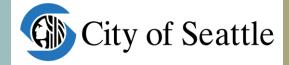
MONITORING PROGRAM FOR UNSUBSIDIZED RENTAL HOUSING

Presented by Office of Housing and Office of Planning & Community Development

to the

City Council Affordable Housing, Neighborhoods & Finance Committee September 21, 2016



Statement of Legislative Intent 28-1-A-1

Develop program to monitor unsubsidized rental housing affordable at low income levels.

- Older unsubsidized housing is important in addressing housing needs.
- Need data on the affordability of unsubsidized rental housing.
- Use data to inform program evaluation and policy decisions.

Data and Analysis Already Available

- Housing permits: new units, demolitions, change of use
- Tenant Relocation Assistance Ordinance (TRAO): displaced households qualifying for assistance
- Rental Registration & Inspection Ordinance (RRIO) housing conditions, inspection failures
- Income and Rent-Restricted Units: MFDB, MFTE, Incentive Zoning
- Comprehensive Plan: Housing Appendix; associated Equity & Growth Analysis
- Dupre + Scott: Average market-rents

Gaps in Existing Data

- Existing data provides some information about market conditions and <u>average rent</u>
- It does not show <u>how much unsubsidized</u> <u>housing is affordable</u> to lower income households.

Proposed Approach to Address Data Gaps

- Proposed monitoring will:
 - Purchase data to fill gaps on unsubsidized rentals:
 - Measure unsubsidized rental units affordable at different income levels
 - Track changes in affordability of the unsubsidized housing stock
 - Provide annual report to Council
 - Include key context from other sources and monitoring efforts

Key data for proposed monitoring reports: Beginning in fall 2016

Average market-rate rents medium and large apartment complexes

- □ Average rents for:
 - Seattle as a whole
 - 16 Seattle neighborhood market areas
 - 6 property age groups

Makes basic data available on ongoing basis starting point for understanding affordability of market rents.

Beyond average rents medium and large apartment complexes

- Median rents (rent at which half of units have lower rents; half have higher rents)
- □ 25th percentile rents (rent at which 25% of units have lower rents; 75% have higher rents)

Moves past averages—provides a more granular look at distribution of rents; insights into lower cost market rents.

More data beyond average rents medium and large apartment complexes

Share of market-rate units, overall and by unit size, affordable at:

HUD Area Median Income for Family of 4: \$90,300.

- □ <30% of AMI
- 30-50% of AMI
- □ 50-60% of AMI
- □ 60-80% of AMI
- 80-120% of AMI

HUD Area Median Income for Family of 4: \$90,300.				
Examples of				
2016 AMI-based income levels and maximum affordable rent*				
	50% of AMI		80% of AMI	
	Annual	Monthly	Annual	Monthly
	Income	Rent	Income	Rent
Studio (1 person)	\$31,650	\$791	\$50,640	\$1,266
1-Bedroom (1.5 people)	\$33,900	\$847	\$54,240	\$1,356
2-Bedroom (3 people)	\$40,650	\$1,016	\$65,040	\$1,626
3-Bedroom (4.5 people)	\$46,975	\$1,174	\$75,160	\$1,879
*Includes rent and basic utilities.				

Reveals:

- shares of market-rate units affordable to low- and middle-income households
- > mix and affordability of units by # of bedrooms

Even years (2016, 2018, etc.) Smaller rental properties

- Summary statistics and distribution of market rents by affordability level for units in:
 - Small apartment complexes (5-19 units)
 - Small multiplexes (2-4 units)
 - Single-family rentals
- Provides data on units more likely to be affordable to lower-income households
- Supplies info on the affordability of single-family rentals

Odd years (2017, 2019, etc.)

May include:

- Data on the distribution of rents for:
 - Neighborhood market areas
 - Property age groups
 - Urban villages and centers
 - Rents by zoning classifications
- Special topics such as condo conversions
- > Provides more specific data that can further guide policymaking and planning.

Uses for Proposed Data

- Unsubsidized housing monitoring reports
- Other ongoing monitoring efforts
 - Comprehensive Plan
 - Equitable Development Implementation Plan, including displacement risk analyses
- Federally required assessments
 - Consolidated Plan
 - Fair Housing Analysis

Inform Policy and Program Decisions

- Ensure availability of data to guide antidisplacement strategies.
- Inform planning efforts, zoning changes, and strategies to reduce displacement risks.
- Support implementation of policies and programs related to Housing Affordability and Livability.
- Target further outreach efforts for parcel level information.
- Assess utility of data after several years.