

# Washington State Housing Needs Study: *Framework, Findings, and Moving Forward*

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- Partner, Pacifica Law Group
- Chair, Washington State Affordable Housing Advisory Board

## Leslie Brinson Price

- Mayor's Office of Policy and Innovation, City of Seattle

## Tedd Kelleher

- Housing Assistance Unit Managing Director, Washington State Department of Commerce

# Who is AHAB? Affordable Housing Advisory Board membership

1. Residential construction
2. Residential construction
3. Nonprofit housing developer
4. For-profit housing developer
5. For-profit rental housing owner
6. Realtor
7. Housing authority representative
8. Home mortgage lender
9. Home mortgage lender
10. Apartment management representative
11. Homeless representative
12. Consumer of low-income housing
13. Special needs representative
14. Eastern county
15. Western county
16. Eastern city
17. Western city
18. At-large
19. Governor-appointed Chair

# Statutory Duties of the AHAB

Analyze solutions and programs to address the need for housing that is affordable to all economic segments and special needs populations

- Identify and remove regulatory barriers to the development and placement of affordable housing
- Stimulate public and private sector cooperation in the development of affordable housing
- Evaluate and recommend housing programs and initiatives, including tax and land use policies and financing programs

# Affordable Housing Needs Study

- First statewide study undertaken in over 12 years
- Multi-funder effort to increase coordination and collaboration (initiated by us, not the Legislature)
- Housing market analysis
- Gap analysis
- Existing need
- Forecast to project future need

# Funders

- Washington State Housing Finance Commission
- Washington State Department of Commerce
- Bill & Melinda Gates Foundation
- Washington REALTORS®
- Association of Washington Housing Authorities
- Building Industry Association of Washington
- Tacoma-Pierce County Association of REALTORS®
- Seattle-King County Association of REALTORS®
- Master Builders of Pierce County
- Olympia Master Builders

# Selecting a Consultant

- Sought advice from local partners and other states
- Distributed a national request for qualifications and quotations (RFQQ)
- Posted the RFQQ through state and academic bidders lists, and firms with experience doing this research
- Received 8 bids from firms around the country
- Selected Mullin & Lonergan Associates of Pennsylvania based on their proposal, experience, cost, and references.

# Methodology

- **Housing Market Overview**
  - Economic trends, demographic trends and housing inventory
  - Projections from Nielsen Site Reports
- **Calculation of Housing Demand**
  - Census Bureau Public Use Microdata Samples (PUMS)
- **Calculation of Supply**
  - Private market: Washington Center for Real Estate Research
  - Subsidized supply: Housing Authorities, WBARS, HUD/USDA/VA/RD
  - For Sale market: Washington Center for Real Estate Research, Home Mortgage Disclosure Act data
- **Calculation Housing Gap Analysis**
  - Econometric model to forecast net housing demand
  - National Low Income Housing Coalition Affordable Housing Gap Analysis

# What will our Needs Study Include?

- **Defining Affordability**
  - Home Sales
  - Rent Costs
  - Affordability Analysis
- **Cost Burden Analysis**
  - Statewide Cost-Burden
  - Tenure and Cost-Burden
  - Age and Cost-Burden
  - Household Size and Cost Burden
- **Affordable Housing Mismatch**
  - Income Bands
  - Summary of Mismatch
- **Existing Housing Supply**
  - Households and Units
  - Tenure
  - Vacancy
- **Subsidized Housing Inventory**
  - Data Sources
  - Inventory Characteristics
  - Anticipated Changes in the Inventory
  - Other Assisted Housing
- **Special Populations**
  - Persons with Disabilities
  - Homeless Persons
  - Veterans
  - Victims of Domestic Violence

# Statewide Cost Burdened Households - Draft

Figure 16: Cost-Burdened Households, 2011

	Total households	In affordable units	Cost-burdened*	Severely cost-burdened**	% Cost-burdened***
ELI	297,775	63,905	38,635	195,235	78.54%
VLI	278,455	77,325	106,750	94,380	72.23%
LI	400,845	202,490	137,605	60,750	49.48%
MI	275,350	177,130	77,770	20,450	35.67%
>100% of AMI	1,350,135	1,145,450	180,880	23,805	15.16%
Total	2,602,560	1,666,300	541,640	394,620	35.97%

\* households whose costs are 30%-50% of household income

\*\* households whose costs are 50% of household income or higher

\*\*\* includes all households whose costs are 30% of household income or higher

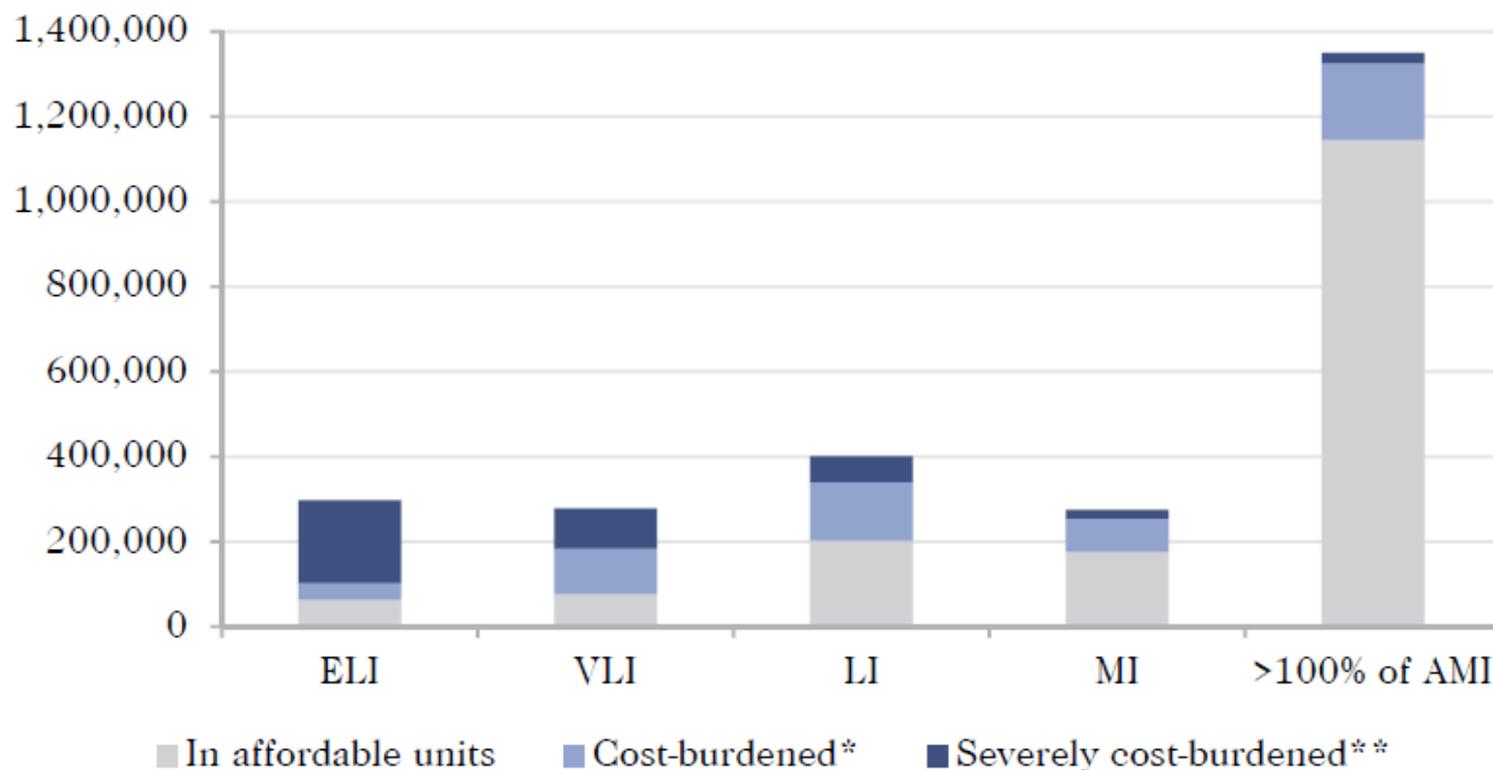
Source: CHAS 2007-2011

# Statewide Cost Burdened Households - Draft

	<b>Severely cost- burdened**</b>
ELI	195,235
VLI	94,380
LI	60,750
MI	20,450
>100% of AMI	23,805
<hr/> Total	<hr/> 394,620

# Statewide Cost Burdened Households - Draft

Figure 17: Statewide Cost-Burdened Households, 2011

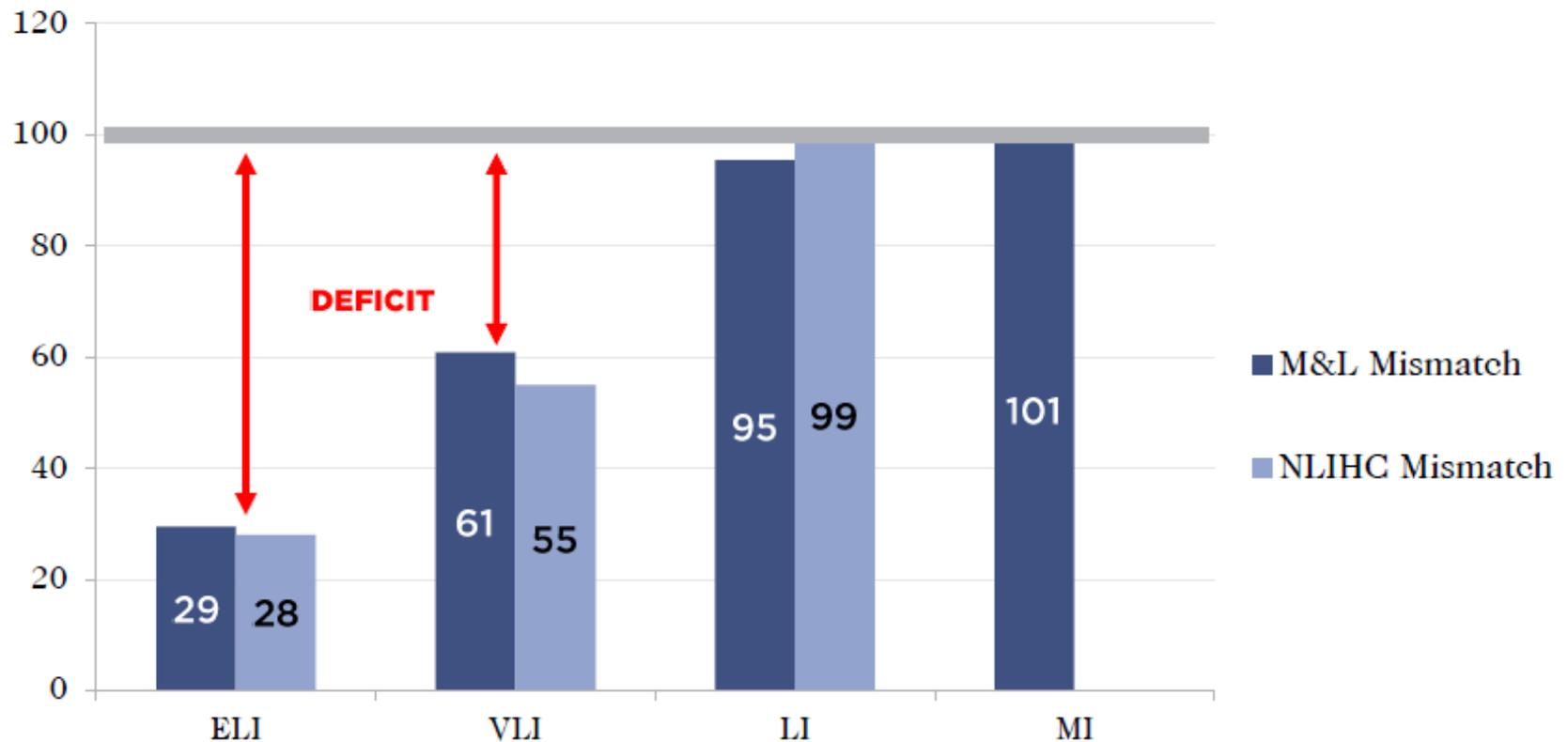


\* households whose costs are 30%-50% of household income

\*\* households whose costs are 50% of household income or higher

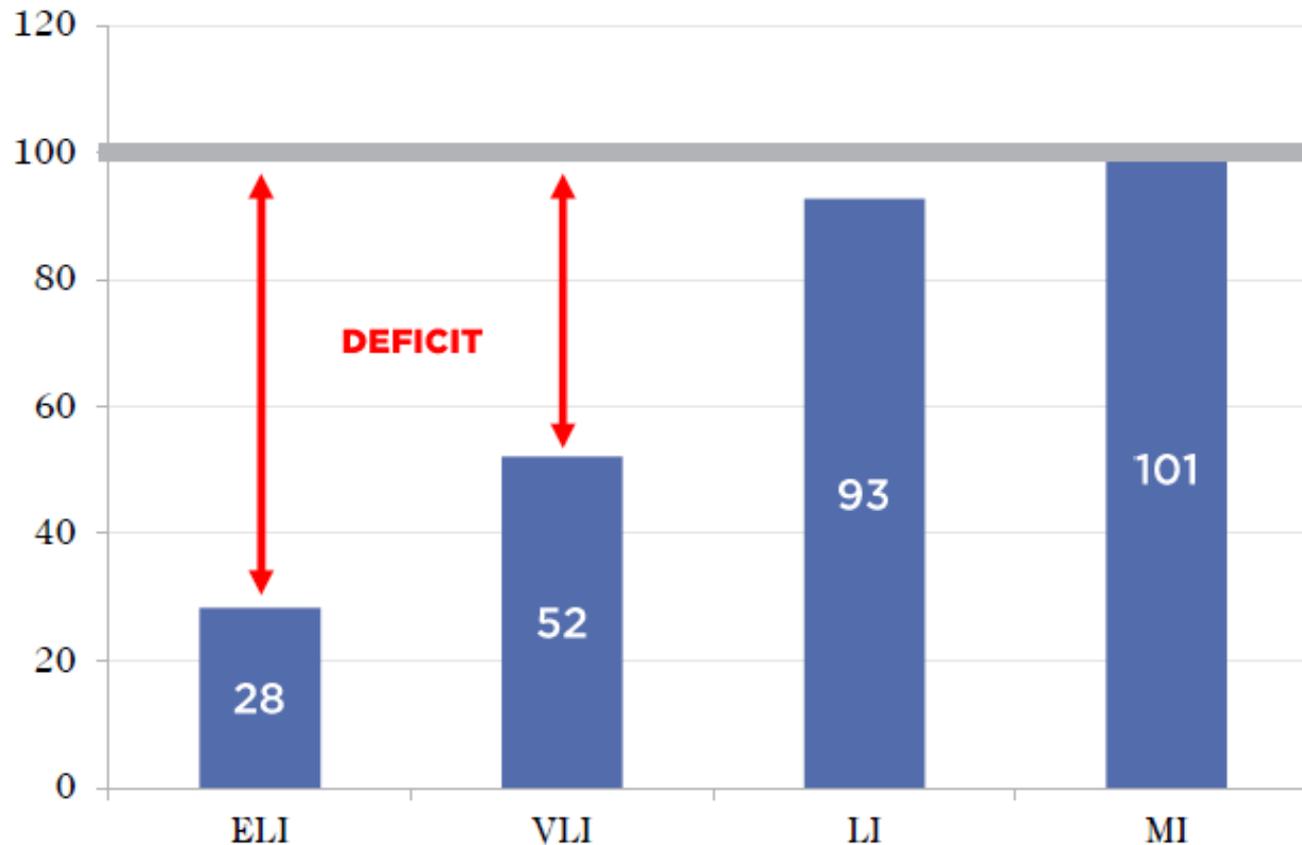
# Affordable and Available - Draft

## State of Washington



# Affordable and Available - Draft

## City of Yakima



# Statewide Cost-Burdened Households by Age of Householder - Draft

Figure 25: Statewide Cost-Burdened Households by Age of Householder, 2012

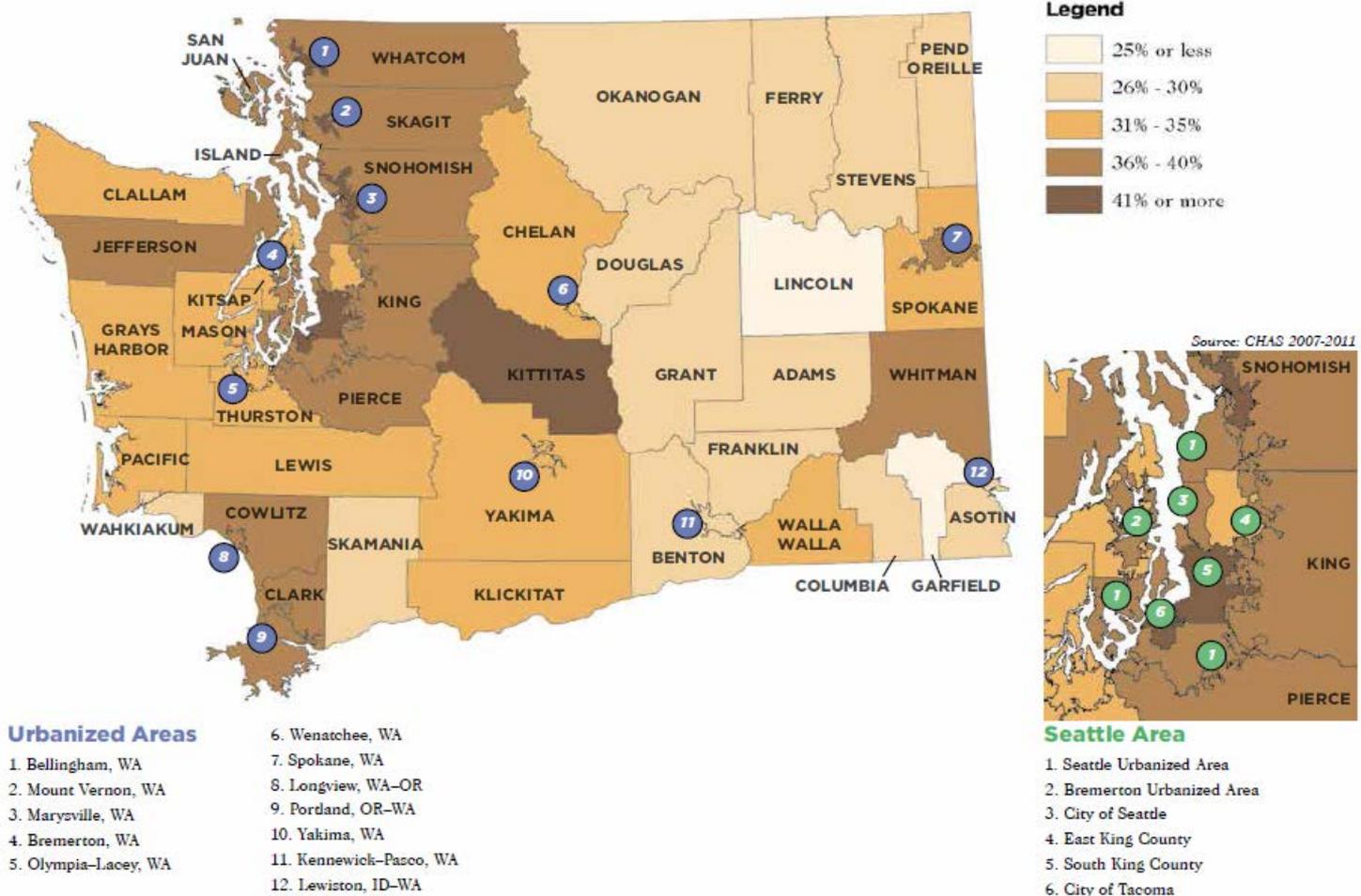
Age of Householder	Total households	In affordable units	Cost-burdened*	% Cost-burdened*
15 - 24	130,819	53,725	77,094	58.93%
25 - 34	437,416	253,438	183,978	42.06%
35 - 64	1,526,253	980,934	545,319	35.73%
65+	525,506	340,061	185,445	35.29%

\* households whose costs are 30% of household income or higher

Source: ACS 2008-2012

# Percentage of Cost-Burdened Households - Draft

Map 5: Percentage of Cost-Burden Households, 2011



# Subsidized Inventory Summary by County

## - Draft

Figure 43: Subsidized Inventory Summary by County, 2013

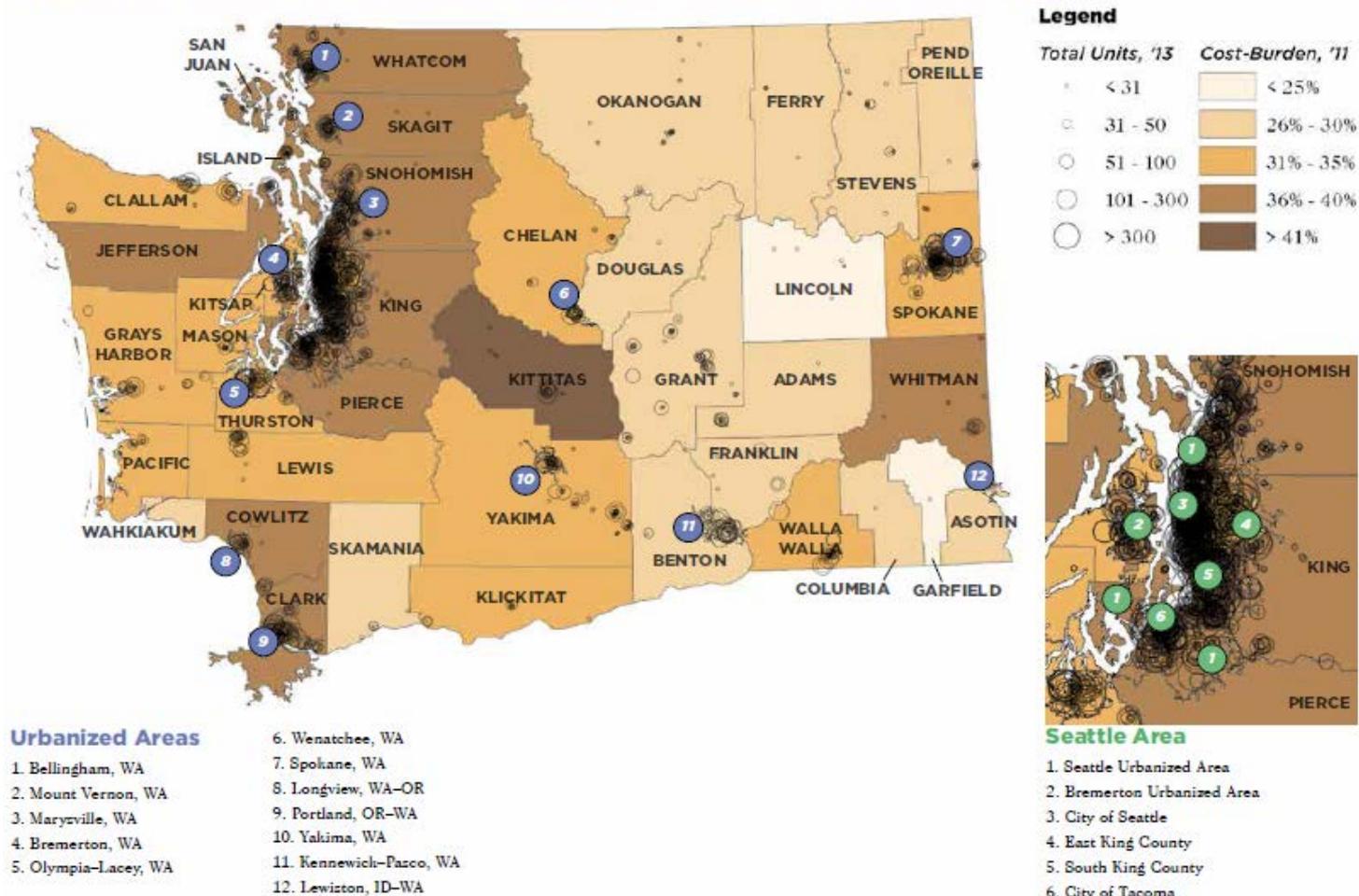
County	Sites	Units	% of Inventory	% of 2012 Population	% of Cost-Burdened HHs
Adams	15	441	0.3%	0.3%	0.2%
Asotin	12	280	0.2%	0.3%	0.2%
Benton	35	2,902	2.2%	2.6%	1.7%
Chelan	38	1,507	1.1%	1.1%	0.9%
Clallam	37	1,592	1.2%	1.1%	1.1%
Clark	99	6,350	4.7%	6.3%	6.2%
Columbia	2	50	0.0%	0.1%	0.1%
Cowlitz	34	1,256	0.9%	1.5%	1.5%
Douglas	12	316	0.2%	0.6%	0.4%
Ferry	10	121	0.1%	0.1%	0.1%
Franklin	19	1,270	0.9%	1.2%	0.7%
Garfield	1	2	0.0%	0.0%	0.0%
Grant	73	2,100	1.6%	1.3%	0.8%
Grays Harbor	28	900	0.7%	1.1%	0.9%
Island	26	785	0.6%	1.2%	1.3%
Jefferson	20	690	0.5%	0.4%	0.5%
King	949	57,259	42.6%	28.8%	31.5%
Kitsap	91	4,272	3.2%	3.7%	3.6%
Kittitas	21	930	0.7%	0.6%	0.8%
Klickitat	13	277	0.2%	0.3%	0.3%

County	Sites	Units	% of Inventory	% of 2012 Population	% of Cost-Burdened HHs
Lewis	32	1,228	0.9%	1.1%	1.0%
Lincoln	8	107	0.1%	0.2%	0.1%
Mason	14	401	0.3%	0.9%	0.9%
Okanogan	32	651	0.5%	0.6%	0.4%
Pacific	14	326	0.2%	0.3%	0.3%
Pend Oreille	9	143	0.1%	0.2%	0.2%
Pierce	168	10,203	7.6%	11.8%	12.5%
San Juan	12	202	0.2%	0.2%	0.3%
Skagit	58	2,261	1.7%	1.7%	1.9%
Skamania	5	133	0.1%	0.2%	0.1%
Snohomish	217	12,842	9.6%	10.6%	11.3%
Spokane	167	8,682	6.5%	7.0%	6.7%
Stevens	20	440	0.3%	0.6%	0.6%
Thurston	70	3,838	2.9%	3.7%	3.6%
Wahkiakum	2	19	0.0%	0.1%	0.0%
Walla Walla	40	1,474	1.1%	0.9%	0.7%
Whatecom	85	3,629	2.7%	3.0%	3.3%
Whitman	19	439	0.3%	0.7%	0.7%
Yakima	119	4,075	3.0%	3.6%	2.8%
Total	2,626	134,393*	100.0%	100.0%	100.0%

\* Total includes market-rate units at mixed-income site and units set aside at 100% of AMI in addition to units set aside at or below 80% of AMI.

# Distribution of Subsidized Housing Inventory and Cost-Burden - Draft

Map 16: Distribution of Subsidized Housing Inventory and Cost-Burden, 2013



# Subsidized Inventory by Size - Draft

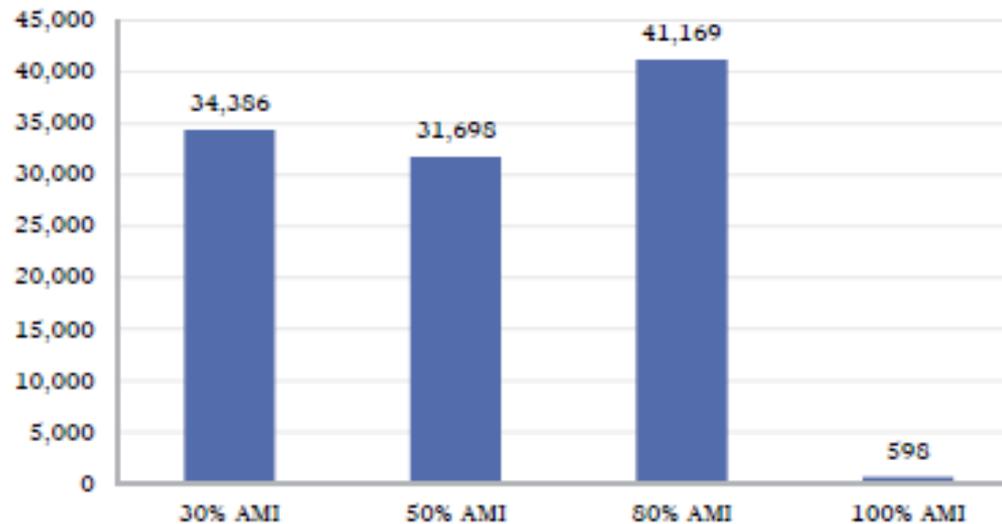
Figure 45: Subsidized Inventory by Size, 2013

Type	#	%
Single-Room Occupancy	1,385	1.0%
Studio	11,490	8.5%
One Bedroom	54,276	40.4%
Two Bedrooms	36,479	27.1%
Three Bedrooms	15,645	11.6%

Type	#	%
Four or More Bedrooms	3,160	2.4%
Group Home	2,257	1.7%
No data	9,701	7.2%
Total	134,393	100%

# Total Units by Income Limit - Draft

Figure 48: Total Units by Income Limit, 2013



Note: Income limits between these marks (example: 60%) were added into the next highest category.

# Comparison of Inventory and Cost-Burdened Renter Households by Income - Draft

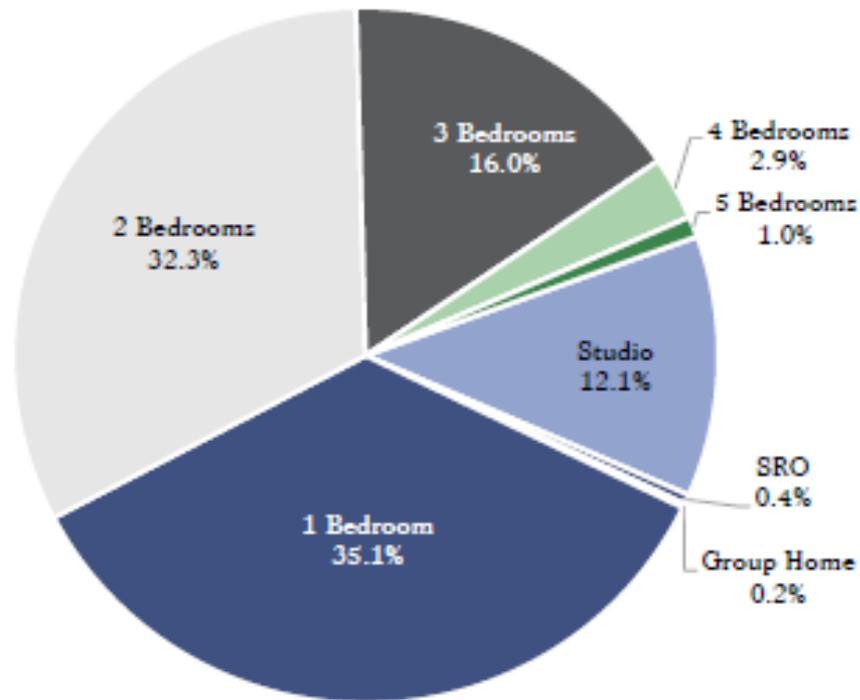
*Figure 50: Comparison of Inventory and Cost-Burdened Renter Households by Income, 2013*

Income Band	Subsidized Units		Total Renter Households	Cost-Burdened Renter HHs	Severely Cost-Burdened Renter HHs
	#	%			
ELI	34,386	31.88%	208,620	25,865	139,565
VLI	31,698	29.39%	161,435	79,035	49,380
LI	41,169	38.17%	189,615	76,325	12,580
MI	598	0.55%	104,745	18,750	1,775

*Note: Income limits have no floor, so a household at 30% AMI would qualify for a unit limited to 50% or below.*

# Pipeline Inventory by Unit Size - Draft

Figure 55: Pipeline Inventory by Unit Size, 2014



# Timeline for Completion

Milestone	Target Date
Presentation at Housing Washington	10/8/2014
Final Draft	10/13/2014
Draft appendices and county profiles	10/27/2014
Final county profiles	11/10/2014
All supporting files delivered to Washington	11/21/2014
Presentation to Legislative Committees	12/4/2014
Distribution to the Public and Stakeholders	January 2015

# For More Information

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