



Puget Sound Regional Council

SEA Stakeholder Advisory Round Table (StART)

October 25, 2023

VISION 2050

- Planning for 5.8 million people
- A healthy environment, thriving communities, and a strong economy

Mobility

Environment

Climate



The cover of the 'VISION 2050' report features a pink header with a logo on the left. The title 'VISION 2050' is in large white letters, with the subtitle 'A Plan for the Central Puget Sound Region' below it. The background of the cover shows a modern glass building and pink cherry blossoms.

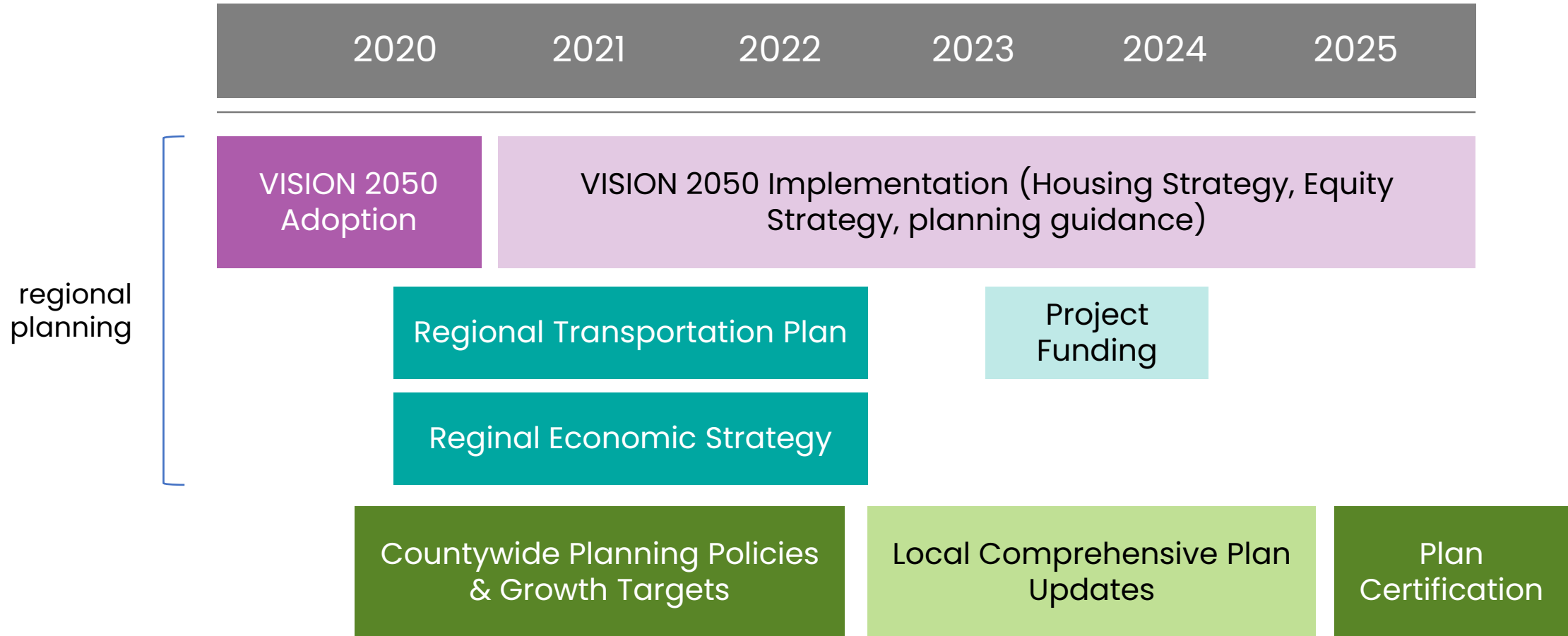
Jobs

Equity

Housing



Engaging in Local Plans





Passport to 2044 Series



- [Comprehensive Planning](#)
- [Climate](#)
- [Economic Development](#)
- [Transportation](#)
- [Housing - Racially Disparate Impacts](#)
- [Equity - Resources & Engagement](#)
- [Tribal Coordination](#)
- [Critical Areas](#)
- [TOD and Centers](#)
- [Housing - Need & Capacity](#)
- [Elected Officials](#)
- [2023 Legislative Session Wrap-Up](#)
- [Racial Equity Impact Assessment Tool](#)
- [Stormwater Planning](#)

Community Profiles



Puget Sound Regional Council

Select your Community:

Kirkland

Select American Community Survey Data:

2016-2020 ACS Data

Population: 91,100
People of Color: 31.1%
Median Age: 37.4 years
People with a Disability: 8.3%
Median HH Income: \$116,600
HH Size: 2.42 people per household
Home Ownership: 62%
Unemployment Rate: 4.5%
Travel Time to Work: 27.4 minutes

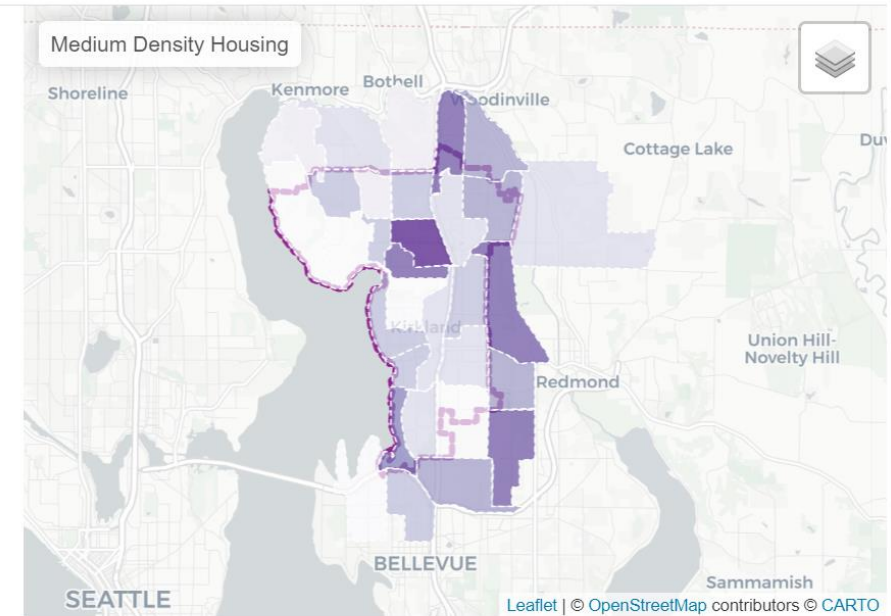
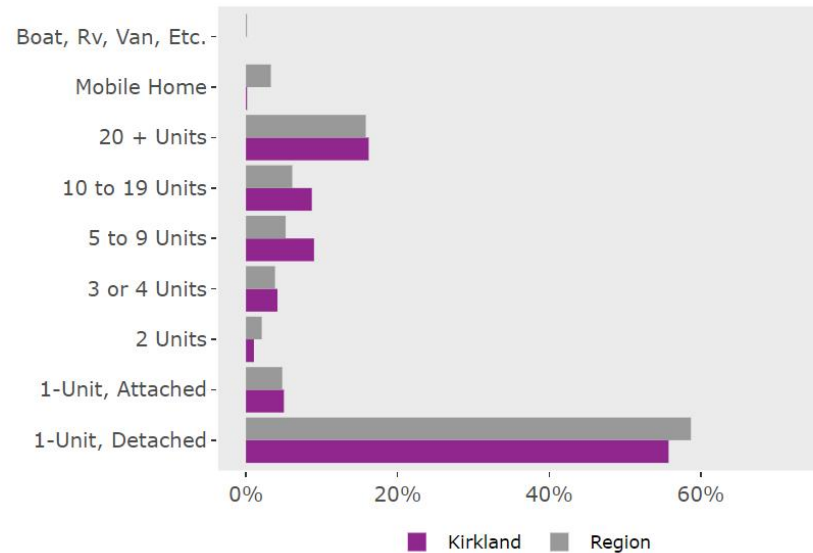
Regional Definitions:

Regional Geography: Core Cities
Airport Affected Community: No



The housing and household level metrics on this page cover the topics of Housing Type, Home Values, Monthly Rental Cost and Home Ownership. Data Profile 4 (DP04) includes a wealth of information on housing and household characteristics. Data profiles are a summarization of a variety of Census Detailed Tables contained within the American Community Survey datasets and are a great resource for high level statistics for a community however detailed information requires the use of specific ACS tables.

Housing Units Home Value Monthly Rent Home Ownership



Available online at <https://psrcwa.shinyapps.io/community-profiles/>



Regional Housing Strategy

Regional Housing Strategy Actions and Tools

Supply



Build more housing of different types

Stability



Provide opportunities for residents to live in housing that meets their needs

Subsidy

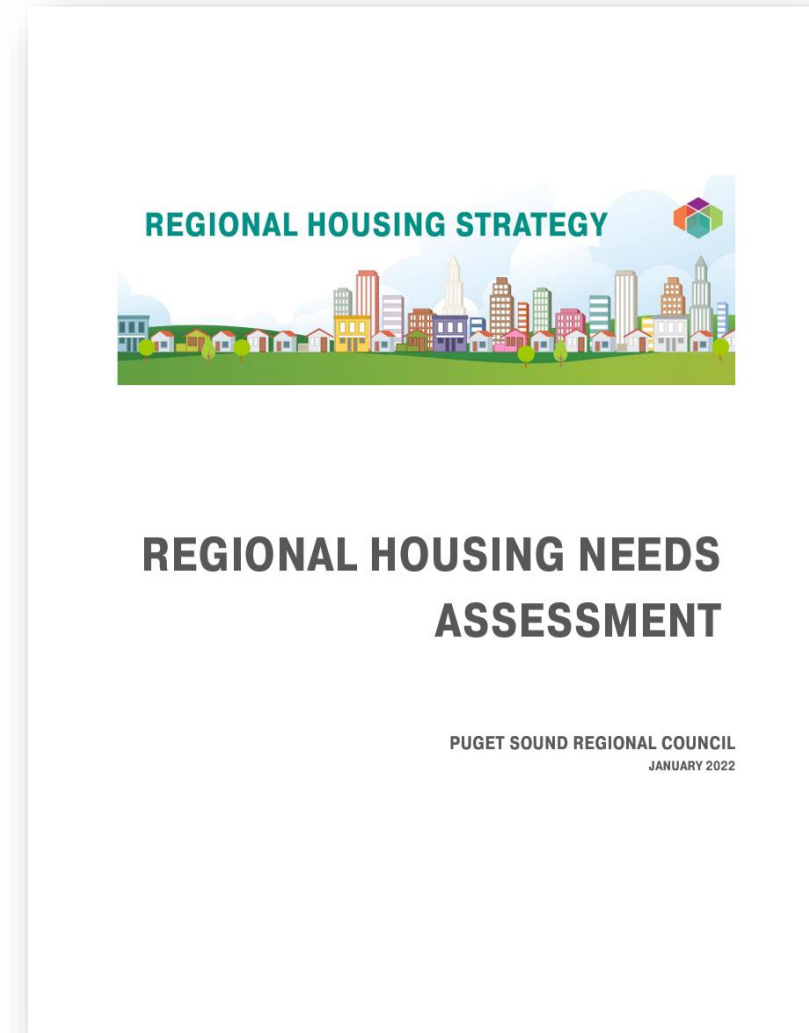


Create and sustain long-term funding sources to create and preserve housing for very low-income households and unhoused residents

2022 Regional Housing Needs Assessment

- First regional housing needs assessment
- Developed as part of Regional Housing Strategy
- Provides data for
 - Regional Geographies
 - Regional Growth Centers
 - HCT station areas
 - Subareas – 2–3 market sheds per county
- Complements and provides point of comparison for local HNAs

RHNA available online at
<https://www.psrc.org/media/3788>



Regional Housing Strategy: 2023 Monitoring Report

Draft – as of 10/18/2023



Puget Sound Regional Council



October 2023



\$160,000

Annual income needed to purchase a median priced home – **the highest ever in our region***

*** King, Pierce, and Snohomish Counties**

Housing in our region continues to cost too much.

The sharp mortgage rate hikes over the past year resulted in the highest median household income ever needed to purchase a median priced home.

Rising costs have also exacerbated the gap between renting and owning, **pushing homeownership out of reach for renters** at a time when millennial households are at prime homebuying ages and as homeownership disparities between white households and those of color continue.

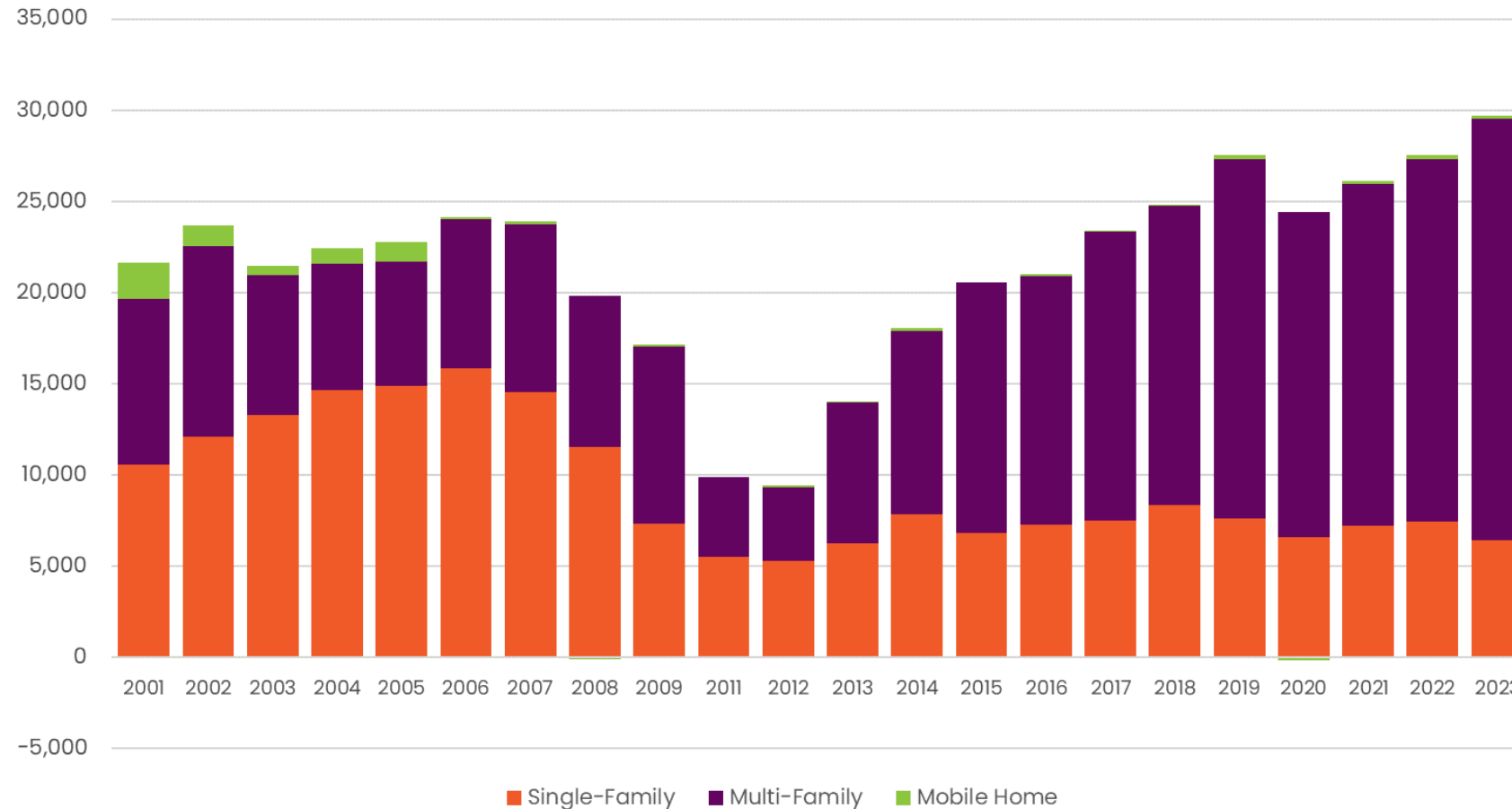
Although jurisdictions do not typically build or finance housing, zoning and development regulations play a significant role in whether and how much housing is built as the construction industry responds to growth.

The **Regional Housing Strategy calls for local jurisdictions to increase densities, reduce minimum lot sizes, and reduce or eliminate parking requirements.** These approaches have the potential to significantly reduce construction costs and open up ownership opportunities to moderate income households.



Housing Production is at a High

Housing Unit Change by Type for PSRC Region



Source: Washington State Office of Financial Management
(<https://ofm.wa.gov/washington-data-research/population-demographics/population-estimates/historical-estimates-april-1-population-and-housing-state-counties-and-cities>)



Mortgage Rate Impact on Housing Affordability

	June 2021	June 2023	Percent Change
Mortgage Rate	2.99%	6.79%	127%
Median Home Price	\$635,000	\$695,000	9%
Monthly Mortgage Payment	\$2,700	\$4,200	56%
Required Household Income	\$105,000	\$164,000	56%

Rising mortgage rates have worsened our housing affordability challenges.

From June 2021 to June 2023, mortgage rates on a 30-year, fixed rate mortgage have more than doubled.

Rising mortgage rates, combined with ever-rising housing prices, has increased a **typical mortgage payment by over \$1500 per month, a 56% increase.**

A household purchasing the typical home in 2023 needs to earn about \$60,000 more than was required in 2021 to afford the *same* home.

Source: Zillow, Home Value Index; Freddie Mac, Primary Mortgage Market Survey; calculated by PSRC
 Note: Data are for the Seattle-Tacoma-Bellevue metropolitan statistical area which represents King, Pierce, and Snohomish counties. Assumes a 31% debt-to-income ratio, 30-year fixed rate mortgage, 20% down payment, 1% property tax, and 0.35% property insurance rate.



Between 2020 and 2050 the region needs 800,000 additional housing units to accommodate future growth



King County – 418,000 units



Kitsap County – 43,000 units



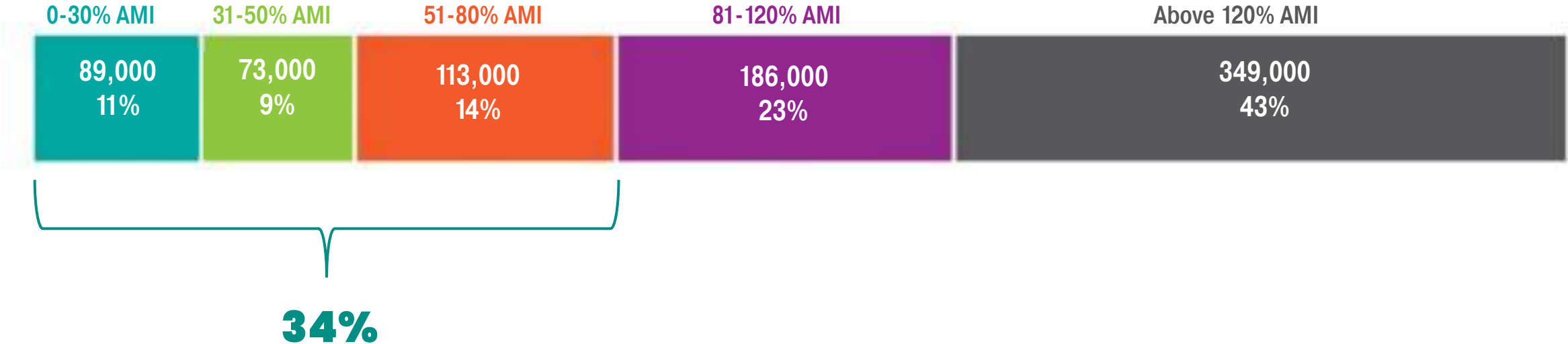
Pierce County – 161,000 units



Snohomish County – 187,000 Units

Over one-third of new units should be affordable to moderate- and lower-income households to meet future affordability needs

Households by Income Level, 2050



Regional Housing Strategy Actions and Tools

Supply



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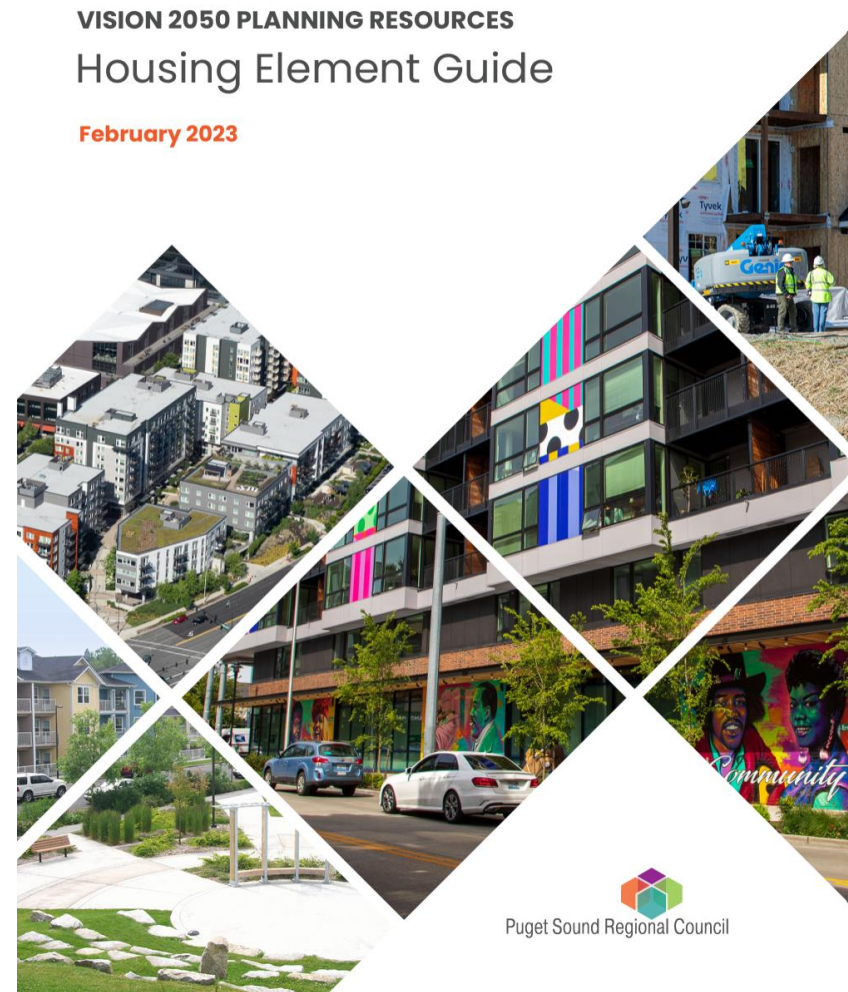




**Resources &
Guidance**

Updated Housing Element Guide

- Planning framework for housing in VISION 2050 and Regional Housing Strategy
- Regional housing data and resources
- Guidance on developing plans and needs assessments to meet the Plan Review Manual checklist
- Available online at: <https://www.psrc.org/media/7224>



Housing Innovations Program

- Collection of planning resources to promote housing affordability and smart growth
- Updated materials and new webpages, including updated search and sorting functions
- Available online at: <https://www.psrc.org/our-work/housing-innovations-program-hip>



Increase Neighborhood Stability by Mitigating Residential Displacement

Objective

Create opportunities for residents to stay in their neighborhoods as housing markets change.

WHAT IS DISPLACEMENT?

Displacement occurs when housing or neighborhood conditions force residents to move. Displacement can be physical, when building conditions deteriorate – or economic, as costs rise. Communities of color, low-income communities, and renter neighborhoods are at a higher risk of displacement.

Gentrification is the process of changing the character of a neighborhood through the influx of more affluent residents and businesses. Gentrification can often be a precursor to displacement. Depending on the local and regional context, displacement may precede gentrification or the two may occur simultaneously. Several key factors drive gentrification and displacement: proximity to rail stations, jobs centers, historic housing stock, and location in a strong real estate market. Gentrification and displacement are regional issues as they are inherently linked to shifts in the regional housing and job market.

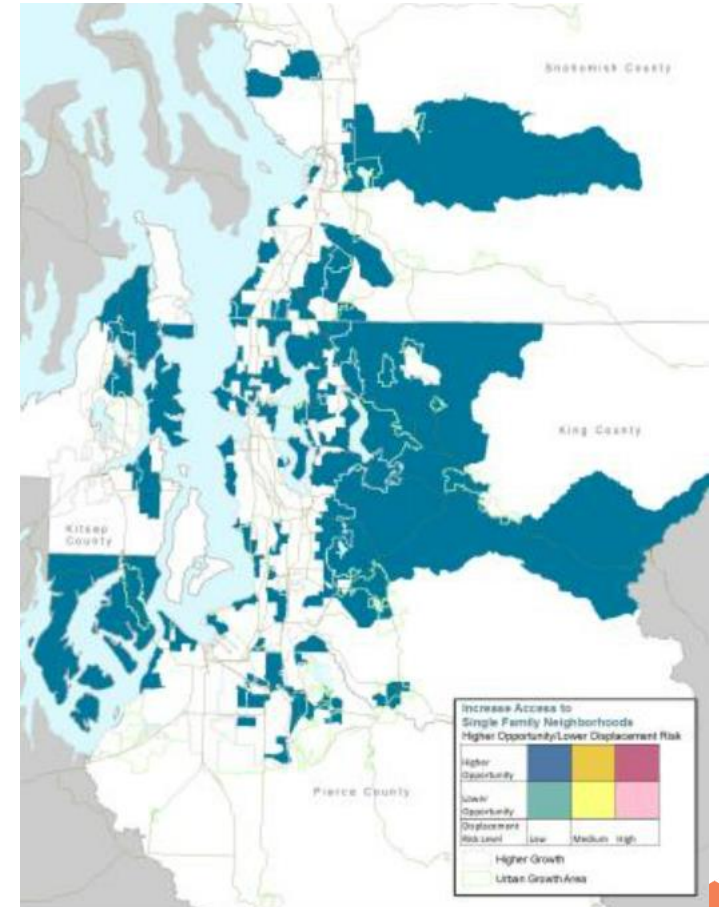
PSRC developed a [displacement risk tool](#) to identify areas at greater risk of residential displacement based on neighborhood conditions. In addition to this tool, PSRC is developing further guidance on residential displacement for local jurisdictions.

RELATED TOOLS

- [Affordability covenants](#)
- [Alternative homeownership models](#)
- [Commercial linkage fees](#)
- [Community engagement plans](#)
- [Density bonuses](#)
- [Direct household assistance](#)
- [Foreclosure resources](#)
- [Incentive zoning](#)
- [Inclusionary zoning](#)
- [Local housing fund](#)
- [MFTE](#)
- [Micro units and SROs](#)
- [Mixed use development](#)
- [Mobile/manufactured homes](#)
- [Multifamily development](#)
- [Nonprofit partnerships](#)
- [Preservation and rehabilitation](#)
- [TDR for affordable housing](#)
- [Tenant protections](#)
- [Upzones and rezones](#)

Housing Opportunities by Place

- A typology to classify strategies that address housing access and affordability
- Identifies six types of places that are common across the region
- Each city may include multiple types of places
- Available online at: <https://www.psrc.org/our-work/housing-typology>



New! Newsletter



Sign up for
PSRC's
Comprehensive
Planning
Newsletter @
<http://eepurl.com/hQnYmj>

Welcome to PSRC's comprehensive planning newsletter, highlighting information on resources for local plan updates and the plan review process!

Please forward this newsletter on to others who may be interested. *You can unsubscribe at any time from this list by clicking "unsubscribe" at the bottom of this email.*

Contact Maggie Moore at mmoore@psrc.org with suggestions, questions, or comments.

Passport to 2044 – Periodic Update Workshop on June 15

PSRC, the Washington State Department of Commerce, and MRSC are hosting an online workshop on June 15 from 9:30 a.m. – 12 p.m. on comprehensive plan updates. The workshop will officially kick-off the 2024 class of plan updates! We will cover what's new in the Growth Management Act and VISION 2050 and explore the planning issues communities are most interested in. Attendees will also have an opportunity to connect with other staff working on comprehensive plans throughout the region.

Check out the [save the date](#) and share it with others.

What's New in GMA

The 2022 Washington Legislative Session adjourned in March with some changes in the local comprehensive planning process. Below are a couple key bills from the session. Check out the Washington State Department of Commerce's recap in their [April newsletter](#).



Thank you.

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Puget Sound Regional Council