



Housing Element Supporting Analysis

BACKGROUND AND CONTEXT

Growth Targets

The King County Countywide Planning Policies (CPPs), adopted to implement the Growth Management Act (GMA), establish household growth targets for each jurisdiction within the county. Each target is the amount of growth to be accommodated during the 2006-2031 planning period. Shoreline's growth target for this period is 5,000 additional households. In order to plan for these new households, the City must identify sufficient land (zoning capacity) and strategies to show that there will be available housing and services for this projected population. New housing could include traditional single-family homes, cottage housing, accessory dwelling units, duplexes, triplexes, townhomes, or apartment buildings. Planning for expected growth requires an understanding of current economic and housing market conditions, demographic trends, and household characteristics.

Comprehensive Housing Strategy

The following demand analysis and housing inventory supports the Housing Element of the Comprehensive Plan; meets the requirements of the GMA and CPPs; and complements past planning efforts, including the City's Comprehensive Housing Strategy, adopted by Council in February 2008.

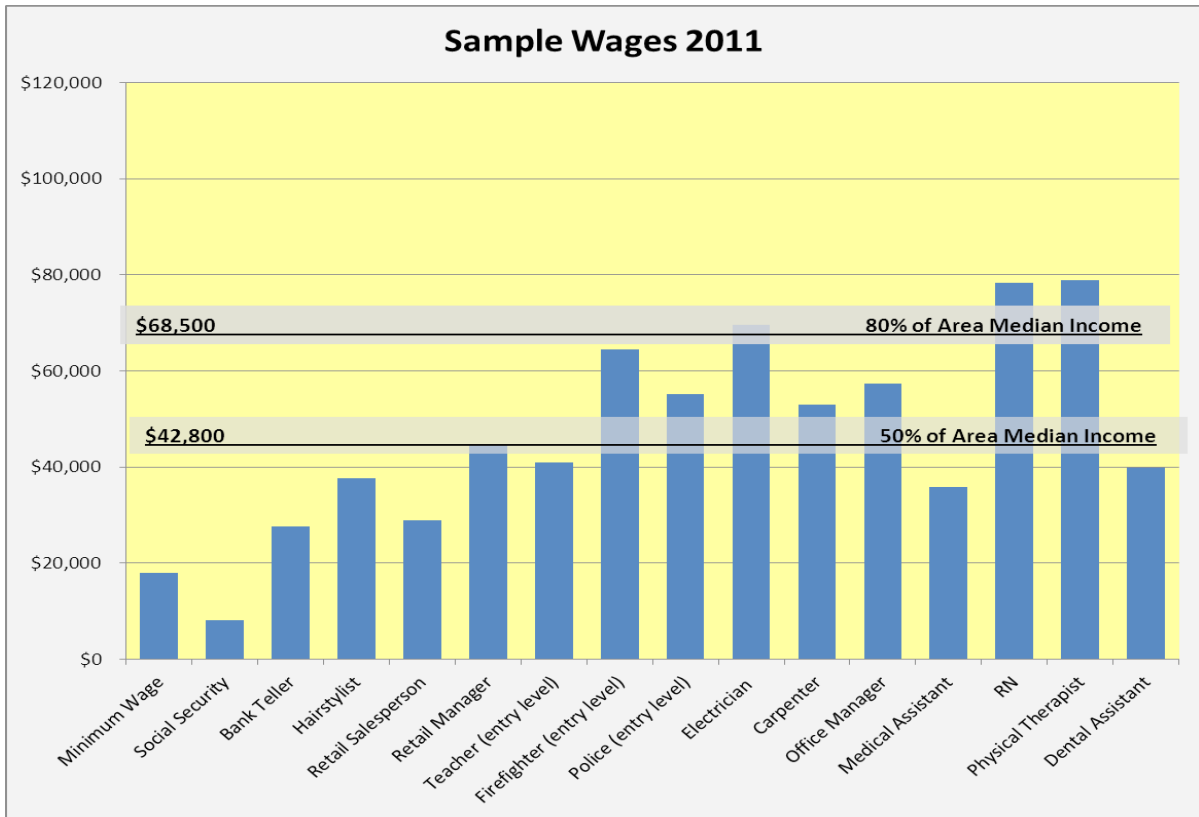
The Comprehensive Housing Strategy was the culmination of work by a Citizen Advisory Committee formed in 2006 to address the city's housing needs. The strategy contains recommendations for expanding housing choice and affordability while defining and retaining important elements of neighborhood character, educating residents about the importance and community benefit of increasing local choice and affordability, and developing standards to integrate a variety of new or different housing styles within neighborhoods.

Definition and Measure of Housing Affordability

The generally accepted definition of affordability is for a household to pay no more than 30% of its annual income on housing. When discussing levels of affordability, households are characterized by their income as a percent of their area's Annual Median Income (AMI). For example, the 2011 AMI for Shoreline was \$66,476. Therefore, a household with that income would be making 100% of median; a household that made 50% of that amount (\$33,238) would be classified at 50% AMI; a family making 30% of that amount (\$19,943) would be classified at 30% AMI. Families who pay more than 30% of their income for housing are considered "cost-burdened" and may have difficulty affording necessities, such as food, clothing, transportation and medical care.

For additional context, HA-1 is a chart of sample salaries for King County in 2011. Note that the AMI numbers are for the county, and do not match the dollar amounts mentioned for Shoreline.

**Figure HA-1
Income of Various Professions**



HOUSING INVENTORY

Shoreline can be classified as a historically suburban community that is maturing into a more self-sustaining urban environment. Almost 60% of the current housing stock was built before 1970, with 1965 being the median year of home construction. Only 7% of homes (both single and multi-family) were constructed after 1999.

Over the last decade, new housing was created through infill construction of new single-family homes and townhouses, with limited new apartments in mixed-use areas adjacent to existing neighborhoods. Many existing homes were remodeled to meet the needs of their owners, contributing to the generally good condition of Shoreline’s housing stock.

Housing Types and Sizes

Single-family homes are the predominant type of existing housing and encompass a wide range of options, which span from older homes built prior to WWII to new homes that are certified through the Leadership in Energy and Environmental Design (LEED) program. Styles range from expansive homes on large view lots to modest homes on lots less than a 1/4 acre in size.

According to the 2010 Census, there are 21,561 housing units within the City of Shoreline. About 73% of these housing units are single-family homes. Compared to King County as a whole, Shoreline has a higher percentage of its housing stock in single-family homes (see Figure HA-2).

**Figure HA-2
Number of Dwelling Units for Each Housing Type**

Type of Housing	Shoreline (units)	Shoreline (percent)	King County (units)	King County (percent)
Single-family	16,295	72.5%	504,083	59.3%
Duplex	258	1.1%	16,727	2.0%
Triplex/4-plex	516	2.3%	37,876	4.5%
Multifamily (5+ units)	5,218	23.2%	269,949	31.9%
Mobile Homes	134	0.6%	17,385	2.1%
Other (boat, RV, van, etc.)	49	.02%	753	0.1%

Source: American Community Survey 2008-2010

In Shoreline, the average number of bedrooms per unit is 2.8. Only 16% of housing units have less than 2 bedrooms. This compares with 21% of housing units with less than 2 bedrooms in King County. With larger housing units and a stable population, overcrowding has not been a problem in Shoreline. The US Census reported only 1.6% of housing units with an average of more than one occupant per room, and no units that averaged more than 1.5 occupants per room (American Community Survey 2008-2010).

SPECIAL NEEDS HOUSING

Group Quarters

Group quarters, such as nursing homes, correctional institutions, or living quarters for people who are disabled, homeless, or in recovery from addictions are not included in the count of housing units reported in Table HA-2 above. According to the 2010 Census, about 2.6% of Shoreline’s population, or 1,415 people, live in group quarters. This is a slightly higher percentage than the 1.9% of King County residents living in group quarters.

Fircrest, one of five state residential habilitation centers for people with developmental disabilities, provides medical care and supportive services for residents and their families. In 2011, Fircrest had about 200 residents. This reflects a decline from more than 1,000 residents 20 years ago, as many residents moved into smaller types of supported housing, such as adult family or group homes.

Financially Assisted Housing

As shown in Figure HA-3, 1,021 financially assisted housing units for low- and moderate-income individuals and families exist in the City of Shoreline.

Figure HA-3
Assisted Housing Inventory

Provider	Units
King County Authority	669
HUD Subsidized Units	80
Tax Credit Properties **	272
Total	1,021

Source: City of Shoreline Office of Human Services, 2012

**The Low Income Housing Tax Credit program was created by Congress through passage of the Emergency Low-Income Housing Preservation Act in 1987. When the tax credits expire, these properties may be converted to market rate housing.

In addition to this permanent housing, King County Housing Authority provided 566 vouchers to Shoreline residents through the Section 8 federal housing program, which provides housing assistance to low income renters (City of Shoreline Office of Human Services, 2012).

Emergency and Transitional Housing Inventory

Five emergency and transitional housing facilities provide temporary shelter for their current maximum capacity of 49 people in the City of Shoreline. These facilities focus on providing emergency and transitional housing for single men, families, female-headed households, veterans, and victims of domestic violence (see Figure HA-4 below).

Figure HA-4
Emergency and Transitional Housing Inventory

	# Occupants	Focus
Caesar Chavez	6	Single Men
Wellspring Project Permanency	14	Families
Home Step (Church Council of Greater Seattle)	4	Female Head-of-Household
Shoreline Veterans Center	25	Veterans
Confidential Domestic Violence Shelter	6	Victims of Domestic Violence

Source: City of Shoreline Office of Human Services, 2012.

HOUSING TENURE AND VACANCY

Historically, Shoreline has been a community dominated by single-family, owner-occupied housing. More recently, homeownership rates have been declining. Up to 1980, nearly 80% of housing units located within the original incorporation boundaries were owner-occupied.

In the 1980s and 1990s a shift began in the ownership rate. The actual number of owner-occupied units remained relatively constant, while the number of renter-occupied units increased to 32% of the city's occupied housing units in 2000, and nearly 35% in 2010. This shift was mainly due to an increase in the number of multi-family rental units in the community (see Figure HA-5).

**Figure HA-5
Housing Inventory and Tenure**

	2000	2010	Change 2000-2010
Total Housing Units	21,338	22,787	+1,449
Occupied Housing Units	20,716	21,561	+845
Owner-Occupied Units	14,097 68.0% of occupied	14,072 65.3% of occupied	-25 0.2% decrease
Renter-Occupied Units	6,619 32.0% of occupied	7,489 34.7% of occupied	+870 13.1% increase
Vacant Units	622 2.9% of total	1,226 5.4% of total	+612 99.7% increase

Source: 2000 Census; 2010 Census

A substantial increase in vacancies from 2000 to 2010 may partially be explained by apartment complexes, such as Echo Lake, that had been built but not yet occupied during the census count, or by household upheaval caused by the mortgage crisis. More recent data indicates that vacancies are declining (see Figure HA-16 on page 113).

Housing Demand

Housing demand is largely driven by economic conditions and demographics. Information on economic conditions is presented in the Economic Development Element of this Comprehensive Plan. Demographic characteristics influence market demand with regard to number of households; household size, make-up, and tenure (owner vs. renter); and preference for styles and amenities. For instance, young singles and retired people may prefer smaller units with goods, services, and transit within walking distance as opposed to a home on a large lot that would require additional maintenance and car ownership. It is important for Shoreline to have a variety of housing styles to accommodate the needs of a diverse population.

Population Growth and Household Characteristics

After increasing in the 1980s and 1990s, Shoreline’s total population has remained stable for the last ten years. The Washington Office of Financial Management estimates that Shoreline added 193 residents in 2011, which is a more modest rate of growth than experienced by the county or many other cities in the Puget Sound region.

In 2010, there were 21,561 households in the city, an increase of 845 since 2000. This increase in number of households while the population remained stable indicates a decrease in household size. Census figures show that the average household size in Shoreline dropped slightly between 2000 and 2010. Household size in the county has remained stable since 1990 (see Figure HA-6).

Figure HA-6
Average Household Size

	1980	1990	2000	2010
Shoreline	2.7	2.5	2.5	2.4
King County	2.5	2.4	2.4	2.4

Source: 1980 Census, 1990 Census, 2000 Census, 2010 Census

In 2010, about 61% of households were family households (defined as two or more related people), down from 65% in 2000. Approximately 30% were individuals living alone, an increase from 26% in 2000. The remaining 9% were in non-family households where unrelated individuals share living quarters.

Households with children decreased from 33% of households in 2000 to 28% of households in 2010. Single-parent families also decreased from 7.4% to 6.9% of households, reversing the previous trend of increasing single-parent families. Shoreline now has a lower percentage of households with children than King County as a whole, where households with children account for about 29% of all households, down from 30% in 2000. Table HA-7 summarizes the changing characteristics of Shoreline's households.

Figure HA-7
Changing Household Characteristics

	2000	2010	Change 2000-2010
Total Households	20,716	21,561	+845
Households with Children	6,775 32.7% of total	6,015 27.9% of total	-760 11.2% decrease
Single-person Households	5,459 26.5% of total	6,410 29.7% of total	+951 17.4% increase
Households with an Individual over 65	4,937 23.8% of total	5,509 25.6% of total	+572 11.6% increase

Source: 2000 Census; 2010 Census

A Changing Community

In addition to the changes noted above, Shoreline's population is becoming more ethnically and racially diverse. In 2000, 75% of the population was white (not Hispanic or Latino). By 2010, this percentage dropped to 68%.

Shoreline's changing demographic characteristics may impact future housing demand. Newer residents may have different cultural expectations, such as extended families living together in shared housing. The increase in the number of singles and older adults in the community suggests that there is a need for homes with a variety of price points designed for smaller households, including accessory dwelling units or manufactured housing. Demographic changes may also increase demand for multi-family housing. Such housing could be provided in single-use buildings (townhouses, apartments, and condominiums), or in mixed-use buildings. The need for housing in neighborhood centers, including for low and moderate income households is expected to increase. Mixed-use developments in central areas close to public transit will allow for easier access to neighborhood amenities and services, and could make residents less dependent on private automobiles.

HOUSING ISSUES

Affordable Housing

The GMA requires CPPs to address the distribution of affordable housing, including housing for all income groups. The CPPs establish low and moderate income household targets for each jurisdiction within the county to provide a regional approach to housing issues, and to ensure that affordable housing opportunities are provided for lower and moderate income groups. These affordable housing targets are established based on a percent of the City’s growth target. The CPPs more specifically state an affordability target for moderate income households (earning between 50% and 80% AMI) and low-income households (earning below 50% AMI). The moderate-income target is 16% of the total household growth target, or 800 units. The low income target is 22.5% of the growth target, or 1,125 units. Of the current housing stock in Shoreline, 37% is affordable to moderate-income households and 14% is affordable to low income households (King County Comprehensive Plan, Technical Appendix B).

Assessing affordable housing needs requires an understanding of the economic conditions of Shoreline households and the current stock of affordable housing. Estimated percentage of households at each income level is presented in Figure HA-8, and a separate chart assigning specific dollar amounts to AMI percentages is included as Figure HA-9.

**Figure HA-8
Household Income**

	Shoreline	King County
Very Low Income (<30% AMI)	3,154 (15%)	53,784 (13%)
Low Income (30%-50% AMI)	2,580 (12%)	52,112 (11%)
Moderate Income (50%-80%AMI)	3665 (17%)	76,279 (16%)
80%-120% AMI	4,443 (21%)	97,116 (19%)
>120% AMI	7,520 (35%)	216,821 (41%)

Source: 2008-2010 American Community Survey; King County Comprehensive Plan

**Figure HA-9
Conversion of Percent AMI to Household Income**

Percent Area Median Income	Income Level for King County Average Household (2.4 Persons)
30% AMI	\$21,620
40% AMI	\$28,776
50% AMI	\$35,970
60% AMI	\$43,164
70% AMI	\$50,358
80% AMI	\$54,140
100% AMI	\$71,940
120% AMI	\$86,328

Source: Housing and Urban Development (HUD), 2010

Affordability Gap

The “affordability gap” is the difference between the percentage of city residents at a particular income level and the percentage of the city’s housing stock that is affordable to households at that income level. A larger gap indicates a greater housing need.

**Figure HA-10
Affordability Gap**

	Percent of Units Affordable to Income Group	Affordability Gap
Very Low Income (<30% AMI)	825 (3.9%)	11%
Low Income (30%-50% AMI)	2,116 (10%)	2%
Moderate Income (50%-80% AMI)	4,886 (23%)	N/A
80%-120% AMI	6,367 (30%)	N/A

Source: King County Comprehensive Plan

* Vacant units are not included in the analysis, since the affordability of vacant units is unknown.

Where affordability gaps exist, households must take on a cost burden in order to pay for housing. Cost-burdened households paying more than 30% of household income for housing costs comprise 39% of homeowners and 48% of renters in Shoreline. Very low income cost-burdened households are at greatest risk of homelessness and may be unable to afford other basic necessities, such as food and clothing. The substantial affordability gap at this income level suggests that the housing needs of many of Shoreline’s most vulnerable citizens are not being met by the current housing stock. Closing this gap will require the use of innovative strategies to provide additional new affordable units and the preservation/rehabilitation of existing affordable housing.

In order to assess the relative status of housing affordability in the city, comparison cities in King County were selected based on number of households and housing tenure. Two cities (Sammamish and Mercer Island) with few renters were selected for comparison, along with two cities (Kirkland and Renton) with a higher proportion of renting households. To compare Shoreline to these cities and to King County, the number of households in each income group countywide was compared to the number of housing units affordable at each income level.

**Figure HA-11
Comparison of Affordability Gaps**

	Very Low Income Affordability	Low Income Affordability Gap	Moderate Income Affordability Gap	80%-120% AMI Affordability Gap
Sammamish	12.1%	9.6%	10.1%	2.1%
Mercer Island	10.1%	8.9%	6.0%	6.7%
Shoreline	8.6%	1.2%	N/A	N/A
Kirkland	9.9%	4.9%	N/A	N/A
Renton	8.8%	N/A	N/A	N/A
King County	8.4%	N/A	N/A	N/A

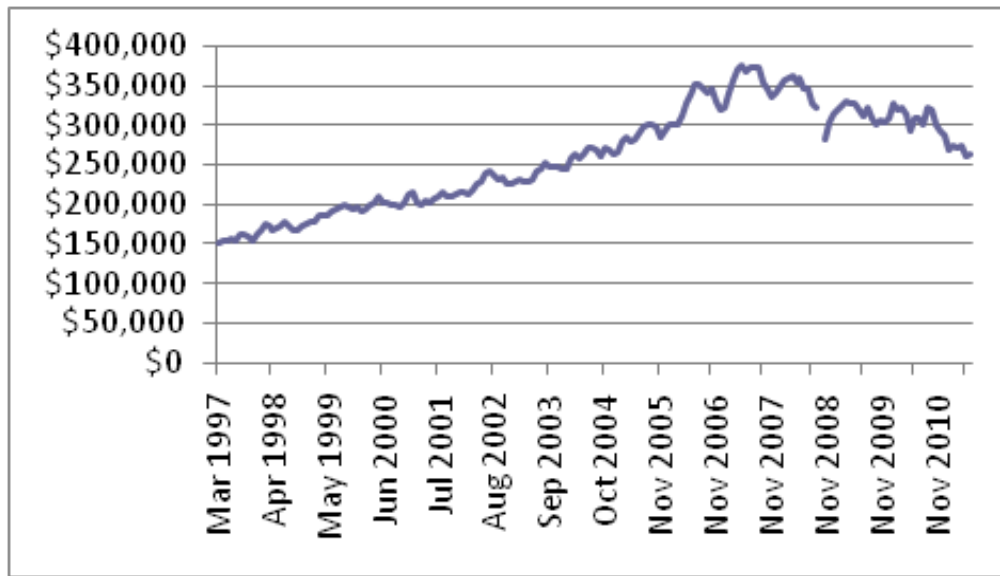
Source: King County Comprehensive Plan

* Discrepancy with Table H-8 results from use of Countywide household data for comparison with other cities and King County

Falling Home Values

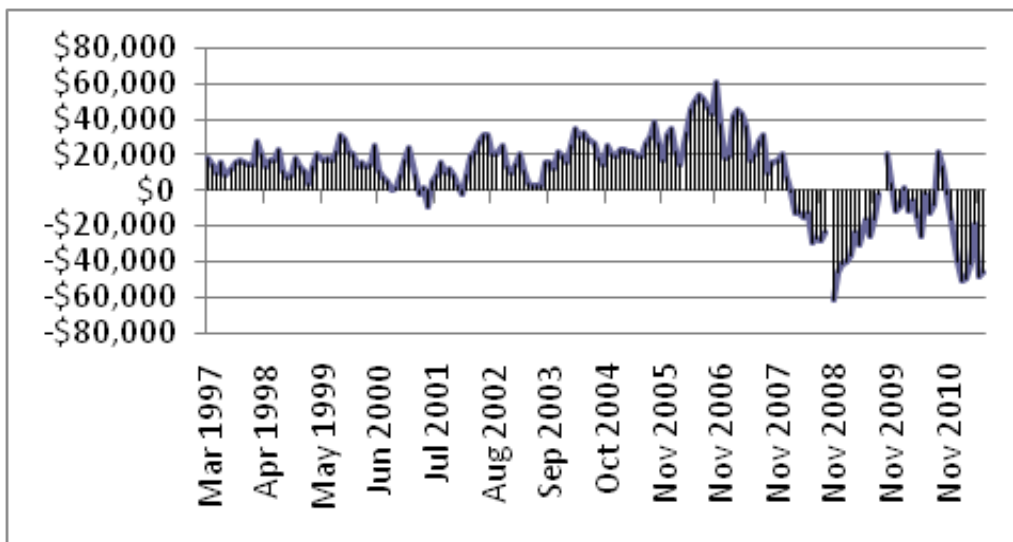
As in much of the rest of the country, home prices in Shoreline have fallen in recent years. After increasing rapidly for over a decade, median sales price reached a peak in June 2007 at \$375,300. The median sales price in December 2011 was \$262,600, a decrease of 30% (see Figures HA-12 and HA-13). While decreasing prices lower the affordability gap for prospective buyers, they can also increase risk of deferred maintenance, vacancy, and abandonment.

**Figure HA-12
Median Sales Price**



Source: Zillow.com

**Figure HA-13
Year-Over-Year Change in Median Sales Price**



Source: Zillow.com

A Segmented Market

While home prices have decreased citywide since 2007, there is a large discrepancy in the value of homes in the city’s various neighborhoods. Table HA-14 presents data extracted from home sales records used by the King County Assessor to assess the value of homes in various sub-markets within the city (the Assessor excludes sales that are not indicative of fair market value). Citywide data suggests that home values have continued to decline since 2010, though regional trends suggest the rate of decline is now slowing.

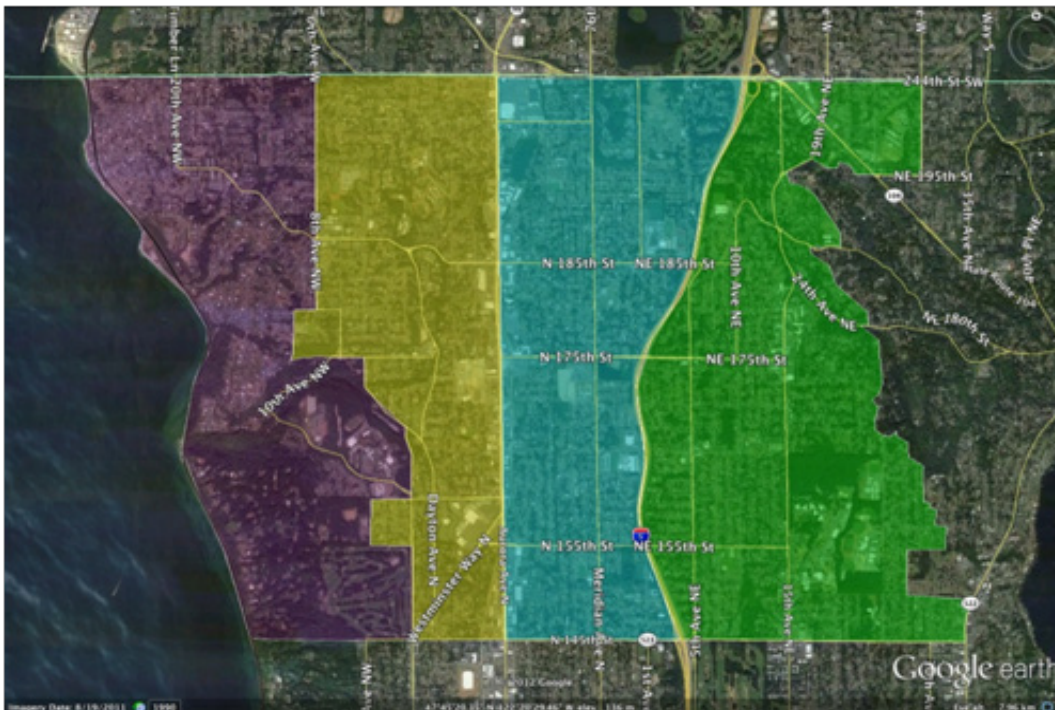
**Figure HA-14
Single-Family Housing Prices**

Neighborhood Area	Median Sale Price, 2010	Affordable Income Level*	Average Change in Assessed Value, 2010-2011
West Shoreline	\$500,00	>120% of AMI	-2.8%
West Central	\$341,500	115% of AMI	-6.0%
East Central	\$305,000	100% of AMI	-6.9%
East Shoreline	\$290,000	100% of AMI	-5.2%

Sources: King County Assessor 2011 Area Reports, 2011 HUD Income Levels

*Figures given are the percent of 2011 typical family Area Median Income required to purchase a home at the 2010 median price. Affordable Housing Costs are based on 30% of monthly income. Figures are approximate. Additional assumptions were made in the affordability calculation.

**Figure HA-15
Shoreline Neighborhood Areas Reference Map**



Source: King County Assessor 2011 Area Reports

Rising Rents

In contrast to the single-family market, apartment rents in Shoreline have stabilized near highs reached in 2009, and are likely to continue trending upward as vacancies decline. According to the most recent data available, the average rent has increased from \$859 in September 2007 to \$966 in March 2012. Year-over-year trends for the past five years in the Shoreline area rental market (which includes the cities of Shoreline and Lake Forest Park) are included in Table HA-16.

Figure HA-16
Shoreline Area Rental Market
Rents & Vacancy Rates

	2008	2009	2010	2011	2012
Average Rent	\$897	\$977	\$949	\$934	\$966
Market Vacancy*	2.7%	4.6%	7.1%	5.0%	4.0%

Source: Dupre+Scott, *The Apartment Vacancy Report*

*Market Vacancy excludes units in lease-up and those undergoing renovation

The increasing price of rental options may be limiting the city’s attractiveness to new families, and the ability to provide affordable housing options for younger or fixed-income citizens and smaller households.

Neighborhood Quality and Housing Choice

The Citizen Advisory Committee of the Comprehensive Housing Strategy stressed the need to define and retain important elements of neighborhood character, while also providing housing choice. Some members of the community have expressed concern about density and design of infill developments and the impacts of these developments on existing neighborhoods; some members of the community support additional density and infill development in order to preserve undeveloped land in rural areas, support transit and other amenities, and increase affordability. Regulations that implement policy recommendations in the Housing Element and Strategy should strive to balance these concerns and opportunities.

Housing choice refers to the ability of households in the city to live in the neighborhood and housing type of their own choosing. Housing choice is supported by providing a variety of housing that allows older adults to age in place and new families to be welcomed into existing neighborhoods. While Shoreline’s single-family housing is in generally good condition and highly desirable for many, new housing close to neighborhood centers may be equally desirable to older adults, small households, or special-needs households with financial or mobility limitations. Other benefits of location efficient housing development include:

- Transportation cost savings;
- Improved fitness and health through increased walking;
- Lower costs for roads, utilities, and emergency services;
- Reduced road and parking costs;
- Reduced regional congestion;
- Energy conservation;
- Reduced emissions; and
- Preservation of open space.

Homelessness

According to the Shoreline School District, 123 students experienced homelessness during the 2010-11 school year. According to the 2012 King County One Night Count of homeless individuals, 31 people were found living on the streets in the north end of King County. According to the King County Committee to End Homelessness, “there are many reasons people become homeless, and the combination of factors that lead to homelessness are different for every individual.” Those factors include the high cost and shortage of housing as well as:

- Poverty, often caused by lack of a job, health care, education, and/or literacy;
- Domestic violence;
- Effects of mental illness and/or chemical addiction;
- Institutional discharge to homelessness;
- Legal issues;
- Extra barriers for people of color and those for whom English is a second language; and/or
- Lack of community and/or familial supports.

These factors lead to a diverse population of individuals becoming homeless including:

- Veterans;
- Single mothers with children;
- Two-parent families;
- Foster youth aging out of the system; and
- Domestic Violence victims.

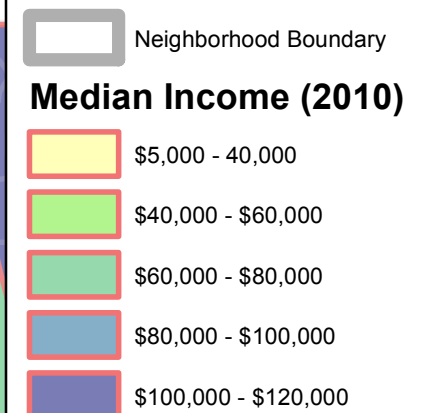
The City is committed to doing its part to serve and house homelessness individuals in cooperation with regional efforts.

Figure HA-17: Affordable Housing Units by Income Group is a map that shows multiple factors related to housing affordability in various Shoreline neighborhoods, and this complexity warrants a description that is not included with other maps. The map shows average household income levels of various neighborhoods, by census tract. For each neighborhood, there is also a list that begins with the name of the neighborhood, and displays the number of houses whose assessed value would be considered affordable to various income groups. Recall that to be affordable, a mortgage and expenses, such as property tax, should not exceed 30% of the annual household income. The price range for housing that would be affordable for each income group is listed in the legend.

To provide an example, in the Meridian Park Neighborhood, the average household income is \$82,148. Within that neighborhood, there are 3 homes appraised below \$99,720, which is the price a very low income household would be able to afford without exceeding 30% of their income. There are 735 homes appraised between \$99,720 and \$265,999, which is the price a low income household would be able to afford without exceeding 30% of their income, and so forth.



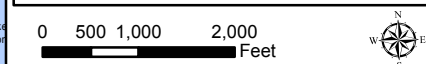
City of Shoreline COMPREHENSIVE PLAN



Description of Neighborhood Map Labels:

- Neighborhood Name
- # of Homes Appraised less than \$99,720 and Affordable to Very Low Income
- # of Homes Appraised \$99,720 to \$265,999 and Affordable to Low Income
- # of Homes Appraised \$266,000 to \$399,000 and Affordable to Medium Income
- # of Homes Appraised \$400,000 to \$599,999 and Affordable to High Income
- # of Homes Appraised \$600,000 or more and Affordable to Very High Income

Home values were obtained from the appraised value provided by the King County Department of Assessments. The data source for median income is provided by the 2010 American Community Survey.



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Affordable Housing Units by Income Group

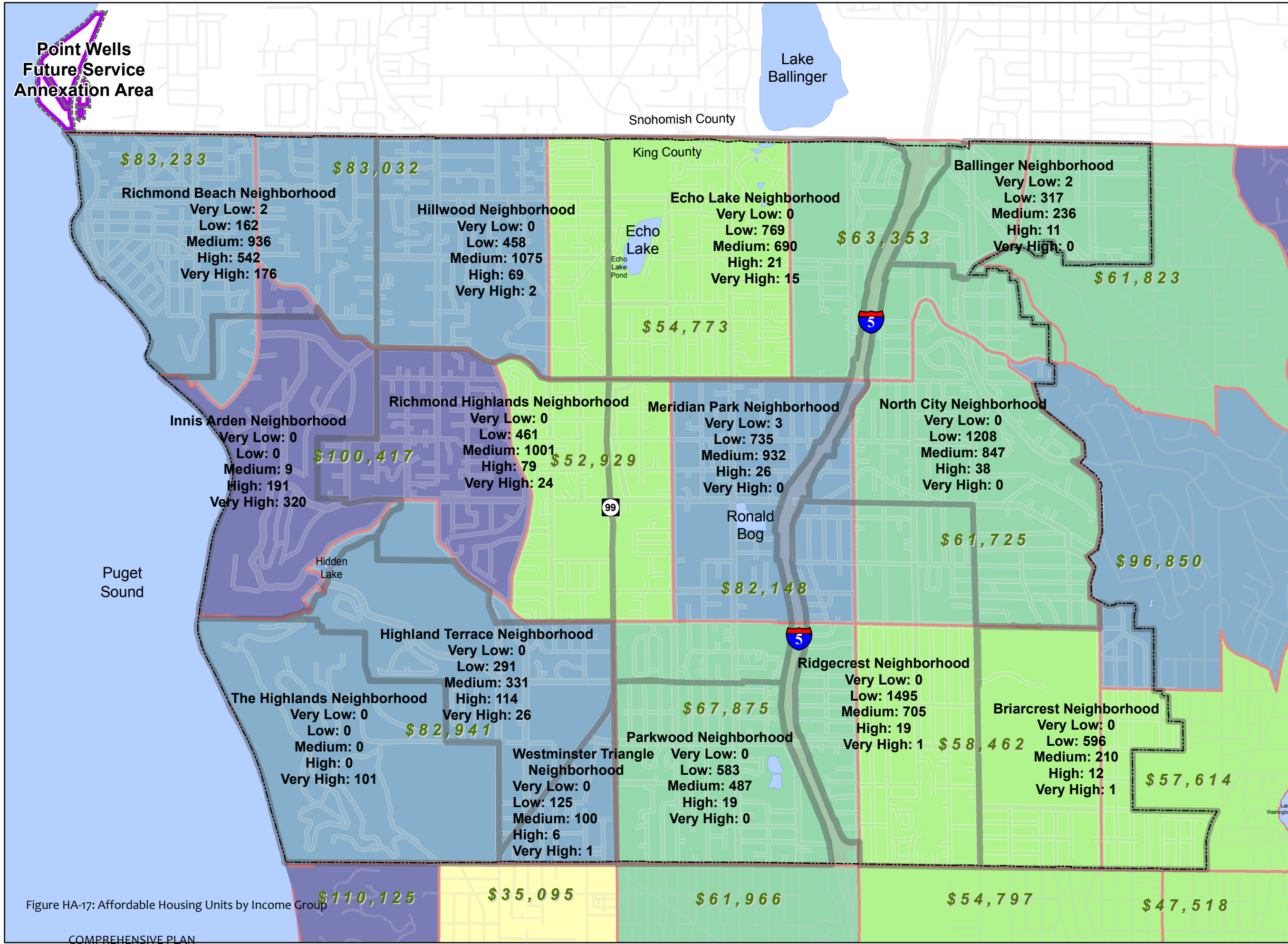
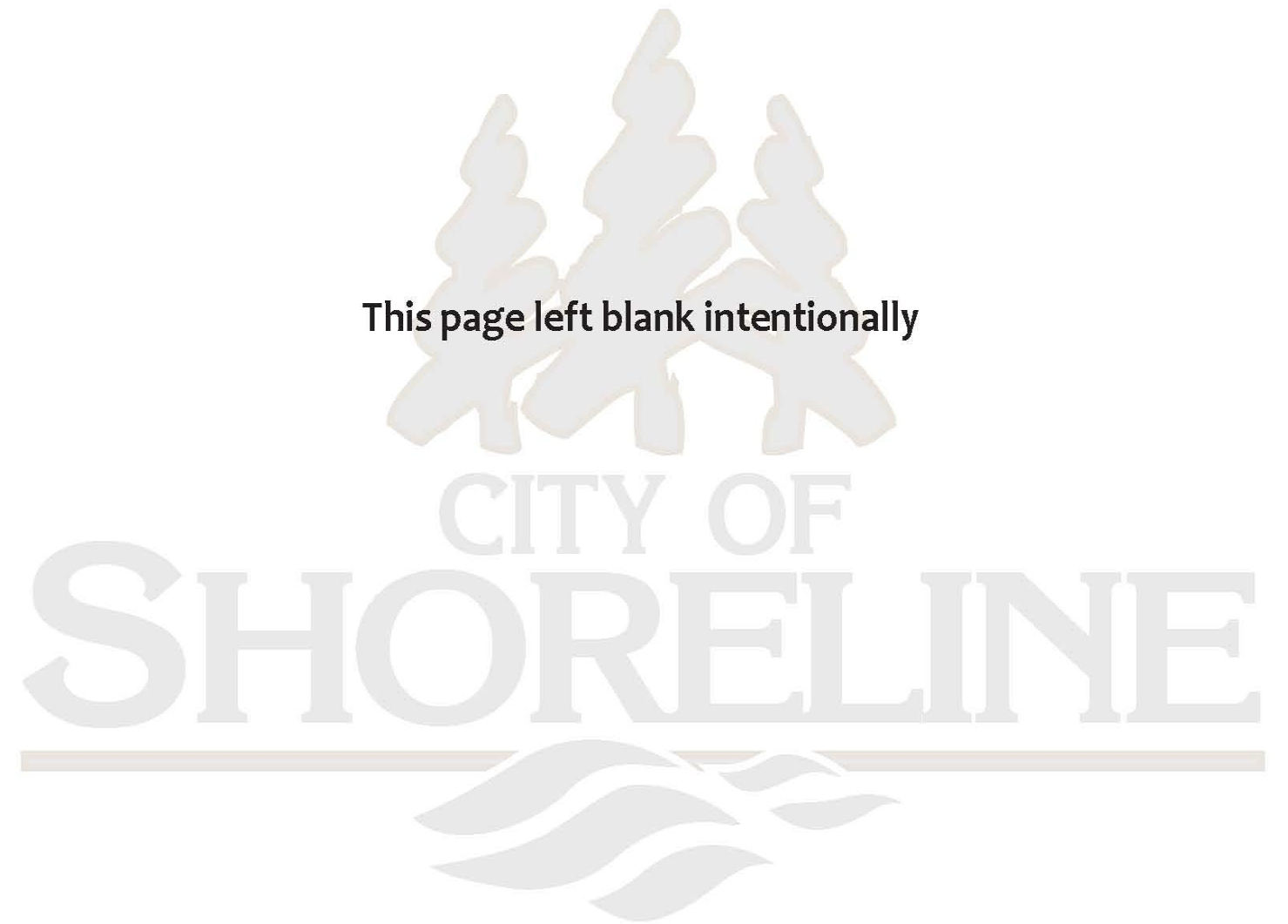


Figure HA-17: Affordable Housing Units by Income Group

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Future Service
Annexation Area

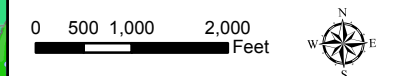


City of Shoreline
COMPREHENSIVE PLAN

Percentage of Rentals

- more than 75%
- > 50% to 75%
- > 30% to 50%
- > 10% to 30%
- 10% or less

This map shows the portion of occupied housing units that are rentals. The data source is the 2010 US Census, Summary Tape File 1. A housing unit is a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall.



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Rental
Housing

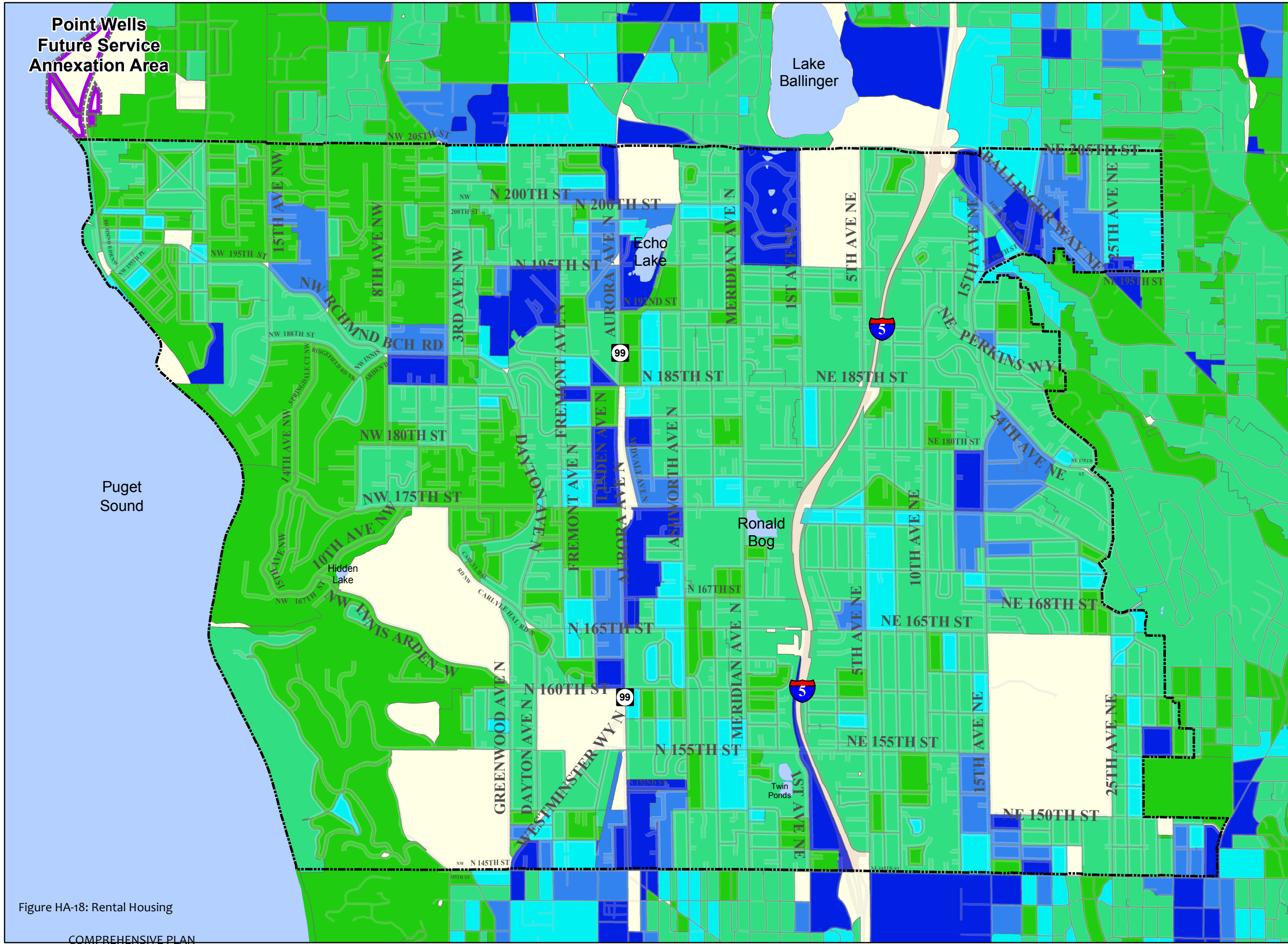


Figure HA-18: Rental Housing

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