**APPENDIX 4: HOUSING TECHNICAL APPENDIX**

**Affordable Housing Need**

Each jurisdiction, as part of its Comprehensive Plan housing analysis, will need to address affordability and condition of existing housing supply as well as its responsibility to accommodate a significant share of the countywide need for affordable housing. In order for each jurisdiction to address its share of the countywide housing need for very-low, low and moderate income housing, a four step approach has been identified:

1. Conduct an inventory and analysis of housing needs and conditions;
2. Implement policies and strategies to address unmet needs;
3. Measure results; and
4. Respond to measurement with reassessment and adjustment of strategies.

The methodology for each jurisdiction to address countywide affordable housing need is summarized as follows:

**Countywide need for Housing by Percentage of Area Median Income (AMI)**

1. **Moderate Income Housing Need.** Census Bureau estimates1 indicate that approximately 16 percent of households in King County have incomes between 50 and 80 percent of area median income; establishing the need for housing units affordable to these moderate income households at 16 percent of each jurisdiction’s total housing supply.
2. **Low Income Housing Need.** Census Bureau estimates1 indicate that approximately 12 percent of households in King County have incomes between 30 and 50 percent of area median income; establishing the need for housing units affordable to these low income households at 12 percent of each jurisdiction’s total housing supply.
3. **Very-Low Income Housing Need.** Census Bureau estimates1 indicate that approximately 12 percent of households in King County have incomes between 0 and 30 percent of area median income; establishing the need for housing units affordable to these very-low income households at 12 percent of each jurisdiction’s total housing supply. This is where the greatest need exists, and should be a focus for all jurisdictions.

**Housing Supply and Needs Analysis**

**Context:** As set forth in policy H‐3, each jurisdiction must include in its comprehensive plan an inventory of the existing housing stock and an analysis of both existing housing needs and housing needed to accommodate projected population growth over the planning period. This policy reinforces requirements of the Growth Management Act for local Housing Elements. The housing supply and needs analysis is referred to in this appendix as the “Housing Analysis.” As is noted in policy H‐1, H-2, and H-3, the Housing Analysis must consider local as well as countywide housing needs because each jurisdiction has a responsibility to address a significant share of the countywide affordable housing need.

The purpose of this section of Appendix 4 is to provide further guidance to local jurisdictions on the subjects to be addressed in their Housing Analysis. Additional guidance on carrying out the

Housing Analysis is found in the Puget Sound Regional Council’s report, “Puget Sound Regional

Council Guide to Developing an Effective Housing Element,” and the Washington Administrative Code, particularly 365‐196‐410 (2)(b) and (c). The state Department of Commerce also provides useful information about housing requirements under the Growth Management Act.

**Housing Supply**

Understanding the mix and affordability of existing housing is the first step toward identifying gaps in meeting future housing needs. Combined with the results of the needs analysis, these data can provide direction on appropriate goals and policies for both the housing and land use elements of a jurisdiction’s comprehensive plan. A jurisdiction’s housing supply inventory should address the following:

* Total housing stock in the community;
* Types of structures in which units are located (e.g., single‐family detached, duplex or other small multiplex, townhome, condominium, apartment, mobile home, accessory dwelling unit, group home, assisted living facility);
* Unit types and sizes (i.e., numbers of bedrooms per unit);
* Housing tenure (rental vs. ownership housing);
* Amount of housing at different price and rent levels, including rent-restricted and subsidized housing;
* Housing condition (e.g. age, general condition of housing, areas of community with higher proportion of homes with deferred maintenance);
* Vacancy rates;
* Statistics on occupancy and overcrowding;
* Neighborhoods with unique housing conditions or amenities;
* Location of affordable housing within the community, including proximity to transit;
* Transportation costs as a component of overall cost burden for housing;
* Housing supply, including affordable housing, within designated Urban Centers and local centers;
* Capacity for additional housing, by type, under current plans and zoning; and
* Trends in redevelopment and reuse that have an impact on the supply of affordable housing.

**Housing Needs**

The housing needs part of the Housing Analysis should include demographic data related to existing population and demographic trends that could impact future housing demand (e.g. aging of population). The identified need for future housing should be consistent with the jurisdiction’s population growth and housing targets. The information on housing need should be evaluated in combination with the housing supply part of the Housing Analysis in order to assess housing gaps, both current and future. This information can then inform goals, policies, and strategies in the comprehensive plan update.

A comprehensive housing needs analysis should address the following population, household, and community characteristics:

* Household sizes and types;
* Age distribution of population;
* Ethnic and racial diversity;
* Household income, including the following income groupings:

o 30 percent of area median income or lower (very‐low‐income),

o Above 30 percent to 50 percent of area median income (low‐income)

o Above 50 percent to 80 percent of area median income (moderate‐income)

o Above 80 percent to 100 percent of area median income

o Above 100 percent to 120 percent of area median income

* Above 120 percent of median income;
* Housing growth targets and countywide affordable housing need for very-low, low and moderate income households as stated in the Countywide Planning Policies;
* The number and proportion of households that are “cost‐burdened.” Such households pay more than thirty percent of household income toward housing costs. “Severely‐cost‐burdened” households pay more than fifty percent of household income toward housing costs.
* Trends that may substantially impact housing need during the planning period. For example, the impact that a projected increase in senior population would have on demand for specialized senior housing, including housing affordable to low‐ and moderate‐income seniors and retrofitted single family homes to enable seniors to age in place.
* Housing demand related to job growth, with consideration of current and future jobs-housing balance as well as the affordable housing needs of the local and subregional workforce.
* Housing needs, including for low‐ and moderate‐income households, within designated Urban Centers and local centers.

**Note on Adjusting for Household Size**

As currently calculated, the affordable housing targets do not incorporate differences in household size. However, the reality is that differently‐sized households have different housing needs (i.e., unit size, number of bedrooms) with different cost levels. A more accurate approach to setting and monitoring housing objectives would make adjustments to reflect current and projected household sizes and also unit sizes in new development. Accounting for household size in providing affordable units could better inform local policies and programs as well as future updates of the Countywide Planning Policies and affordable housing targets.

**Implementation Strategies**

As stated in policy H‐5, local jurisdictions need to employ a range of strategies for promoting housing supply and housing affordability. The Puget Sound Regional Council’s Housing Innovations Program Housing Toolkit[[1]](#footnote-1) presents a range of strategies. The strategies are identified as being generally applicable to single family development, multifamily development, ownership housing, rental housing, market rate projects, and subsidized projects. Strategies marked as a “Featured Tool” are recommended as being highly effective tools for promoting affordable and diverse housing in the development markets for which they are identified.

**Measuring Results**

Success at meeting a community’s need for housing can only be determined by measuring results and evaluating changes to housing supply and need. Cities are encouraged to monitor basic information annually, as they may already do for permits and development activity. Annual tracking of new units, demolitions, redevelopment, zoning changes, and population growth will make periodic assessments easier and more efficient. A limited amount of annual monitoring will also aid in providing timely information to decision makers.

Policy H-18 requires jurisdictions to review their housing policies and strategies at least every five years to ensure periodic reviews that are more thorough and that provide an opportunity to adapt to changing conditions and new information. This five-year review could be aligned with a jurisdiction’s five-year buildable lands reporting process.

1. PSRC Housing Innovations Program Housing Toolkit http://psrc.org/growth/hip/ [↑](#footnote-ref-1)