person household. For households who lack the 20% down payment, the percentage of AMI needed to buy the home would be higher. Sources: King County Assessor, 2023; City of Seattle, 2023; BERK, 2023.

About 9% of Seattle’s housing stock are condominiums that can also provide homeownership options. Most condominiums are in multifamily buildings similar to apartments. In 2022, the median sales price for this type of condominium in Seattle was \$512,500. A household would need an annual income of at least \$126,432 to afford this condo, assuming availability of a 20% down payment (\$102,500). For a two-person household, this is equivalent to 117% of AMI.<sup>50</sup> Households that do not have \$102,500 for a down payment would require higher income to afford the median-priced condo.

In recent years many new detached homes have included one or two accessory dwelling units on the same lot. These principal and accessory units are sometimes sold separately as a condominium units. In this study, these kinds of condominiums are referred to as non-stacked housing to differentiate them from condominiums that are stacked vertically in multistory buildings. **Exhibit 3.8-23** summarizes all non-stacked condominium units sold in 2022 by unit size. The affordability of these units is closely correlated with unit size, though even the 25th percentile sales price for small units was not affordable to moderate-income households.

<sup>50</sup> Since income thresholds are adjusted for household size, a smaller household (e.g., 1 or 2 people) would require a greater percentage of AMI to afford this purchase price.

**Exhibit 3.8-23. Summary of Non-Stacked Homes Sold in 2022 by Unit Size**

	Over 2,000 Sq. Ft.	>1,200-2,000 Sq. Ft.	≤1,200 Sq. Ft.
Number of units sold	378	111	114
Average sale price	\$1,987,014	\$1,044,382	\$754,627
Average size (square feet)	3,114	1,624	995
Average number of bedrooms	3.96	3.05	2.10
Assumed household size for affordability analysis	4	4	3
75th percentile sales price	\$2,499,999	\$1,200,000	\$825,000
Median sales price	\$1,800,000	\$981,000	\$757,500
25th percentile sales price	\$1,400,000	\$787,950	\$678,713
<b>Household income required to purchase median home (% AMI)</b>			
75th percentile sales price	458%	220%	168%
Median sales price	330%	180%	154%
<b>25th percentile sales price</b>	<b>257%</b>	<b>144%</b>	<b>138%</b>

Note: Affordability level calculation assumes availability of a 20% down payment and assumed household size. For households who lack the 20% down payment, the income needed to buy the home would be higher.

Sources: King County Assessor, 2023; City of Seattle, 2023; BERK, 2023.

The housing costs of many owner households exceeds HUD's definition of affordability. As shown in [Exhibit 3.8-24](#), more than 35,000 owner-occupied households were cost burdened between 2015 and 2019, nearly a quarter of all owner-occupied households in Seattle. A much larger share of lower-income owner-occupied households experienced housing cost burden than households with incomes above AMI.

**Exhibit 3.8-24. Owner-Occupied Households by Cost Burden Status, 2019**

Income category (% of AMI)	Not cost burdened	Cost burdened (30-50% of income)	Severely cost burdened (>50% of income)	Not calculated	Total households
Extremely low-income (≤30%)	1,325	1,670	6,625	815	10,435
Very low-income (30-50%)	4,090	2,970	4,225	0	11,285
Low-income (50-80%)	6,260	3,225	1,825	0	11,310
Moderate-income (80-100%)	6,730	3,825	1,025	0	11,580
Above median income (>100%)	97,355	8,775	990	0	107,120
<b>All owner households</b>	<b>115,760</b>	<b>20,465</b>	<b>14,690</b>	<b>815</b>	<b>151,730</b>

Note: "Not calculated" refers to households with no or negative income, and therefore degree of cost-burden cannot be calculated.

Source: US HUD Comprehensive Housing Affordability Strategy (CHAS) data, 2015–2019.

## **Displacement**

Displacement refers to a process wherein households are compelled to move from their homes involuntarily due to the termination of their lease, rising housing costs, or other factors. This is a different phenomenon than when a household voluntarily makes a choice to move from their home. Three kinds of displacement are occurring in Seattle. Physical displacement is the result of eviction, acquisition, rehabilitation, or demolition of property, or the expiration of covenants on rent- and income-restricted housing. Economic displacement occurs when residents can no longer afford rising rents or the costs of homeownership like property taxes. Cultural displacement occurs when residents are compelled to move because the people and institutions that make up their cultural community have left or are leaving the area.

The City has some data related to the physical displacement of lower income households with incomes earning up to 50% of AMI. Economic displacement is much more difficult to measure directly. Analysis of census data can provide important insights and a sense of the extent of displacement that is likely occurring. No formal data currently exists to measure cultural displacement quantitatively, despite signs that it is occurring in some neighborhoods. Previous studies have examined changes in cultural populations over time at a neighborhood level, like the sustained and significant loss of Black residents in the Central Area (Seattle OPCD, 2016; City of Seattle, 2017), and more recent data suggests that these trends are continuing. These phenomena are interrelated, and cultural displacement can result from and accelerate physical and/or economic displacement, with root causes in the rising cost of housing and real estate and income and wealth inequality.

### **Physical Displacement**

Various circumstances can cause physical displacement. These circumstances include demolition of existing buildings to enable the construction of new buildings on the same site, rehabilitation of existing buildings, and expiration of rent restrictions. Strong demand for housing can encourage demolition to create new housing and the rehabilitation of existing buildings to attract higher-income tenants. Between 2015 and 2022, an average of 629 housing units were demolished each year.<sup>51</sup> However, not all demolitions resulted in the displacement of a household. For example, in some cases the owner-occupant of a home chose to sell the home to a developer or demolished it themselves to build a larger home.

The best data available about households that experienced physical displacement in Seattle comes from records of households eligible for tenant relocation assistance.<sup>52</sup> Seattle's Tenant

<sup>51</sup> Source: City of Seattle Department of Construction and Inspections, Permit Tracking System, 2023. Note that this data underestimates total demolition because some demolition permits never get "finalized" despite the demolition occurring. So, the permit ultimately expires without being counted.

<sup>52</sup> Not all households eligible for relocation assistance complete the TRA0 application process. Factors complicating the process to complete a TRA0 application may include language barriers or mental health. Data on the rate at which TRA0-eligible households complete the application process is not available. It should also be noted that TRA0 data does not include all instances of eviction. Therefore, eviction as a cause of physical displacement is beyond the scope of this analysis. Furthermore, no information is available regarding what portion of households receiving TRA0 are able to find other housing in the neighborhood or city. However, it is likely that many households displaced from a building also leave the neighborhood or city.

Relocation Assistance Ordinance (TRAO) requires developers to pay relocation assistance to tenants with incomes at or below 50% of AMI who must move because their rental will:

- Be torn down or undergo substantial renovation
- Have its use changed (for example, from apartment to a commercial use or a nursing home)
- Have certain use restrictions removed (for example a property is no longer required to rent only to low-income tenants under a Federal program)

Between 2015 and 2022, 1,200 households were eligible to receive assistance through TRAO, as shown in [Exhibit 3.8-25](#). This was about 171 households per year on average, or about 2.6 out of every 1,000 renter households with incomes at or below 50% AMI.<sup>53</sup> Just over half of these displacements were due to the demolition of a housing unit, with substantial rehabilitation being the next most common cause.

**Exhibit 3.8-25. Cause of Displacement among TRAO-Eligible Households, 2015-2022**

EIS Analysis Area	Demolition	Substantial rehabilitation	Removal of use restrictions or change of use	Total
Area 1	126	77	—	203
Area 2	171	87	67	325
Area 3	56	49	1	106
Area 4	27	27	16	70
Area 5	113	126	16	255
Area 6	34	52	—	86
Area 7	16	15	—	31
Area 8	77	47	—	124
<b>Total</b>	<b>620</b>	<b>480</b>	<b>100</b>	<b>1,200</b>
<b>% of total</b>	<b>52%</b>	<b>40%</b>	<b>8%</b>	

Sources: Seattle Department of Construction & Inspections, 2023; BERK, 2023.

On average, about 14% of units demolished each year result in a TRAO-eligible displacement.<sup>54</sup> However, TRAO records do not cover every instance of physical displacement caused by demolition of a rental unit. For example, the program does not track displacement of households with incomes above 50% of AMI. In addition, until recently the program did not have mechanisms to deter developers from economically evicting tenants prior to applying for a permit to avoid paying relocation benefits, nor did it provide additional assistance to ensure households with language or other barriers can successfully navigate the application process.

<sup>53</sup> Source: US HUD Comprehensive Housing Affordability Strategy (CHAS) data, 2015-2019; BERK, 2023.

<sup>54</sup> Source: City of Seattle Department of Construction and Inspections, Permit Tracking System, 2023 and BERK calculations. Note that permit data underestimates total home demolition because some demolition permits never get "finalized" despite the demolition occurring. So, the permit ultimately end up expiring and not being counted. Therefore, the percentage of demolished units that result in TRAO-eligible displacement is likely to be lower.



Finally, this data does not reflect the physical displacement of SHA tenants who receive relocation benefits outside of the TRA0 process, generally relating to the redevelopment of public housing.

### Economic Displacement

As discussed in the housing affordability section, market-rate housing costs are largely driven by the interaction of supply and demand in the regional housing market. Lower-income households living in market-rate housing are at greater risk of economic displacement when housing costs increase. This vulnerability disproportionately impacts households of color, whose incomes tend to be lower compared to non-Hispanic white households, as shown in [Exhibit 3.8-9](#). This is particularly true for Black and Indigenous households, which have the lowest median household income among all major racial and ethnic groups. These disparities are rooted in the history described earlier of redlining, racially restrictive covenants, and other forms of discrimination that contributed to racialized housing patterns and long-lasting wealth inequality. This history, the economic disparities that remain to this day, and racial bias in the real estate, finance, and development systems together result in greater risks of economic displacement among communities of color (Seattle OPCD, 2016).

At the citywide scale, new housing development is critical for addressing Seattle's housing shortage. Increasing housing supply reduces the upward pressure on housing costs that otherwise results when a growing population competes for a finite number of homes. Given Seattle's historic underproduction of housing relative to demand and population growth, a substantial expansion of housing supply is necessary to address economic displacement pressures.

At a neighborhood level, however, the relationship between new development and displacement pressure is less straightforward and can vary in different types of neighborhoods. Growth can increase housing choices and support creation of income-restricted affordable housing, both of which make a neighborhood more accessible to low- and moderate-income households, particularly in areas where housing costs are very high and access has historically been limited for lower-income households and households of color. However, development can also contribute to economic displacement pressure at a local scale if new housing increases the desirability of a neighborhood, attracts higher-income households and businesses catering to them, and rents and home prices rise as a result.

The City has previously examined the historical relationship at a neighborhood scale between housing growth and changes in low-income households (Appendix M of Mandatory Housing Affordability [Final EIS](#)). This section presents an updated version of this statistical analysis, which compares the amount of market-rate housing production in a Seattle census tract between 2010 and 2017 to the gain or loss of households at a particular income level in that census tract during that time. For each income level, [Exhibit 3.8-26](#) presents correlation coefficients that represent the strength of the relationship between market-rate housing production and the change in households. Market-rate housing production is calculated as total net housing units permitted between 2010 and 2017 minus income-restricted affordable housing built during that period. Coefficients have a range of -1 to 1. The closer the coefficient

value is to 1 or -1, the stronger the relationship, while coefficients closer to 0 have a weaker relationship. For instance, a value of  $\pm 0.7$  indicates a strong relationship between variables. A value of  $\pm 0.5$  indicates a moderate relationship. A value of  $\pm 0.3$  indicates a weak relationship.

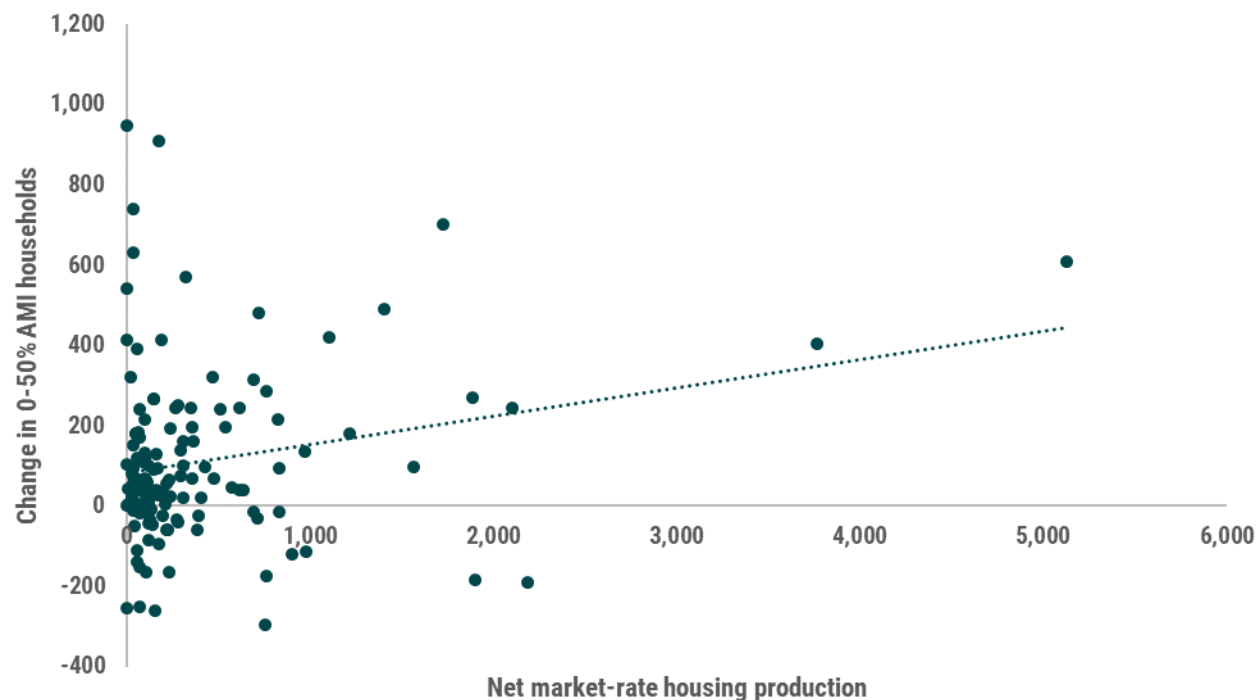
**Exhibit 3.8-26. Correlation between Market-Rate Housing Production and Changes in Households by Income Level, 2010-2017**

Household income	Correlation coefficient
0-30% AMI	0.12
0-50% AMI	0.22
0-60% AMI	0.18
0-80% AMI	0.19
50-80% AMI	-0.03
60-80% AMI	0.03
80-120% AMI	0.45
>120% AMI	0.81

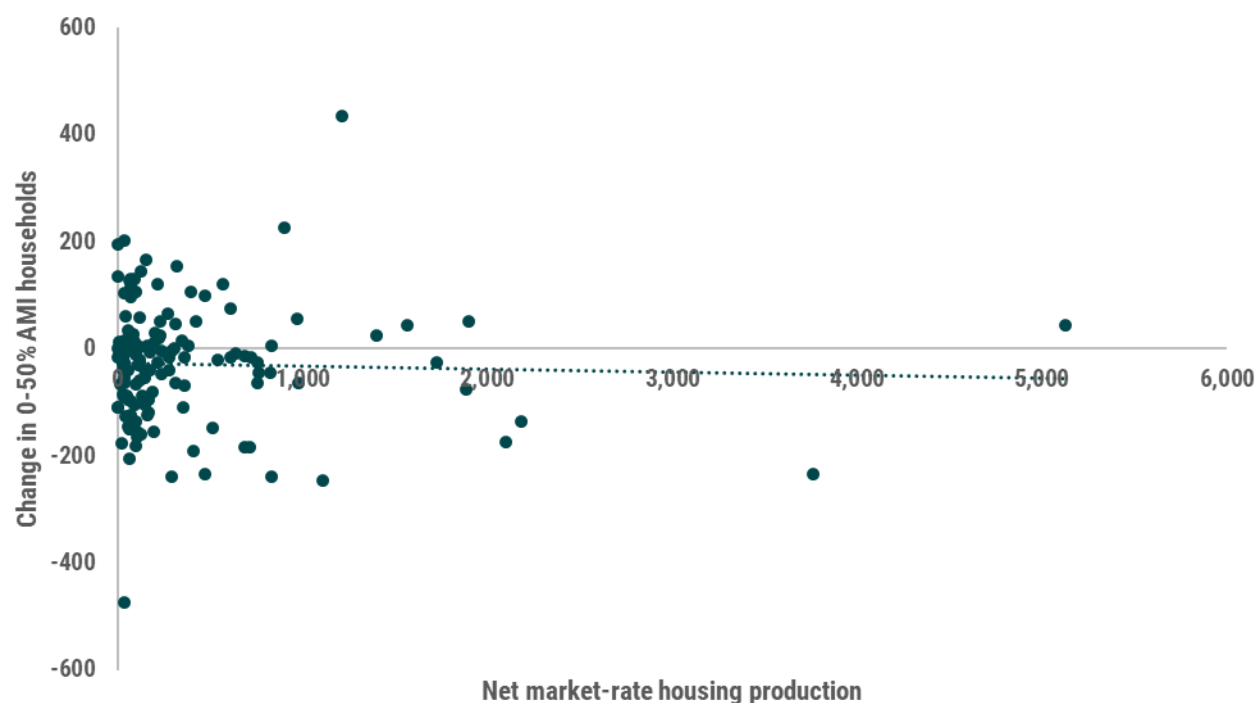
Sources: HUD CHAS (based on ACS 5-year estimates 2008-2012 and 2005-2019); City of Seattle, 2023; King County, 2023

Overall, [Exhibit 3.8-26](#) and the scatterplot of the same data shown in [Exhibit 3.8-27](#) show that housing production tends to have a weak positive relationship with changes in low-income households at the neighborhood scale. This means that census tracts with relatively higher market-rate housing production during the 2010-2017 period were somewhat more likely than tracts with less housing production to retain or gain low-income households. The strength of this relationship varies when looking at specific income bands. For example, when focusing on households with incomes of 50-80% AMI, there is essentially no statistically significant relationship (positive or negative) between housing production and change in the number of these households between 2010 and 2017 (see [Exhibit 3.8-28](#)). This suggests that factors other than housing production may be affecting Seattle's ability to retain households at this income level.

**Exhibit 3.8-27. Correlation between Market-Rate Housing Production and Changes in Households with Incomes of 0-50% of AMI, 2010-2017**



**Exhibit 3.8-28. Correlation between Market-Rate Housing Production and Changes in Households with Incomes of 50-80% of AMI, 2010-2017**



For middle- and higher-income households, market-rate housing production unsurprisingly has a strong positive correlation. This underscores that much of Seattle's new housing stock is relatively more affordable to and most directly serves relatively higher-income households. Overall, this historical analysis affirms previous findings that net market-rate housing production has not been associated with a loss of low-income households at a census tract level.

## Cultural Displacement

Cultural displacement is even more challenging to quantify than physical and economic displacement. Because cultural displacement is caused by a confluence of factors and is driven by decisions about belonging and community, it is not practical to quantify the extent to which it is occurring. However, conversations with current and former residents of Seattle reveal that it is occurring. The City does track changes in population by race and ethnicity. While this information does not track the movement of individual households or why they might be moving, it can identify overall population shifts. The most current data available shows that, while the overall number of people of color in Seattle increased between 2010 and 2020 in absolute terms and as a percentage of Seattle's total population, the increase has been slower than in the rest of King County, and some racial and ethnic groups grew more slowly than others or lost population (see [Exhibit 3.8-29](#)). The Black population grew less than seven percent in Seattle but more than 40% in the remainder of King County. Populations that decreased or grew more slowly could reflect the impacts of physical displacement, economic displacement, and/or other factors. The physical or economic displacement of members of a community can also precipitate the cultural displacement of other members of the same community.

**Exhibit 3.8-29. Change in Racial and Ethnic Composition of Seattle and Remainder of King County, 2010-2020.**

	Seattle		Remainder of King County	
	2010 to 2020 Growth	2020 Population	2010 to 2020 Growth	2020 Population
Total population	21.1%	737,015	15.9%	1,532,660
People of Color	45.7%	298,847	55.9%	740,240
Black	6.6%	50,234	41.0%	97,597
Native American	-15.8%	3,268	49.3%	8,542
Asian	49.3%	124,696	65.4%	325,033
Pacific Islander	-13.6%	1,941	47.7%	17,458
Another race	205.5%	4,473	181%	9,065
Two or more races	102.4%	53,672	88.8%	100,087
Hispanic/Latino, of any race	50.2%	60,563	38.2%	182,458
White	8.6%	438,168	-6.5%	792,420

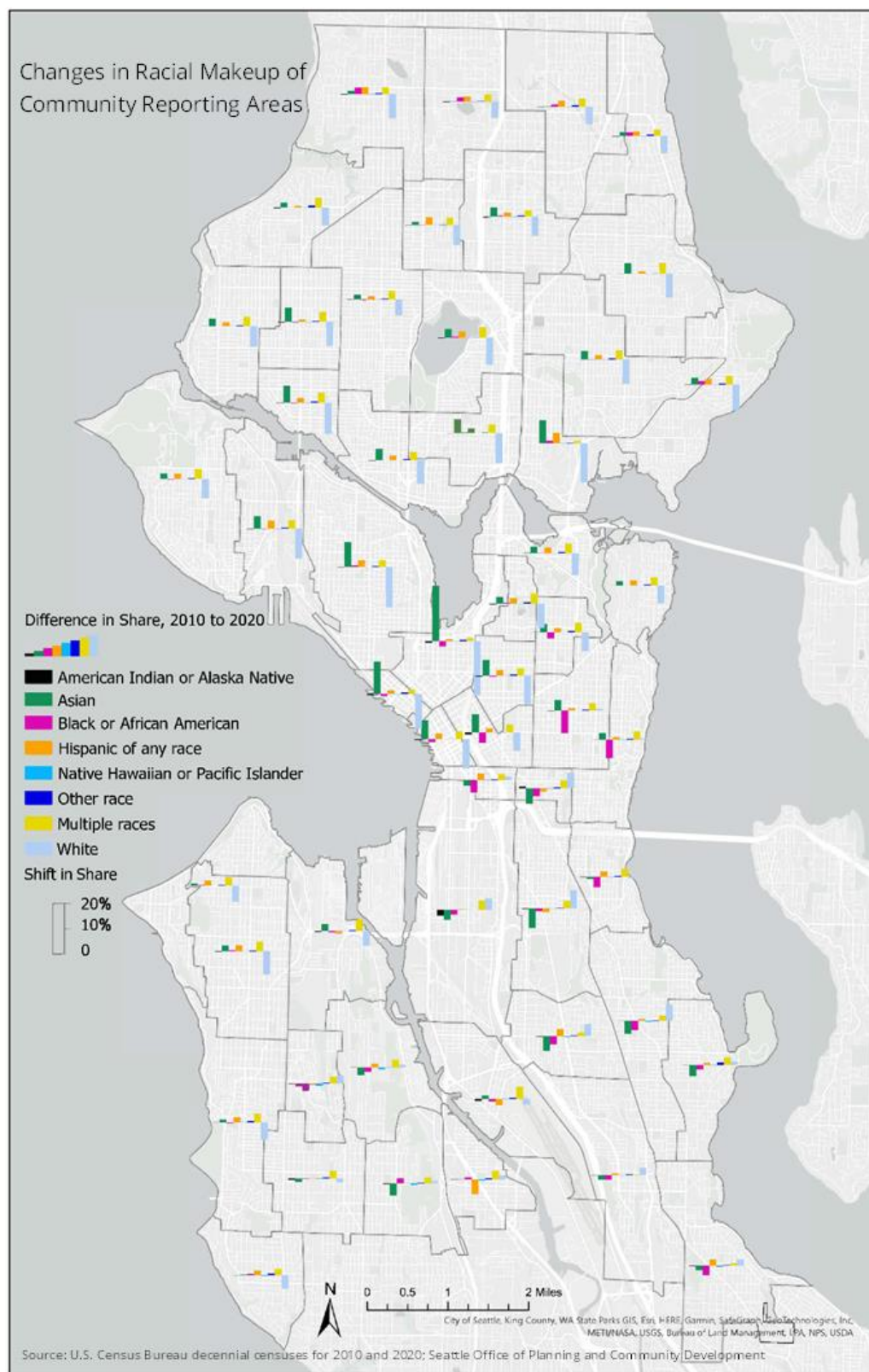
Sources: Decennial Census estimates, U.S. Census Bureau

**Exhibit 3.8-30** shows neighborhood-level change in the racial and ethnic composition in Seattle between 2010 and 2020. Notable changes include a pronounced decline in the Black or African American population share in the Central Area, reduction in the Asian population share in Beacon Hill and marked increase in South Lake Union and Belltown, and a lower Hispanic/Latino population share in South Park.

The neighborhoods in **Exhibit 3.8-30** are Community Reporting Areas (CRAs), groupings of census tracts the City uses to track population trends over time. Identifying demographic change at this scale is valuable given the historical and ongoing importance of certain neighborhoods to the development and preservation of some of Seattle’s non-white cultural communities. Many of these communities originated during various phases of population growth, starting in the 19th century, as people migrated and immigrated to Seattle and established businesses and cultural organizations that drew others to those areas. During the 20th century, racially restrictive real estate covenants and redlining combined to further consolidate these communities. While this reduced access to housing and contributed to gaps in generational wealth along lines of race, it also spurred the creation of neighborhoods, networks, and institutions that specifically met the needs of some of Seattle’s communities of color. Examples of culturally significant neighborhoods in Seattle include, among others, the Central District as a hub of Seattle’s Black community; Chinatown–International District as a cultural hub for several Asian and Asian-American communities; much of Rainier Valley, which has concentrations of businesses and institutions owned by and serving immigrant and refugee communities; and South Park, which has become Seattle’s largest Hispanic/Latinx community in recent decades. Some communities arise around communities with other shared identity, including the LGBTQ+ community in Capitol Hill, where change over time may be harder to measure with quantitative data sources. Finally, Native and Coast Salish people may view the natural environment overall, as well as specific locations and the Seattle region broadly, as places of cultural and historical importance.



**Exhibit 3.8-30. Change in Racial and Ethnic Composition, 2010-2020**

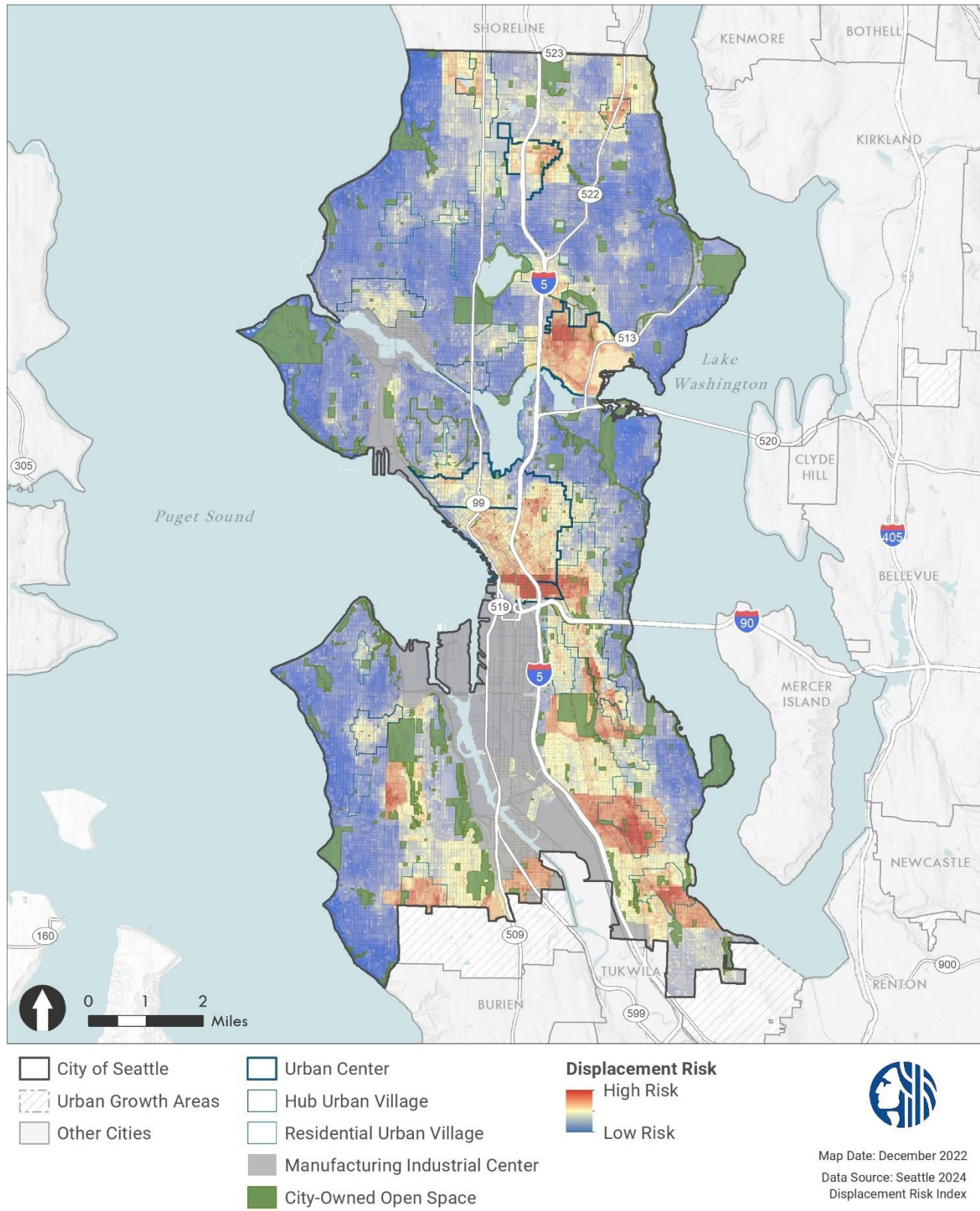


Source: City of Seattle, 2023.

## Displacement Risk Index

Not all households are equally vulnerable to displacement pressure, and the factors that contribute to displacement risk are not equitably distributed throughout the city. Therefore, the City in 2016 developed in 2022 updated a Displacement Risk Index (shown in [Exhibit 3.8-31](#)) to identify where displacement of people of color, low-income people, renters, and other vulnerable populations may be more likely. The Displacement Risk Index provides a longer-term view of displacement risk based on neighborhood characteristics like the presence of vulnerable populations, rent and market factors, and infrastructure and amenities that tend to increase real estate demand. Neighborhoods with the highest displacement risk in Seattle include the Chinatown–International District, Central District, Rainier Valley, Rainier Beach, South Park, High Point, and the University District.

**Exhibit 3.8-31. Seattle Displacement Risk Index, 2022**

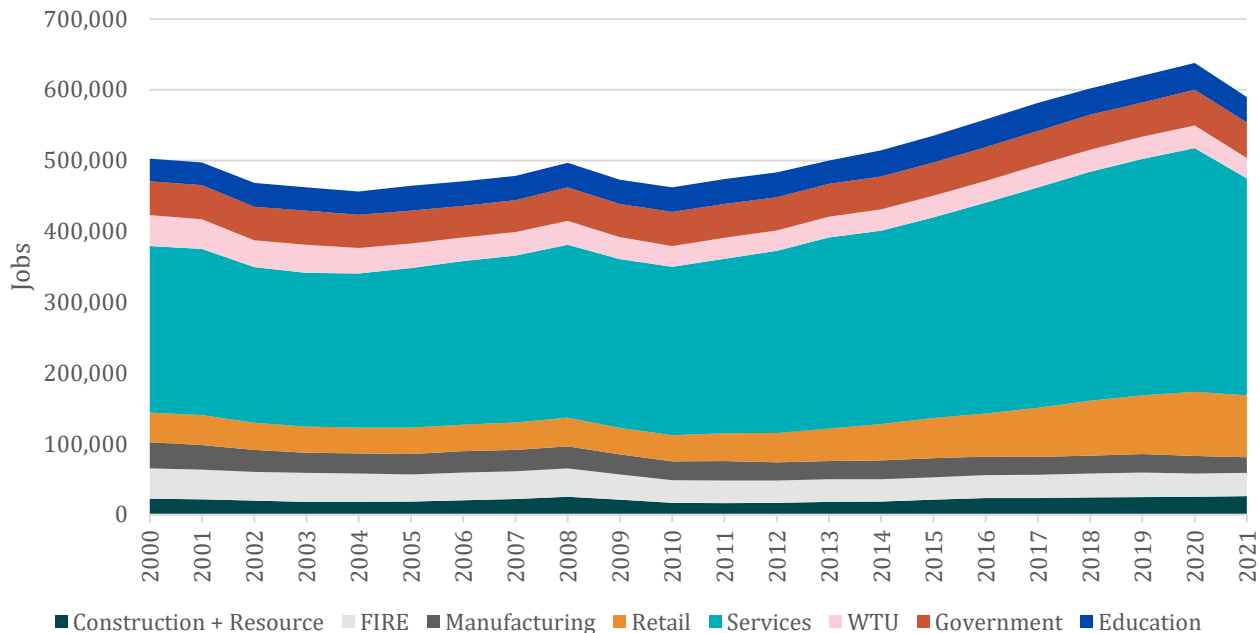


Sources: City of Seattle, 2022; BERK, 2023.

## Employment

Between 2010 and 2020 Seattle experienced a rapid period of job growth, as shown in [Exhibit 3.8-32](#). Much of that net growth was among services and retail sector jobs. As of March 2021, Seattle had 589,793 jobs, following a steep decline from the pre-pandemic peak in March 2020.

**Exhibit 3.8-32. Seattle Employment by Sector, 2000-2021**



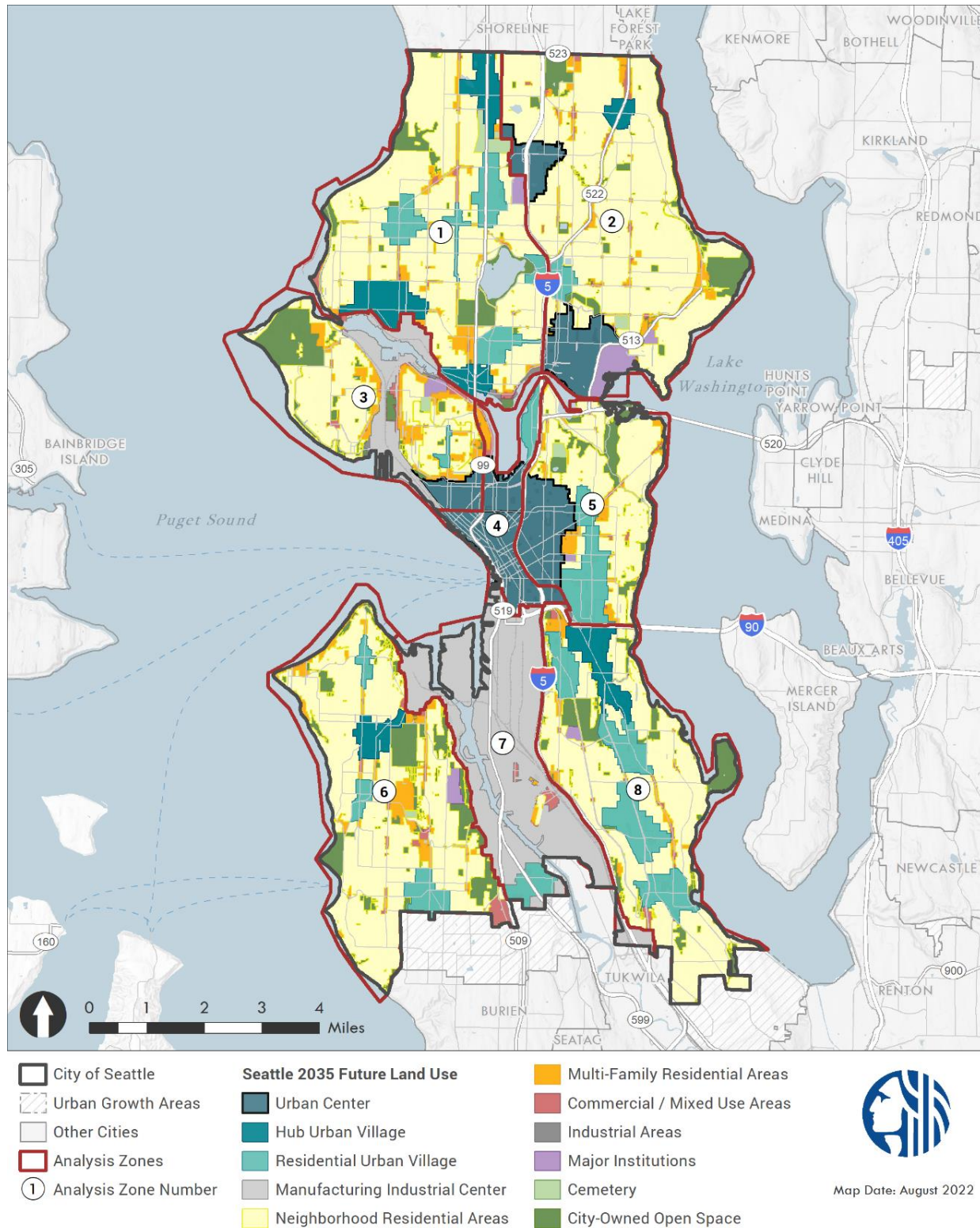
Sources: PSRC Covered Employment Estimates, 2022; BERK, 2023.

## Analysis Areas

This section describes the unique population, employment, and housing characteristics of each analysis area. A map of the analysis areas is shown in [Exhibit 3.8-33](#). This is followed by demographic and housing related statistics for each area in [Exhibit 3.8-34](#), [Exhibit 3.8-35](#), [Exhibit 3.8-36](#), [Exhibit 3.8-37](#), and [Exhibit 3.8-38](#). The descriptions of each analysis area that follow refer to statistics in these exhibits as well as the displacement risk map in [Exhibit 3.8-31](#).



**Exhibit 3.8-33. EIS Analysis Areas**



Note: See [Exhibit 2.1-1](#) in [Chapter 2](#) for a cross-walk of existing place types (existing and Alternative 1) versus proposed place type names under [the other a](#) Alternatives-2-5.

Sources: City of Seattle, 2022; BERK, 2022.

**Exhibit 3.8-34. Demographics and Selected Household Characteristics by EIS Analysis Area**

	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Citywide
Total population	153,131	146,658	69,681	63,803	106,416	95,061	9,726	92,539	737,015
% People of color	28.8%	40.5%	31.4%	50.8%	38.4%	34.3%	52.4%	67.6%	40.5%
American Indian or Alaska Native, Non-Hispanic	0.4%	0.4%	0.4%	0.6%	0.4%	0.5%	1.2%	0.4%	0.4%
Asian, Non-Hispanic	10.1%	18.9%	13.0%	29.9%	13.7%	9.3%	14.3%	30.9%	16.9%
Black or African American, Non-Hispanic	2.9%	4.8%	2.6%	6.4%	7.8%	6.6%	8.5%	19.0%	6.8%
Hispanic of Any Race	7.0%	7.9%	7.5%	7.4%	8.2%	9.2%	19.6%	9.5%	8.2%
Native Hawaiian or Pacific Islander, Non-Hispanic	0.2%	0.2%	0.2%	0.2%	0.2%	0.4%	0.7%	0.4%	0.3%
Other, Non-Hispanic	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%
Two or More Races, Non-Hispanic	7.7%	7.6%	7.1%	5.7%	7.4%	7.7%	7.5%	6.8%	7.3%
White, Non-Hispanic	71.2%	59.5%	68.6%	49.2%	61.6%	65.7%	47.6%	32.4%	59.5%
Total population under 18 years	15.5%	15.4%	14.4%	4.9%	9.7%	18.3%	14.2%	19.8%	14.5%
Total households	74,815	54,901	34,227	36,389	55,466	42,679	2,076	36,808	337,361
% owner households	48%	50%	45%	19%	34%	60%	45%	58%	45%
% renter households	52%	50%	55%	81%	66%	40%	55%	42%	55%
Average household size	2.10	2.36	1.88	1.52	1.81	2.25	2.38	2.61	2.08

Source: City of Seattle analysis of U.S. Census 2020; American Community Survey 5-Year Estimates (2017-2021): S1101 Households and Families; and American Community Survey 5-Year Estimates (2017-2021): B25012 Tenure by Families and Presence of Own Children.

**Exhibit 3.8-35. Demographics of Neighborhood Residential (NR) Zones by EIS Analysis Area**

	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Citywide
Population in NR zones	76,063	75,728	27,918	1,110	26,729	54,283	1,196	49,769	312,796
% Total population in NR zones	50%	52%	40%	2%	25%	57%	12%	54%	42%
People of color as % of NR population	24%	31%	24%	27%	28%	30%	47%	63%	33%
People of color as % of population <i>outside</i> NR zones	33%	51%	37%	51%	42%	40%	53%	73%	46%

Notes: Neighborhood Residential zones are determined by the City of Seattle and zoned primarily for detached homes. Source: City of Seattle analysis of U.S. Census 2020; American Community Survey 5-Year Estimates (2017-2021): S1101 Households and Families; and American Community Survey 5-Year Estimates (2017-2021); BERK, 2023.

**Exhibit 3.8-36. Average Rent and Rental Affordability by EIS Analysis Area**

	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Citywide
Average rent, 1-bedroom apartment	\$1,912	\$1,635	\$1,854	\$2,301	\$1,911	\$1,737	\$715	\$1,791	\$1,940
Affordability of 1-bedroom apartment (% AMI)	76.0%	65.0%	73.0%	91.0%	76.0%	69.0%	28.0%	71.0%	77.0%

Sources: CoStar, 2023; City of Seattle, 2023; BERK, 2023.

**Exhibit 3.8-37. Housing Units by Type by EIS Analysis Area**

	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Citywide
Total housing units	79,576	64,581	36,514	52,062	70,170	46,500	2,287	39,704	391,394
Total detached homes	32,371	29,712	11,207	451	12,445	24,905	1,212	22,183	134,486
% detached homes	41%	46%	31%	1%	18%	54%	53%	56%	34%
Total multifamily homes	47,205	34,869	25,307	51,611	57,725	21,595	1,075	17,521	256,908
% multifamily homes	59%	54%	69%	99%	82%	46%	47%	44%	66%

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

**Exhibit 3.8-38. Displaced TRAO-Eligible Households by EIS Analysis Area**

	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Citywide
Total renter households	38,577	27,317	18,795	29,450	36,785	17,197	1,139	15,606	184,866
Total TRAO* displacements, 2015-22	203	325	106	70	255	86	31	124	1,200
TRAO displacement rate (annual per 10,000 renter households)	8	17	8	3	10	7	39	11	9

Sources: Seattle Department of Construction & Inspections, 2023; BERK, 2023.

**Area 1: Northwest Seattle**

Area 1 is in northwest Seattle, including the urban villages of Ballard, Fremont, Wallingford, Greenwood, Bitter Lake, and Aurora–Licton Springs. This area is relatively affluent and less diverse than other parts of Seattle, except the north end of the area, around Bitter Lake and Aurora–Licton Springs, which have higher displacement risk.

**Population:** Area 1 has a population of 153,131, with half (50%) living in Neighborhood Residential zones. Nearly three-quarters of the population of Area 1 (71%) identifies as White, Non-Hispanic, substantially higher than this proportion citywide (59%). The percentage of Area 1 residents identifying as BIPOC is 29%, much lower than the citywide 41%. This area has a smaller share of residents who identify as Black or Asian, compared to citywide. Fifteen percent of the population of this area is under 18 years old, just above the city average of 14%.



**Housing:** Area 1 has 79,576 housing units, of which 41% are detached homes and 59% are multifamily. Slightly less than half (48%) of households in Area 1 own their homes, and the average household size is 2.1 people, comparable to the citywide average.

Rental housing costs in Area 1 are the highest in the city outside downtown. The average rent for a 1-bedroom apartment in Area 1 is \$1,914, which is affordable for a household whose income is 76% of AMI (see [Exhibit 3.8-20](#)). Ownership housing costs are slightly higher than the citywide average. A 3-person household needs an income 224% of AMI to afford a median priced detached home, compared to 216% citywide.

Mixed-use and multifamily housing production between 2009 and 2022 was most robust in low displacement risk areas (such as Fremont, Ballard, and Greenwood) and at the junction of Holman Road and Greenwood Avenue. Less new development has occurred in areas with higher displacement risk.

Based on Seattle's TRAO data, at least 203 low-income renter households in Area 1 were displaced between 2015 and 2022, an average annual rate of approximately 8 per 10,000 renter households, close to the average citywide.

**Employment:** Area 1 is primarily residential but has several urban villages and small sections of industrial activity at its southern border along the Ship Canal. Most jobs are located in and adjacent to that industrial concentration (which continues south across the canal into Area 3), along retail corridors (15th Ave NW, Aurora Ave NW, Greenwood Ave NW, and Holman Road NW), or in services like schools. North Seattle College sits on the eastern border of Area 1, next to the Northgate Urban Center in Area 2.

## **Area 2: Northeast Seattle**

Area 2 comprises northeast Seattle, including the University of Washington (UW) main campus, Seattle Children's Hospital, the University District and Northgate Urban Centers, the Lake City and Roosevelt Urban Villages. The UW area to the south and Northgate and Lake City areas to the north both have moderate to high rates of displacement risk, while the middle section of Area 2, which includes neighborhoods like Maple Leaf, View Ridge, and Laurelhurst, is affluent, more residential, and scores lower on vulnerability to displacement.

**Population:** One in five Seattle residents live in Area 2. More than half (52%) of its population of 146,658 resides in Neighborhood Residential zones. Approximately 60% of the population of Area 2 identifies as White, Non-Hispanic, and 40% identify as BIPOC, similar to citywide. The population distribution by race is also similar to citywide demographics. Fifteen percent of the population of this area is under 18 years old, just above the city average of 14%.

**Housing:** Area 2 has 64,581 housing units, of which 46% are detached homes and 54% are multifamily. Area 2 has a homeownership rate of about 50% and an average household size of 2.36 people.

Rental housing costs in Area 2 are somewhat lower than the Seattle average. The average rent for a 1-bedroom apartment in Area 1 is \$1,635, which is affordable for a household whose income is 65% of AMI. Ownership housing costs are slightly higher compared to the citywide average. A 3-person household needs an income 224% of AMI to afford a median priced detached home, compared to 216% citywide.

Based on Seattle’s TRAO data, at least 325 low-income renter households in Area 2 were displaced between 2015 and 2022, an average annual rate of approximately 17 per 10,000 renter households, nearly double the citywide average of 9.

**Employment:** Employment centers in Area 2 include the UW main campus and University District, Seattle Children’s Hospital, and the urban center surrounding Northgate Mall, as well as the commercial center in the Lake City Urban Village. Most other land in Area 2, however, is large residential areas predominated by detached housing and few services.

### 130th/145th Station Area

These anticipated stations are a locus of current and anticipated development in Area 2. Currently primarily residential, this sub-area will increasingly serve as a connector between Lake City to the east and Bitter Lake and Aurora–Licton Springs to the west when the light rail stations open in 2024-2025. The residential areas within the half-mile buffer around NE 130th St Station are assessed to have low to moderate displacement risk according to Seattle’s Displacement Risk Index (see [Exhibit 3.8-31](#)). Pockets of the broader Station Area have higher displacement risk: within the Lake City Urban Village, along 15th Ave NE south of NE 130th St, and on the west side of Aurora (SR 99) north of NE 130th St.

### Area 3: Queen Anne/Magnolia

Area 3 covers western (but not West) Seattle south of the ship canal but north of downtown. This area includes Magnolia to the west and Queen Anne to the east, split by the Interbay industrial and manufacturing area. The Queen Anne section includes the Upper Queen Anne Urban Village and Uptown (Lower Queen Anne) Urban Center.

**Population:** Area 3 has a population of 69,681 (approximately 1 in 10 Seattle residents), with slightly less than half (40%) living in Neighborhood Residential zones. Approximately 69% of the population of Area 3 identifies as White, Non-Hispanic, and 31% identify as BIPOC, making it less diverse than the city as a whole. This area has a relatively smaller share of residents who identify as Black or Asian, compared to citywide. The population of this area under 18 years old is similar to the citywide rate at 14%.

**Housing:** Areas 3 has 36,514 housing units, of which 31% are detached homes and 69% are multifamily. Area 3 has a homeownership rate of about 45% and average household size of 1.88 people, lower than the citywide average of 2.08.

Rental housing costs in Area 3 are slightly lower than the Seattle average. Citywide the average rent for a 1-bedroom apartment is \$1,940, versus \$1,854 in Area 3, which is affordable for a household whose income is 73% of AMI. Ownership housing costs are substantially higher compared to the citywide average. A 3-person household needs an income 316% of AMI to afford a median priced detached home, compared to 216% citywide.

Based on TRAO data, at least 106 low-income renter households in Area 3 were displaced between 2015 and 2022, an average annual rate of approximately 8 per 10,000 renter households.

**Employment:** Employment centers in Area 3 include the Ballard–Interbay–North End Manufacturing and Industrial Center; the Uptown Urban Center northwest of Seattle Center; and Seattle Pacific University along the south edge of the ship canal. However, west of Interbay, which bisects Area 3, most of Magnolia is residential and lacks substantial services.

#### **Area 4: Downtown/Lake Union**

Area 4 comprises central and downtown Seattle, including the Westlake neighborhood and the Eastlake Urban Village that flank Lake Union and the South Lake Union and Downtown Urban Centers. It also includes the Chinatown International District.

**Population:** Area 4 has a population of 63,803 (about 9% of the city total), residing primarily in multifamily apartment buildings in the densest part of Seattle. Just 2% live in Neighborhood Residential zones due to the small amount of that zone in Area 4. Compared with other areas, Area 4 has relatively fewer people who identify as White, Non-Hispanic (approximately half of the population of Area 4). Thirty percent identify as Asian alone, nearly double the Seattle average. Many of these Asian residents live in the Chinatown-International District. Approximately half of Area 4 residents identify as BIPOC, significantly higher than the citywide (41%). Few families live in Area 4: only 5% of the population of this area is under 18 years old, around a third of the percentage for Seattle overall (14%).

**Housing:** Area 4 has 52,062 housing units, of which just one percent are detached homes and 99% are multifamily. Nearly 10% of those apartments are vacant, the highest vacancy rate of any EIS Area. Area 4 also has the highest percentage of renters (4 out of 5 households rent), and the smallest average household size (1.5 people) in the city.

Rental housing costs in Area 4 are the highest in Seattle. The average rent for a 1-bedroom apartment in Area 4 is \$2,301, which is affordable only to households with incomes of at least 91% of AMI. Nearly all ownership housing supply is in condominiums in larger multifamily buildings, and the housing cost for this kind of unit is higher than any other area of the city.

Based on TRAO data, at least 70 low-income households in Area 4 were displaced between 2015 and 2022, for an average annual rate of approximately 3 per 10,000 households, markedly lower than elsewhere in the city.

**Employment:** Area 4 has a high concentration of commercial activity. In addition to corporate and professional offices throughout downtown, Area 4 houses the Seattle’s civic campus (City of

Seattle, King County, and other government facilities and offices); Amazon’s headquarters in South Lake Union; dining, nightlife, and cultural institutions; hotels and tourist facilities; and downtown and waterfront retail, including the Pike Place Market. While this area has higher job volume and capacity than elsewhere in Seattle, it has been hit especially hard by the COVID-19 pandemic.

### **Area 5: Capitol Hill/Central District**

Area 5 is central and eastern Seattle, including the First Hill/Capitol Hill Urban Center and the Madison–Miller and 23rd & Union–Jackson Urban Villages. This area is more densely populated than most and includes the historic centers of Seattle’s Black (Central District) and LGBTQ+ (Capitol Hill) communities.

**Population:** Area 5 has a population of 106,416 (approximately 14% of Seattle residents), with about 1 in 4 living in Neighborhood Residential zones. About 62% of the population of Area 5 identifies as White, Non-Hispanic and 38% identify as BIPOC, making Area 5 slightly less diverse than citywide. About 8% of residents identify as Black, Non-Hispanic, just slightly higher than the percentage citywide (7%). Only 10% of Area 5 residents are under 18 years old, compared to 10% citywide.

**Housing:** Area 5 has 70,170 housing units, of which 18% are detached homes and 82% are multifamily, the highest share of multifamily housing outside downtown. Correspondingly, Area 5 has a lower homeownership rate (about 1 in 3 households) than other EIS Areas. The average household has 1.8 people.

Rental housing costs in Area 5 are roughly equal to the Seattle average. The average rent for a 1-bedroom apartment in Area 5 is \$1,911, which is affordable for a household whose income is 76% of AMI. Ownership housing costs are substantially higher compared to the citywide average. A 3-person household needs an income 311% of AMI to afford a median priced detached home, compared to 216% citywide.

Based on TRA0 data, at least 255 low-income renter households in Area 5 were displaced between 2015 and 2022, an average annual rate of approximately 10 per 10,000 renter households.

**Employment:** Area 5 is home to much of the city’s healthcare institutions (including Swedish, Virginia Mason, and Harborview hospitals) on First Hill, part of an urban center that extends north through Capitol Hill. The 23rd & Union–Jackson Urban Village, which spans much of the historically Black Central District of Seattle, has a few locations with neighborhood serving commercial uses. Neighborhood-serving businesses also exist in parts of Capitol Hill and Madison Valley. Other neighborhoods in Area 5 are predominantly high-cost residential areas with limited services, like Montlake, Leschi, Broadmoor, Madrona, and Portage Bay.

### **Area 6: West Seattle**

Area 6 comprises southwest Seattle, including West Seattle’s Admiral, West Seattle Junction, and Morgan Junction Urban Villages and the Westwood–Highland Park Urban Village.

**Population:** Area 6 has a population of 95,061, of which 57% lives in Neighborhood Residential zones, more than any other EIS Area. More than two-thirds of the population identifies as White, Non-Hispanic, and 38% identify as BIPOC, compared to 41% BIPOC citywide. About 18% of Area 6 residents are under 18 years old, compared to 14% citywide.

**Housing:** Area 6 has 46,500 housing units, of which 54% are detached homes and 46% are multifamily. At roughly 60%, Area 6 has the highest homeownership rate of any EIS Area. The average household size is 2.25 people, slightly above the citywide average.

Rental housing costs in Area 6 are slightly below the city average. The average rent for a 1-bedroom apartment in Area 6 is \$1,737, which is affordable for households whose income is a 69% of AMI. Ownership housing costs are somewhat lower compared to the citywide average. A three-person household needs an income of 181% of AMI to afford a median priced detached home, compared to 216% citywide.

Based on TRA0 data, at least 86 low-income renter households in Area 6 were displaced between 2015 and 2022, an average annual rate of approximately 7 per 10,000 renter households.

**Employment:** Area 6 has limited commercial development overall. The southern portion has access to services at Westwood Village, near Highland Park, and in White Center in unincorporated King County. Many residential areas in West Seattle down to Fauntleroy and Arroyo Heights have limited services. Area 6 is also home to South Seattle Community College.

### **Area 7: Duwamish**

Located in south Seattle between Area 6 to the west and Area 8 to the east, Area 7 comprises primarily industrial-zoned land along the Duwamish river, including Port of Seattle land, the Seattle Intermodal facility (railyard), Boeing Field, the Georgetown neighborhood, and the South Park Urban Village. This area is sparsely populated, with far less residential land than other EIS areas apart from Georgetown and South Park. Given its smaller residential population, statistics about this area are suggestive and less reliable, as small changes in the limited sample could have large effects.

**Population:** Area 7 has a population of 9,726 (just 1.3% of the City's population), of which about 12% reside in Neighborhood Residential zones. Less than half of the population of Area 7 identifies as White, Non-Hispanic and 52% identify as BIPOC, compared to 41% citywide. Nearly 20% of residents in Area 7 identify as Hispanic or Latino, over double the rate citywide (8%). About 14% of Area 7 residents are under 18 years old, equivalent to the citywide share.

**Housing:** Area 7 has only 2,287 housing units, of which just over half (53%) are detached homes primarily in South Park. The homeownership rate is 45%, and the average household size is 2.38 people, larger than the Seattle average of 2.08.

Rental housing costs in Area 7 are the lowest in the city. The average rent for a 1-bedroom apartment in Area 7 is \$715, which is affordable for household whose income is 28% of AMI, though this data reflects a limited sample, with no newly developed units and only one building

that was substantially rehabilitated between 2013 and 2022. Ownership housing costs are substantially lower compared to the citywide average. A three-person household needs an income of 130% of AMI to afford a median priced detached home, compared to 216% citywide.

Based on TRA0 data, at least 31 low-income renter households in Area 7 were displaced between 2015 and 2022, an average annual rate of approximately 39 per 10,000 renter households, more than four times the citywide average.

**Employment:** Area 7 is primarily industrial, with small commercial clusters in the Georgetown and South Park neighborhoods. Boeing Field / King County International Airport is located in Area 7.

### **Area 8: Southeast Seattle**

Area 8 covers southeast Seattle, including the North Beacon Hill, Mt. Baker, Columbia City, Othello, and Rainier Beach Urban Villages. This area includes some of the most racially diverse neighborhoods in Seattle and is home to mixed-income planned housing developments like Holly Park.

**Population:** Area 8 has a population of 92,539, similar to Area 6, with 54% living in Neighborhood Residential zones. More than two-thirds of the population identifies as BIPOC. Asian (31%) and Black (19%) identifying residents are overrepresented compared to their shares citywide (17% and 7%, respectively). Almost 20% of Area 8 residents are under 18 years old, the highest rate of any EIS Area.

**Housing:** Area 8 has 39,704 housing units, of which 56% are detached homes and 44% are multifamily. The homeownership rate is 58%, second only to Area 6. The average household size is 2.61 people, the highest of any EIS Area by a substantial margin.

Rental housing costs in Area 8 are slightly lower than the city average and on par with Area 6 and Area 3 on a per-square-foot basis. The average rent for a 1-bedroom apartment is \$1,791, which is affordable for a household whose income is 71% of AMI. Ownership housing costs are somewhat lower compared to the citywide average. A three-person household needs an income 172% of AMI to afford a median priced detached home, compared to 216% citywide.

Based on TRA0 data, at least 124 low-income renter households in Area 8 were displaced between 2015 and 2022, an average annual rate of approximately 11 per 10,000 renter households.

**Employment:** Area 8 has mixed-use and commercial development primarily along the main arterials of Rainier Ave S, Beacon Ave S, and Martin Luther King Jr. Way S. However, large residential areas away from these corridors, including nearly the entire Rainier Beach neighborhood to the south, have limited or no services. Area 8 is also home to the Veterans' Affairs Puget Sound Health Care campus.



## 3.8.2 Impacts

### Impacts Common to All Alternatives

#### Housing Capacity

As described in **Section 3.7**, changes to the GMA in 2021 added new requirements for jurisdictions to “plan for and accommodate housing affordable to all economic segments of the population of this state.” To comply with these requirements, King County identified projected countywide housing needs by income level and allocated these needs down to individual jurisdiction. These allocated housing needs for Seattle are shown above in **Exhibit 3.7-4**.

Washington State Department of Commerce (Commerce) provides guidance for analyzing buildable land capacity for residential development to determine whether there is adequate capacity for housing types that have potential to address housing needs at each income level. The Draft Housing Technical Appendix for the One Seattle Plan details the methodology used to relate individual zones to potential income levels served, consistent with Commerce guidance. **Exhibit 3.8-39** shows the results of this analysis for the No Action Alternative. The zone-based matching approach showed a potential deficit in housing affordable at >80 to 120% of AMI, but a cumulative surplus when considering results of a market analysis<sup>55</sup> indicating that unsubsidized housing development in Zones with 50 to 85 ft. height limits can serve households with incomes >80 to 120% of AMI.

#### **Exhibit 3.8-39. Existing Zoning Compared to Needs by Income Band**

Income Level (% AMI) & Special Housing Needs	Projected Housing Need (2019-2044)*	Zone Categories Serving These Needs**	Aggregated Housing Needs	Total Capacity	Discrete Capacity Surplus/Deficit	Cumulative Capacity Surplus
0 - 30%, PSH***	15,024	Zones with 50 to 85 ft. height limits	70,726	94,641	+23,915	+23,915
0 - 30%, Non-PSH	28,572					
> 30 - 50%	19,144					
> 50 - 80%	7,986					
> 80 - 100%	5,422	Zones with < 50 ft. height limits	11,572	7,001	-4,571	+19,344
> 100% - 120%	6,150					
> 120%	29,702	Zones with > 85 ft. height limits, Neighborhood Residential, Residential Small Lot, Lowrise 1 and 2, ADUs	29,702	66,444	+36,742	+56,086
<b>Total</b>	<b>112,000</b>		<b>112,000</b>	<b>168,086</b>	<b>+56,086</b>	<b>+56,086</b>

Notes: This exhibit is new since the Draft EIS.

\*Projected housing needs reflect the period of 2019 through 2044.

\*\*Housing capacity in Industrial zones, primarily limited to caretaker units, not included in affordability analysis.

<sup>55</sup> See One Seattle Plan, Mayor's Proposed Plan, January 2025, Appendix 2 Housing:  
<https://www.seattle.gov/documents/Departments/OPCD/SeattlePlan/OneSeattlePlanMayorsPlanAppendices2025.pdf>.



\*\*\*PSH = Permanent Supportive Housing.

Source: City of Seattle, 2024.

Data to perform this analysis is available for the Preferred Alternative and is presented in **Exhibit 3.8-40**.<sup>56</sup> It shows greater total housing capacity due to the proposed zoning changes. As with the No Action Alternative, there is a discrete capacity deficit in housing affordable at >80 to 120% of AMI, but a cumulative surplus when considering market analysis for unsubsidized housing development in zones with 50 to 85 foot height limits can serve households with incomes >80 to 120% of AMI.

#### **Exhibit 3.8-40. Proposed Zoning Compared to Needs by Income Band**

Income Level (% AMI) & Special Housing Needs	Projected Housing Need (2019-2044)*	Zone Categories Serving These Needs**	Aggregated Housing Needs	Total Capacity	Discrete Capacity Surplus/Deficit	Cumulative Capacity Surplus
0 - 30%, PSH***	15,024	Zones with 50 to 85 ft. height limits	70,726	188,004	+117,278	+117,278
0 - 30%, Non-PSH	28,572					
> 30 - 50%	19,144					
> 50 - 80%	7,986					
> 80 - 100%	5,422	Zones with < 50 ft. height limits	11,572	2,459	-9,113	+108,165
> 100% - 120%	6,150					
> 120%	29,702	Zones with > 85 ft. height limits, Neighborhood Residential, Residential Small Lot, Lowrise 1 and 2, ADUs	29,702	140,470	+110,768	+218,933
<b>Total</b>	<b>112,000</b>		<b>112,000</b>	<b>330,933</b>	<b>+218,933</b>	<b>+218,933</b>

Notes: This exhibit is new since the Draft EIS.

\*Projected housing needs reflect the period of 2019 through 2044.

\*\*Housing capacity in Industrial zones, primarily limited to caretaker units, not included in affordability analysis.

\*\*\*PSH = Permanent Supportive Housing. Source: City of Seattle 2024

Source: City of Seattle, 2024.

In summary, both alternatives have sufficient capacity to meet all requirements under GMA. However, the Preferred Alternative provides additional capacity to support additional housing growth and accommodate a greater diversity of housing needs.

### **Housing Supply**

Seattle's housing supply would continue to increase under all five alternatives. What distinguishes the alternatives is the total amount of housing growth each would accommodate, the distribution of housing growth in different place types across the city, and the types of new

<sup>56</sup> Data is not available to perform this analysis for Alternatives 2-5.

housing likely to unfold in each place type given their zoning. Different kinds of housing can best support different kinds of households due to the size and affordability of units. **Exhibit 3.8-41** summarizes the amount and type of housing likely to be developed under each alternative. These projections are based on the amount of housing growth expected in each place type (detailed in **Chapter 2**) and assumptions about the kinds of housing most likely to be developed in each place type. These assumptions are based on recent housing production trends in zones similar to each proposed place type.

All action alternatives are expected to increase total housing supply more than No Action. The Preferred Alternative would increase total supply by 120,000 units. It would also result in the greatest amount of non-stacked housing (such as townhomes) compared to other alternatives. In Alternative 2 (Focused) and 5 (Combined), a greater share of new housing would be in stacked housing such as apartment buildings. ~~Alternative 3 (Broad) would produce the greatest diversity of housing types, particularly detached and attached homes.~~

Washington State law now requires that Seattle allow unit lot subdivision in Neighborhood Residential zones. This change would impact all action alternatives and is expected to result in more homes intended for sale on separate lots (as is common for townhomes) rather than as condominiums. While unit lot subdivision is not likely to change the size or shape of new buildings, it might make redevelopment more feasible since creating a condo association requires more work for developers and condominiums may be less desirable for some prospective buyers.

**Exhibit 3.8-41. Projected Net New Housing Units by Housing Type**

	Alternative 1	Alternative 2	Alternative 3	Alternative 4	Alternative 5	Preferred
<b>Stacked Housing</b>						
Condominiums	2,261	2,977	3,730	3,127	3,626	3,322
Apartments	73,109	93,815	76,652	88,662	110,079	91,106
<b>Attached and Detached Housing</b>						
>2,000 sq. ft.	1,389	698	1,111	1,111	1,111	4,132
>1,200 – 2,000 sq. ft.	648	533	4,260	1,578	1,128	14,766
≤1,200 sq. ft.	2,593	1,977	14,247	5,522	4,056	6,675
<b>Total Net New Housing</b>	<b>80,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>120,000</b>	<b>120,000</b>

Note: Attached and detached housing refers primarily to unit types expected to be built in urban neighborhood areas. These include detached homes, attached, or detached accessory dwelling units, townhomes, or other low- to moderate-density formats that may be created through unit lot subdivision. All of these units could be sold separately or as condominiums to support homeownership opportunities. The Preferred Alternative was added to this exhibit since the Draft EIS—no edits were made to Alternatives 1–5.

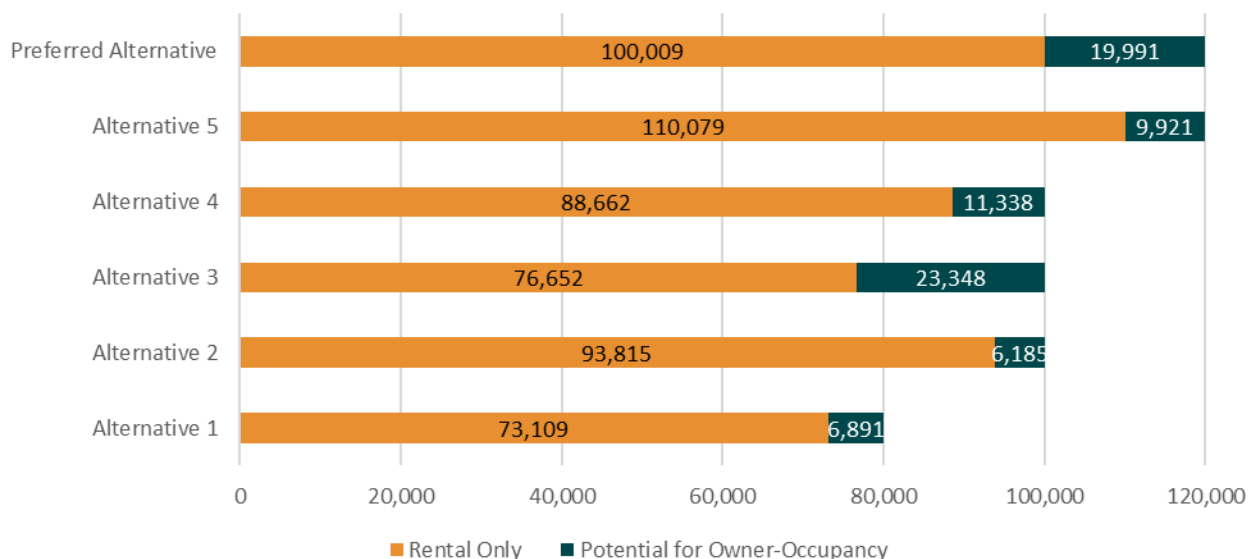
Sources: City of Seattle, 2024; BERK, 2024.

All five alternatives are expected to add substantially more renter-occupied housing than owner-occupied housing to the city's housing supply. This is consistent with recent housing production trends where most housing growth is in new apartment buildings. However, the

alternatives vary substantially in the amount and potential tenure of projected new housing, as shown in [Exhibit 3.8-42](#). These projections are based on the types of new housing expected to be produced in each alternative. They assume all attached and detached housing can be sold separately as either a condominium or on its own lot. For stacked housing, they assume that 60% would be built as condos in urban neighborhood areas, and 3% would be built as condos in all other place types.<sup>57</sup> However, any individual condominium or house on its own lot could be either owner- or renter-occupied.

Despite its higher overall housing growth estimate, Alternative 2 would produce fewer units that could be owner-occupied compared to Alternative 1 (No Action) due to its emphasis on zones that allow multifamily housing, which tend to be rental. The Preferred Alternative and Alternative 3 would produce the most units that could be owner-occupied due to ~~its~~ their emphasis on growth in small-scale detached and attached housing typically offered for sale. Over time, changes in consumer preference, housing costs, or laws governing condominium construction could result in changes in the percentage of units that are owner-occupied.

**Exhibit 3.8-42. Projected Net New Housing Units by Tenure**



Note: The Preferred Alternative was added to this exhibit since the Draft EIS—no edits were made to Alternatives 1–5.  
Sources: City of Seattle, 2024<sup>43</sup>; BERK, 2024<sup>43</sup>.

### **Affordability of New Market Housing Supply**

As discussed earlier, the balance of housing supply with the demand for housing in Seattle is a major contributing factor to market housing costs. Rising demand for new housing creates competition for a limited supply of homes. This causes upward pressure on rents and sales prices. In all alternatives, demand for housing in Seattle is likely to remain very high. However,

<sup>57</sup> Analysis by City of Seattle indicates that about 3% of all multifamily housing constructed in recent years were condominiums. However, trends indicate a much higher percentage of new attached and detached homes in Neighborhood Residential zones are being sold separately as condos. Therefore, in alternatives where stacked housing types are allowed in Neighborhood Residential zones, a higher percentage of those new units are expected to be available as condominiums.

the alternatives vary in the total amount of net new housing that would result. In general, the action alternatives would be expected to reduce competition for housing compared to No Action due to the increased housing growth that they accommodate. Alternative 5 and the Preferred Alternative would result in the largest increase in housing supply and therefore have the greatest impact on reducing overall market housing cost pressures for both new and older units.

New housing tends to be more expensive than older housing, as shown in [Exhibit 3.8-20](#) and [Exhibit 3.8-22](#). However, this trend is due in part to the fact that new housing built in Neighborhood Residential zones has tended to be much larger than existing homes. As shown in [Exhibit 3.8-20](#), [Exhibit 3.8-21](#), and [Exhibit 3.8-23](#), the affordability of new housing varies substantially by housing type and size. As of 2022, purchasing a median-priced detached home built between 2013 and 2022 requires nearly 300% of AMI, and even a median-priced detached home built before 1994 is affordable only to households with an income of at least 182% of AMI. By contrast, new apartments (built 2013-2022) were typically affordable to households with incomes of 80-100% of AMI. Among for-sale housing, new townhouses are typically affordable to households with incomes of 166% of AMI, smaller non-stacked condos less than 1,200 sq ft are affordable at 138% of AMI, and stacked condos are affordable at 117% of AMI. These affordability levels could change in the future, depending on the amount and type of housing created in Seattle, as well as other factors. Additionally, changes to density limits in Neighborhood Residential zones could result in smaller units that are comparatively lower cost.

### **Production of New Affordable Units through MHA & MFTE**

Seattle has two programs that support the production of new income-restricted affordable housing through developer contributions or incentives alongside housing growth: Mandatory Housing Affordability (MHA) and the Multifamily Tax Exemption (MFTE). Under all alternatives, Seattle is expected to gain additional income-restricted units through these programs. However, the alternatives differ in the likely number of affordable units produced. This section briefly describes each program and then compares projected outcomes.

#### **Mandatory Housing Affordability**

MHA supports the development of new income-restricted affordable housing in Seattle. To provide affordable housing and mitigate the impacts of development, new commercial, residential, and live-work projects in designated zones must contribute to affordable housing by including affordable units within new development (performance option) or paying into a City fund that supports the creation and preservation of affordable housing (payment option). Specific requirements vary both geographically and by the scale of zoning change that implemented MHA, which in most cases is reflected as a suffix in the zone name.

Development in many areas of Seattle is already subject to MHA requirements. All action alternatives include proposals to rezone areas of the city, which would modify existing MHA requirements or trigger new MHA requirements in those areas. Additionally, the higher total housing growth estimates of the action alternatives mean more overall housing development would be subject to MHA requirements. [Exhibit 3.8-43](#) compares the projected number of net

new income-restricted units expected under each alternative from the application of MHA on residential development. These projections assume that the City will not extend MHA requirements in any Neighborhood Residential (NR) zone.<sup>58</sup> They show that Alternatives 2, 4, and 5 would most substantially increase the number of new income-restricted units produced, compared to No Action. The Preferred Alternative would have a smaller positive impact, somewhat lower than Alternatives 2 and 4. ~~while~~ Alternative 3 would have ~~no a smaller~~ impact.

**Exhibit 3.8-43. Projected New Income-restricted Affordable Units through MHA-Residential (Excluding NR Zones for all Alternatives)**

	Alternative 1: No Action	Alternative 2: Focused	Alternative 3: Broad	Alternative 4: Corridor	Alternative 5: Combined	Preferred Alternative
Performance Units	1,131	1,614	1,131	1,400	1,787	1,524
Payment Units	9,891	13,544	9,891	13,142	15,505	12,338
<b>Total</b>	<b>11,022</b>	<b>15,158</b>	<b>11,022</b>	<b>14,542</b>	<b>17,293</b>	<b>13,862</b>

Note: These projections assume that the city will not apply MHA requirements in Neighborhood Residential zones. Assumption was 75% payment for stacked flats and 100% payment for attached and detached housing based roughly on recent development. The Preferred Alternative was added to this exhibit since the Draft EIS—no edits were made to Alternatives 1–5.

Source: City of Seattle, 2024~~3~~.

The City ~~is~~ was considering whether to extend MHA requirements to include development in some or all NR zones but is not considering MHA for NR zones in the Preferred Alternative.<sup>59</sup> **Exhibit 3.8-44** shows the likely potential impacts of this change on the production of income-restricted units in Alternatives 1–5 if we assume that MHA requirements in NR zones resemble the existing MHA requirements in other zones. It shows the potential for more income-restricted units produced ~~for in~~ the action alternatives, compared to a scenario where MHA requirements do not apply in Urban-Neighborhood Residential zones.

**Exhibit 3.8-44. Projected New Income-restricted Affordable Units through MHA-Residential (Including NR Zones where Updated in Alternatives 1-5. Preferred Alternative Does Not Apply MHA to NR Zones)**

	Alternative 1: No Action	Alternative 2: Focused	Alternative 3: Broad	Alternative 4: Corridor	Alternative 5: Combined	Preferred Alternative
Performance Units	1,131	1,614	1,163	1,400	1,800	N/A
Payment Units	9,891	13,544	13,066	13,142	16,758	N/A
<b>Total</b>	<b>11,022</b>	<b>15,158</b>	<b>14,229</b>	<b>14,542</b>	<b>18,558</b>	<b>N/A</b>

Note: With the exception of the Preferred Alternative, tThese projections assume that the City ~~will apply~~ applies MHA requirements in NR zones. The Preferred Alternative was added to this exhibit since the Draft EIS—no edits were made to Alternatives 1–5.

Source: City of Seattle, 2024~~3~~.

<sup>58</sup> NR zones currently are one of the only areas of Seattle where MHA requirements do not apply to residential development.

<sup>59</sup> Note: The Preferred Alternative does not include expanding MHA requirements to NR zones.

## Multifamily Tax Exemption

MFTE is a developer incentive that provides a tax exemption on eligible multifamily housing in exchange for setting aside a portion of units as income- and rent-restricted affordable housing. This exemption lasts 12 years, at which point the property owner can renew the tax exemption and affordability requirements or rent those units at market rates. Therefore, new affordable units are added to Seattle's housing supply each year as developers opt-in to the program, while other affordable units come offline when property tax exemptions expire.

**Exhibit 3.8-45** shows projections of net new affordable housing units produced through MFTE under each alternative. These projections are based on current trends in use of the program, and the expected new housing production by zone under each alternative. Alternatives 1 and 3 are not expected to increase net MFTE units overall as the number of new affordable units produced with MFTE would equal the number expiring and returning to market rates. Alternatives 2, 4, and 5 and the Preferred Alternative expect modest growth in the total supply of MFTE units.

**Exhibit 3.8-45. Projected Net Gain of Affordable Housing Units through MFTE**

	Alternative 1: No Action	Alternative 2: Focused	Alternative 3: Broad	Alternative 4: Corridor	Alternative 5: Combined	Preferred Alternative
<b>Total</b>	<b>0</b>	<del>600</del> <b>725</b>	<b>0</b>	<del>450</del> <b>636</b>	<del>525</del> <b>1,129</b>	<b>865</b>

Note: The Preferred Alternative was added to this exhibit since the Draft EIS. Based on calculation errors, edits to correct errors for Alternatives 2, 4, and 5 are shown in tracks.

Source: City of Seattle, 2024<sup>43</sup>.

## Loss of Housing Stock through Demolition

Between 2009 and 2022, more than 600 housing units were lost due to demolition each year in Seattle. Demolition of older housing is expected to continue under all alternatives as lots with older homes are redeveloped with newer and higher-density housing. However, the number of units demolished is expected to vary widely by alternative, from 5,030 units in Alternative 1 to ~~9,148~~**11,086** units in the Preferred Alternative~~3~~, as shown in **Exhibit 3.8-46**. This table also shows the ratio of net new units per demolished unit. Here Alternatives 1 and 2 have the highest ratio, while the Preferred Alternative and Alternative 3 ~~have~~s the lowest. The reason for this variation is discussed in detail below.

**Exhibit 3.8-46. Projected Housing Units Demolished by EIS Analysis Area and Alternative**

Area	Alternative 1: No Action	Alternative 2: Focused	Alternative 3: Broad	Alternative 4: Corridor	Alternative 5: Combined	Preferred Alternative
Area 1	871	1,192	1,662	1,330	1,758	2,970
Area 2	1,103	1,391	2,636	2,202	2,274	2,657
Area 3	389	534	484	473	565	923
Area 4	810	810	810	810	810	797



Area	Alternative 1: No Action	Alternative 2: Focused	Alternative 3: Broad	Alternative 4: Corridor	Alternative 5: Combined	Preferred Alternative
Area 5	685	929	735	745	915	1,213
Area 6	565	767	1,404	1,070	1,374	1,492
Area 7	80	85	48	87	140	144
Area 8	527	637	1,369	918	1,284	890
Total units demolished	5,030	6,345	9,148	7,635	9,120	11,086
Total net new units	80,000	100,000	100,000	100,000	120,000	120,000
<b>Ratio of net new units to units demolished</b>	<b>15.9</b>	<b>15.8</b>	<b>10.9</b>	<b>13.1</b>	<b>13.2</b>	<b>10.8</b>

Note: The Preferred Alternative was added to this exhibit since the Draft EIS—no edits were made to Alternatives 1–5.  
Source: City of Seattle, 2024<sup>43</sup>. BERK, 2024<sup>43</sup>.

Two factors play the largest role in determining projected demolitions. The first is the total amount of housing growth. Alternatives with more projected growth typically have higher rates of demolition, given that more lots would redevelop to accommodate the additional growth. This explains why Alternative 1, which would have the least housing production, is projected to have the fewest total demolished units.

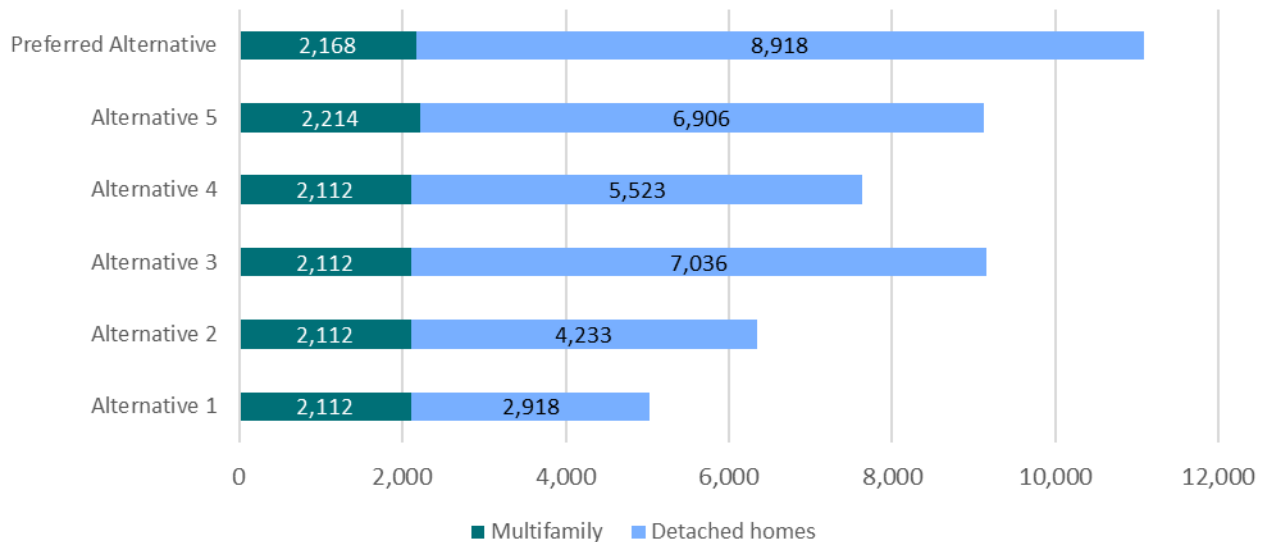
The second factor is the amount of housing growth by place type. Alternatives 1 and 2 focus more growth in regional centers, urban centers, and, for Alternative 2, neighborhood centers and therefore are expected to see much of the net new housing produced as higher-density apartment and condominium buildings. Many of these buildings would be constructed on lots that were formerly in commercial use and therefore do not include housing units. Additionally, this new housing built at would be relatively higher densities and therefore require fewer parcels to redevelop to accommodate a given amount of growth, and more net new units are produced for every home demolished. On the other hand, the Preferred Alternative, as well as Alternatives 3, 4, and 5 all anticipate more low- and moderate-density housing produced outside centers. The parcels redeveloped for this housing are more likely to include older detached homes. Additionally, given its lower density, new development in these areas would produce fewer net new units for every older unit demolished. For example, an existing detached home demolished and replaced with a new detached home and two ADUs produces two net new units for every one demolished unit. But if that same home is replaced instead with a six-plex, five net new units occur for one demolished unit.

The type of housing demolished would also vary. [Exhibit 3.8-47](#) shows the projected number of detached homes and multifamily housing units that would be demolished by alternative. Almost no variation exists in the number of multifamily units demolished across alternatives, with the exception that the Preferred Alternative and Alternative 5 are expected to result in slightly more demolitions. This is because the alternatives vary primarily in the amount of growth expected in new place types located where detached homes currently predominate. As a



consequence, most demolitions are expected to be older detached homes, and the total number of detached homes expected to be demolished varies substantially across alternatives.<sup>60</sup>

#### Exhibit 3.8-47. Projected Housing Units Demolished by Housing Type and Alternative

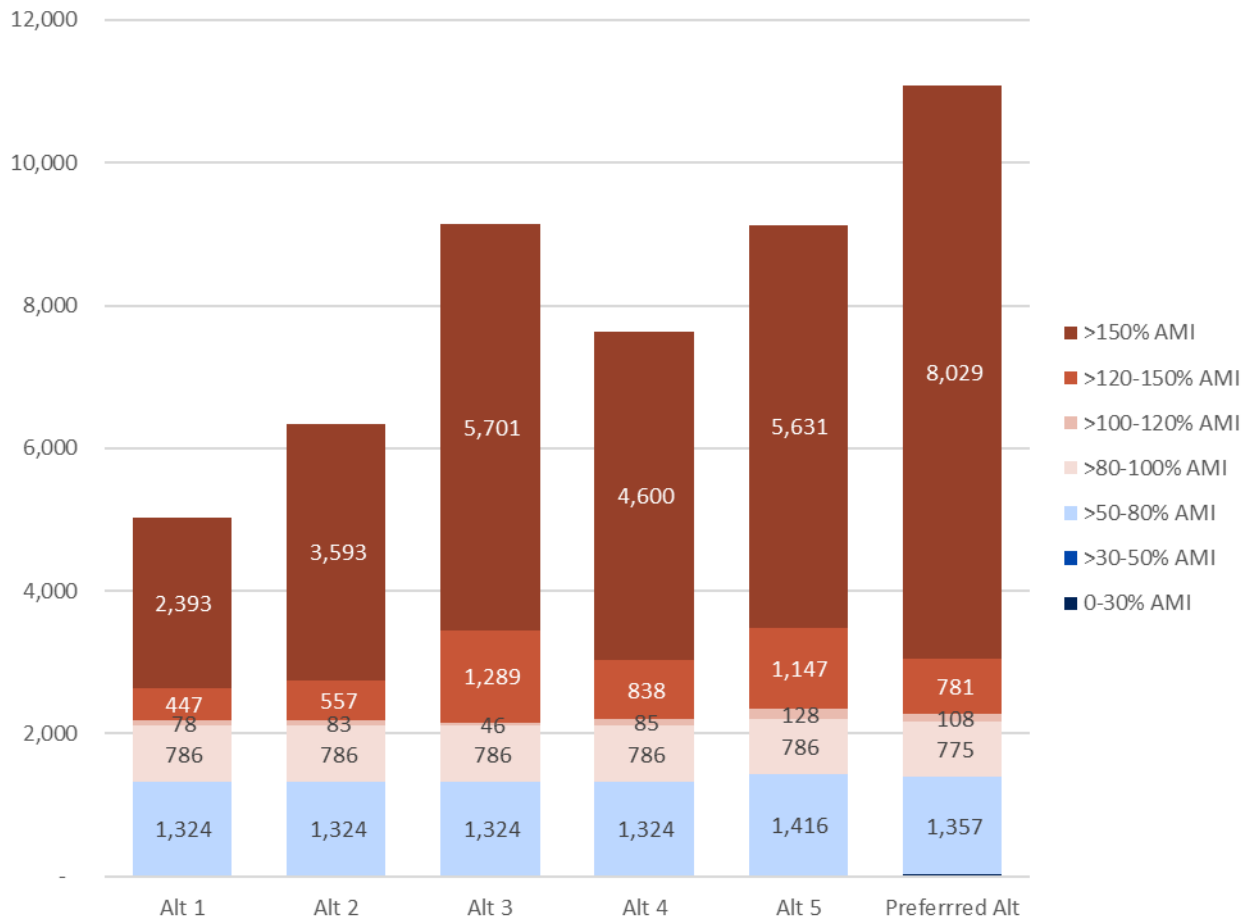


Note: The Preferred Alternative was added to this exhibit since the Draft EIS—no edits were made to Alternatives 1–5.  
Sources: City of Seattle, 2024<sup>43</sup>; BERK, 2024<sup>43</sup>.

**Exhibit 3.8-48** presents projections of housing lost due to demolition by affordability level. For detached homes, these projections are based on analysis of median sales price for older detached homes by analysis area (see **Exhibit 3.8-22**). For units in multifamily buildings, these projections are based on the affordability of apartment rents in older structures (see **Exhibit 3.8-20**). This analysis shows that all alternatives are expected to result in the demolition of a similar number of units affordable at 120% AMI or below. The alternatives vary primarily in the number of detached homes demolished, which tend to be affordable only to households with incomes above 120 or 150% AMI, as shown in **Exhibit 3.8-48**.

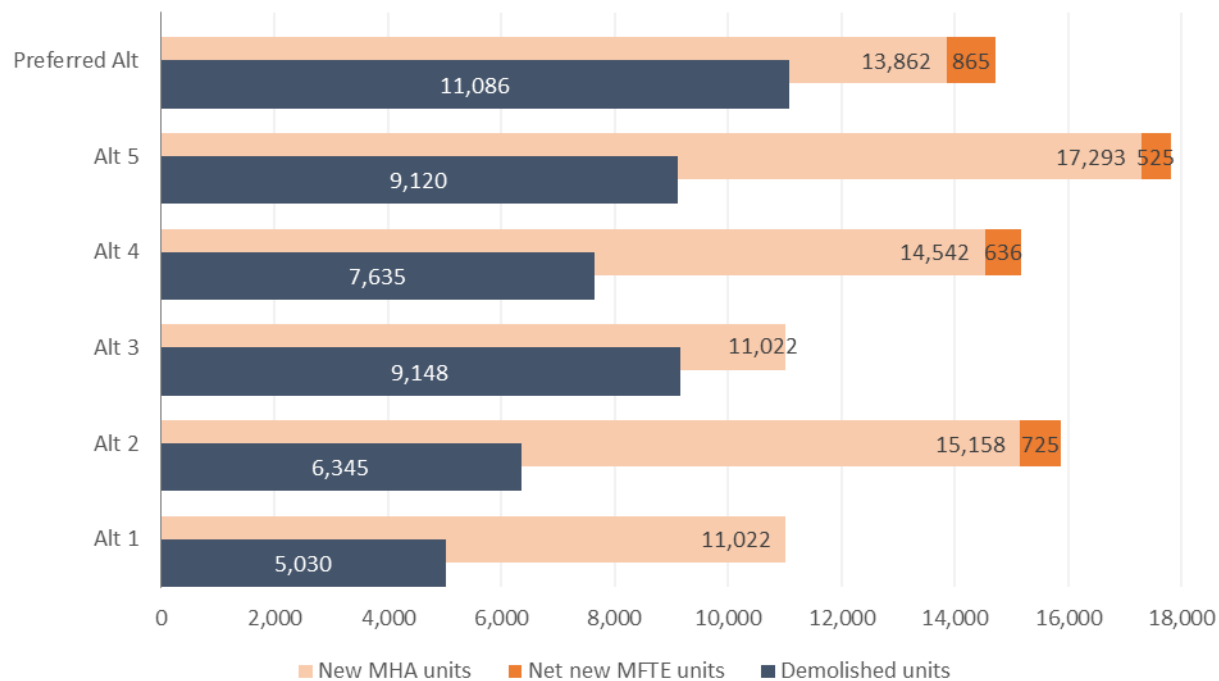
<sup>60</sup> To develop these projections, the City of Seattle used King County Assessor data to identify parcels most likely to redevelop in the future based on characteristics such as the year built, density of development relative to what is allowed under current zoning, and the ratio of improvement value to land value. Next, the City classified the type of housing currently on redevelopable parcels as single family (detached) or multifamily. Then, for each place type it calculated the percentage of units on redevelopable parcels that are single family or multifamily. Finally, these percentages were applied to the estimate of total demolished housing units by place type to calculate single family and multifamily units demolished. For all growth outside the place types defined in Alternative 1, this analysis assumes all demolished units are detached homes.

**Exhibit 3.8-48. Projected Housing Units Lost to Demolition by Affordability Level**



Note: The Preferred Alternative was added to this exhibit since the Draft EIS—no edits were made to Alternatives 1-5. No units from affordable at 30-50% AMI are projected to be demolished in any alternative. A very small number of 0-30% AMI units (2-4042) could be demolished. These counts are not shown in the chart.  
 Sources: City of Seattle, 2024<sup>43</sup>; BERK, 2024<sup>43</sup>.

**Exhibit 3.8-49** compares the projected number of demolished units to the projected number of new income-restricted affordable units produced through MHA and MFTE combined. In Alternatives 1, 2, 4, and 5 the number of new affordable units substantially exceeds the number of units demolished. In Alternative 3, new affordable units only slightly exceed demolitions, in part because of the assumption that MHA would not apply in NR zones. Alternatives 2 and 5 are expected to create the most new affordable units per unit demolished.

**Exhibit 3.8-49. Comparison of Demolished Units to New Affordable Housing from MHA and MFTE**

Note: The Preferred Alternative was added to this exhibit and net new MFTE units revised for Alternatives 2 and 4 (see Exhibit 3.8-45) since the Draft EIS—no other edits were made to Alternatives 1–5. This chart does not show total new housing supply. Alternative 5 and the Preferred Alternative would provide 120,000 net new units, Alternatives 2-4 would provide 100,000 net new units, and Alternative 1 would provide 80,000 net new units. Additionally, these projections assume that the City will not apply MHA requirements in any NR zone. Applying MHA would result in additional production of new income-restricted affordable housing.

Sources: City of Seattle, 2024<sup>43</sup>; BERK, 2024<sup>43</sup>.

## Displacement

This section evaluates the potential for displacement of Seattle households under each alternative. The first part estimates physical displacement associated with demolished housing units. This is followed by a discussion of how economic and cultural displacement pressures may vary by alternative.

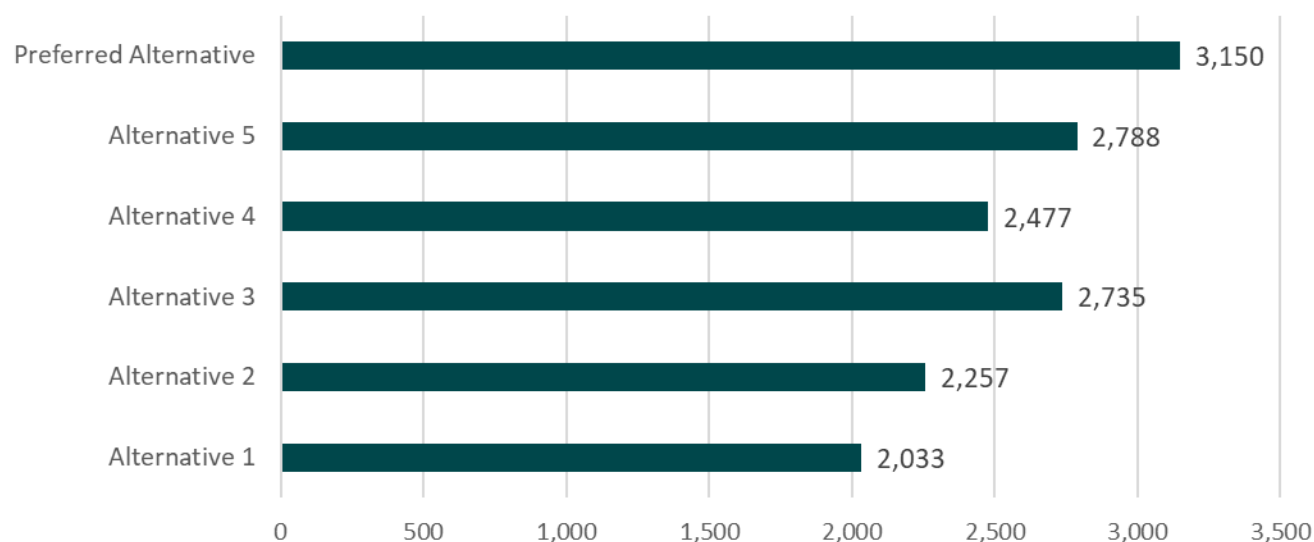
### Physical Displacement

Not all demolitions result in the physical displacement of a household. For example, a homeowner may choose to sell their home to a developer or demolish it themselves in order to build a larger home. Renter households, however, are more likely to be physically displaced if the owner of their building decides to demolish the building they occupy. In some circumstances a renter household whose unit is demolished may not be considered physically displaced (e.g., they voluntarily ended their lease and the building owner subsequently decided to demolish the building). Similarly, in some circumstances a renter household might be physically displaced from their unit but relocate within the same neighborhood. This renter would be physically displaced from their unit but not from their neighborhood. Conversely, a

renter household might be physically displaced under circumstances apart from demolition, like eviction or the expiration of rent restrictions. Overall, estimating the number of renter households residing in units projected to be demolished is one way to conservatively estimate how many households could be physically displaced in each alternative.

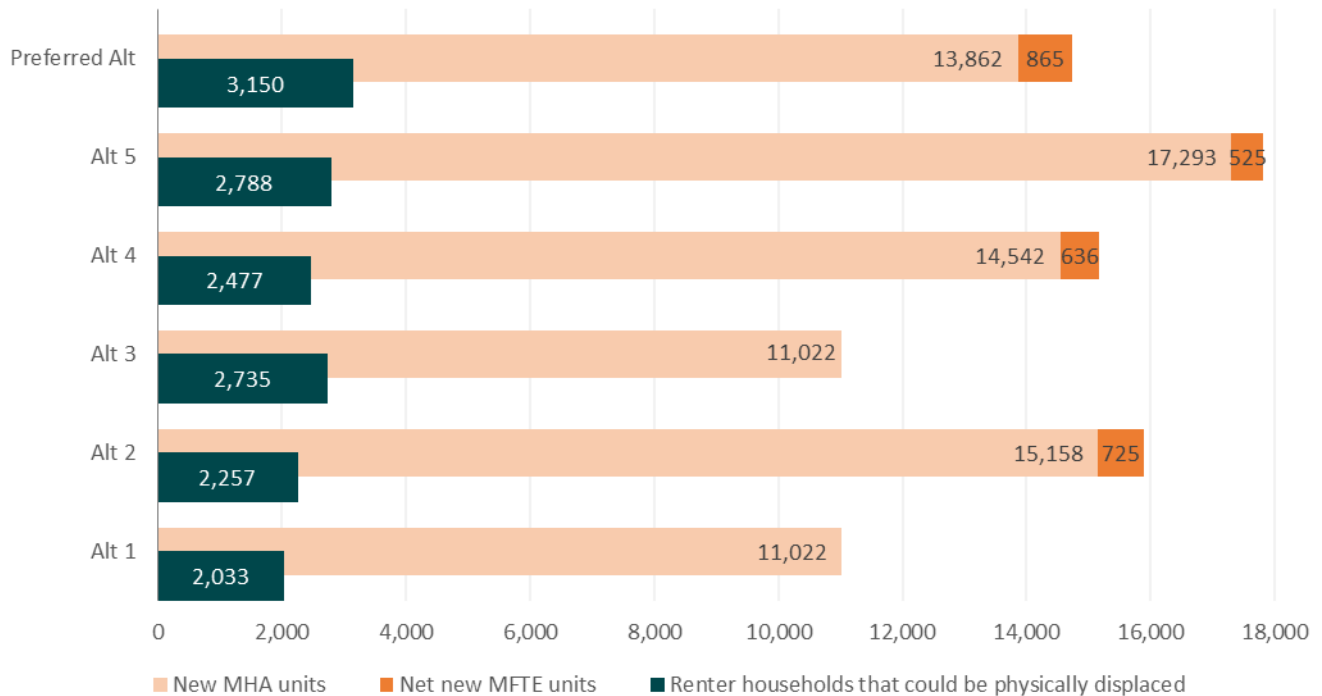
Using Census data about the household characteristics of detached and multifamily housing occupants in each analysis area, projections of demolished units by housing type ([Exhibit 3.8-47](#)), and vacancy rates by housing type, it is possible to roughly estimate how many renter households could be physically displaced in each alternative. The results of this analysis are shown in [Exhibit 3.8-50](#). The number of renter households varies less than the total number of units demolished (see [Exhibit 3.8-47](#)) because the occupants of detached homes are more likely to be homeowners, and much of the variation in demolition by alternative was due to the number of detached homes demolished. Nonetheless, [Alternative 5](#) the Preferred Alternative would be expected to result in the greatest potential for renter households displaced due to demolitions, while Alternative 1 would be expected to see the fewest.

**Exhibit 3.8-50. Renter Households Physically Displaced by Alternative**



Note: The Preferred Alternative was added to this exhibit since the Draft EIS—no edits were made to Alternatives 1–5.  
Sources: City of Seattle, 2024<sup>43</sup>; BERK, 2024<sup>43</sup>.

[Exhibit 3.8-51](#) compares the projected number of renter households that could be physically displaced through demolition to the number of new income-restricted affordable units expected to be generated by MHA or MFTE. Across all alternatives, this conservative estimate of physically displaced renter households is much lower than the amount of new affordable housing that would be built during the planning period.

**Exhibit 3.8-51. Renter Households Physically Displaced Compared to New Income-Restricted Affordable Units from MHA or MFTE**

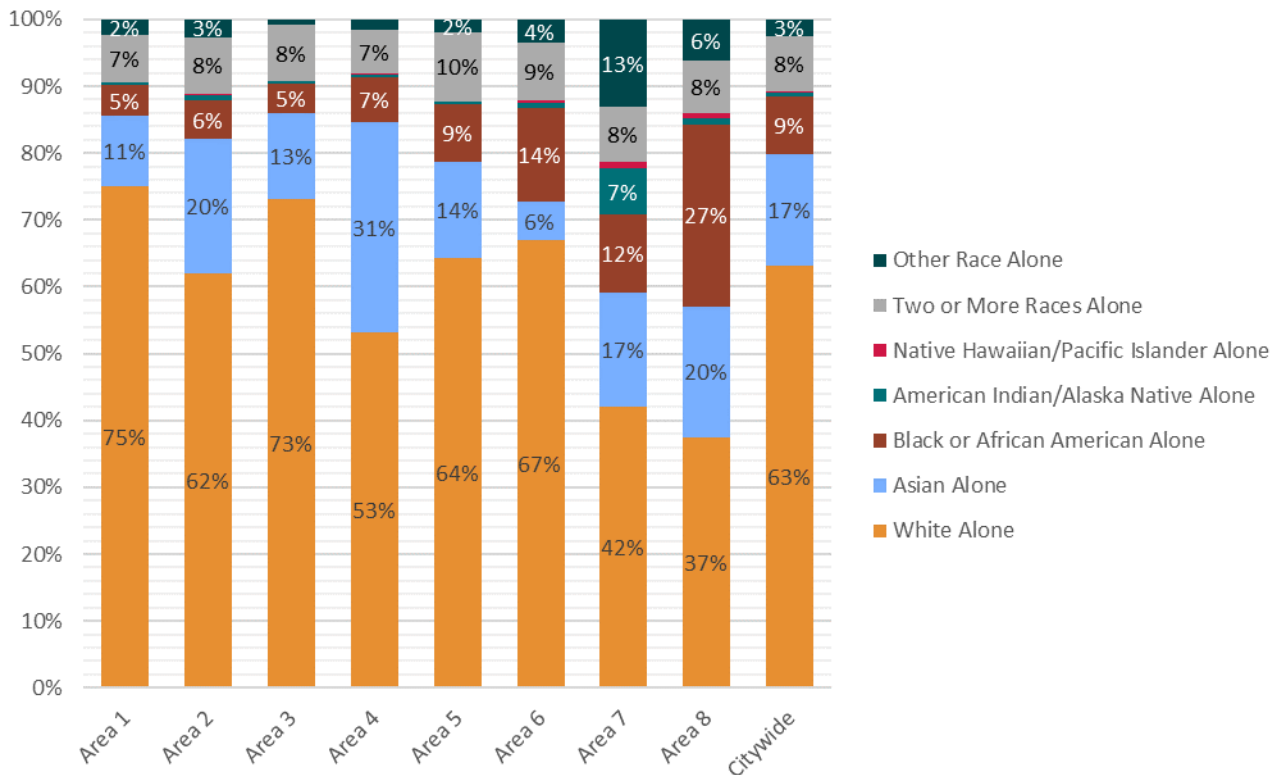
Note: The Preferred Alternative was added to this exhibit and net new MFTE units revised for Alternatives 2 and 4 (see Exhibit 3.8-45) since the Draft EIS—no other changes were made to Alternatives 1–5. These projections assume that the City will not apply MHA requirements in any Neighborhood Residential zone. Applying MHA would result in additional new income-restricted affordable housing production.

Sources: City of Seattle, 2023<sup>4</sup>; BERK, 2024<sup>3</sup>.

While it is impossible to predict exactly which kinds of renter households are most likely to be displaced in each alternative, information about the characteristics of today's renter households is available. [Exhibit 3.8-52](#) shows the breakdown of renter households by the race of householder<sup>61</sup> and analysis area. [Exhibit 3.8-53](#) breaks down renter households by ethnicity. Citywide, about 40% of all renter households are BIPOC, and these households are more likely to be vulnerable to displacement than White, Non-Hispanic households.<sup>62</sup> Areas with a higher proportion of BIPOC householders may see these households displaced at a disproportionately high rate compared to households with White householders.

<sup>61</sup> The Census term householder refers to "the person (or one of the people) in whose name the housing unit is owned or rented (maintained) or, if there is no such person, any adult member, excluding roomers, boarders, or paid employees." Source: <https://www.census.gov/programs-surveys/cps/technical-documentation/subject-definitions.html#householder>

<sup>62</sup> Source: American Community Survey 5-Year Estimates (2017-2021): S2502—Demographic Characteristics for Occupied Housing Units.

**Exhibit 3.8-52. Race of Householder for Renter Households, by EIS Analysis Area**

Note: Percentage values less than 2% are not displayed for readability.

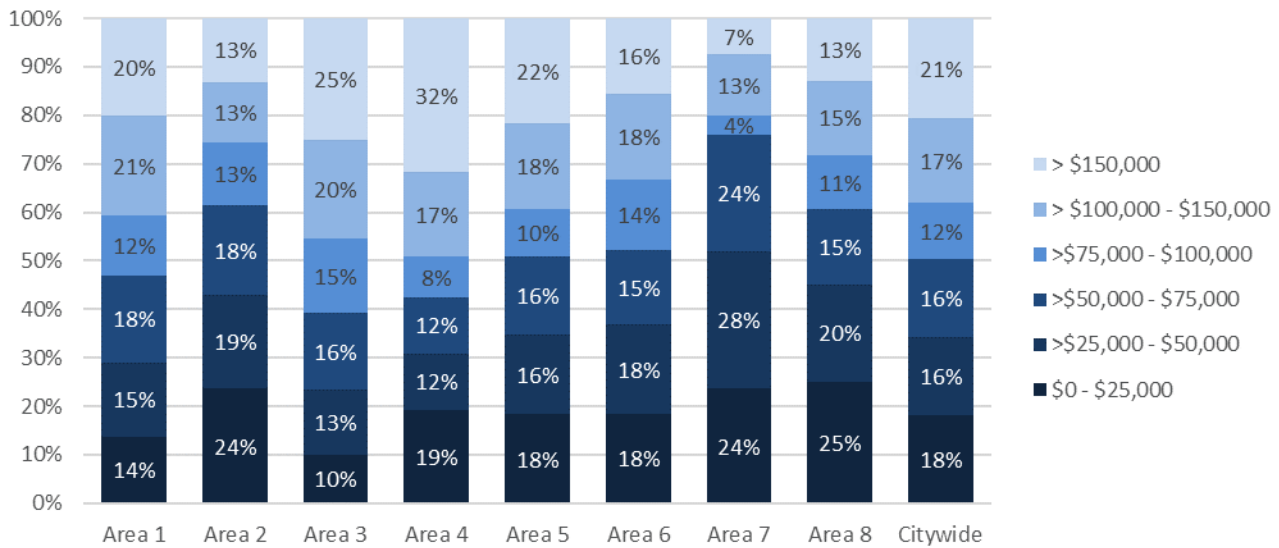
Source: American Community Survey 5-Year Estimates (2017-2021): S2502—Demographic Characteristics for Occupied Housing Units; City of Seattle, 2023.

**Exhibit 3.8-53. Ethnicity of Householder for Renter Households by EIS Analysis Area**

	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Citywide
Hispanic or Latino	7.3%	7.9%	7.6%	6.8%	7.4%	8.5%	27.7%	10.4%	7.9%
Not Hispanic of Latino	92.7%	92.1%	92.4%	93.2%	92.6%	91.5%	72.3%	89.6%	92.1%

Source: American Community Survey 5-Year Estimates (2017-2021): S2502—Demographic Characteristics for Occupied Housing Units; City of Seattle, 2023.

The impact of physical displacement on a renter household would vary based on household income. Compared to higher-income households, lower-income households who are displaced would be ~~much~~ less likely to find adequate housing they can afford within the same neighborhood. **Exhibit 3.8-54** shows household income for renter households across all EIS Analysis Areas and citywide. Just over a third of renter households citywide have incomes at or below \$50,000. Some of these households live in income-restricted housing units unlikely to be demolished. Others live in older market-rate housing that may be at risk of demolition.

**Exhibit 3.8-54. Household Income for Renter Households by EIS Analysis Area**

Source: American Community Survey 5-Year Estimates (2017-2021): B25118—Tenure by Household Income in the past 12 months (in 2021 inflation-adjusted dollars); City of Seattle, 2023.

As discussed in the Affected Environment section above, records from Seattle’s TRA0 program indicate that about 89 households with incomes 50% of AMI or less are displaced each year due to demolition. This is about 13.5 for every 10,000 renter households at this income level (or 0.1%). While this percentage doesn’t account for all physical displacement,<sup>63</sup> it does provide a sense of scale of impact to compare to other trends like economic displacement.

### Economic Displacement

Under all alternatives, economic displacement is expected to continue having a much greater impact on Seattle residents than physical displacement, consistent with recent historic trends. This is because demand for housing in Seattle is expected to remain strong, and high demand for housing leads to competition that pushes up market-rate housing prices. However, alternatives that provide more additional housing supply are expected to reduce competition for exiting units and therefore reduce the upward pressure on market-rate housing costs, compared to Alternative 1 (No Action). Alternative 5 (Combined) and the Preferred Alternative are expected to have the greatest impact on reducing economic displacement pressure because it anticipates the largest increase in housing supply.

The kinds of households economically displaced would also vary by alternative, given that housing produced under each alternative is expected to vary by location, type, and tenure (ownership or rental). For example, Alternative 3 (Broad) is expected to produce considerably more new ownership units than other alternatives. This may provide more options for moderate-income households seeking homeownership and who may otherwise move outside

<sup>63</sup> See discussion under Physical Displacement in [Section 3.8.1 Affected Environment](#) above.



Seattle to find affordable options. Alternatives 2 (Focused), 4 (Corridors), and 5 (Combined) all provide much more rental housing than No Action and therefore could be expected to see less economic displacement among renter households. As noted earlier, Alternative 5 and the Preferred Alternative would result in the largest increase in overall housing supply and therefore have the greatest potential to reduce market pressures at the root of economic displacement.

### Cultural Displacement

Cultural displacement will remain a challenge in Seattle under all alternatives. However, impacts on cultural displacement under each alternative could vary in two main ways. First, alternatives that reduce economic displacement pressures may also reduce cultural displacement pressures. This is because economic displacement often precipitates cultural displacement due to the impacts to social networks that result when members of a cultural community cannot weather rising housing costs. For communities of color, immigrants, and refugees, social cohesion often plays a bigger role in location decisions than for other populations. When community members are pushed out due to economic pressures, other residents, businesses, and institutions may also choose to relocate as well.

The alternatives may also vary in the likelihood of demolition or displacement of cultural assets such as businesses or institutions that serve specific racial or ethnic communities. Since cultural anchors, gathering spaces, arts organizations, small businesses, and religious institutions are not ubiquitous throughout the region, the presence of these cultural assets in certain neighborhoods or areas can have particular importance for racial or ethnic minority households in their location decisions. The zoning changes and patterns of growth proposed under some alternative could affect the likelihood that cultural assets are demolished in favor or redevelopment or replaced by new businesses that cater to the tastes of new residents who do not share the same cultural background. For example, Alternatives 2, 4, ~~and 5~~, and the Preferred Alternative focus more growth in neighborhood centers or corridors that may currently include older commercial buildings where cultural community-serving businesses and institutions are located.

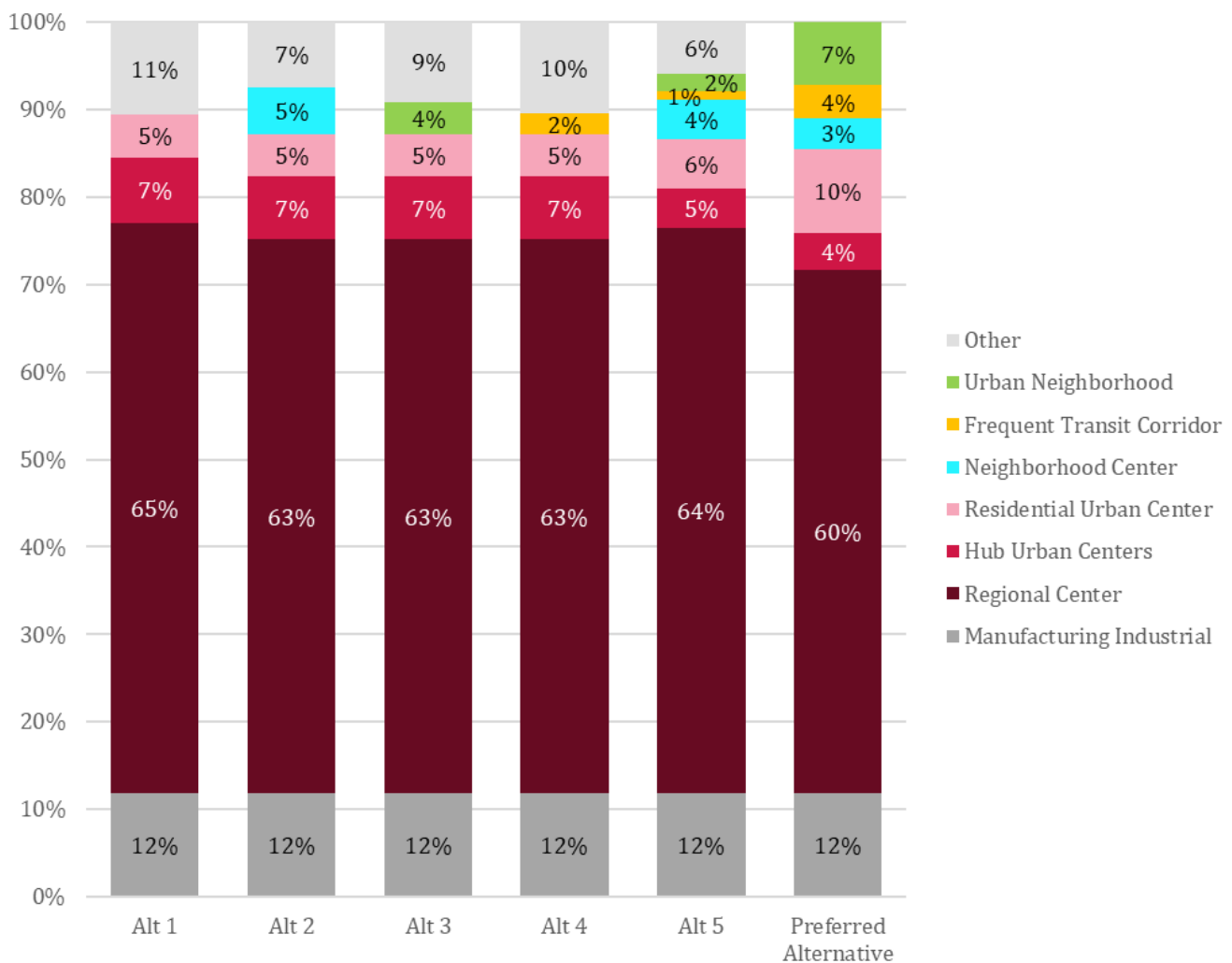
Businesses and institutions serving different communities are also subject to economic displacement pressure regardless of whether their building is demolished. Given the complexity in how people define and access their cultural community, it is difficult to predict the relative impacts of different alternatives on cultural displacement.

### Employment

Seattle's total employment is expected to increase by 158,000 jobs in all alternatives. However, the alternatives differ in the pattern of new growth across the city. **Exhibit 3.8-55** compares the share of citywide employment growth expected by place type in each alternative. In all alternatives, most employment growth is expected to occur in ~~urban~~ regional centers such as Downtown, South Lake Union, University District, and Northgate. All alternatives assume 12%

of growth will be in manufacturing industrial areas. The greatest variation across alternatives is in the distribution of growth in the remaining place types. For instance, job growth in neighborhood centers, ~~and frequent transit corridors, and urban neighborhood~~ has the potential to provide more neighborhood-serving businesses and services in areas of the city that currently have few options. The Preferred Alternative 2 would focus about 145% of job growth in these place types new neighborhood centers, higher than all other alternatives. It also focuses the most growth in residential urban centers. The result is a pattern of job growth that is more dispersed across the city than expected under No Action and the other action alternatives. ~~Alternative 5 would distribute about 5% of jobs across neighborhood centers and corridors combined. Alternatives 1, 3, and 4 offer relatively less job growth in these areas.~~

**Exhibit 3.8-55. Employment Growth by Place Type**



Note: The Preferred Alternative was added to this exhibit since the Draft EIS and place type names revised to reflect the action alternatives—no changes were made to Alternatives 1–5. “Other” refers to areas outside designated place types. See Exhibit 2.1-1 in Chapter 2 for a cross-walk of existing place types (existing and Alternative 1) versus proposed place type names under the other alternatives.

Source: City of Seattle, 2023.

## **Equity & Climate Vulnerability Considerations**

See also [Section 3.6 Land Use Patterns & Urban Form](#) and [Section 3.10 Transportation](#).

Seattle's housing affordability crisis disproportionately impacts communities of color and lower-income residents.

Beyond producing cost burden, economic displacement, and housing insecurity, Seattle's rising housing costs limit the amount of money available for other expenses and can curtail a person's ability to access resources necessary for economic success such as education or equity to start a business. High housing costs can also force people to live further from jobs, schools, or social support such as friends and family. This can impact social connection and the community resiliency these connections support. It also has health implications due to increased car dependency and reduced opportunity for active transportation.

Households moving away from Seattle due to displacement or the search for housing they can afford also has climate implications. When households are more dependent on driving and forced to travel further to reach jobs, schools, and local services, they produce more greenhouse gas emissions. Increased demand for housing options on the periphery of the Seattle region also creates pressure to convert more natural areas for residential development.

Alternatives that increase housing supply compared to No Action have greater potential to limit escalating housing costs that cause displacement and provide more opportunities for households to live closer to jobs, schools, social supports, and other amenities in Seattle. However, the types of housing produced also have potential implications for equity. A dearth of moderately priced ownership housing options prevents pathways to homeownership and wealth generation for both low- and moderate-income households. Achieving homeownership often requires moving outside Seattle to find more affordable ownership housing options. However, as discussed already, relocating outside Seattle can have negative impacts not only for the households that moved but also for the climate.

## **Impacts of Alternative 1: No Action**

If the City takes no action, current trends are expected to continue. Housing costs would most likely continue to rise faster than AMI. This would result in the highest economic displacement pressure of all alternatives. This pressure would have disproportionate impact on communities of color, particularly Black and Indigenous residents who are most likely to be vulnerable given their lower median household income (see [Exhibit 3.8-9](#)). While this alternative is expected to result in the fewest demolished housing units and lowest potential for physical displacement of renter households, it would also yield the lowest production of new affordable housing through MHA and MFTE and the smallest increase in overall housing supply.

Employment growth would continue to be focused in urban centers and urban villages, with more limited change in other areas. As a result, areas with limited neighborhood-serving retail

and commercial development would see little change, and their residents would continue to have very limited options for local services within walking or biking distance.

### **130th/145th Station Area**

Both housing and employment growth would be much lower in the station area compared to the other alternatives. This would limit the number of households and businesses that can benefit from nearby access to the light rail stations. It would also limit the variety of housing choices available.

## **Equity & Climate Vulnerability Considerations**

### **Housing Affordability**

Housing affordability challenges under Alternative 1 would be similar to the existing trends described under Citywide Affected Environment and Impacts Common to All Alternatives. Although there would continue to be new housing built over the next 20 years, the rate of new housing production would likely continue to fall far short of demand, contributing to rising housing costs and disproportionately inequitable outcomes for low-income and BIPOC community members.

### **Impacts of Alternative 2: Focused**

In this alternative, Seattle would grow by 20,000 additional housing units compared to Alternative 1 (No Action). This additional growth would occur in new neighborhood centers, which would increase the number and variety of housing options in existing Neighborhood Residential zones. About 94% of the new housing is expected to be exclusive available for rent and only 6% could support homeownership. This alternative provides the fewest new ownership housing options among all the alternatives, including No Action.

Much of this new growth would be focused in neighborhoods that the City determined have relatively lower risk of displacement (see [Exhibit 3.8-31](#) above), including parts of EIS Analysis Areas 1, 2, 3, 5, and 6. This could limit the negative impacts of physical displacement while allowing more households to live in areas of higher opportunity. Compared to the other action alternatives, Alternative 2 would result in the fewest units demolished and fewest physically displaced renter households. Alternative 2 would produce more new income-restricted units through MHA and MFTE than any alternative other than Alternative 5.

Alternative 2 will also allow for shops and services in new neighborhood centers. This would result in more Seattle residents living within a short walk or bike ride of these local amenities.

## **130th/145th Station Area**

Alternative 2 would support transit-oriented development in these station areas at higher levels of density than allowed under current zoning. It is expected to more than double the number of new housing units compared to No Action and increase overall housing supply more than any alternative other than Alternative 5. This would allow many more households to live near light rail transit.

## **Equity & Climate Vulnerability Considerations**

### *Housing Affordability*

Except for Alternative 5, Alternative 2 would provide the greatest benefit for low-income renter households. This is due to the emphasis on increased rental housing production and its potential impact on moderating rental housing cost escalation as well as increased affordable housing production through MHA. However, Alternative 2 would provide the least benefit for moderate-income households seeking to access the homeownership market and associated wealth generation opportunities. In some cases, households will choose to move out of Seattle to find ownership housing they can afford. This kind of economic displacement has financial, social, health, and climate implications, as discussed under Impacts Common to All Alternatives.

## **Impacts of Alternative 3: Broad**

Like Alternative 2, in Alternative 3 Seattle would grow by 20,000 more housing units than Alternative 1 (No Action). This additional growth would unfold across all Neighborhood Residential zones. Much of this new housing would be duplexes, triplexes, fourplexes, and stacked flats. Nearly a quarter of all new units produced could be available for homeownership, a much higher share than all other alternatives. This would result in a greater diversity of housing options in areas of Seattle where detached homes currently predominate.

With the exception of the Preferred Alternative, which includes more growth overall,

Alternative 3 is expected to result in the most demolitions among all alternatives and the greatest potential for physical displacement of renter households. However, many demolished units would be older detached homes that tend to be relatively less affordable than other housing types. Alternative 3 also produces the fewest new income-restricted units through MHA and MFTE among all action alternatives.<sup>64</sup>

Alternative 3 would increase options for corner shops and flexibility for at-home businesses in Neighborhood Residential zones. This would result in some additional businesses and services in areas where they are currently scarce.

<sup>64</sup> This projection assumes that MHA does not apply in Neighborhood Residential zones. If the City applied MHA in Neighborhood Residential zones, the number of units would be substantially higher (13,043 rather than 9,489 net new affordable units) but still less than expected in all other action alternatives.

### **130th/145th Station Areas**

The station area plan would not be implemented under Alternative 3; the area would grow based on the applicable citywide place types.

### **Equity & Climate Vulnerability Considerations**

#### **Housing Affordability**

Except for No Action, Alternative 3 would provide the least benefit for low-income renter households. That is because rental housing supply and new affordable housing through MHA would only see modest increases compared to No Action. However, Alternative 3 would provide the greatest benefit for moderate income-households seeking to access the homeownership market and associated wealth generation opportunities. This is due to the emphasis on increased supply and diversity of housing types offered for sale. This could result in less economic displacement pressure for moderate-income households that wish to remain in the city.

#### **Impacts of Alternative 4: Corridor**

Like Alternatives 2 and 3, in Alternative 4 Seattle would grow by 20,000 more housing units than Alternative 1 (No Action). This additional growth would be focused in corridors where transit and amenities are located. About 89% of overall new housing production would be exclusively rental, with the large majority in apartment buildings in regional centers, urban centers, and corridors. However, compared to No Action, this alternative would also increase the supply of ownership housing types.

Alternative 4 is expected to result in more housing units demolished than No Action or Alternative 2 (Focused). However, many demolished units would be older detached homes that are relatively higher cost than other housing types. Alternative 4 would also produce much more new income-restricted affordable housing units than units demolished.

Compared to No Action ~~and other alternatives~~, Alternative 4 would focus more employment growth in corridors near residential areas, with the potential to increase neighborhood-serving businesses and services where they don't exist today.

### **130th/145th Station Areas**

The station area plan would not be implemented under Alternative 4; the area would grow based on the applicable citywide place types.



## **Equity & Climate Vulnerability Considerations**

### **Housing Affordability**

Compared to No Action, Alternative 4 would provide benefits for both low-income renter households as well as moderate-income households that seek to access the homeownership market and associated wealth generation opportunities. This is due to an expected increase in rental housing supply, affordable housing production through MHA, and supply of for-sale housing types.

### **Impacts of Alternative 5: Combined**

In this alternative, Seattle would grow by 40,000 additional housing units compared to Alternative 1 (No Action). Alternative 5 and the Preferred Alternative ~~This is have~~ the largest increase in housing supply ~~among any alternative and would result in the greatest expansion of housing diversity of any alternative.~~ Like all alternatives, most new housing is expected to be rental, but Alternative 5 would also produce more new ownership housing than ~~all alternatives except~~ Alternatives ~~3~~ 1 and 4. Like Alternative 4, much of this new ownership housing would be in small-scale developments in Neighborhood Residential zones.

Alternative 5 is expected to result in more demolished housing units than all other alternatives except Alternative ~~3~~ and the Preferred Alternative. However, those demolished units would tend be older detached homes that are relatively higher cost than other housing types.

Alternative 5 would produce the most new income-restricted affordable housing units through MHA and MFTE. This alternative, along with the Preferred Alternative, is also expected to have the biggest impact on reducing economic displacement by providing the largest increase in the supply of housing.

Compared to No Action, Alternative 5 would distribute employment growth across more areas of the city, including in new neighborhood centers and corridors where neighborhood-serving businesses and services are currently scarce.

### **130th/145th Station Area**

This alternative would create a new urban center around the NE 130th St station area. This change would support transit-oriented development and the most housing and job growth compared to the other alternatives.

## **Equity & Climate Vulnerability Considerations**

### **Housing Affordability**

Alternative 5 would provide the greatest benefit for low-income renter households among all alternatives due to its impact on increasing rental housing supply and new affordable housing

through MHA and MFTE. Compared to No Action, it would also provide benefits for moderate income-households seeking to access the homeownership market and associated wealth generation opportunities. This is due to the increased supply and diversity of housing types that can be sold to homeowners. However, both the Preferred Alternative as well as Alternatives 3 and 4 are expected to produce more ownership housing.

## Impacts of Preferred Alternative

*Note: The impacts analysis for the Preferred Alternative was added since the Draft EIS.*

Under the Preferred Alternative, Seattle would grow by 40,000 additional housing units compared to Alternative 1 (No Action). Along with Alternative 5, the Preferred Alternative would have the largest increase in housing supply. Like all alternatives, most new housing is expected to be rental, but the Preferred Alternative would also produce the most new ownership housing among all alternatives. Much of this new ownership housing would be in small-scale developments in Neighborhood Residential zones.

The Preferred Alternative is expected to result in more demolished housing units than all other alternatives. However, those demolished units would tend be older detached homes that are more likely to be owner-occupied and relatively higher cost than other housing types, and the Preferred Alternative is expected to produce significantly more income-restricted affordable housing units through MHA and MFTE than units demolished. Additionally, this alternative, along with Alternative 5, is expected to have the biggest impact on reducing economic displacement by providing the largest increase in the supply of housing.

Compared to No Action, the Preferred Alternative would distribute employment growth across more areas of the city, including in new neighborhood centers and corridors where neighborhood-serving businesses and services are currently scarce.

## 130<sup>th</sup>/145<sup>th</sup> Station Area

This alternative would create a new urban center around the NE 130th St station area. This change would support transit-oriented development and the most housing and job growth compared to the other alternatives.

## Equity & Climate Vulnerability Considerations

### Housing Affordability

The Preferred Alternative would benefit low-income renter households compared to the No Action Alternative due to its impact on increasing rental housing supply and new affordable housing through MHA and MFTE. However, this benefit would be somewhat smaller than Alternative 5, which focuses more growth into rental housing. The Preferred Alternative would provide the greatest benefits for moderate income-households seeking to access the homeownership market and associated wealth generation opportunities. This is due to the

increased supply and diversity of housing types that can be sold to homeowners. The Preferred Alternative is expected to produce the greatest amount and diversity of new ownership housing among all alternatives.

### 3.8.3 Mitigation Measures

#### Incorporated Plan Features

All action alternatives would increase the supply of housing in Seattle, most significantly Alternative 5 (Combined) and the Preferred Alternative, which would reduce competition for housing and slow housing cost increases over time. The action alternatives also focus relatively more future housing production in areas with low displacement risk to reduce development pressure in areas with high displacement risk where rapid market-driven housing production can have localized impacts on households and communities vulnerable to displacement.

Under the action alternatives, the City could also update Comprehensive Plan policies to further address current and future risk of displacement. For example, the Housing Element would add new policies around addressing displacement.

#### Regulations & Commitments

Seattle's municipal code contains regulations for housing and tenant protections. Below is a summary of these regulations and of existing policies and programs that would mitigate impacts associated with the alternatives. See also [Appendix C](#) for other state and county measures that reduce impacts such as displacement.

#### Mandatory Housing Affordability (MHA)

Commercial and multifamily residential development in Seattle is generally subject to MHA, which requires a contribution to affordable housing as a condition of permit issuance. Developers have a choice between reserving a portion of units at affordable prices for low-income households or making a payment to the City's affordable housing fund. Most development in all alternatives would occur in zones that currently have MHA. This would result in production of affordable units on-site (through the performance option) and in investments in production and preservation of affordable housing (through the payment option).

#### Multifamily Tax Exemption (MFTE)

Since its adoption in 1998, the MFTE program has produced affordable units by incentivizing builders to reserve 20 or 25% of the dwelling units in new multifamily structures at affordable rents or sales prices for low- and moderate-income households. In exchange for on-site affordable housing, the City provides a partial property tax exemption for up to 12 years, with

an option to extend the affordability commitment for a continued tax exemption. MFTE is available in all zones that allow multifamily development. The affordability level of rental dwelling units reserved for income-eligible households varies according to unit size as follows:

- 40% of AMI for congregate residence sleeping rooms
- 40-50% of AMI for small efficiency dwelling units (SEDUs)
- 60% of AMI for studio units
- 70% of AMI for one-bedroom units
- 85% of AMI for two-bedroom units
- 90% of AMI for three-bedroom and larger units

Ownership units provided through MFTE must be affordable at 100% or 120% of AMI depending on unit size.

All alternatives are expected to see a substantial portion of future housing growth in zones where MFTE is available.

### **Affordable Housing Funding Programs**

In addition to MHA and MFTE, which produce units with rent and sales price restrictions through development, several other sources of funding produce and preserve affordable housing and stabilize low-income households in Seattle. The primary funding source is the Federal low-income housing tax credit (LIHTC) program. Locally, the City has a Housing Levy, a voter-approved property tax passed most recently in 2016. ~~Later-~~In 2023, voters approved ~~will consider a proposed~~ \$970 million Housing Levy renewal. Funds from these and other sources sustain several housing programs operated by the Office of Housing, including:

- The **Rental Housing Program** funds production and preservation of rental housing that serves low-income Seattle residents for a minimum of 50 years.
- The **Homeownership Program** funds the development of new for-sale housing stock sold to low-income, first-time homebuyers at affordable prices for a minimum of 50 years.
- The **Home Repair Program** funds critical health and safety repairs that help low-income homeowners preserve their asset and remain in their homes.
- The **Weatherization Program** funds energy conservation and indoor air quality improvements that support health, enhance living conditions, and lower utility bills for low-income homeowners and renters.

### **Tenant Protections**

Seattle has adopted a suite of tenant protections in recent years. In 2016, the City Council passed legislation banning discrimination against prospective tenants who use alternative forms of income to pay rent, like social security, child support, or unemployment benefits. This expanded existing protections for tenants paying for rent with Federal Section 8 housing vouchers. Renters in Seattle also have protection under the Just Cause Eviction Ordinance,

which requires landlords to have one of 16 “Just Cause reasons” if they want to terminate a tenancy. Other tenant protections help to ensure safe and healthy rental housing, uphold Fair Housing law, and prohibit rent increases in units with housing and building maintenance code violations.

### **Relocation Assistance**

Seattle has two forms of relocation assistance for tenants who are forced to move. The Tenant Relocation Assistance Ordinance (TRAO) provides relocation assistance to low-income households who are considered displaced due to their housing being torn down, substantially renovated, undergoing a change of use, or removing certain rent and income restrictions. In these cases, property owners and developers must obtain a Tenant Relocation License, and income-eligible renters receive relocation assistance of \$4,486, paid equally by the property owner and the City.

More recently, in 2022 the City Council established Economic Displacement Relocation Assistance (EDRA), which provides financial support to income-eligible tenants if their landlord increases housing costs by 10% or more during a 12-month period. This provides assistance to low-income households displaced not through physical alteration of their housing but housing cost increases.

### **Equitable Development Initiative (EDI)**

EDI was created in 2016 to address displacement resulting from inequitable growth in Seattle. Since then, EDI has awarded funding to dozens of community-driven anti-displacement projects in neighborhoods at high risk of displacement. Funding supports property ownership among Seattle’s diverse cultural communities through site acquisition, capital projects, and capacity building.

### **Other Potential Mitigation Measures**

Although not required to address identified impacts, the City could pursue the following kinds of actions to address possible population, employment, and housing conditions.

- ~~Implement MHA requirements in Neighborhood Residential zones.~~ The City could apply MHA requirements through changes in NR zones. This would increase affordable housing production in Alternatives 3 and 5, which contemplate allowing a greater amount and variety of housing in NR zones.
- **Develop an acquisition strategy for naturally occurring affordable housing.**
- **Increase funding for programs combating displacement.** To address the potential for residential, commercial, and cultural displacement under any alternative, the City could pursue various actions that support the stability and retention of existing households, and the preservation and creation of new, cultural institutions and businesses. Examples of potential anti-displacement actions include:

- Increasing funding for Seattle’s Equitable Development Initiative (EDI) to expand the ability of community organizations to acquire and development property in neighborhoods at high risk of displacement.
- Supporting low-income homeowners to add housing on their property to stay in place and build wealth. Homeowners who have low or fixed incomes may struggle with the rising costs of property ownership, including taxes and maintenance costs, and may also face challenges to adding housing to their property that could generate income or meet their household needs despite current or future zoning capacity that allows additional density. The City could fund programmatic efforts to help homeowners overcome awareness, financing, design, permitting, or other barriers.
- Strengthen the Office of Economic Development’s (OED) small business support programs. OED has provided a range of support services for small businesses, including access to capital, storefront repair, a stabilization fund pilot, and a tenant improvement fund pilot. Resources for these or similar programmatic efforts could mitigate potential commercial displacement pressure.
- Establish and fund a program that supports tenant or community ownership of rental housing when it becomes available for purchase.
- **Strengthen relocation assistance programs.** As described above, TRA0 and ERDA provide relocation assistance to low-income households displaced due to removal or alteration of their housing or increasing housing costs. The City could pursue policy or funding changes that would increase the number of households receiving assistance or the amount of assistance received.
- **Density bonuses:** The City could allow projects that set aside a significant portion of their units as income-restricted affordable housing to receive extra height or floor area.

### 3.8.4 Significant Unavoidable Adverse Impacts

Over time, additional growth and development will occur in Seattle, and much of this growth will occur through redevelopment. The alternatives vary based on the amount, types, and geographic pattern of existing housing and businesses that may be demolished to make way for new growth. While this can contribute to the risk of physical displacement, that risk is not significantly higher in the action alternatives. Moreover, the benefits in terms of reduced economic displacement pressure and increased production of affordable units offered by the action alternatives outweigh any increased risk of physical displacement. Therefore, no significant unavoidable adverse impacts to population, employment, or housing are expected under any alternative.