

# 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  
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# Statement of Legislative Intent 28-1-A-1

2

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

3

- **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

4

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

# Proposed Approach to Address Data Gaps

5

- 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

7

## □ 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

8

- **Median rents** (rent at which half of units have lower rents; half have higher rents)
- **25<sup>th</sup> 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

9

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

- ▣ <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 Income	Monthly Rent	Annual Income	Monthly 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*

10

- 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.)

11

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

12

- 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

13

- Ensure availability of data to guide anti-displacement 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.