

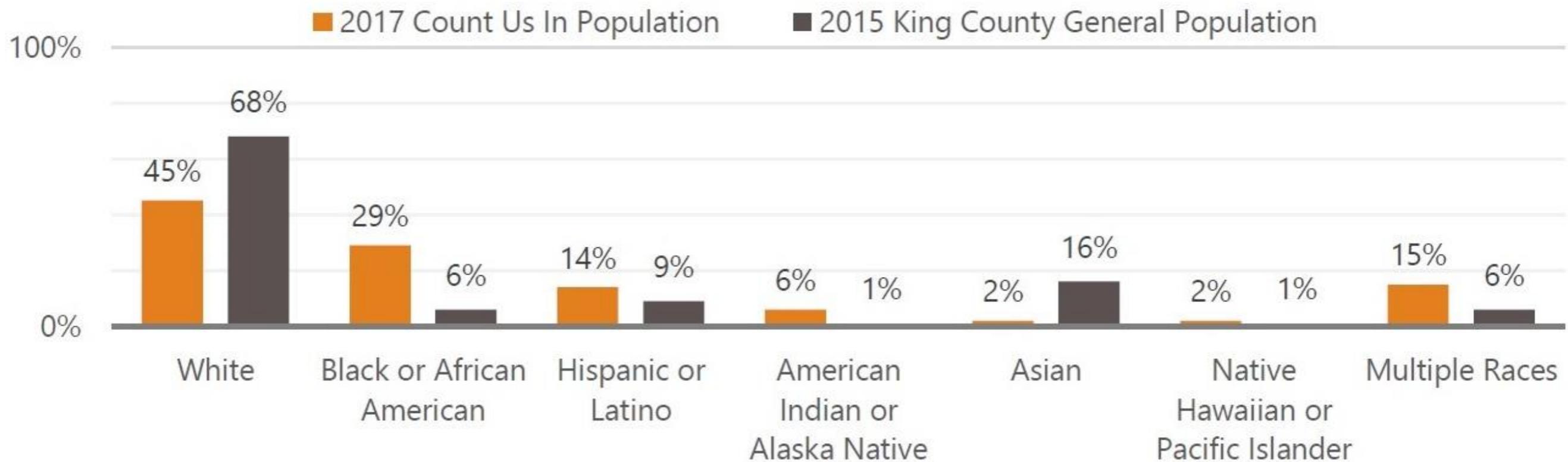
Seattle's Housing Gap

A snapshot of homelessness and housing insecurity today



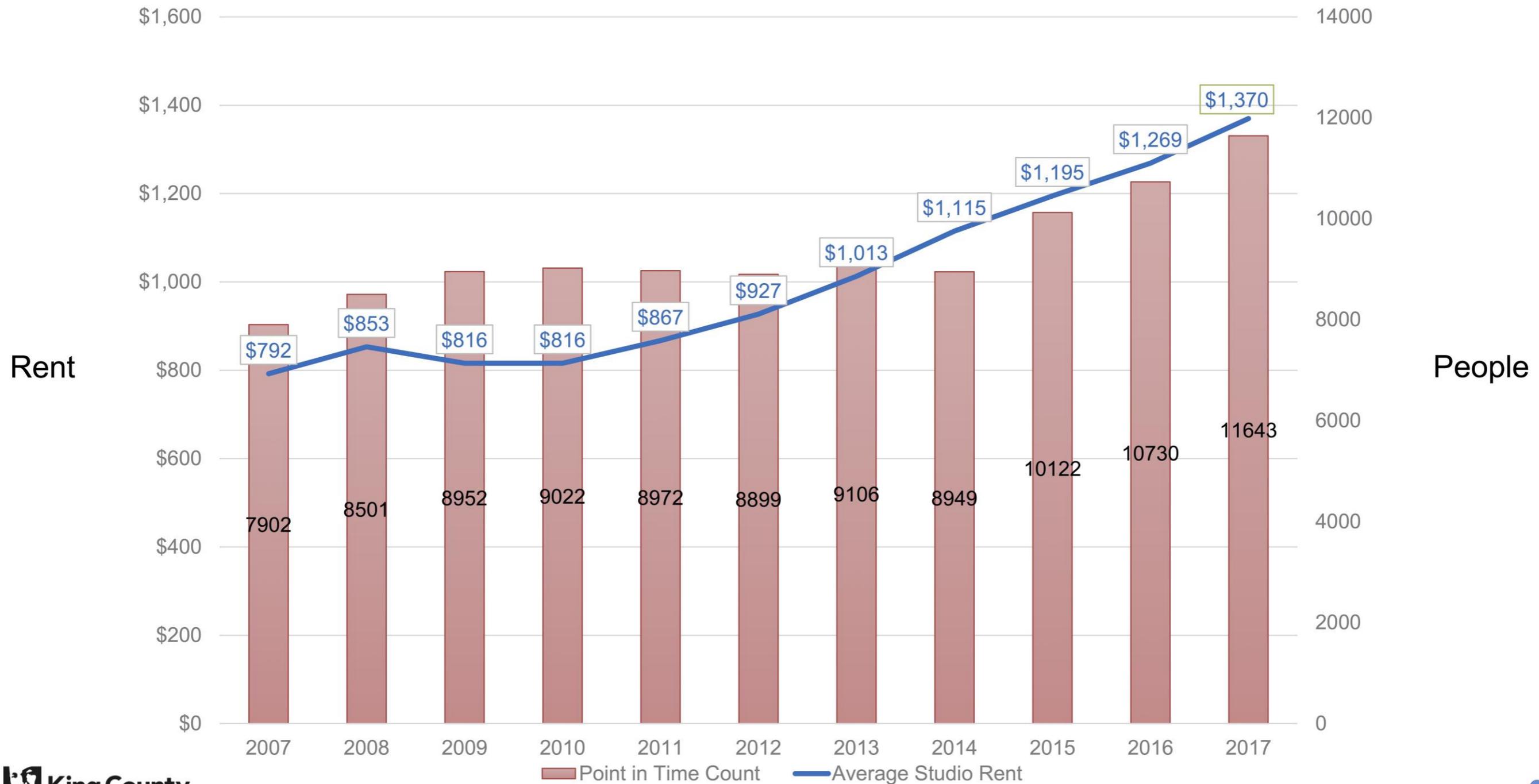
8,522 people experiencing homelessness were counted in Seattle in January 2017

- That's **73%** of the total count in King County
- **3,857** of these people were sleeping unsheltered
- Homelessness **disproportionately impacts people of color:**



Rising rents correlate with rising homelessness

King County Homeless PIT Count and King County Average Studio Rent



Tens of Thousands of Seattle's Lowest-Income Households are **Severely Burdened** by Rent Costs

Severely Cost Burdened (SCB): > 50% of income for rent & utilities

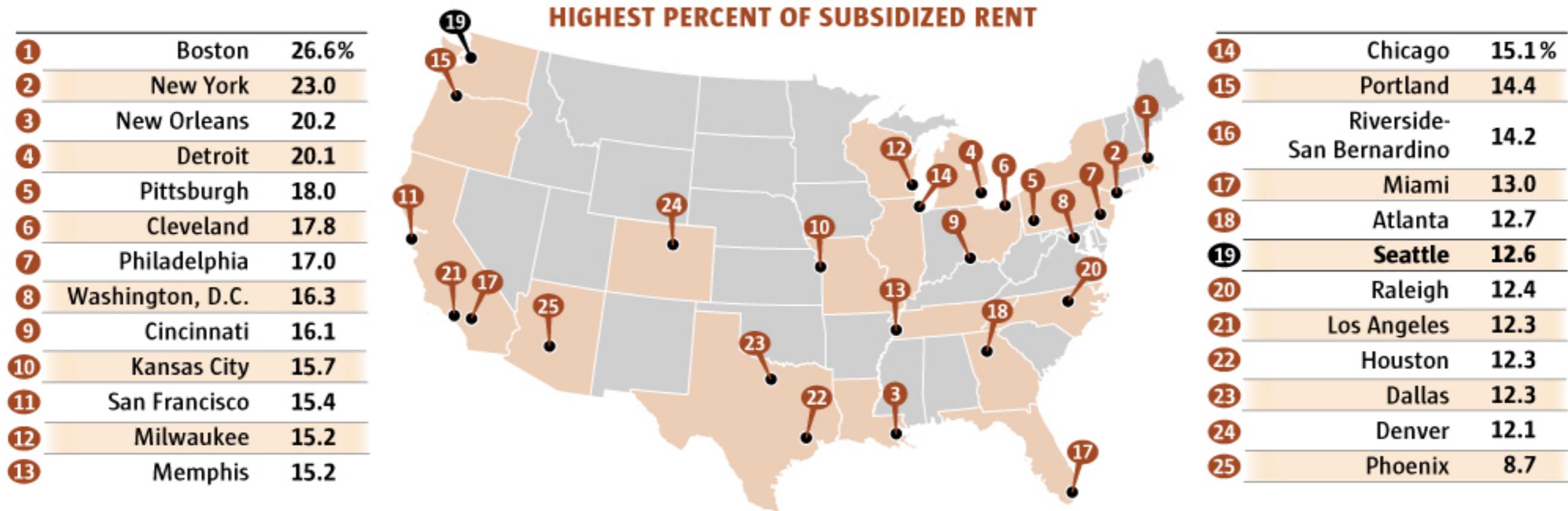
Total Number of Renter Households:	156,465
Number of Renter Households with incomes \leq 30% AMI*:	39,540 (25%)
Number of SCB Renter Households with incomes \leq 30% AMI:	22,800 (15%)

*30% AMI Today: \$20,200 (1 person) - \$23,050 (2 person)

Source: "CHAS" tabulation of 2010-2014 5-Year American Community Survey (ACS) estimates, prepared by U.S. Census Bureau for HUD.
Notes: The estimates of cost-burdened households omit households for whom cost burden is not computed (mostly households who have zero or negative income). *The figures for cost-burdened households in the lowest income category should therefore be regarded as conservative estimates.*
ACS estimates carry margins of error

How Seattle stacks up for subsidized housing

In the Seattle metropolitan area, an estimated 12.6 percent of rental units are subsidized, according to data from the U.S. Census Bureau's American Housing Survey. That ranks Seattle 19th among the 25 metro areas included in the survey.



Note: Subsidized units are owned by a public housing authority or receive a government subsidy (voucher, etc.) or some other rent reduction that requires income verification.

Source: American Housing Survey, 2015

EMILY M. ENG / THE SEATTLE TIMES

“[A 2017 study] found that there are **29 affordable units available for every 100 extremely low income households** [in Seattle]. That’s well below the national average of 35 per 100.”

— Gene Balk (Seattle Times 2/16/18)

In Seattle and throughout King County, the “housing gap” is greatest for the lowest-income households

Seattle	0-30% AMI		30%-50% AMI		50%-80% AMI	
	2016	2030	2016	2030	2016	2030
Total	17,161	27,481	2,341	12,661	Met	7,125

These estimates from the **Housing Development Consortium** are extremely conservative, based on the assumption that:

- 12% of all housing stock should be affordable for households at 0-30% AMI
- 12% of all housing stock should be affordable for households at 30-50% AMI
- 15% of all housing stock should be affordable for households at 50-80% AMI

<https://www.housingconsortium.org/wp-content/uploads/2013/10/KingCountyHousingGaps7.2017.pdf>

A more accurate estimate?

8,522+ People Experiencing
Homelessness

+

22,800+ Severely Cost-Burdened
Extremely Low-Income Households

=

30,000+ more units of deeply
affordable housing needed in Seattle...
right now.

In the past three years, the City of Seattle has funded a total of **805 units** affordable at 0-30% AMI.

New Affordable Housing Units Funded

Unit Type	2015	2016	2017
Permanent Supportive Housing (PSH)	131	162	222
<30% of AMI Housing (excludes PSH)	38	116	136
>31% AMI to 80% of AMI	724	295	538
Total	893 units	610 units	896 units

Heading in the right direction, at least!

2015: **169** low-income units

2016: **278** low-income units

2017: **358** low-income units



SEATTLE CITY COUNCIL
CENTRAL STAFF

Ten year forecast: 6,000 new extremely low-income units on the horizon?

“The HALA’s recommendations work towards a goal of creating 6,000 units for residents earning less than 30% AMI... over the next ten years [from 2016 to 2025].”

— HALA report, 2015

Confusion Alert: These are **not** the same as the 6,000 units that are projected to be created through the Mandatory Housing Affordability (MHA) program. MHA units are targeted around 60% AMI.

Funding for the 6,000 units for 0-30% AMI households comes from the Seattle Housing Levy and the State Housing Trust Fund among other sources.

Federal tax bill: tax cuts for businesses may lead to less money for housing

“We think lowering the corporate tax rate from 35 to 21 percent without making other changes to the Housing Credit will mean a **14 percent reduction** in the number of affordable homes we are able to create in Seattle.”

“In 2017, this would mean an impact of approximately **125 less affordable homes being built**, or at least one building, at a time when we face an affordability crisis.”

— Steve Walker, Director of Seattle Office of Housing. Quoted in Reuters.

- The recently-passed federal tax bill lowers the corporate tax rate from 35 to 21%.
- This reduces the incentive for corporations to purchase **Low Income Housing Tax Credits** — which currently provide the largest share of private funding for affordable housing development in the U.S.



<https://www.reuters.com/article/us-usa-housing-tax/u-s-tax-cuts-will-reduce-incentive-to-build-affordable-housing-campaigners-idUSKBN1EH0NJ>

To recap:

Need exists for 30,000+ more extremely low
income units right now

6,000 new units by 2025 if we're lucky

358 units funded last year

Federal tax bill likely to make things worse

(Don't even think about Trump's proposed 2019
budget)

Homelessness is complex, but one piece of the puzzle is pretty simple:

Seattle must start **closing the housing gap.**

Without a lot more **deeply affordable housing**, the homelessness crisis will continue.