

King County Benchmarks

2008-2009

Affordable Housing

Rents Continue to Rise, Despite Sluggish Housing Market

The current recession has worldwide, national and local ramifications. While the central Puget Sound area has been more insulated than a number of other regional economies, the indicators in this bulletin portend a downturn in the local housing market. In 2007, the volume of home sales decreased from the previous two years. And for the first time in five years, home prices increased at a lower rate than both incomes and rents. At the same time, increasing rents and unemployment rates suggest that rental housing, historically a source of more affordable housing for many lower-income households, is becoming less affordable to those households that need it. Though possibly less acute in King County, these indicators suggest that the local housing market is experiencing a contraction that is seen throughout the country.

To date, the local housing market has appeared more resilient to the effects of the recession than other regions. Through 2007 home prices continued to climb, though at a much lower rate than in the previous two years. The foreclosure rate in King County has remained lower than the national average and the home ownership rate continues to rise. However, more households are paying more than they can afford for housing, a trend that may persist if King County's unemployment rate continues to climb.

Since 2000, the national and local economies have experienced two recessions, each bringing markedly different effects to the housing market. Following the burst of the dot-com bubble in 2000, unemployment increased and per capita incomes stagnated. Despite this, the housing market boomed and with greater access to credit, more Americans began investing in the housing market, both as a means to secure housing and to provide an additional source of income. For several years the housing market saw meteoric growth, encouraging households to increase their consumption patterns by borrowing against their rising home values, which in turn contributed to the rise out of recession. Locally, home prices saw double-digit growth in both 2005 and 2006, far outpacing the growth in income and rents. Despite the increasing home purchase affordability gap, the home ownership rate in King County continued to grow.

Speculating on continued growth in the real estate market, many of these investments were made with unsustainable loan instruments. However, the market peaked in 2006 and as home values began sliding and interest rates on sub-prime loans increased, many homeowners were unable to fulfill their debt obligations and lost their homes to foreclosure. The real estate crisis has been acute in a handful of local markets outside of the Puget Sound region, but its effects have rippled throughout the country as the crashing of the sub-prime market contributed to the current recession.

What's Inside

As in previous years, the **Supply of Affordable Rental Housing** is insufficient for low income households with fewer than 10% of the market-rate rentals affordable to those earning 40% of median income (page 2, Indicator 21).

Almost 40% of all King County households pay more than 30% of their **Income for Housing Costs** (page 4, Indicator 22).

It is estimated that at least 25,000 people in King County experienced at least one episode of **Homelessness** in 2008 (page 5, Indicator 23).

The **Home Purchase Affordability Gap** for median-income households held at 53% in 2007 (page 6, Indicator 24).

Bucking the national trend, the **Home Ownership Rate** in King County has increased since 2000 (page 7, Indicator 25).

After a five-year downward trend, the **Apartment Vacancy Rate** grew slightly to 4.2% in 2008 (page 8, Indicator 26).

With income growing at a higher rate than home prices in 2007, King County experienced a change in the **Trend of Housing Costs In Relation to Income** (page 10, Indicator 27).

Public Dollars Spent for Low Income Housing increased in 2005 as King County jurisdictions dedicated \$18.6 million to create, preserve, or repair over 1,000 affordable housing units (page 11, Indicator 28).

Housing Units Affordable to Low-Income Households are not evenly distributed in the county, with east side cities holding less than five percent of all market rate rental units affordable to households that earn half of the median income (page 14, Indicator 29).

SPECIAL NOTE TO READERS: In previous years, the *Affordable Housing* bulletin based home affordability on U.S. HUD family income thresholds. This bulletin uses the median household income reported by the American Community Survey as a basis for affordability. Adjustments to prior year analysis have been made throughout this bulletin but comparison to reporting in previous bulletins should be made with caution.

Supply and Demand for Affordable Rental Housing

OUTCOME: PROVIDE SUFFICIENT AFFORDABLE HOUSING FOR ALL KING COUNTY RESIDENTS

Countywide Planning Policy Rationale

"All jurisdictions shall plan for housing to meet the needs of all economic segments of the population." (AH 1)...Each jurisdiction shall participate in developing Countywide housing resources and programs to assist the large number of low and moderate-income households who currently do not have affordable, appropriate housing. These Countywide efforts will help reverse current trends which concentrate low-income housing opportunities in certain communities, and achieve a more equitable participation by local jurisdictions in low income housing development and services. Countywide efforts should give priority to assisting households below 50% of median-income that are in greatest need and communities with high proportions of low and moderate income residents (AH 2)...King County shall report annually on housing development, the rate of housing cost and price increases and available residential capacity Countywide." (AH 4)

Rental Housing Supply. Rental housing has historically provided an affordable housing option for lower- and moderate- income households in King County. From 2000 to 2006, rents grew annually at just over one percent while incomes increased three percent per year and home prices averaged a remarkable nine percent annual growth rate. However, 2007 signaled a turning point in the housing market. For the first time in five years, rents grew at a higher rate than both income and home prices, leading to a decrease in rental affordability. As shown in figure 21.1, more than 85% of the county's rental units are affordable to households earning 80% of median income, down from 93% in 2006. Similarly, rental affordability for households earning one-half of median income decreased. While 46% of the county's rentals were affordable to these households in 2006, fewer than 34% of the rentals remained affordable in 2008.

Figure 21.1

Percent of Rental Housing Affordable to Moderate- and Low-Income Households (spring 2008)				
		Percent of Rental Units Affordable by Income Category		
Jurisdiction	median rent	<80%	<50%	<40%
East	\$1,156	74.3%	7.4%	0.7%
Rural Cities	\$1,295	51.5%	24.2%	2.8%
South	\$825	96.4%	51.1%	14.0%
Seashore	\$930	82.8%	34.6%	7.7%
Uninc King County	\$980	85.6%	25.1%	5.5%
Countywide	\$940	85.4%	33.8%	8.3%

source: Dupre + Scott Apartment Advisors, Inc.

According to a spring 2008 survey of rental units in King County, the median rental unit cost \$940. As shown in figure 21.1, rents in both South King County and Seashore are generally lower than the county median, while rents in unincorporated King County (including the rural area), the Eastside and the county's rural cities exceeded the county median. It should be noted that these findings include market-rate rentals only. Lacking a consistent count to subsidized and tax credit properties that cater of households earning under 60% of median income throughout King County, this bulletin estimates the distribution of market-rate rentals only. As such, the share of rentals affordable to households earning less than 60% of median income is likely underestimated.

Figure 21.2

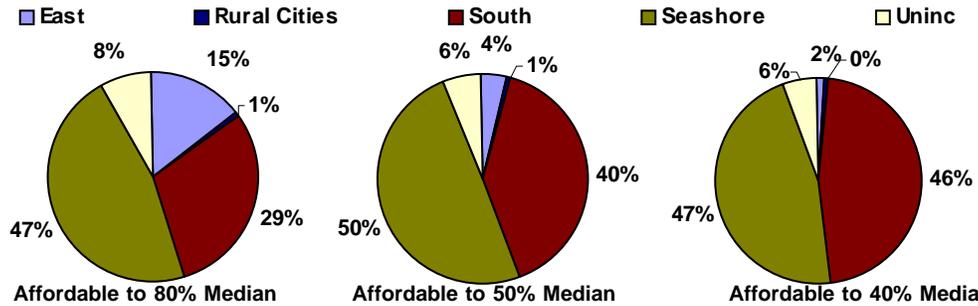
2007 Median HH Income and Affordable Home Costs						
	Annual Income					
	30% median	40% median	50% median	60% median	80% median	median income
	\$20,100 (\$9.66/hr)	\$26,800 (\$12.88/hr)	\$33,500 (\$16.11/hr)	\$40,200 (\$19.33/hr)	\$53,600 (\$25.77/hr)	\$67,010 (\$32.22/hr)
Affordable Monthly Hsg Payment ¹	\$419	\$558	\$698	\$838	\$1,117	\$1,396
Affordable Rent ²	\$503	\$670	\$838	\$1,005	\$1,340	\$1,675
Affordable Home Price ³	\$77,600	\$103,500	\$129,400	\$155,300	\$207,000	\$258,800

source: American Community Survey

¹Affordable monthly housing payment assumes a 25% monthly expenditure to account for additional costs (such as waste collection and other utilities) that are not typically captured in a mortgage payment. ²Affordable rent assumes a 30% monthly expenditure as it typically captures these additional costs. ³For the affordable home price this table uses a 5% down payment on a 30 yr. mortgage at 5.5% interest (estimate).

Figure 21.3

Distribution of Rental Housing in King County Affordable to Income Groups (Spring 2008 estimates)



source: American Community Survey, Dupre + Scott Apartment Advisors, Inc.

Figure 21.3 summarizes the table on page 13 of this bulletin and estimates the distribution of affordable rental housing among the county’s subareas. As shown, most rental units countywide that are affordable to households earning 40% of median household income are in the South King County and SeaShore subareas. Although a larger proportion of the rental units within South King County are affordable to these low income households, the magnitude of the housing stock in Seashore (and Seattle specifically) leads to this distribution of affordable rental housing.

Almost three-quarters of the rental units in East King County are affordable to households earning 80% of median income, providing 15% of the countywide supply affordable at this income level. Meanwhile, just four percent of the market-rate rental units in King County that are affordable to households that earn half of the median income are in East King County.

Rental Housing Demand. Figure 21.4 estimates the number and size of rental households in King County by income and affordable rental category. Renter households typically have smaller household sizes; nearly three-quarters of all renter households include two people or less. The vast majority of rental units reflect smaller household sizes. Over 90% of all rental units have two bedrooms or less, and at least half of all rental units are either one-bedroom or studios. With more income earners likely in the household, roughly half of all two- and three-person renter households earn at least 80% of median income and can afford more than \$1341 in rent. In contrast, less than one-fifth of all one-person households can afford this amount. An estimated 60,000 households, comprising one-fifth of all renters, are one-person households earning less than 40% of median income and who can afford no more than \$670 in rent. However, studio apartments available in this price range only make up fewer than five percent of the market-rate rental units in King County. More than one-third of all renter households earn less than 40% of median income and can afford less than \$670 in rent, yet only 8% of all market-rate rental units are priced in this range.

Figure 21.4

Number of Renter Households in King County by Household Size and Income Category and Affordable Rent Range (2007)								
		Income Category						TOTAL
		40% median	50% median	60% median	80% median	median income	above median	
		\$26,800 (\$12.88/hr)	\$33,500 (\$16.11/hr)	\$40,200 (\$19.33/hr)	\$53,600 (\$25.77/hr)	\$67,010 (\$32.22/hr)	\$67,011+ (\$32.22+/hr)	
		Affordable Rental Range						
		<=\$670	\$671-\$838	\$839-\$1005	\$1006-\$1173	\$1174-\$1340	\$1341+	
household size	1 person in household	60,000	16,700	13,500	9,700	9,000	26,900	135,800
	2 people in household	19,200	4,100	4,900	4,900	5,400	39,500	78,000
	3 people in household	9,400	2,500	3,000	2,300	2,000	16,300	35,500
	4 people in household	6,500	1,300	1,800	2,100	1,700	7,900	21,300
	5+ people in household	5,600	1,000	600	700	1,800	7,500	17,200
	TOTAL	100,700	25,600	23,800	19,700	19,900	98,100	287,800

source: American Community Survey, Dupre + Scott Apartment Advisors, Inc.

Percent of Income Paid for Housing

OUTCOME: PROVIDE SUFFICIENT AFFORDABLE HOUSING FOR ALL KING COUNTY RESIDENTS

Countywide Planning Policy Rationale

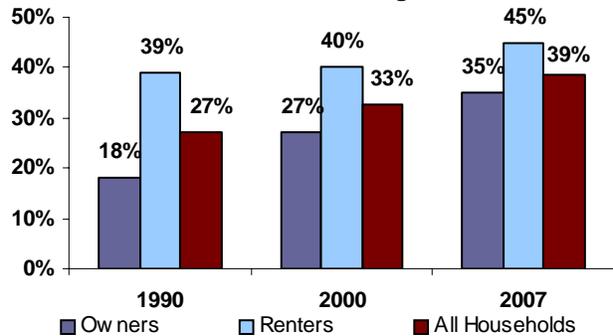
"All jurisdictions shall provide for a diversity of housing types to meet a variety of needs and provide housing opportunities for all economic segments of the population. All jurisdictions shall cooperatively establish a process to ensure an equitable and rational distribution of low-income and affordable housing throughout the County..." (FW 28). "The Growth Management Planning Council...shall evaluate achievement of Countywide and local goals for housing for all economic segments of the population. [It] shall consider annual reports prepared under policy AH-5 as well as market conditions and other factors affecting housing development. If the Growth Management Planning Council... determines that housing planned for any economic segment falls short of need for such housing, the Growth Management Planning Council...may recommend additional actions." (AH-6)

According to the U.S. Department of Housing and Urban Development, 30% of gross income is the maximum that all but wealthy households can pay in housing costs without creating an excessive housing cost burden. Housing that requires more than 30% of income is considered to be "unaffordable."

Since 1990, the share of King County households living in unaffordable housing has increased. In 2007, nearly 290,000 households allocated more than 30% of their income toward housing costs. Of note, the share of owner households paying more than they can afford for housing has increased markedly since 2000, an increase which may partly be attributed to rising interest rates on Adjustable Rate Mortgages and home equity lines of credit.

Figure 22.1

Percent of Households Paying More than 30% of Income for Housing Costs



source: American Community Survey

As shown in figure 22.2, housing costs are particularly burdensome on lower-income households. Four out of five King County households earning less than 50% of median household income pay more than they can afford for housing.

Figure 22.2

Percent of Households Paying More than 30% of Income for Housing Costs by Income Category*							
	Income Category Based on a Median Household Income of \$67,010 (2007)						
	<30% median income	30%-40% median income	40%-50% median income	50%-60% median income	60%-80% median income	80%-100% median income	> median income
Owner Households							
number of households	23,879	15,983	15,983	19,809	42,281	43,543	311,835
percent paying more than 30% for housing	88%	66%	66%	58%	54%	49%	22%
Renter Households							
number of households	66,951	23,867	23,867	21,425	37,594	27,118	75,865
percent paying more than 30% for housing	88%	73%	73%	45%	32%	15%	6%
All Households							
number of households	90,830	39,850	39,850	41,234	79,875	70,661	387,700
percent paying more than 30% for housing	88%	71%	71%	52%	44%	36%	19%

source: American Community Survey

* This table excludes 12,697 households paying no cash rent or with zero or negative income. The distribution of households within these income categories may differ from those seen in other indicators accordingly.

Homelessness

OUTCOME: PROVIDE SUFFICIENT AFFORDABLE HOUSING FOR ALL KING COUNTY RESIDENTS

Countywide Planning Policy Rationale

“Countywide programs should provide the following types of housing and related services: 1) Low income housing development, including new construction, acquisition, and rehabilitation; 2) Housing assistance, such as rental vouchers and supportive services; 3) Assistance to expand the capacity of nonprofit organizations to develop housing provide housing related services; 4) Programs to assist homeless individuals and families; 5) Programs to prevent homelessness; and 6) Assistance to low and moderate-income buyers. (AH-2A)

Providing a yearly snapshot of homelessness in King County, the One Night Count includes both a street count of people without any shelter and a survey of those in emergency shelters and transitional housing programs. This data show that at least 8,439 people were homeless in King County on one night in January 2008. According to the Seattle/King County Coalition on Homelessness, over 25,000 people experienced homelessness in King County over the course of this year.

Figure 23.1

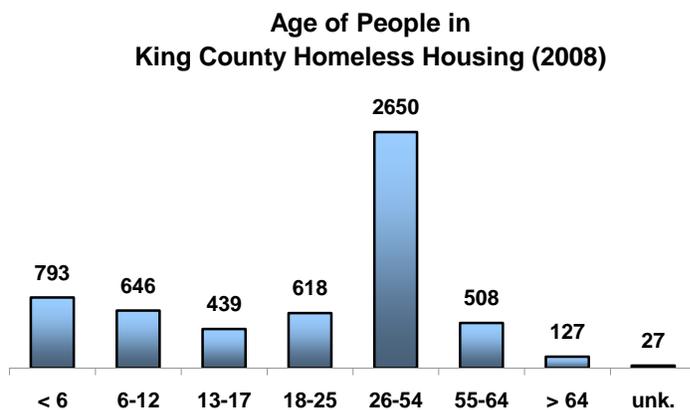
Estimated Number of Homeless Persons in King County (1998-2008)*										
	OCT 1998	OCT 1999	OCT 2000	OCT 2001	OCT 2002	OCT 2003	OCT 2004	JAN 2006	JAN 2007	JAN 2008
Unsheltered Street Count	784	983	1,085	1,454	2,040	1,899	2,216	1,946	2,159	2,631
Sheltered Homeless	3,543	3,965	4,500	4,671	4,675	4,617	4,636	5,964	5,680	5,808
Total	4,327	4,948	5,585	6,125	6,715	6,516	6,852	7,910	7,839	8,439

source: King County Department of Community and Human Services

*Because of changes to the street count and provider survey, comparability with previous years is limited.

During a three hour period in January 2008, volunteers counted 2,631 persons without shelter in thirteen King County cities and unincorporated areas. According to this street count, about three-fourths of unsheltered homeless persons were in Seattle. On the same night, another 2,515 people were staying in emergency shelters and 3,293 people were living in transitional housing programs countywide. Although African Americans represent only about five percent of the King County population, around 40% of the people in emergency shelters and transitional housing programs were African American in 2008.

Figure 23.2



source: King County Department of Community and Human Services

Of the 5,808 people in homeless housing, half were a part of families with children. Single men accounted for 36% and 13% were single women. Nearly a third of people staying in emergency shelters and transitional housing programs were children under the age of 18.

While less than one percent of the people reported in the survey were unaccompanied minors, this likely reflects the lack of beds or programs designated for young people in this circumstance. Information about the people counted in the survey is directly related to the number and type of programs designated to serve families with children.

Home Purchase Affordability Gap

OUTCOME: PROMOTE AFFORDABLE HOME OWNERSHIP OPPORTUNITIES

Countywide Planning Policy Rationale

"Within the Urban Growth Area, each jurisdiction shall demonstrate its ability to accommodate sufficient affordable housing for all economic segments of the population. Local actions may include zoning land for development of sufficient densities, revising development standards and permitting procedures as needed to encourage affordable housing, reviewing codes for redundancies and inconsistencies, and providing opportunities for a range of housing types, such as accessory dwelling units, manufactured homes, group homes and foster care facilities, apartments, townhouses and attached single family housing." (AH-1)

The home purchase affordability gap is defined as the gap between the price that a typical household can afford to pay for a home and the median price of housing on the market. This indicator analyzes the affordability gap for both median-income households and those households earning 80% of median household income (typical first-time buyer).

Between 2000 and 2003, King County's affordability gap decreased as incomes made nominal gains and interest rates began dropping. Beginning in 2004, a very active housing market saw home prices rise at a greater rate than incomes, contributing to a growing affordability gap.

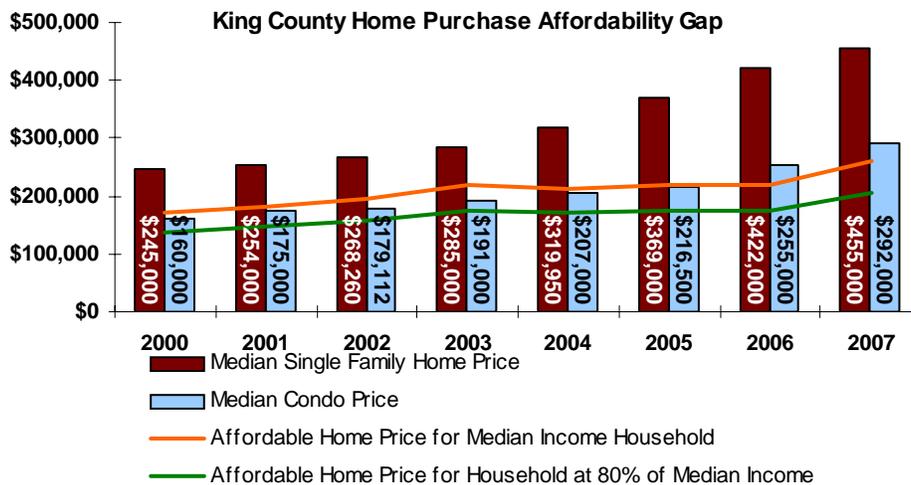
Despite the decrease in affordability, the home ownership rate in King County continued to rise, as shown in Indicator 25. The thriving housing market was marked by ready credit availability for many interested home buyers, which corresponded to the rise in ownership.

Figure 24.1

	Home Price		Affordability Gap	
	Median	Affordable	Dollars	Percentage
1970	\$ 21,700	\$ 26,900	\$ (5,200)	-19%
1980	\$ 71,700	\$ 46,600	\$ 25,100	54%
1990	\$ 140,100	\$ 95,500	\$ 44,600	47%
1970-1990 figures are based on U.S. Census Survey data				
2000	\$ 225,000	\$ 171,000	\$ 54,000	32%
2001	\$ 235,000	\$ 180,900	\$ 54,100	30%
2002	\$ 249,000	\$ 196,200	\$ 52,800	27%
2003	\$ 265,000	\$ 219,700	\$ 45,300	21%
2004	\$ 289,950	\$ 212,900	\$ 77,050	36%
2005	\$ 332,000	\$ 219,300	\$ 112,700	51%
2006	\$ 378,500	\$ 220,300	\$ 158,200	72%
2007	\$ 397,000	\$ 258,800	\$ 138,200	53%

source: U.S. Census Bureau, American Community Survey, King County Department of Assessments

Figure 24.2



source: U.S. Census Bureau, American Community Survey, King County Department of Assessments

For the first time since 2000, an affordability gap exists in the condominium market for median income households. Through 2005, households earning median income could afford a median-priced condominium, but in both 2006 and 2007 a median-priced condominium was not affordable to these households.

For first-time homebuyers, the affordability gap for condos has widened. In 2007, the average condominium was 41% more costly than a typical first-time buyer could afford; in 2003, this gap stood at just nine percent.

Home Ownership Rate

OUTCOME: PROMOTE AFFORDABLE HOME OWNERSHIP OPPORTUNITIES

Countywide Planning Policy Rationale

"Countywide programs should provide...low-income housing development, including new construction, acquisition, and rehabilitation; [and]...assistance to low and moderate income home buyers. (AH-2A)

The trend in local home ownership has diverged from the national trend. While a greater share of the country's households have entered home ownership since 1970, the ownership rate in King County actually decreased. Nationally, the largest gains in homeownership occurred in the 1990s, while only minor gains were seen in King County. However, the trend has reversed since 2000, with an increase in home ownership locally and virtually no change nationally.

As the country moved out of a recession after 2000 and interest rates remained low, both the national and local home ownership rates increased through 2005. Indeed, strong growth in the housing market accompanied a rising national home ownership rate, which reached 69% in 2005. However, a distinct reversal of this upward trend began in 2006 as the home ownership rate throughout the United States dropped to 67% and remained there through 2007.

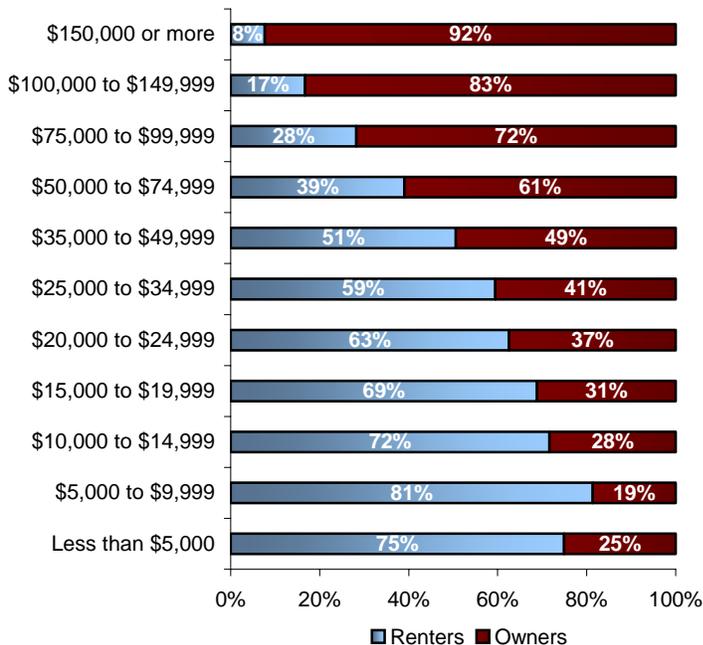
Figure 25.1

Home Ownership Rate					
Year	1970	1980	1990	2000	2007
King County	63%	62%	59%	60%	62%
Washington State	67%	67%	62%	65%	66%
Western United States	60%	60%	58%	61%	63%
United States	63%	64%	64%	67%	67%

source: U.S. Census Bureau, American Community Survey

Figure 25.2

Distribution of Renter and Owner Households in King County by Income Group



source: American Community Survey

This drop in ownership may be attributed to dubious mortgage lending practices and a recent economic downturn that have accompanied rising foreclosure rates throughout the country. While pressure on the housing market has been felt nationally, it has been pronounced in housing markets that experienced dramatic and arguably unsustainable growth in recent years (such as Las Vegas with a 4% foreclosure rate in 2007) and in those that have been most affected by the recent economic downturn (such as Detroit with an almost 5% foreclosure rate).

With a 2007 foreclosure rate of less than 0.5%, the Seattle-Bellevue-Everett metropolitan area has not experienced as much strain on the housing market. This relatively low foreclosure rate accompanies a slight increase in King County's home ownership rate over the last several years.

As shown in figure 25.2, the rate of home ownership increases as income increases. In 2007, about two-thirds of owner households earned more than median household income. In contrast, almost three-quarters of all renter households earned less than median income.

Apartment Vacancy Rate

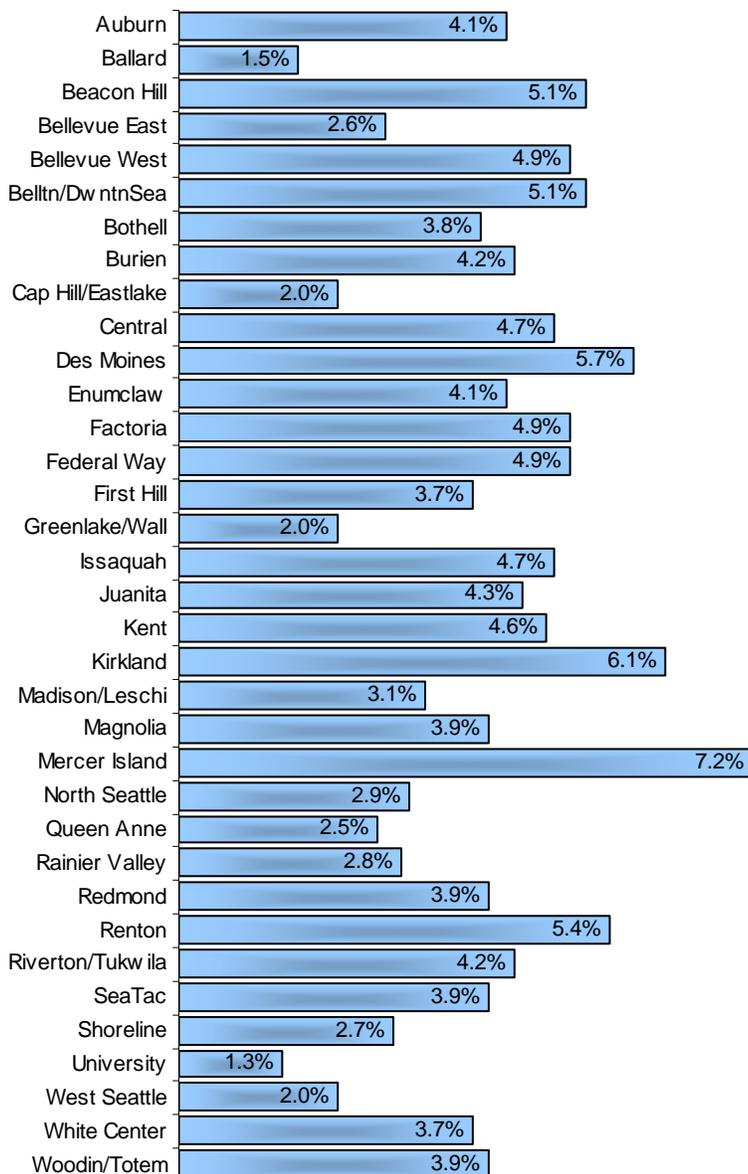
OUTCOME: PROVIDE SUFFICIENT AFFORDABLE HOUSING FOR ALL KING COUNTY RESIDENTS

Countywide Planning Policy Rationale

"The distribution of housing affordable to low and moderate-income households shall take into consideration the need for proximity to lower wage employment, access to transportation and human services, and the adequacy of infrastructure to support housing development ...avoid over-concentration of assisted housing; and increase housing opportunities and choices for low and moderate-income households in communities throughout King County. Each jurisdiction shall give equal consideration to local and Countywide housing needs." (AH-2)...All jurisdictions shall monitor residential development within their jurisdictions....Housing prices and rents also should be reported...King County shall report annually on housing development, the rate of housing cost and price increases and available residential capacity Countywide." (AH-5)

Figure 26.1

Vacancy Rates in King County Neighborhoods April 2008



source: Dupre + Scott Apartment Advisors, Inc.

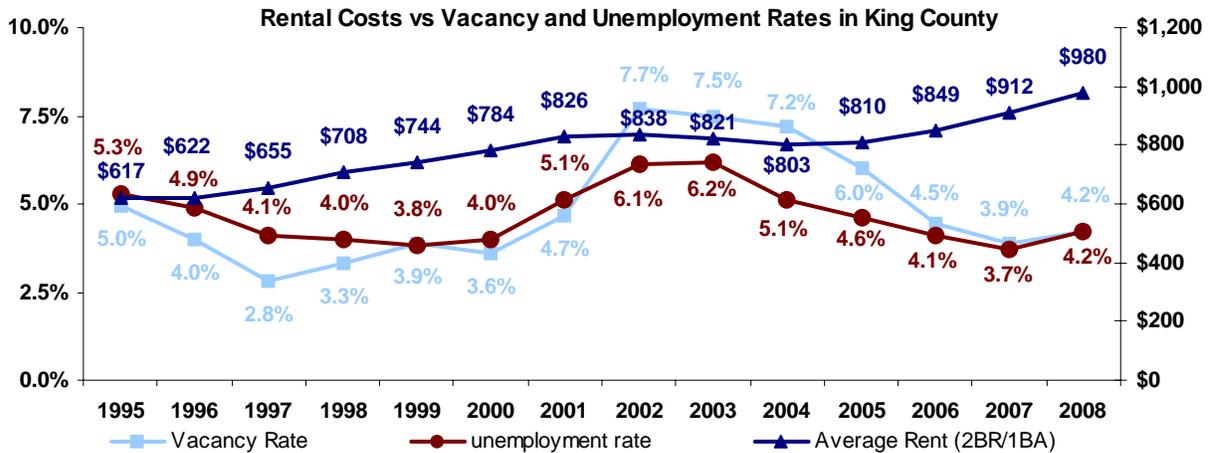
Rental vacancy rates are influenced by the availability of housing stock and measure the capacity to accommodate household demand. A vacancy rate of five percent is generally regarded as a normal market rate. Lower vacancy rates suggest high demand for units and upward pressure on rents while higher vacancy rates suggest excess capacity and downward pressure on rents.

As shown in figure 26.2, vacancy rates climbed quickly after 2000, more than doubling from 3.6% to 7.7% in 2002. With a booming housing market and rising rate of home ownership, rental vacancy rates remained relatively high through 2004, accompanied by small decreases in rental costs. The higher vacancy rates accompanied high unemployment and low population growth.

Beginning in 2005, apartment vacancy rates in King County dipped below five percent, dropping to a low of 3.9% in 2007. Low vacancy rates and rising rental rates corresponded with employment gains. Moving into 2008, however, both vacancy rates and unemployment increased slightly, movement not seen in five years. The effect that rising unemployment and previous debt-driven consumption will have on apartment rental costs and vacancy rates is unclear.

Apartment vacancy rates differ throughout the county's subareas. In April 2008, the county's vacancy rate averaged 4.1% for a 2 BR/ 1 BA apartment. In neighborhoods north of Seattle's ship canal, the vacancy rate averaged 2.4% while the county's southeast neighborhoods averaged a 5.0% vacancy rate.

Figure 26.2



source: Central Puget Sound Real Estate Research Committee, Washington State Employment Security Department, Dupre + Scott Apartment Advisors, Inc.

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King County Benchmark Program

Established by the Growth Management Planning Council (GMPC) in 1995 as required by the WA State Growth Management Act, the King County Benchmark Program monitors 45 indicators that measure the progress of the King County Countywide Planning Policies. The indicators are intended to collectively articulate the impact of land use and development policies/ practices on our natural, built and social environment. Rather than focusing on the jurisdictional programs of the county's 40 jurisdictions, the Benchmarks provide a high level analytical view of change within the geographic boundaries of King County.

As one of the first and most durable efforts at monitoring outcomes in the public sector, the King County Benchmark Program demonstrates how measurement of broad quality-of-life outcomes can help determine if public policy and programs are making a difference. Public outcome monitoring is a strategy for change: it alerts us to what we are doing well and where we need to do better. It is closely connected to both the policy goals that it monitors, and to the strategic planning, programs, and services that are intended to implement those goals.

The Benchmark Program reports cover five policy areas: land use, economic development, transportation, affordable housing and the environment. All reports are available on the Internet at <http://your.kingcounty.gov/budget/benchmark/bench08/>. For information, please contact Lisa Voight, Program Manager (206)263-9720 or e-mail: lisa.voight@kingcounty.gov.

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Trend of Housing Costs in Relation to Income

OUTCOME: PROMOTE AFFORDABLE HOME OWNERSHIP OPPORTUNITIES

From 1990 to 2000, median household income, home prices and rental costs increased at comparable rates. While growth in median home prices averaged annual growth of almost 5%, the growth in prices was only nominally larger than the increase in income and rental rates. That trend changed dramatically after 2000, with the growth in home prices far exceeding that of income and rent.

Figure 27.1

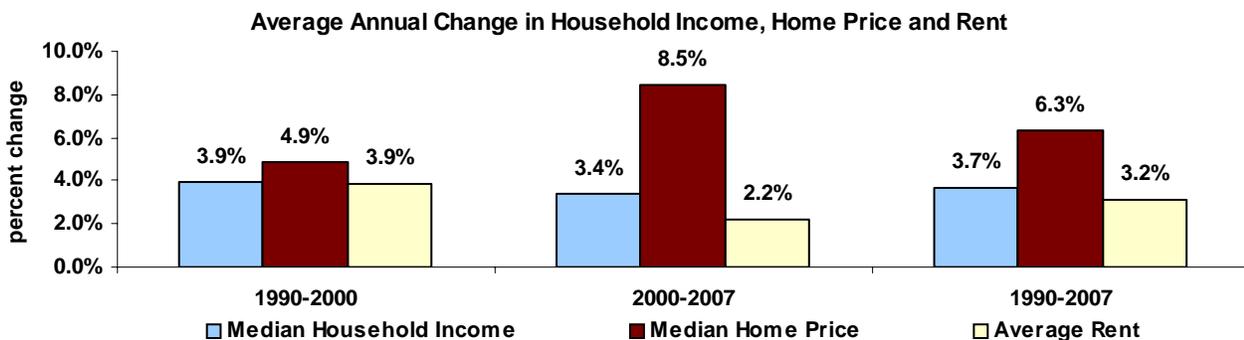
Rate of Increase in Income, Median Home Price, and Average Rent: 1990 - 2007						
Year	Median Household Income	Annual Percent Increase in Median HH Income	Median Home Price (Condo and Single Family)	Annual Percent Increase in Median Home Price	Average Rent (2 BR/ 1 BA units)	Annual Percent Increase in 2 BR / 1 BA Rent
1990	\$ 36,200		\$ 140,000		\$ 537	
2000	\$ 53,200	3.9%	\$ 225,000	4.9%	\$ 784	3.9%
2001	\$ 54,887	3.2%	\$ 235,000	4.4%	\$ 826	5.3%
2002	\$ 55,082	0.4%	\$ 249,000	6.0%	\$ 838	1.5%
2003	\$ 56,881	3.3%	\$ 265,000	6.4%	\$ 821	-2.0%
2004	\$ 55,114	-3.1%	\$ 289,950	9.4%	\$ 803	-2.3%
2005	\$ 58,370	5.9%	\$ 332,000	14.5%	\$ 810	0.9%
2006	\$ 63,489	8.8%	\$ 378,500	14.0%	\$ 849	4.8%
2007	\$ 67,010	5.5%	\$ 397,000	4.9%	\$ 912	7.4%

source: American Community Survey, King County Department of Assessments, Central Puget Sound Real Estate Research Report

Responding to a regionwide recession, income growth slowed dramatically through 2004. Rental costs showed a similar trend, actually decreasing in 2003 and 2004. Home prices, however, grew at an accelerated rate as the housing market boomed, both locally and nationally. Research by the Center for American Progress indicates that the national housing market peaked in 2006, an event that is suggested in figure 27.1 above. However, while home prices continued climbing in 2006, the rate of growth slowed relative to both income and rents. By 2007, the housing market had cooled considerably, with home prices increasing less than 5% from the previous year. Gains in income and rents surpassed home price gains for the first time this decade.

Figure 27.2 shows that home prices averaged 8.5% annual growth while income grew less than 4% during the 2000 to 2007 period. Rent increased just over 2% annually, though the lion's share of that growth occurred only recently in 2006 and 2007. Despite these recent increases, rentals continue to provide an affordable housing option for many King County households.

Figure 27.2



source: American Community Survey, King County Department of Assessments, Central Puget Sound Real Estate Research

Public Dollars Spent for Low Income Housing

OUTCOME: PROVIDE EQUITABLE DISTRIBUTION OF AFFORDABLE LOW-INCOME HOUSING

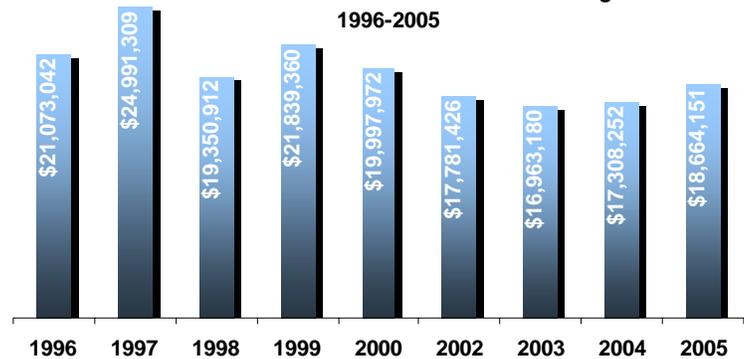
Countywide Planning Policy Rationale

“All jurisdictions shall share the responsibility for achieving a rational and equitable distribution of affordable housing to meet the housing needs of low and moderate-income residents in King County...The distribution shall... recognize each jurisdiction’s past and current efforts to provide housing affordable to low and moderate-income households; avoid over-concentration of assisted housing; and increase housing opportunities and choices for low and moderate-income households....Each jurisdiction shall participate in developing Countywide housing resources and programs to assist the large number of low and moderate-income households who currently do not have affordable, appropriate housing. These Countywide efforts will help reverse current trends which concentrate low-income housing in certain communities, and achieve a more equitable participation by local jurisdictions in low income housing...Countywide efforts should give priority to assisting households below 50% of median income...[a GMPC committee]...shall recommend...new Countywide funding sources for housing production and services; participation by local governments, including appropriate public and private financing, such that each jurisdiction contributes on a fair share basis...Each jurisdiction should apply strategies which it determines to be most appropriate to the local housing market. For example, units affordable to low and moderate income households may be developed through new construction, projects that assure long-term affordability or existing housing, or accessory housing units added to existing structures....Small, fully-built cities and towns that are not planned to grow substantially....may work cooperatively with other jurisdictions and/or subregional housing agencies to meet their housing targets.” (AH-2) “Each jurisdiction shall evaluate its existing resources of subsidized and low-cost non-subsidized housing and identify housing that may be lost due to redevelopment, deteriorating housing conditions, or public policies or actions. Where feasible, each jurisdiction shall develop strategies to preserve existing low-income housing and provide relocation assistance to low income residents who may be displaced.” (AH-3) “Success will require cooperation and support for affordable housing from the state, federal and local governments, as well as the private sector.” (AH-6)

In 2005, King County jurisdictions dedicated over \$18.6 million toward the creation, preservation and repair of affordable housing. Local public dollars are funds that are controlled by an individual jurisdiction. These funds include bonds, levies, general fund and in-kind contributions that can be quantified such as waiver of fees or donation of land. Federal dollars include only Community Development Block Grant (CDBG) funds. As identified below, King County jurisdictions dedicated another \$32.6 million in other local, state and federal funds to affordable housing-related activities serving low-income households.

Figure 28.1

Local and Federal CDBG Dollars Dedicated to New and Preserved Low-Income Housing: 1996-2005



source: King County and Small Cities Consortium, Seattle Office of Housing, A Regional Coalition for Housing and individual King County cities

Notes: Data was compiled by King County Department of Community and Human Services/ Community Services Division. Comprehensive data for 2001 is not available or included herein. In addition to those dollars/ efforts specified in Indicator 28, jurisdictions have dedicated other dollars in 2005 including the following. Bellevue provided \$81,246 to support homelessness prevention. An additional 13 units were preserved or created in Federal Way through density bonuses. Kent provided \$24,150 in housing stability grants. Seattle’s contribution includes \$21,637,521 in federal and local funds for affordable housing-related activities serving low-income households. Local Levy and CDBG funds (discretionary) include: \$11,504,299 (included above) for 461 units of newly constructed or preserved multifamily housing; Local Levy funds include: \$681,147 for repair of 47 single-family homes and \$786,213 (included above) for operating subsidies for 372 multifamily units. Non-discretionary funds include: \$3,216,507 HOME for newly constructed or preserved multifamily housing (supporting the 461 units aforementioned). Additional discretionary funds for multifamily housing originally funded in previous years include \$1,185,902 Local Levy and \$520,728 transferable development rights proceeds. State and local weatherization funds include: \$790,365 for 700 multifamily units and \$899,360 for 213 single-family units. \$2,053,000 in local Levy and HOME funds for homebuyer assistance for first-time, low-income homebuyers supported 66 loans. In addition, 297 affordable units were provided through Multifamily Tax Exemption Program incentives. On behalf of the King County Consortium \$4,080,000 in HOME funds were dedicated for new units, \$500,000 in HOME funds were dedicated to housing repair, \$300,000 was dedicated to a Housing Stabilization Project, \$194,772 was dedicated to Emergency Shelter grants and \$200,000 was dedicated to Rental Rehabilitation loans. Master Planned Development agreements at Redmond Ridge secured 67 ownership units for households at 80-100% Area Median Income (AMI), 56 ownership units for households at 100-120% AMI and 14 ownership units for households over 120%. An additional \$5,602,112 in Regional Affordable Housing Program (RAHP) funds were awarded through an inter-jurisdictional process for affordable housing development.

Metropolitan King County Countywide Planning Policies Benchmark Program

Figure 29.1(a)

King County Housing Affordability										
Percent of Home Sales Affordable to Median and Low-Income Households (2007)										
Jurisdiction	Single Family Sales					Condominium Sales				
	Total		Percent Affordable by Income Category			Total		Percent Affordable by Income Category		
	median cost	#	median	<80%	<50%	median cost	#	median	<80%	<50%
Lake Forest Park	\$525,000	149	1.3%	0.0%	0.0%	\$224,900	33	84.8%	24.2%	0.0%
Seattle	\$469,000	7,130	2.7%	0.8%	0.1%	\$325,000	4,752	25.7%	7.9%	0.2%
Shoreline	\$384,138	627	2.7%	1.4%	0.0%	\$235,000	165	60.0%	27.3%	0.0%
SEASHORE	\$459,950	7,906	2.7%	0.8%	0.1%	\$320,000	4,950	27.2%	8.7%	0.2%
Beaux Arts	\$1,330,000	4	0.0%	0.0%	0.0%		0	-	-	-
Bellevue	\$700,000	1,173	0.5%	0.4%	0.0%	\$320,000	961	20.7%	5.3%	0.1%
Bothell	\$470,000	123	1.6%	0.8%	0.0%	\$329,950	177	22.0%	7.3%	0.0%
Clyde Hill	\$1,660,000	48	0.0%	0.0%	0.0%		0	-	-	-
Hunts Point	\$1,080,000	5	0.0%	0.0%	0.0%		0	-	-	-
Issaquah	\$646,500	502	0.2%	0.2%	0.2%	\$316,475	534	28.5%	5.1%	0.0%
Kenmore	\$496,250	236	0.4%	0.4%	0.4%	\$237,750	188	63.3%	35.6%	0.0%
Kirkland	\$660,000	582	0.7%	0.3%	0.0%	\$325,000	627	29.2%	11.0%	0.3%
Medina	\$1,950,000	41	0.0%	0.0%	0.0%		0	-	-	-
Mercer Island	\$994,000	278	0.4%	0.0%	0.0%	\$392,500	45	8.9%	4.4%	0.0%
Newcastle	\$773,490	168	2.4%	1.2%	0.6%	\$287,950	48	37.5%	16.7%	0.0%
Redmond	\$630,000	565	0.2%	0.0%	0.0%	\$306,995	546	29.5%	11.4%	1.5%
Sammamish	\$645,000	714	0.1%	0.0%	0.0%	\$321,975	120	20.0%	2.5%	0.0%
Woodinville	\$576,500	140	0.7%	0.7%	0.0%	\$247,000	54	53.7%	25.9%	0.0%
Yarrow Point	\$1,435,000	16	0.0%	0.0%	0.0%		0	-	-	-
EAST	\$665,000	4,595	0.5%	0.3%	0.1%	\$312,900	3,300	28.1%	9.6%	0.3%
Algona	\$285,000	32	28.1%	3.1%	0.0%	\$216,225	2	100.0%	50.0%	0.0%
Auburn	\$298,000	381	29.7%	4.5%	1.0%	\$214,995	162	66.0%	44.4%	6.2%
Black Diamond	\$342,000	78	10.3%	2.6%	0.0%	\$259,500	2	50.0%	0.0%	0.0%
Burien	\$351,000	333	12.0%	3.9%	1.2%	\$217,000	69	60.9%	43.5%	8.7%
Covington	\$322,500	316	16.1%	1.3%	0.0%	\$326,000	3	0.0%	0.0%	0.0%
Des Moines	\$320,863	270	13.0%	2.2%	0.4%	\$217,950	229	90.8%	29.3%	0.9%
Federal Way	\$331,500	882	11.8%	2.5%	0.0%	\$179,970	430	97.2%	80.9%	9.5%
Kent	\$350,000	739	9.3%	1.4%	0.3%	\$243,500	609	57.6%	30.9%	2.1%
Maple Valley	\$362,950	483	2.3%	0.4%	0.0%	\$304,500	14	0.0%	0.0%	0.0%
Milton	\$298,000	7	0.0%	0.0%	0.0%		0	-	-	-
Normandy Park	\$575,000	83	3.6%	2.4%	0.0%	\$215,500	4	100.0%	25.0%	0.0%
Pacific	\$309,500	100	18.0%	6.0%	0.0%		0	-	-	-
Renton	\$439,000	933	4.2%	0.9%	0.2%	\$221,825	342	66.7%	41.5%	2.6%
Seatac	\$319,700	249	18.1%	4.8%	0.8%	\$258,844	165	49.7%	16.4%	3.0%
Tukwila	\$320,740	144	24.3%	8.3%	2.1%	\$194,975	66	100.0%	60.6%	10.6%
SOUTH	\$350,000	5,030	11.5%	2.3%	0.4%	\$217,970	2,097	72.0%	43.7%	4.4%
Carnation	\$332,500	32	12.5%	3.1%	0.0%		0	-	-	-
Duvall	\$443,950	143	2.1%	0.0%	0.0%	\$255,000	11	54.5%	0.0%	0.0%
Enumclaw	\$300,000	165	27.3%	5.5%	0.0%	\$185,975	14	85.7%	78.6%	7.1%
North Bend	\$479,000	58	0.0%	0.0%	0.0%	\$229,950	20	100.0%	20.0%	0.0%
Skykomish	\$185,000	1	100.0%	100.0%	0.0%		0	-	-	-
Snoqualmie	\$497,000	311	0.3%	0.3%	0.0%	\$204,032	104	65.4%	52.9%	0.0%
RURAL CITIES	\$440,000	710	7.6%	1.7%	0.0%	\$215,699	149	71.1%	47.0%	0.7%
UNINC KING CTY	\$430,000	4,789	5.1%	1.2%	0.2%	\$256,225	720	51.0%	29.9%	2.1%
Totals:	\$455,000	23,030	4.8%	1.2%	0.2%	\$292,000	11,216	38.0%	17.4%	1.1%

source: King County Department of Assessments, American Community Survey

February 2009 Affordable Housing

Figure 29.1(b)

King County Housing Affordability										
Percent of Home Sales Affordable to Median and Low-Income Households (2007 Summary)						Percent of Rental Housing Affordable to Moderate- and Low Income Households (2008)				
Jurisdiction	Total Home Sales					Rental Units				
	Total		Percent Affordable by Income Category			Estimated Total		Percent Affordable by Income Category		
	median cost	#	median	<80%	<50%	median rent	#	<80%	<50%	<40%
Lake Forest Park	\$475,000	182	16.5%	4.4%	0.0%	\$866	1,022	94.5%	31.6%	9.8%
Seattle	\$409,000	11,882	11.9%	3.6%	0.1%	\$945	152,534	81.6%	33.7%	7.4%
Shoreline	\$365,000	792	14.6%	6.8%	0.0%	\$855	6,996	94.0%	42.3%	13.3%
SEASHORE	\$405,000	12,856	12.1%	3.8%	0.1%	\$930	160,552	82.8%	34.6%	7.7%
Beaux Arts	\$1,330,000	4	0.0%	0.0%	0.0%	\$1,950	5	0.0%	0.0%	0.0%
Bellevue	\$490,000	2,134	9.6%	2.6%	0.0%	\$1,140	20,620	79.0%	9.9%	0.5%
Bothell	\$433,572	300	13.7%	4.7%	0.0%	\$1,040	2,424	95.6%	16.8%	6.3%
Clyde Hill	\$1,660,000	48	0.0%	0.0%	0.0%	\$2,600	43	0.0%	0.0%	0.0%
Hunts Point	\$1,080,000	5	0.0%	0.0%	0.0%	\$3,800	27	0.0%	0.0%	0.0%
Issaquah	\$445,000	1,036	14.8%	2.7%	0.1%	\$1,127	5,077	72.7%	2.0%	0.7%
Kenmore	\$357,500	424	28.3%	16.0%	0.2%	\$975	2,422	97.1%	17.6%	5.1%
Kirkland	\$479,950	1,209	15.5%	5.9%	0.2%	\$1,200	10,387	64.0%	6.9%	0.4%
Medina	\$1,950,000	41	0.0%	0.0%	0.0%	\$2,695	98	16.7%	0.0%	0.0%
Mercer Island	\$900,000	323	1.5%	0.6%	0.0%	\$1,216	1,832	60.0%	3.5%	0.2%
Newcastle	\$673,975	216	10.2%	4.6%	0.5%	\$1,060	913	80.2%	17.1%	0.0%
Redmond	\$454,000	1,111	14.6%	5.6%	0.7%	\$1,190	10,357	68.5%	2.6%	0.0%
Sammamish	\$610,000	834	3.0%	0.4%	0.0%	\$1,181	1,412	70.9%	0.0%	0.0%
Woodinville	\$514,450	194	15.5%	7.7%	0.0%	\$1,061	1,133	90.4%	9.3%	0.6%
Yarrow Point	\$1,435,000	16	0.0%	0.0%	0.0%	\$3,000	18	0.0%	0.0%	0.0%
EAST	\$500,000	7,895	12.0%	4.2%	0.2%	\$1,156	56,768	74.3%	7.4%	0.7%
Algona	\$279,950	34	32.4%	5.9%	0.0%	\$1,395	180	40.0%	0.0%	0.0%
Auburn	\$275,000	543	40.5%	16.4%	2.6%	\$750	11,096	99.2%	71.9%	25.9%
Black Diamond	\$337,225	80	11.3%	2.5%	0.0%	\$660	171	100.0%	57.1%	57.1%
Burien	\$340,000	402	20.4%	10.7%	2.5%	\$727	6,102	98.9%	72.7%	18.9%
Covington	\$324,000	319	16.0%	1.3%	0.0%	\$1,050	537	95.1%	0.0%	0.0%
Des Moines	\$261,090	499	48.7%	14.6%	0.6%	\$800	4,627	98.3%	59.8%	23.2%
Federal Way	\$289,975	1,312	39.8%	28.2%	3.1%	\$845	15,390	98.4%	47.9%	13.6%
Kent	\$319,950	1,348	31.2%	14.7%	1.1%	\$817	18,424	98.7%	55.7%	11.1%
Maple Valley	\$360,000	497	2.2%	0.4%	0.0%	\$1,200	844	87.3%	0.0%	0.0%
Milton	\$298,000	7	0.0%	0.0%	0.0%	NA	133	NA	NA	NA
Normandy Park	\$565,000	87	8.0%	3.4%	0.0%	\$780	597	98.1%	78.0%	21.5%
Pacific	\$309,500	100	18.0%	6.0%	0.0%	\$780	1,061	100.0%	79.4%	0.0%
Renton	\$385,000	1,275	20.9%	11.8%	0.9%	\$900	17,746	89.8%	33.9%	7.6%
Seatac	\$292,500	414	30.7%	9.4%	1.7%	\$733	4,828	99.9%	74.5%	36.5%
Tukwila	\$269,500	210	48.1%	24.8%	4.8%	\$776	4,582	99.8%	63.2%	17.3%
SOUTH	\$319,950	7,127	29.3%	14.5%	1.6%	\$825	86,318	96.4%	51.1%	14.0%
Carnation	\$332,500	32	12.5%	3.1%	0.0%	\$663	141	85.7%	85.7%	85.7%
Duvall	\$432,500	154	5.8%	0.0%	0.0%	\$800	228	80.0%	56.0%	40.0%
Enumclaw	\$295,000	179	31.8%	11.2%	0.6%	\$831	1,644	99.9%	56.3%	0.8%
North Bend	\$390,750	78	25.6%	5.1%	0.0%	\$1,370	809	7.0%	2.9%	0.4%
Skykomish	\$185,000	1	100.0%	100.0%	0.0%	NA	36	NA	NA	NA
Snoqualmie	\$459,950	415	16.6%	13.5%	0.0%	\$870	1,204	67.5%	9.3%	0.0%
RURAL CITIES	\$410,000	859	18.6%	9.5%	0.1%	\$1,295	4,062	51.5%	24.2%	2.8%
UNINC KING CTY	\$401,500	5,509	11.1%	5.0%	0.4%	\$980	26,545	85.6%	25.1%	5.5%
Totals:	\$397,000	34,246	15.7%	6.5%	0.5%	\$940	334,245	85.4%	33.8%	8.3%

source: King County Department of Assessments, American Community Survey, Dupre + Scott Apartment Advisors, Inc.

Existing Housing Units Affordable to Low Income Households

OUTCOME: PROMOTE EQUITABLE DISTRIBUTION OF AFFORDABLE LOW-INCOME HOUSING

Countywide Planning Policy Rationale

"Each jurisdiction shall specify the range and amount of housing affordable to low and moderate-income households to be accommodated in its comprehensive plan [and]... shall plan for a number of housing units affordable to to households with incomes between 50 and 80 percent of the County median household income that is equal to 17% of its projected net household growth each jurisdiction shall plan for a number of housing units affordable to households with incomes below 50% of median income that is either 20 percent or 24 percent of its projected net household growth...(AH-2) "All jurisdictions shall... determine annually the total number of new and redeveloped units receiving permits and units constructed, housing types, developed densities and remaining capacity for residential growth. Housing prices and rents also should be reported, based on affordability to four income categories: zero to 50 percent of median income, 50 to 80 percent...80 to 120%...and above 120 percent." (AH-5) "[The GMPC]...shall review local performance in meeting low and moderate income housing needs. The basis...shall be a jurisdiction's participation in Countywide or subregional efforts to address existing housing needs and actual development of the target percentage of low and moderate-income housing units as adopted in its comprehensive plan. (AH-6)

Rental Units. Figure 29.1(b) on the preceding page estimates the distribution of rental housing among King County's 40 jurisdictions, (see also Figure 21.3 for distribution by subarea). Using housing unit estimates from the Washington State Office of Financial Management and renter household estimates from the 2000 Census, it is estimated that almost nine out of ten rental units are affordable to households earning 80% of median income. For households earning one-half of median income, just one-third of the county's rental units are affordable.

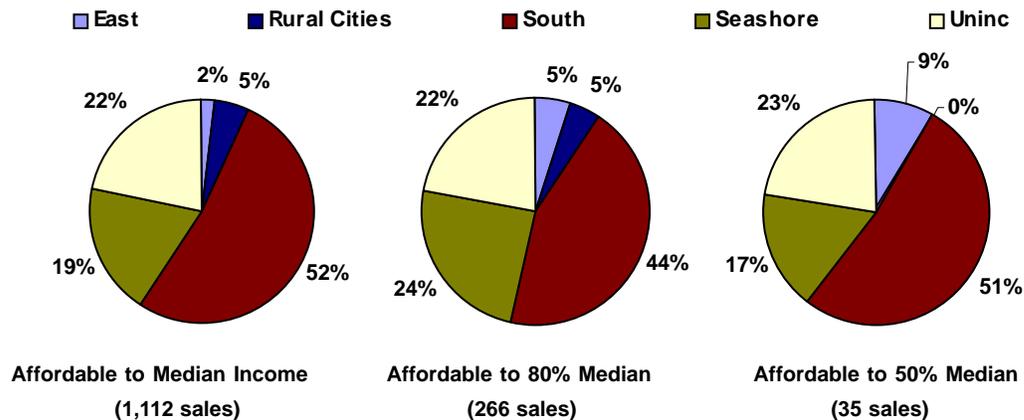
It should be noted that this bulletin estimates affordability of market-rate rental units only, due to a gap in housing subsidy counts. As such, the distribution of rental housing likely underestimates the rates of affordability for lower income households.

Single Family Sales. Fewer than five percent of the 23,000 single family homes sold in 2007 were affordable to households earning an income of \$67,010. This was an increase from 2006, when only three percent of the single family sales were affordable to the median income household. This increase in affordability is influenced by a number of factors, including gains in household income, a decrease in interest rates, and a cooling housing market. While single family home prices increased only eight percent from the previous year (compared to the 14% gain from 2005 to 2006), the volume of sales also decreased, down 27% from 2006.

Single family home ownership is still a challenge for moderate and low-income households. In 2007, only 1.2% of single family homes were affordable to households earning 80% of the county's median income and 0.2% of the sales were affordable to households earning half of the median. As shown in figure 29.2, half of the affordable single family sales were in South King County with very few affordable home sales taking place on the Eastside.

Figure 29.2

Distribution of Single Family Home Sales in King County Affordable to Income Groups (2007 Sales)



source: King County Department of Assessments, American Community Survey

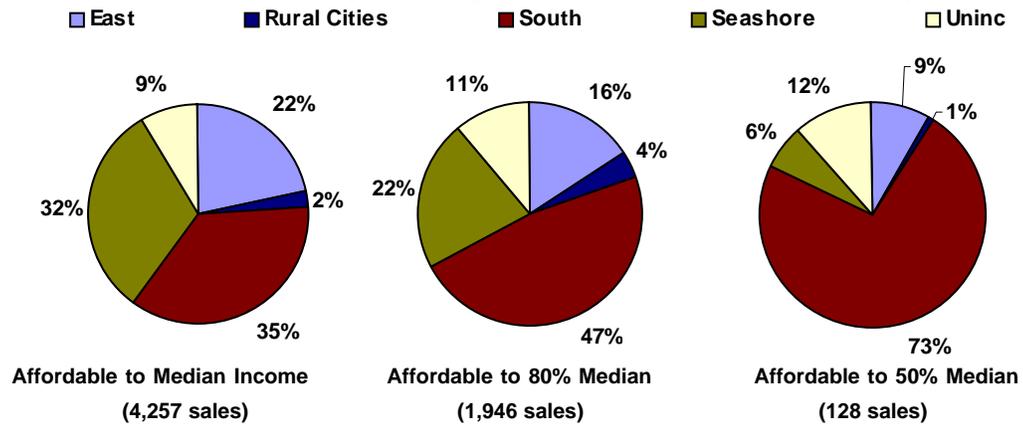
Condo Sales. For lower income households interested in home ownership, condominiums continue to provide more affordable housing opportunities. In 2007, 38% of the condo sales were affordable to households earning median income (\$67,010), as shown in figure 29.1(a). For first-time homebuyers (defined as households earning 80% of median income), 17% of the sales were affordable.

The condominium market does not seem to have been as strained as the single family housing market in 2007. The volume of condominium sales increased 5% from 2006 and the median cost grew 15% to \$292,000. In absolute numbers, this means that about 600 more condominiums were affordable to median income households than in 2006. Similarly, almost 200 more condos were affordable to first-time homebuyers.

As seen in the single family market, the majority of affordable condominium sales were in South King County. Nearly three-quarters of the sales affordable to households earning one-half of median income were in South King County, though this equates to merely 93 home sales. However, almost one-third of the condo sales affordable to median income households occurred in SeaShore, with Seattle alone seeing more affordable sales than the East King County jurisdictions combined.

Figure 29.3

Distribution of Condominium Sales in King County Affordable to Income Groups (2007 Sales)

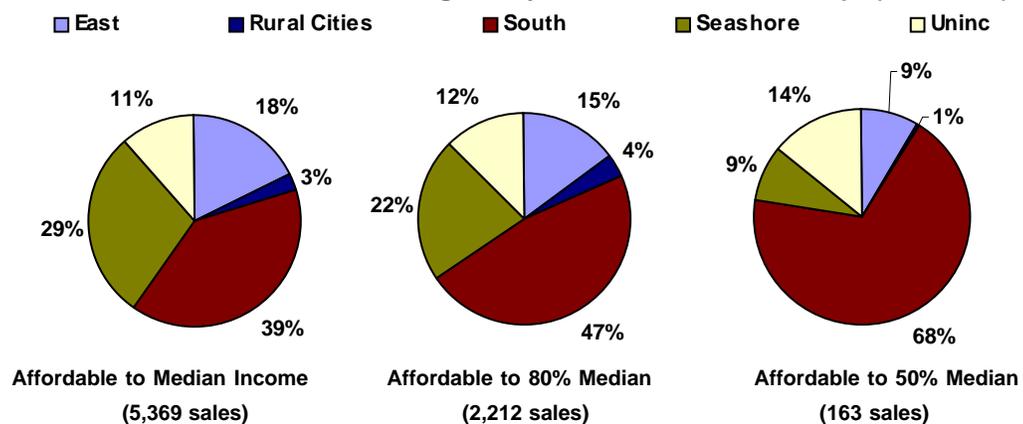


source: King County Department of Assessments, American Community Survey

Total Home Sales. Combining single family and condominium sales reveals a pattern of affordability similar to those seen in figures 29.2 and 29.3. While most home sales affordable to lower-income households were in South King County, there was more balanced distribution of affordable home sales for median income households throughout the county. This pattern is also seen in figure 29.1(b). Of the nearly 5,400 sales affordable to median income households, more than 2,000 were in south King County. Another 1,600 were in the SeaShore subarea and close to 1,000 were in East King County jurisdictions.

Figure 29.4

Distribution of All Home Sales in King County Affordable to Income Groups (2007 Sales)



source: King County Department of Assessments, American Community Survey

Metropolitan King County Countywide Planning Policies Benchmark Program

Data Sources and Notes

Indicator 21: Supply and Demand for Affordable Rental Housing

Figure 21.1 data provided by Dupre + Scott Apartment Advisors, Inc., *King County Rental Housing Affordability Report* (March-April 2008) at <http://www.dsaa.com/>. For figure 21.2, see notes for Indicator 29 for sources, additional notes and assumptions.

Indicator 22: Percent of Income Paid for Housing

Data for figures 22.1 and 22.2 taken from the *2007 American Community Survey* at <http://factfinder.census.gov/>. For more information about the changing housing market between 2000 and 2006, see *The End of the Great American Housing Boom* from the Center for American Progress, available at http://www.americanprogress.org/issues/2006/12/end_of_the_boom.html.

Indicator 23: Homelessness

Data provided by King County Department of Community and Human Services/ Community Services Division, taken from the *Seattle-King County One Night Count*, available at <http://www.metrokc.gov/dchs/csd/Housing/Reports.htm>. The number and type of programs reporting, as well as the fact that new programs open and others close, limits direct comparability from one year to the next. Changes in provider survey results from one year to the next are likely to be small, and more likely reflect programmatic changes than changes in who is in need of shelter and housing. Comparisons with survey results before 2006 should be made with particular caution. The 2006 survey included a number of beds in transitional housing programs which had not been included in previous surveys. Also beginning in 2006, the One Night County took place in January, rather than in October. For the complete list of emergency shelters and transitional housing programs in King County, refer to the *Inventory of Homeless Units and Beds: Seattle/ King County Spring 2008* at the link above.

Indicator 24: Home Purchase Affordability Gap

1970, 1980 and 1990 median home price uses home value (single-family homes) as a proxy for sales price as reported by the U.S. Census Bureau, <http://www.census.gov>. Home sales data from 2000 to present is taken from the King County Department of Assessments at <http://www.kingcounty.gov/Assessor.aspx>. Median household income is taken from the U.S. Census and *American Community Survey* at <http://factfinder.census.gov/>. From 2000 to present, a 5% down payment is assumed. This bulletin further assumes housing is considered affordable when no more than 30% of monthly income is expended on housing costs, which includes both a mortgage payment and other housing costs such as utilities.

Indicator 25: Home Ownership Rate

Census year home ownership data taken from the U.S. Census. 2007 home ownership data taken from the *2007 American Community Survey*, both available at <http://factfinder.census.gov/>. Foreclosure rate information taken from Realtytrac analysis, available at <http://www.realtytrac.com/>.

Indicator 26: Apartment Vacancy Rate

Figure 26.1 data provided by Dupre + Scott Advisors, Inc at <http://www.dsaa.com/>. For figure 26.2, vacancy rate and rent data through 2006 provided by the Central Puget Sound Real Estate Research Committee, as reported in the *Central Puget Sound Real Estate Research Report* at <http://www.realestatereport.org/>. For 2007 and 2008, these metrics are taken from Dupre + Scott Apartment Advisors, Inc at the link above. Unemployment rate is taken from the Washington State Employment Security Department at <http://www.workforceexplorer.com/cgi/dataanalysis/>.

Indicator 27: Trend of Housing Costs in Relation to Income

Median household income data taken from U.S. Census and *American Community Survey* at <http://factfinder.census.gov/>. 1990 home price uses the single-family home value as a proxy for price as reported by the U.S. Census. 2000 to present home sales Home sales data from 2000 to present is taken from the King County Department of Assessments at <http://www.kingcounty.gov/Assessor.aspx>. Average Rent provided by the Central Puget Sound Real Estate Research Committee, as reported in the *Central Puget Sound Real Estate Research Report* at <http://www.realestatereport.org/>. 2007 rent taken from Dupre + Scott Apartment Advisors, Inc at <http://www.dsaa.com/>.

Indicator 28: Public Dollars Spent for Low Income Housing-- data sources and notes provided on page 11.

Indicator 29: Existing Housing Units Affordable to Low Income Households

Single Family and condominium sales data taken from the King County Department of Assessments at <http://www.kingcounty.gov/Assessor.aspx>. Affordability is based on a 2007 median household income of \$67,010 as taken from the 2007 American Community Survey at <http://factfinder.census.gov/>. This bulletin assumes that a home price is considered affordable when no more than 30% of monthly income is expended on housing costs, which includes both a mortgage payment and other housing costs such as utilities. This indicator assumes a 5% down payment on a 30 year mortgage at 6.5% interest. As such, a home costing \$258,800 is considered affordable to a household earning median income (\$67,010). A home costing \$207,000 is considered affordable to a household earning 80% median income (\$53,600). A home costing \$129,000 is considered affordable to a household earning 50% median income (\$33,500). The distribution of rental housing by jurisdiction is based on the 2008 housing unit estimates by the Washington State Office of Financial Management at <http://www.ofm.wa.gov/>. This bulletin estimates the number of rental units based on the jurisdictional distribution of renter vs owner housing provided by the 2000 U.S. Census at <http://factfinder.census.gov/>. Given the growing countywide home ownership rate as reported by the *American Community Survey*, the number of rental units by jurisdiction is likely overestimated and should be read with caution. The distribution of rental affordability is based on the Spring 2008 rental survey provided by Dupre + Scott Apartment Advisors, Inc. The report includes rental data taken the survey of 115,316 rental units throughout King County. Because this survey includes only market-rate rental housing (excluding all subsidized and tax credit properties serving those households earning 60% or less of median income), the rates of affordability are likely underestimated. However, due to a lack of countywide data that consistently tracks subsidized units and households, it is uncertain the degree to which these estimates are skewed. As such, this bulletin does not attempt to estimate the distribution of subsidized housing in King County, but acknowledges its absence in reporting.