

City of Bellevue Affordable Housing Strategy

The cost of renting or owning housing has been increasing at a faster rate than income for many households in the region, especially in Bellevue. As a result, housing is not affordable to a significant portion of the population. The *Affordable Housing Strategy* project will identify what it will take to have a healthy housing market that provides a safe, healthy and affordable place to live for people of all income levels.

Affordable Housing Strategy Goal Statement

Providing a safe, healthy and affordable place to live for people of all income levels sustains Bellevue's livability and economic vitality. The Affordable Housing Strategy project will identify what it will take to have a healthy housing market that:

- ▶ Provides affordability across a range of incomes that mirrors our population and workforce – including low and moderate income workers
- ▶ Provides a variety of affordable housing choices that meet the needs of our community, including:
 - Young people in college or just entering the job market
 - First-time home buyers or new employees who want to make Bellevue home
 - Seniors, especially those on fixed/limited income, who want to remain in the community
 - Families that want to keep their children in Bellevue schools
- ▶ Preserves the integrity of single family areas while considering, through the neighborhood planning process, housing that can accommodate a wider spectrum of needs and foster ongoing investments.

To find out more-

Visit the Affordable Housing Strategy webpage

www.bellevuewa.gov/affordable-housing.htm

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BELLEVUE AFFORDABLE HOUSING NEEDS ASSESSMENT - KEY POINTS

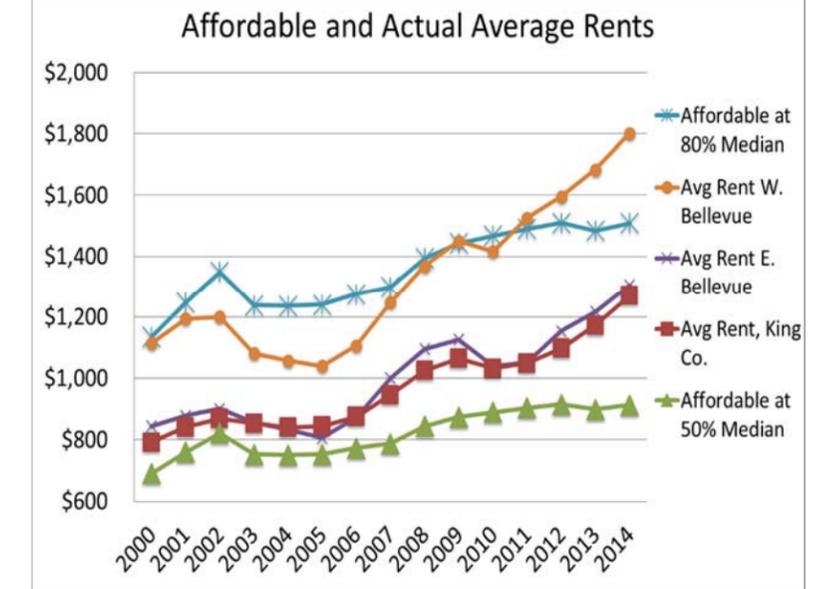
From the March 2016 Affordable Housing Strategy Housing Needs Assessment

1. HOUSING COST AND IMPACT ON HOUSEHOLDS

Housing Costs

Historically, costs of rental and ownership housing have been higher in Bellevue and East King County than countywide. Housing prices, which dropped during the recession have returned to or are higher than pre-recession levels. The median single family home sale price in Bellevue is \$777,500 (1/2016).

Apartment rents have been climbing steadily, with average rents in West Bellevue and Downtown at around \$2,000 month. This exceeds 80% median income, historically high levels relative to income. (W. Bellevue \$2,046, E. Bellevue \$1,553 3/2016 Dupre+Scott)



Rents need to be \$1,000 or less to be affordable to low income households

85% of renter households report paying over \$1000 each month, but affordable rents need to be much lower.

	STUDIO (1 PERSON)	1 BEDROOM (2 PEOPLE)	2 BEDROOM (3 PEOPLE)	3 BEDROOM (4 PEOPLE)
Very Low Income				
Household Income	\$18,522	\$21,168	\$23,814	\$26,460
Max. Affordable Rent	\$424	\$470	\$516	\$563
Low Income				
Household Income	\$30,870	\$35,280	\$39,690	\$44,100
Max. Affordable Rent	\$732	\$823	\$913	\$1,004
Moderate Income				
Household Income	\$49,392	\$56,448	\$63,504	\$70,560
Max. Affordable Rent	\$ 1,195	\$ 1,352	\$ 1,509	\$ 1,665

Source: U.S. HUD Income Limits, 2014 using King County median family income of \$88,200

Families that Struggle to Pay for Housing

Almost one third (31%) of all Bellevue households spend more than 30% of their income on housing. This includes 14% of households that spend over half their income on housing.

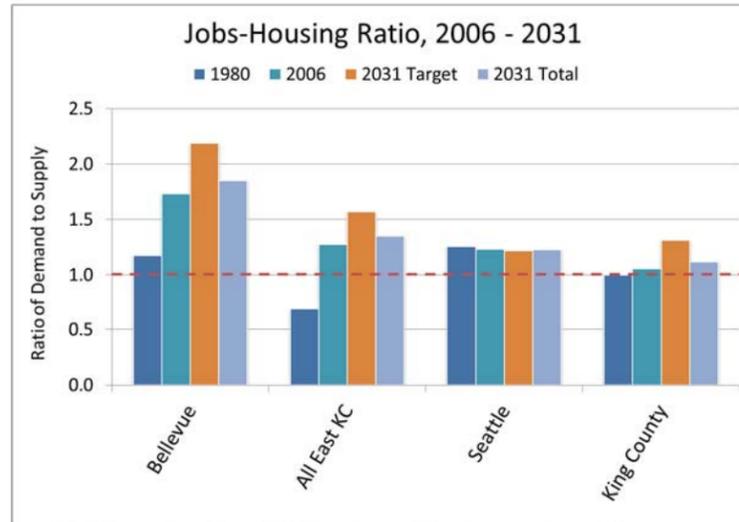
16% of all renters & almost one-third of senior renters spend more than 50% of their income on housing, making it increasingly difficult for them to live in the community that has been their home.

2. LOCAL HOUSING NEED – DEMAND FROM LOCAL WORKFORCE

A primary demand for housing comes from a community's workforce.

Over the last 30 years Bellevue has seen a significant increase in the ratio of demand of housing from its workforce to the supply of housing (Job-housing ratio >1.5).

Planned employment growth in Bellevue will create thousands of new jobs and additional demand for housing, adding upward pressure on housing cost.



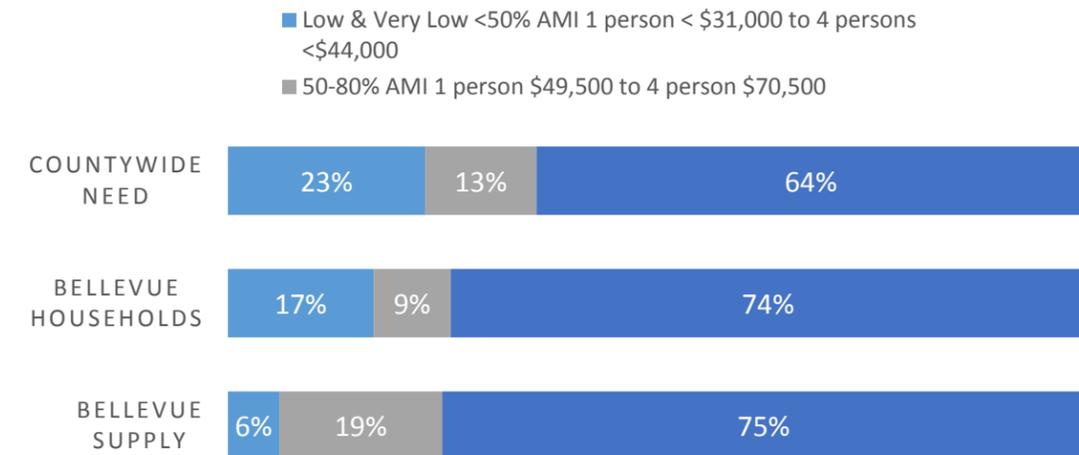
2031 Target based on GMPC Housing and Employment Growth Targets

	Bellevue	East King County
Employment	53,000	133,400
Demand for Housing	37,850 units	95,300
Housing	17,290 units	60,650

3. CREATION OF AFFORDABLE HOUSING

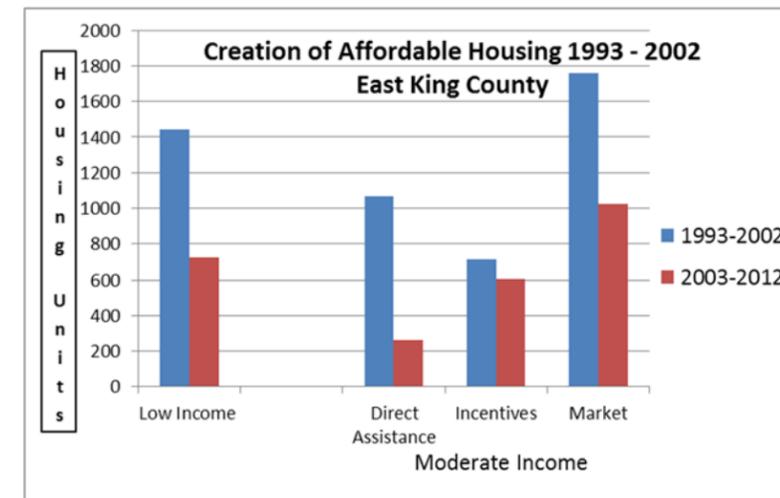
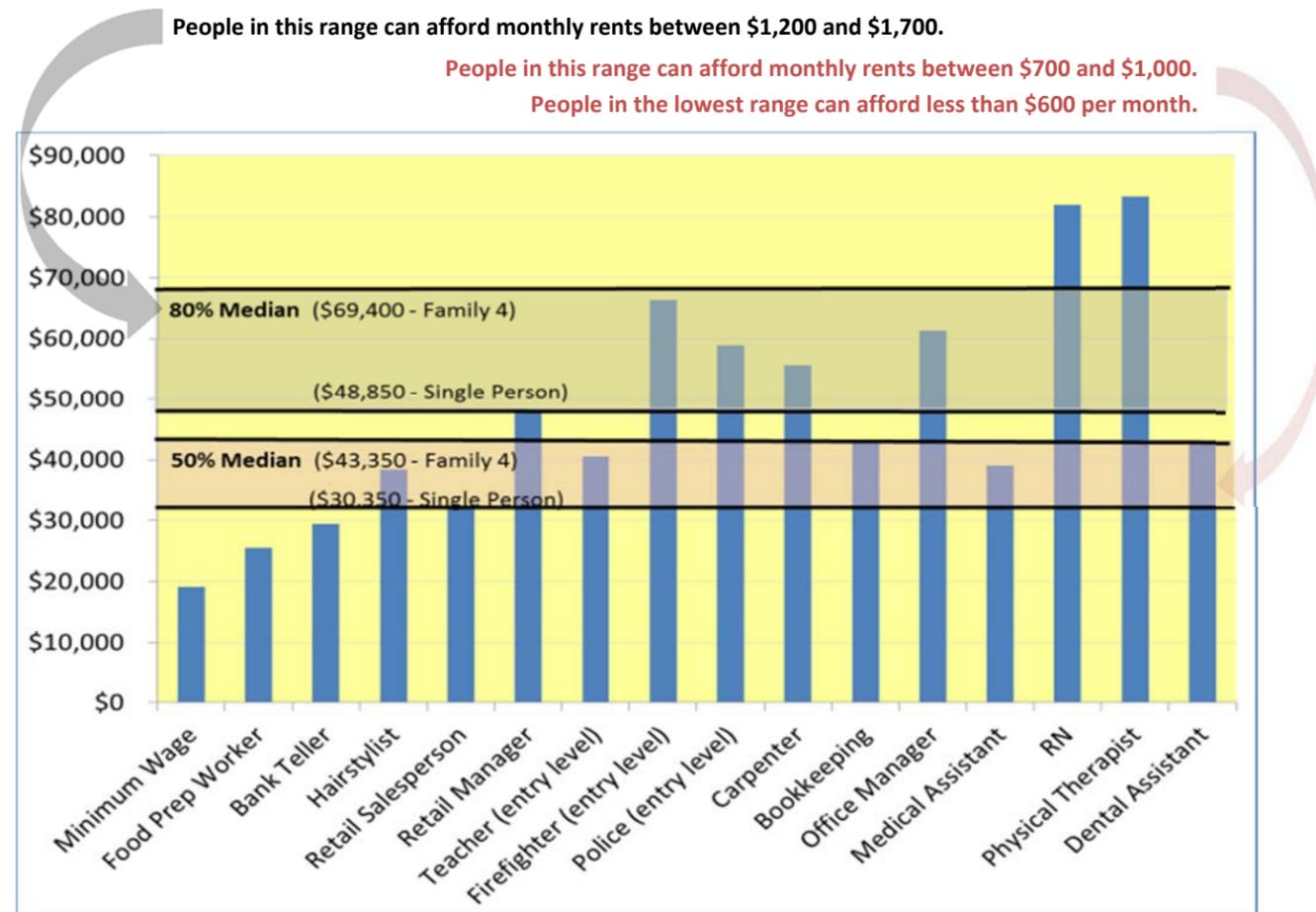
Bellevue has a low proportion of overall housing supply affordable to low and very low income households (6%) relative to both local and countywide need.

Housing Affordable to Low and Very Low Income Households by Area Median Income (AMI)



Source: CHAS data based on data from the U.S. Census Bureau, 2008-2012 ACS; King County Median Income for 2014

A high proportion of local jobs have salaries in the low and moderate income level.



In terms of creating affordable housing, over the past 20 years Bellevue has achieved over 40% of their low income housing goal and exceeded its moderate income goal. However, the rate of creating affordable units has decreased significantly over the past 10 years to rates similar to other EKC cities.

CREATION OF AFFORDABLE HOUSING 1993 - 2012

BELLEVUE

	Low Income (<50% of median income)					Moderate Income (50% - 80% Median Income)				
	Direct Assistance	Incentives	Market	Sub-total	% Afford Goal	Direct Assistance	Incentives	Market	Sub-total	% Afford Goal
1993-2002	754	0	8	762	73%	506	369	686	1,561	211%
2003-2012	185	0	0	185	17%	38	44	453	535	69%
1993 - 2012	939	0	8	947	44%	543	413	1,139	2,095	138%

Source: ARCH and City of Bellevue