City of Renton Housing Action Plan

HOUSING NEEDS ASSESSMENT

NOVEMBER 2020
Summary of Major Findings

Based on the overall analysis, several broad findings are relevant to the ongoing development of housing policy by the City of Renton. These major findings include:

Finding 1: By 2040, Renton will need another 9,300 housing units, which will require maintaining and increasing the current rate of housing development.

Housing development in Renton has largely kept pace with expected demands from regional projections. However, lower than normal housing production across the region has led to general shortfalls in housing supply. Even with local production levels, there has still been notable pressures on the Renton market.

Meeting Renton’s share of projected regional housing growth over the next 20 years will require about another 9,300 housing units. This will expand the local housing stock by 22% and require an increase in the rate of development by about 6% over recent averages.

Although housing production has generally been strong compared with other communities, planning and coordination will be needed to address price increases, prevent displacement, provide options for lower-income households, and maintain growth rates as development sites that are easier to develop are expended. Additionally, contingencies to accommodate additional growth may be necessary if regional conditions change, or if other communities in the region are not able to expand their own housing stock to meet future demands.

Finding 2: While housing at all price points will be needed, low- and moderate-income households in Renton are facing increased cost burdens in the market given higher costs of housing.

In the past, Renton has been an attractive option for many households. The city provides a welcoming community with affordable housing options that is within easy commuting distance of major regional employment centers. However, for low- and moderate-income households looking to move to or stay in Renton, meeting their housing needs in the city has posed a significant burden to their income.

This can be a challenge for access to appropriate and affordable housing for many families, especially for low-income households, populations of color, seniors, and other populations at risk for housing insecurity. To maintain the current diversity of families in the city and prevent displacement of residents, Renton will need to consider new options that provide affordable opportunities for housing.

Note that this availability of affordable housing can also affect the commutes by Renton workers. Providing housing options affordable to people working in the city can give them the opportunity to live closer, which can reduce the need for local employees to travel longer distances to access housing that is affordable and meets their needs.
Finding 3: Renton needs additional supplies of subsidized, income-qualified housing for very low- and extremely low-income households that cannot be addressed directly by the private market.

Maintaining and increasing available and healthy housing affordable to very low- and extremely low-income households is a challenge for the private market. The cost to develop housing cannot be covered directly by the rents affordable to this income group, and the pressure for new development may also result in losses of the existing units that are more affordable to these households. Additionally, many of the existing units may be unsuitable to given households because of size, location, or conditions. Therefore, these households often have greater burdens on their income to maintain appropriate housing, which increase when housing markets come under pressure.

Renton is fortunate to have housing that benefits from subsidies to make it accessible to very low-income (earning between 30–50% AMI) and extremely low-income households (earning below 30% AMI). However, that supply is vastly outstripped by need, especially at the lowest end of the income range. Only about 10% of Renton’s rental units are affordable to households earning less than 30% AMI, and there are over two and a half times as many extremely low-income households as there are housing units affordable to them. This shortfall challenges the ability for these households to maintain housing and avoid homelessness.

Finding 4: The existing supplies of developable land in Renton can support local housing needs well into the future.

An ongoing challenge across the Puget Sound region is that many communities face shortages of sites for new housing. These constraints are contributing to the challenges of maintaining housing production necessary in the region. In 2014, the King County Buildable Lands Report noted that among the “metropolitan” and “core” cities in the county, six of these 12 cities had substantial shortfalls, and action was necessary to expand capacity.

Unlike in other cities, however, local housing development in Renton is not constrained by developable land. In the 2014 report, Renton was the only city of its size in the region that reported enough development capacity to accommodate future population growth targets to 2031. Updates to the Comprehensive Plan calculated that there was enough capacity to meet expected 2035 population growth targets, and remaining capacity would likely accommodate existing population growth to 2040 and beyond.

Because of this, Renton is not faced with an immediate need to increase capacity through zoning and development regulation changes. However, transportation systems and infrastructure systems like water and sewer services will need to expand to use all this capacity. Existing constraints with these systems limit future development and will require investment to support needed growth. Any adjustments to regulations should be oriented to building affordable and more diverse market-rate housing and providing support for increased production.
Finding 5: There are diverse needs for housing-related support in Renton that extend beyond housing production and vary across groups in the community.

Access to appropriate and affordable housing is not only linked to paying rent or making mortgage payments, but also to other financial challenges that can affect households’ ability to maintain healthy and appropriate housing that meets their needs. Lower-income tenants in the private rental market can face significant year-to-year price increases, difficulties with a unit’s state of repair, temporary income disruptions, and relatively high relocation costs. Addressing these obstacles can make the difference between keeping people housed and having them experience homelessness.

Other groups within the community may also face challenges to accessing and keeping affordable, appropriate housing. Seniors and people with disabilities may have fixed incomes or additional requirements for housing to be accessible to their needs. Immigrants and people of color may have strong support networks in the community but are more likely to face challenges in finding appropriate housing at a reasonable cost. Disproportionate impacts in housing by race and ethnicity are national trends and reproduce historical discrimination in the housing market today.
# Table of Contents

Summary of Major Findings .......................................................................................................................... i

Table of Contents ................................................................................................................................................. iv

1. Introduction ........................................................................................................................................................ 1
   - Purpose of This Report .................................................................................................................................................. 1
   - Study Area ......................................................................................................................................................................... 2
   - Sub-Regional Framework ............................................................................................................................................. 2
   - Report Structure............................................................................................................................................................... 5

2. Community Context .......................................................................................................................................... 6

3. Housing Supply ............................................................................................................................................... 18

4. Housing Costs and Market Indicators ......................................................................................................... 25

5. Community Profile .......................................................................................................................................... 30

6. Housing Capacity and Targets ..................................................................................................................... 43

Appendix: Definitions ......................................................................................................................................... 49
1. Introduction

Across the state and country, households have been put under pressure by recent housing trends. In the Puget Sound region, these stresses relate to tight housing markets caused by high economic and population growth and insufficient housing production to meet this demand. This has had severe consequences for households, with difficulties in finding desired housing, dramatic increases in housing cost burdens, greater challenges with achieving homeownership, and more displacement from neighborhoods. These effects are felt most significantly by vulnerable, lower income households, including a disproportionate number of people of color.

The City of Renton is facing many of these challenges. In Renton, housing prices have increased on average about 9.3% per year since 2012, and rents have increased by 5.3% per year over that same time. However, median incomes over that same period in Renton grew only by 3.5% per year. This growing gap between income and housing costs suggests that regional and local market pressures are impacting the Renton housing market. This pressure can have several direct effects, including increasing the cost burden of housing on renters, increasing the risk that existing residents are displaced, and limiting options for people interested in moving to the city.

Although housing markets and the effects of policies can cross local boundaries, the City of Renton is interested in learning how to improve local housing options for residents and potential newcomers. It is currently pursuing the development of a Housing Action Plan (HAP) to assess local needs, identify policy strategies, and coordinate implementation of major policy actions. This HAP will support local solutions that streamline the development process and increase residential development opportunities, in order to provide more choices for stable, appropriate housing in the community and achieve greater housing choices and affordability for current and future Renton residents.

PURPOSE OF THIS REPORT

This report provides context on the Renton housing market through a local housing needs assessment. This evaluation covers a range of housing-related topics, including:

- Population and household characteristics of Renton residents
- Local workforce
- Current Renton housing inventory and historical rates of housing production
- Local housing market characteristics
- Cost burden and existing housing gaps

This data provides a foundation for subsequent steps in developing the Housing Action Plan. The Housing Action Plan will also include a policy evaluation as well as an assessment of potential actions that the City could take to improve options with local housing.
STUDY AREA

The assessment addresses the housing market and housing inventory found within the boundaries of the City of Renton, as shown in Exhibit 1. The assessment focused on city-wide evaluations of housing, with a focus on Community Planning Areas where available. The Urban Growth Areas (UGAs) surrounding Renton are not assessed given the minimal likelihood of significant future annexations within the plan’s near-term scope.

The analysis does include all lands in Renton that present potential opportunities for housing development. Exhibit 2 provides zoning designations for the City of Renton as of June 2020; according to current zoning, some type of residential development is permitted in all residential and commercial zoning designations across the city, and prohibited only in industrial-designated areas1.

SUB-REGIONAL FRAMEWORK

Parallel to this work, Renton and five other cities in south King County (Auburn, Burien, Federal Way, Kent, and Tukwila) allocated funding for a collaborative effort to develop a sub-regional housing action framework. This work was specifically directed to evaluate how these cities could coordinate strategies to address the common housing challenges facing the area.

This effort included:

- Evaluating the sociodemographic and economic trends in the sub-region that would impact housing needs.
- Projecting housing needs within the sub-region and individual cities from expected population growth, including unmet housing needs from underproduction in previous years. This projection includes breakdowns by household income levels.
- Assessing existing housing policies to understand the considerations with new local policies to increase production.

The results from this work are highlighted in the discussion of housing targets identified in this report. Future efforts between these partners to coordinate their policies will be guided by these conclusions, with the potential for additional collaboration as regional and county planning moves forward.

---

1 Renton Municipal Code 4-2-060.
Exhibit 1. City of Renton and Community Planning Areas.

Sources: City of Renton, 2020; King County GIS, 2020; BERK, 2020.
Exhibit 2. City of Renton Zoning.
REPORT STRUCTURE

This report provides summaries of the local and regional housing markets related to current housing issues in Renton. This is included in five distinct elements:

- **The regional context**, including discussions of regional residential markets and employment that will impact ongoing housing demand in Renton.

- **Housing costs and market characteristics**, including a review of major real estate market indicators at the regional and city levels, as well as notes about current costs faced by households.

- A summary of **current and future development** in Renton, including discussions of housing characteristics, recent development trends, and future growth potential.

- Statistics on **population characteristics and diversity**, describing the current Renton population, major trends related to demographic changes, and how future changes may impact housing need.

- **Future residential development targets** assessed as part of the sub-regional analysis, with a supporting discussion regarding the considerations that would need to be made for future growth.

Each section presents a high-level summary of major findings, as well as supporting exhibits showing important information related to each of these themes.
2. Community Context

Supply and demand pressures do not end at the boundaries of Renton. Overall, the Puget Sound region is a fast-growing metro area, with King, Pierce, and Snohomish Counties growing by 1.8% per year since 2011. Comparatively over this same period, this has exceeded the population growth rate of Washington State (1.5%) and the United States overall (0.7%).

Regionally, this population growth has been supported by a strong employment base in strategic clusters, including information and communications technology, aerospace, tourism, healthcare, and business services. Activities based in Renton are an important component of this economy, most notably with the Boeing Renton Factory, healthcare providers, and associated local suppliers and support businesses providing major sources for employment in the city.

Renton also serves a role as the home of commuters to regional employment centers. Proximity to both I-5 and I-405 places Renton within easy reach of major job centers in Seattle and Bellevue. The development of the I-405 BRT by Sound Transit, as well as overall long-term improvements to regional transit systems will also provide additional opportunities for Renton residents to access major job centers in the future.

KEY CONCLUSIONS

Renton is one of the faster-growing communities in south King County.

As shown in Exhibit 3, over the past two decades Renton’s population has more than doubled from approximately 50,000 to over 105,000. This has been due in part to annexation, such as the 2008 annexation of the Benson Hill Communities which increased the city’s population by over 17,000 residents.

Since 2011, the city’s population grew at an average of about 1.6% per year, expanding by almost 14% between 2011 and 2020. As shown in Exhibit 4, this growth in population was slightly below overall growth in King County (about 1.8% per year, or 16.4% since 2011). This is still above the growth of many other peer cities in south King County though, with lower growth rates in communities such as Tukwila (12.1%), Kent (10.4%), and Burien (9.7%).

---

Renton has not added new housing units at the same rate as population growth.

Although the population in Renton has grown, the housing stock has not expanded at the same rate. Exhibit 5 shows that from 2011 to 2020, annual net new housing growth averaged 0.9% per year, or 8.5% total, which is less than the rate of population growth of 1.6% per year.

Exhibit 6 shows that from 2011–2020, housing growth in King County overall was at a rate of about 1.5% per year, or an overall increase of 13.5%, indicating that with respect to housing development Renton is also growing slower than the county overall. This rate of growth is larger than neighboring cities, however; although Tukwila added 11.6% of housing over the same time period, other cities in south King County have not added housing at the same rate.

Across the region, Renton and south King County have not grown as fast as Seattle and the Eastside.

Exhibits 7 and 8 highlight how housing growth in Renton compares to the other cities in King County on a relative and absolute basis, respectively. The 8% increase in the housing stock in Renton is notably lower than the average over all incorporated communities in King County (18%), and lower than cities such as Seattle (21%), Issaquah (24%), Redmond (25%), and Sammamish (39%).

Looking at the absolute amount of housing developed in Renton in Exhibit 8, however, Renton was number eight among cities in building new housing. (Note that Seattle is not on this chart, but provided over 65,000 housing units during this period.) This contributed about 2.5% of the net new housing in cities during this period. While 335 units of this total represent existing housing annexed into in the city, over new 3,000 housing units, or about 2.7% of new housing developed in King County, was provided in Renton.

In part, this is evidence that regional growth has been focused on other markets, with Seattle providing about 58% of the net new housing units in King County, and Eastside communities such as Issaquah and Sammamish taking up a considerable amount of growth. However, if these communities are unable to keep pace with the rate of development in the future, more growth could spill over into south King County and Renton in the future.

The Renton housing market provides close access to Seattle and Bellevue.

Exhibit 9 provides statistics on the work locations for employed Renton residents, with locations accounting for more than 1% of the total mapped in Exhibit 10. These figures show that while many Renton residents—about 12% of the residential population—work within city boundaries, more residents travel to Seattle (27%) and Bellevue (13%) for their jobs. Although local employment will affect housing demand, Renton is at the intersection of high-growth, high housing price conditions to the north and lagging growth and lower price points to the south. Job growth in Seattle and Bellevue will continue to put pressure on housing prices and availability in Renton.
Renton also provides a local hub for employment that attracts workers from across the area.

Renton also includes significant employment as well. Exhibit 11 gives statistics on where Renton workers live, with a map of all destinations accounting for at least 1% of this total in Exhibit 12. The city’s workforce is distributed across the region, with over 90% residing outside of Renton's boundaries. Workers in Renton are most likely to reside in Seattle, representing 11% of Renton’s workforce, a higher number than the nearly 10% of the Renton’s workforce resides in Renton.

The proportion of residents working in Renton is comparable to other communities, but there is also a regional draw for workers.

Exhibits 13 and 14 highlight the proportion of local workers for comparable cities, calculated as the percent of all employed residents working in the same city (Exhibit 13) and the percent of all workers residing in the same city (Exhibit 14).

Although these proportions are not as high as for Seattle, about 12% of employed Renton residents are working in the city as well, which is comparable to other cities in the area. The lower proportion of residents among the workers in Renton highlights that there is a net inflow of commuters for employment in Renton. This is a blend of regional commuters for major employers such as Boeing and Valley Medical Center, as well as local commuters from surrounding communities for retail and service employment.


Exhibit 7. Percent Housing Growth, Cities in King County, 2011–2020.

Sources: WA OFM, 2020; King County GIS, 2020; BERK, 2020.
Exhibit 8. Total Housing Growth, Cities in King County (excluding Seattle), 2011–2020.

Sources: WA OFM, 2020; King County GIS, 2020; BERK, 2020.

<table>
<thead>
<tr>
<th>Work Location</th>
<th>Residents</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Counties</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>King County, WA</td>
<td>43,277</td>
<td>86.4%</td>
</tr>
<tr>
<td>Pierce County, WA</td>
<td>2,152</td>
<td>4.3%</td>
</tr>
<tr>
<td>Snohomish County, WA</td>
<td>2,067</td>
<td>4.1%</td>
</tr>
<tr>
<td><strong>Cities/Places</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seattle city, WA</td>
<td>13,358</td>
<td>26.7%</td>
</tr>
<tr>
<td>Bellevue city, WA</td>
<td>6,546</td>
<td>13.1%</td>
</tr>
<tr>
<td>Renton city, WA</td>
<td>6,161</td>
<td>12.3%</td>
</tr>
<tr>
<td>Kent city, WA</td>
<td>2,932</td>
<td>5.9%</td>
</tr>
<tr>
<td>Tukwila city, WA</td>
<td>2,695</td>
<td>5.4%</td>
</tr>
<tr>
<td>Redmond city, WA</td>
<td>2,161</td>
<td>4.3%</td>
</tr>
<tr>
<td>Issaquah city, WA</td>
<td>1,406</td>
<td>2.8%</td>
</tr>
<tr>
<td>Auburn city, WA</td>
<td>1,242</td>
<td>2.5%</td>
</tr>
<tr>
<td>SeaTac city, WA</td>
<td>1,218</td>
<td>2.4%</td>
</tr>
<tr>
<td>Kirkland city, WA</td>
<td>1,076</td>
<td>2.1%</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Residence Location</th>
<th>Workers</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Counties</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>King County, WA</td>
<td>40,445</td>
<td>64.6%</td>
</tr>
<tr>
<td>Pierce County, WA</td>
<td>8,490</td>
<td>13.6%</td>
</tr>
<tr>
<td>Snohomish County, WA</td>
<td>6,111</td>
<td>9.8%</td>
</tr>
<tr>
<td><strong>Cities/Places</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seattle city, WA</td>
<td>6,857</td>
<td>11.0%</td>
</tr>
<tr>
<td>Renton city, WA</td>
<td>6,161</td>
<td>9.8%</td>
</tr>
<tr>
<td>Kent city, WA</td>
<td>4,877</td>
<td>7.8%</td>
</tr>
<tr>
<td>Auburn city, WA</td>
<td>2,093</td>
<td>3.3%</td>
</tr>
<tr>
<td>Federal Way city, WA</td>
<td>2,051</td>
<td>3.3%</td>
</tr>
<tr>
<td>Bellevue city, WA</td>
<td>1,916</td>
<td>3.1%</td>
</tr>
<tr>
<td>Tacoma city, WA</td>
<td>1,759</td>
<td>2.8%</td>
</tr>
<tr>
<td>Fairwood CDP, WA</td>
<td>1,152</td>
<td>1.8%</td>
</tr>
<tr>
<td>Burien city, WA</td>
<td>1,117</td>
<td>1.8%</td>
</tr>
<tr>
<td>Maple Valley city, WA</td>
<td>954</td>
<td>1.5%</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>City</th>
<th>Percent of Resident Workers Locally Employed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seattle</td>
<td>63.9%</td>
</tr>
<tr>
<td>Bellevue</td>
<td>26.4%</td>
</tr>
<tr>
<td>Kent</td>
<td>16.2%</td>
</tr>
<tr>
<td>SeaTac</td>
<td>13.3%</td>
</tr>
<tr>
<td>Renton</td>
<td>12.3%</td>
</tr>
<tr>
<td>Issaquah</td>
<td>11.3%</td>
</tr>
<tr>
<td>Federal Way</td>
<td>10.9%</td>
</tr>
<tr>
<td>Tukwila</td>
<td>8.8%</td>
</tr>
<tr>
<td>Burien</td>
<td>7.7%</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>City</th>
<th>Percent of Workers Residing Locally</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seattle</td>
<td>39.8%</td>
</tr>
<tr>
<td>Federal Way</td>
<td>15.1%</td>
</tr>
<tr>
<td>Kent</td>
<td>13.0%</td>
</tr>
<tr>
<td>Burien</td>
<td>12.7%</td>
</tr>
<tr>
<td>Bellevue</td>
<td>11.6%</td>
</tr>
<tr>
<td>Renton</td>
<td>9.8%</td>
</tr>
<tr>
<td>Issaquah</td>
<td>6.9%</td>
</tr>
<tr>
<td>SeaTac</td>
<td>5.9%</td>
</tr>
<tr>
<td>Tukwila</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

3. Housing Supply

Since 2010, about half of housing production in Renton has been focused on single-family homes, including replacements for depreciated housing stock, infill projects, and new subdivisions on undeveloped land. However, there has also been a notable increase in the diversity of housing types, with new apartment, multi-plex, and townhome projects increasing the number of these units across the city.

Although there will be enough developable land in Renton to meet local needs over the coming years, demands for future growth will require a wide range of housing opportunities for the city. This will include both single- and multifamily development, as well as units sized for individuals, couples, and families. Efforts to promote housing growth should also focus on development that is supported by complete neighborhoods, local amenities, and transit options.

KEY CONCLUSIONS

A slight majority of the current housing stock in Renton consists of single-family detached housing.

Exhibit 15 provides the current breakdown of the housing inventory in Renton by development type. Single-family housing comprises about 53% of the local housing stock as of 2019, with an additional 37% of housing as multifamily, 8% as plex development and 2% as mobile homes.

With respect to the proportion of single-family homes in the community, Exhibit 16 provides a comparison between other cities in King County. For comparison, about 51% of the housing stock in across all cities is single-family housing (or 59% excluding Seattle), and the amount of single-family housing is comparable to other communities in south King County such as SeaTac (52%), Federal Way (54%), Auburn (54%), and Kent (55%). This mix of unit types is consistent with older “inner-ring” suburbs with a more balanced stock of housing options.

Since 2011, there has been slightly higher housing growth in multifamily housing units, but single-family housing is still a considerable part of housing development.

Exhibit 15 provides statistics for the total housing development that occurred in Renton between 2011–2019. Overall, single-family housing units have been about 46% of the total amount developed during this period, slightly below the number of units in multifamily projects (47%). Contrasted with the current inventory, this suggests that the city is moving towards a greater diversity of housing units.

This is also accomplished with a relatively low rate of housing demolition, as can be seen in Exhibit 17. From 2011 to 2019, only 257 units were lost, or about 7% of the new units gained during this same time period.
The statistics in Exhibit 18 show the net change in housing units between single-family and multifamily units. This highlights that over time, growth in multifamily units has been more variable from year to year, with very low numbers in 2013–2015, and significant spikes in 2011 and 2016.

**Renton has had more housing development than surrounding communities in south King County, but there are different mixes of unit types between communities.**

Comparing the development of new housing between communities, Renton has experienced a considerable amount of new growth. As shown in Exhibit 19 (and previously in Exhibit 8), there have been more housing units built in Renton than in other communities in south King County. Additionally, Renton has developed the most multifamily housing than other communities in the area.

Comparing the mix of new units between communities as seen in Exhibit 20, Renton has developed a mix that appears closest to Burien. This stands apart from cities like Tukwila and Kent with a greater proportion of new single-family homes (58% and 69% of the total new units, respectively, versus 46% in Renton). This is also different than communities like Federal Way and SeaTac which have had a greater proportion of larger multifamily projects as new development (67% and 76%, respectively).

**While housing in Renton largely consists of post-war development, the vintage of housing includes a balance of single-family and multifamily properties built since the 1960s.**

Exhibit 21 provides statistics on the current age of housing in Renton overall, divided between single- and multi-family units. Examples of pre-war development are somewhat limited, with only about 1,100 units built before 1940. Although housing built in the 1940s and 1950s included mostly single-family homes, there was a notable mix of single- and multifamily properties built in the 1960s and after.

**Development that has occurred in Renton over the past several years has been focused on infill and subdivisions in the Highlands and East Plateau communities.**

Exhibit 22 shows that much of the development in the Highlands and East Plateau has been single-family units, duplexes, triplexes, or townhouses, with a cluster of multifamily units and condos along State Highway 900 and near I-405. The communities of Benson, Valley, Talbot, and the City Center have seen more increases in multifamily units and condos over this period due to the availability of infill sites in zones allowing multifamily development.

Exhibit 16. Percent of Housing Stock as Single-Family Housing, King County Cities, 2019.


Exhibit 18. Net Change in Housing Units in Renton by Type, 2011-2019.


Exhibit 20. Total Housing Unit Production by Proportion of Type, Renton and Neighboring Cities, 2011-2019.


Sources: King County Assessor, 2020; BERK, 2020.

Sources: King County Assessor, 2020; King County GIS, 2020; City of Renton, 2020; BERK, 2020.
4. Housing Costs and Market Indicators

Housing in Renton is more affordable than in cities to the north and east, especially for certain housing formats such as single-family homes. As such, it has been attractive as an option for homeowners and renters alike looking for accessible housing within commuting distance of other major employment centers.

Ongoing regional pressures in the market have had some effect on the local Renton market. While available statistics do not show significant reductions in local rental vacancy rates over the past few years, homebuyers are suffering from a tight market. However, both renters and homebuyers have been challenged to find appropriate housing for them at affordable price points.

KEY CONCLUSIONS

The price of homes has increased considerably since the last recession.

Housing sale prices in Renton per square foot since 2010 are shown in Exhibit 23. Additionally, the Zillow Home Value Index (ZHVI), the estimated median of all home values, is provided in Exhibit 24 for Renton and other cities in the region. Both indicators note that housing prices have increased considerably from the previous recession and the low housing prices experienced in 2012.

From these figures, prices per square foot have increased from around $150 per square foot in 2012 to around $300 per square foot today. Correspondingly, the home value index for Renton has increased from approximately $300,000 in January 2010 to over $520,000 in January 2020, increasing by an average of 9.8% per year since the market lows in 2012. Variance has also increased, suggesting that there may be higher sale prices associated with new construction. These trends have has tracked closely with other increases found in the region.

There is considerable tightness in local markets with low supply available for homebuyers, which is consistent across the region.

Recent market statistics from the Northwest Multiple Listing Service (NWMLS) have indicated widespread tightness in local markets, with regional supplies well under the four-month supply recognized as an indicator of a regular market. August 2020 statistics for NWMLS subareas that include the city indicate that there is between 0.6 and 1.1 months of supply of housing available in Renton, indicating a significant lack of available housing on the market consistent with the County as a whole (0.9 months supply).\(^5\)

Rents are lower than regional averages and are steadily increasing, but relative affordability is increasing, especially with respect to areas to the north and east.

Exhibit 25 shows that rental housing costs in Renton have increased steadily over the past decade and at a similar rate to nearby cities. As of 2020, the average rent for a 2-bedroom unit in Renton is $1,728, and these rents have been increasing by about 4.8% per year since 2010.

Exhibit 26 compares Renton’s effective market rent to King County’s AMI and shows that Renton’s rent has increased more gradually than AMI in King County overall. Although growth in rents in Renton were somewhat higher than AMI increases from 2010–2014, there have been notably higher rates of growth with regional AMI since 2017.

Overall this highlights that housing in Renton is still generally affordable in the market overall, but there may still be issues with affordability with specific income groups.

**Rents have increased significantly since 2014, with rental vacancy rates experiencing some sharp declines aligned with these rent increases.**

Exhibit 27 presents a comparison of rent increases from the previous year from 2002 to 2020. This highlights that historically, there were significant rent increases of over 5% in 2006–2008, but recent increases have been especially high, with over 10% increases in rent experienced in the market in 2015.

Exhibit 28 provides general multifamily vacancy rates across the city along the same scale from 2002 to 2020. There have been periods around previous recessions where Renton did experience significant vacancies in the local market. Vacancies exceeding 8% in 2002–2003 and 2010–2011, due in part to recessions.

However, although vacancies are now around 6%, there was a dramatic drop in vacancy rates after 2011 when vacancy rates went down from 8% to 4% in 2015. This is aligned with the spike in rents noted in Exhibit 27. Although vacancy rates in the rental market have still not dropped below 4%, this highlights that increased demand for rental units in the Renton market around this time likely resulted in significant market shifts.
Exhibit 23. Housing Sale Prices per SF in Renton, 2010-2020

Sources: King County Assessor, 2020; BERK, 2020.

Exhibit 24. Zillow Home Value Index of Median Price in Renton and Other Cities, 2012-2020

Exhibit 25. Rental Housing Costs in Renton and Nearby Cities, 2010-2020

Exhibit 26. Effective Market Rent for the City of Renton versus County AMI, 2000-2020

Exhibit 27. Year-Over-Year Multifamily Rent Increases, Renton and King County, 2002–2020.

Exhibit 28. Multifamily Rental Stabilized Vacancy Rates, Renton and King County, 2002–2020

5. Community Profile

Although Renton include affordable housing options, greater housing burdens are felt a diverse range of households. Over the entire community, about 37% of all households are facing some type of cost burden, calculated as where housing costs are over 30% of household income. These cost burdens can be related to a mismatch between housing costs and income, or can be related to seniors or others on fixed incomes that have increasing living expenses. In Renton, there are a considerable number of renters faced with housing burdens: about 46% of renter households are committing at least 30% of income to housing, and for low-income households these burdens are even higher.

Issues of race, housing access, and cost burdens to households are also a concern. Housing affordability and accessibility are related to differences in household income, and given correlations between income and race there are clear differences in cost burden across groups.

KEY CONCLUSIONS

Renton has about an equal number of renters and homeowners.

Renton has a generally even distribution of homeowners and renters in the community overall, with 52% of households owning their own home. This is comparable to SeaTac (50%), Redmond (50%), and Burien (53%), but is substantially higher than Tukwila (40%). Exhibit 29 indicates that one- and two-person households are the most common, with renters more common with one-person households and the split about even with two-person households.

Renton has an age distribution comparable to the county overall.

As shown in Exhibit 30, Renton has an age profile that is close to King County as a whole: about 21% of its population is 18 years of age or under (compared to 20% in the county as a whole), and about 13% of the populations of both Renton and King County as a whole are 65 or over. This age distribution highlights that Renton does have age groups which have slightly greater representation than in King County overall, most notably with residents 9 years and younger, 25 to 29 years, and 35 to 39 years.

Household incomes suggest that Renton includes a higher proportion of lower-income households than in the region overall.

The figures in Exhibits 31 and 32 highlight that households incomes in Renton are slightly lower than the County and region overall. About 47% of households are above the median income for the region, indicating that Renton currently has a higher proportion of households that are at moderate income or below.

The household income distributions are categorized by the race and ethnicity of the household in Exhibit 33. This highlights that in Renton there are distinct differences in income for people of color.
Most notably, over half of Black and African-American and Hispanic or Latino households in Renton have incomes that are considered low-income or below (less than 80% of MFI). This difference in household income may affect the ability of these communities to access housing in Renton.

Statistics on housing costs and household income suggest there are local affordability issues for low-income households.

Exhibit 34 highlights the number of housing units that are considered affordable at certain income levels, versus the number of households in household income categories. A gap also exists for households with less than 30% AMI, with about 2.5 times the number of households with this income than units that are affordable to this population. This gap at the low end of the market is supported by Exhibit 36, which highlights that about 84% of extremely low-income households are facing some level of burden, and around 68% are paying more than half their income.

Down-renting by higher income households may also be a concern.

Exhibit 34 also shows that there are about 50% more renting households with incomes above 80% AMI than there are rental units available that are affordable to this population. Given the number of units available to households in lower income categories, this suggests that lower-income housing in Renton may be impacted by down-renting, with households taking up cheaper units with housing costs lower than 30% of household income.

Housing situations and cost burdens are different across racial and ethnic groups in the city.

Examining the available data suggests that there are distinct differences in cost burden between racial and ethnic groups in Renton. Exhibit 41 provides statistics on the race of households, highlighting that generally households headed by people of color, which make up about 45% of the total households in Renton, include more renters (54%) versus white-headed households (44%).

Within these statistics, 70% of Black or African-American households and 76% of Hispanic or Latino households are renters. This difference may involve the differences in household incomes between these groups, but issues related to renting, such as lack of wealth-building opportunities, disproportionately fall on households of color.

Differences by race and ethnicity also extends to the housing burdens faced by households. Exhibit 42 indicates that about 40% of households of color reported some type of housing cost burden, while only 32% of white households reporting a burden of housing costs over 30% of income.

Exhibit 43 provides more detail for renters, which highlights that 53% of Black or African American households and 53% of Hispanic or Latino households renting are cost-burdened, compared to 36% of Asian households and 43% of white households. These concerns are part of larger discussions of equity in the community and should be considered in policies addressing structural racial issues with housing access.
Households in Renton neighborhoods may be at higher risk for economic displacement.

As housing costs rise and there is pressure for older housing to be redeveloped, some households in Renton may be facing significant risks of displacement. If there is a loss of affordable housing in the community, some households may need to leave the city and move to other locations to find appropriate and affordable housing. Understanding where there is the potential for displacement can be important in crafting policies to mitigate these effects.

Exhibit 44 shows a map of a Regional Displacement Risk Index, created by the Puget Sound Regional Council as part of the VISION 2050 long-range regional growth strategy effort. This index combined data at the census tract level about socio-demographics, transportation, neighborhood characteristics, housing, and civic engagement to determine areas which are likely to be the most vulnerable to displacement in the region. The census tracts with the highest index scores are assumed to be at the most risk: as developed, the top 10% scoring tracts in the Puget Sound Region are assumed to be at “higher” risk for displacement (colored blue on the map), while the next 40% of tracts are assumed to be at “moderate” risk.

Exhibit 45 looks specifically at the “higher risk” areas in Renton according to the index, and it compares these with residential properties which have a value for the house and other improvements at less than the value of the land itself according to the King County Assessor. This is one measure that can show residential properties that have a lower value and may be at risk for redevelopment.

While this index is broadly calculated, it highlights several key characteristics of the potential displacement risk in Renton. Overall, almost all of the city is at “moderate” risk or above, excluding the eastern portion of the city with newer development. This is typical across south King County, however, with most of the surrounding communities considered to be at risk as well.

In Renton however, the risks appear to be greatest in most of the City Center, as well as the western portion of the Highlands Community Planning Area where the Sunset area is located. The property map highlights that for the City Center area, this is largely with multifamily residential buildings, likely older and somewhat depreciated. For the Sunset area, this includes both multifamily housing as well as single-family attached and detached housing.

Exhibit 31. Median Household Income in Renton and King County, ACS 2018 5-Year Estimates.

Sources: ACS 2018 5-year estimates; BERK, 2020.


Sources: HUD CHAS (based on ACS 2017 5-year estimates); BERK, 2020.

Exhibit 34. Households and Units Available by Income Threshold, 2017 5-Year Estimates.

Sources: HUD CHAS (based on ACS 2017 5-year estimates); BERK, 2020.


Sources: HUD CHAS (based on ACS 2017 5-year estimates); BERK, 2020.

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Countywide Renter HH Income</th>
<th>Renton Renter HH Income</th>
<th>Renton Rental Unit Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely-Low Income (&lt;30% AMI)</td>
<td>23%</td>
<td>22%</td>
<td>9%</td>
</tr>
<tr>
<td>Very-Low Income (30-50% AMI)</td>
<td>15%</td>
<td>18%</td>
<td>23%</td>
</tr>
<tr>
<td>Low-Income (50-80% AMI)</td>
<td>14%</td>
<td>17%</td>
<td>39%</td>
</tr>
<tr>
<td>Moderate-Income and Higher (&gt;80% AMI)</td>
<td>48%</td>
<td>43%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Sources: HUD CHAS (based on ACS 2017 5-year estimates); BERK, 2020.


<table>
<thead>
<tr>
<th>Tenure</th>
<th>All Households</th>
<th>All Owner Households</th>
<th>All Renter Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Severely Cost-Burdened (&gt;50%)</td>
<td>15%</td>
<td>9%</td>
<td>21%</td>
</tr>
<tr>
<td>Cost-Burdened (30-50%)</td>
<td>21%</td>
<td>17%</td>
<td>25%</td>
</tr>
<tr>
<td>Not Cost Burdened</td>
<td>64%</td>
<td>74%</td>
<td>53%</td>
</tr>
</tbody>
</table>

Sources: HUD CHAS (based on ACS 2017 5-year estimates); BERK, 2020.

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Total Cost Burdened</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Households</td>
<td>9%</td>
</tr>
<tr>
<td>Above Median Income (&gt;100%)</td>
<td>8%</td>
</tr>
<tr>
<td>Moderate Income (80-100%)</td>
<td></td>
</tr>
<tr>
<td>Low-Income (50-80%)</td>
<td></td>
</tr>
<tr>
<td>Very Low-Income (30-50%)</td>
<td></td>
</tr>
<tr>
<td>Extremely Low-Income (&lt;30%)</td>
<td></td>
</tr>
</tbody>
</table>

Sources: HUD CHAS (based on ACS 2017 5-year estimates); BERK, 2020.


<table>
<thead>
<tr>
<th>Income Range</th>
<th>Total Cost Burdened</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Households</td>
<td>21%</td>
</tr>
<tr>
<td>Above Median Income (&gt;100%)</td>
<td>14%</td>
</tr>
<tr>
<td>Moderate Income (80-100%)</td>
<td></td>
</tr>
<tr>
<td>Low-Income (50-80%)</td>
<td></td>
</tr>
<tr>
<td>Very Low-Income (30-50%)</td>
<td></td>
</tr>
<tr>
<td>Extremely Low-Income (&lt;30%)</td>
<td></td>
</tr>
</tbody>
</table>

Sources: HUD CHAS (based on ACS 2017 5-year estimates); BERK, 2020.

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Owner Households</th>
<th>Renter Households</th>
<th>Total Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>White alone, not Hispanic</td>
<td></td>
<td></td>
<td>21,215</td>
</tr>
<tr>
<td>Of color</td>
<td></td>
<td></td>
<td>17,362</td>
</tr>
<tr>
<td>Asian alone, not Hispanic</td>
<td></td>
<td></td>
<td>7,110</td>
</tr>
<tr>
<td>Black or African-American</td>
<td></td>
<td></td>
<td>4,160</td>
</tr>
<tr>
<td>Other (incl. NAPI and multiple race)</td>
<td></td>
<td></td>
<td>2,438</td>
</tr>
<tr>
<td>Hispanic or Latino, any race</td>
<td></td>
<td></td>
<td>3,654</td>
</tr>
</tbody>
</table>

Sources: HUD CHAS (based on ACS 2017 5-year estimates); BERK, 2020.


<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Total Cost Burdened: 32%</th>
</tr>
</thead>
<tbody>
<tr>
<td>White alone, not Hispanic</td>
<td>13%</td>
</tr>
<tr>
<td>Of color</td>
<td>18%</td>
</tr>
<tr>
<td>Total Cost Burdened: 40%</td>
<td></td>
</tr>
<tr>
<td>Of color</td>
<td>22%</td>
</tr>
</tbody>
</table>

Sources: HUD CHAS (based on ACS 2017 5-year estimates); BERK, 2020.

<table>
<thead>
<tr>
<th>Race/Category</th>
<th>Severe Cost Burdened (&gt;50%)</th>
<th>Cost Burdened (30-50%)</th>
<th>Not Burdened</th>
<th>Not Computed</th>
</tr>
</thead>
<tbody>
<tr>
<td>White alone, not Hispanic</td>
<td>20%</td>
<td>23%</td>
<td>56%</td>
<td>1%</td>
</tr>
<tr>
<td>Of color</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian alone, not Hispanic</td>
<td>14%</td>
<td>22%</td>
<td>64%</td>
<td>0%</td>
</tr>
<tr>
<td>Black or African-American</td>
<td>27%</td>
<td>25%</td>
<td>47%</td>
<td>0%</td>
</tr>
<tr>
<td>Other (incl. NAPI and 2+ races)</td>
<td>31%</td>
<td>25%</td>
<td>44%</td>
<td>0%</td>
</tr>
<tr>
<td>Hispanic or Latino, any race</td>
<td>23%</td>
<td>31%</td>
<td>46%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Sources: HUD CHAS (based on ACS 2017 5-year estimates); BERK, 2020.
Exhibit 44. Displacement Risk by Census Tract, Renton and Surrounding Area.

Sources: PSRC, 2019; King County GIS, 2020; BERK, 2020.
Exhibit 45. Low Improvement Value Ratios and Higher Displacement Risk Areas, City of Renton.

Sources: PSRC, 2019; King County GIS, 2020; BERK, 2020.
6. Housing Capacity and Targets

Future needs for housing have been evaluated at the sub-regional level as part of a joint program between the cities of Renton, Auburn, Burien, Federal Way, Kent, and Tukwila. This research found that these communities have been underproducing the amount of housing since 2011 to meet local needs, and sub-regional housing production would need to increase by about 47% to meet future targets. Over the next 20 years, these communities will need to adjust local zoning, policies, regulations, and incentives to address the full spectrum of housing needs.

For Renton itself, local housing production will only require an increase of about 6% to reach current housing targets. The recent efforts in the city that have successfully promoted new multifamily development, including a significant number of projects in downtown Renton, will be important to reaching this target.

However, future planning for needed housing in Renton must also consider other factors. For one, housing policy must respond to the full spectrum of needs in the city, including the demand for family rental housing and low-income housing (especially for households with incomes at 30% AMI or below). Housing targets may also be subject to change, especially if housing yields in communities to the north and east decline or future housing targets allocate more growth to Renton.

KEY CONCLUSIONS

Supplies of developable land are enough to accommodate projected needs for growth.

Exhibit 46 provides the estimated land capacity in Renton based on the 2014 King County Buildable Lands Report. Based on zoning at that time, the total estimated land capacity for the city was 15,351 housing units, split between 5,710 additional single-family units and 9,641 new units in multifamily and mixed-use projects. From 2012 to 2019, there was a net increase in housing that amounted to about 22% of this capacity, utilizing 18% of the capacity of areas zoned for multifamily and mixed-use, and 29% of the capacity of multifamily areas. This suggests that at current development levels, there is overall capacity to meet local needs for the next 20 years or more.

Comparing with other nearby cities in Exhibit 47, the utilization of existing developable land in the 2012–2019 period is similar to other cities, including Federal Way, Renton, and Burien. Other cities in the area such as SeaTac and Tukwila have had a much lower rate of utilizing their developable land supply during that same period. However, among these communities, Renton has had the greatest amount of local development and the largest remaining overall capacity for new housing.
Sub-regional targets for housing development will be driven by recent housing underproduction.

Exhibit 48 compares the targets provided from the south King County housing study for Renton with the subregion overall. Between Renton and the other five communities studied, an overall increase of about 63,000 housing units, or 29% of the existing housing stock, will be necessary to accommodate this subregion’s share of expected population growth over the next 20 years. However, about 19,700 units, or 31% of this target, is related to levels of underproduction since 2011 that have meant that the sub-region has not kept pace with expected growth.

Meeting base targets for Renton will only require small increases in housing production under current assumptions.

Although other communities have recently experienced housing underproduction, Renton has had rates of production that have largely kept up with local needs. Recent housing production rates would need to increase by about 6% to achieve the targets to meet expected sub-regional needs. Keeping up this pace of development, however, will require coordination of development opportunities, especially with respect to housing redevelopment in the downtown.

A considerable amount of new housing product in Renton will need to be developed for lower income households.

As Exhibits 49 and 50 show, the distribution of rents with new units will need to include some housing products at market rate. To meet projected targets to 2040, about 44% of the total amount of new housing, or about 4,100 new units, should be targeted to households at 100% AMI or above.

However, this leaves over half of new development (about 5,200 new units, or 56% of the total) that is estimated to be needed to accommodate households making less income than the area median household income. Additionally, to meet these projections, almost 900 units, or about 10% of the projected housing needed, should be developed for extremely low-income households making less than 30% AMI. This will require consideration of long-term, targeted subsidies for affordable housing construction, as well as coordination with other organizations and agencies.

Future planning for housing development in Renton should have contingencies in case the communities face greater demands for growth.

The targets identified in the sub-regional study are strongly dependent on existing assumptions for regional distributions of growth. There are several scenarios where these targets may underestimate the amount of housing required:

- The new PSRC Regional Growth Strategy under the expected VISION 2050 plan includes a greater focus on developed areas, with “core cities” such as Renton expected to take a greater share of growth. Changes to the King County Countywide Planning Policies (CPP) will reflect this change.
If communities elsewhere in the region are not able to keep up pace with necessary housing production, Renton and south King County may face additional pressures for development, both with new development and redevelopment/infill in existing areas.

Additional job growth in the city, especially with Valley Medical Center and Southport, may result in more pressures for local housing to support employees, both directly by these employers and indirectly by supporting businesses.

The Rainier/Grady Junction Subarea Plan may incentivize additional transit-oriented development around the future, relocated transit station.

These contingencies should be considered as part of long-term planning. If Renton is required to accommodate additional future growth and increase housing production significantly beyond current levels, policies should be in place to coordinate this additional development.
Exhibit 46. 2014 Developable Land Capacity and Recent Development, City of Renton.


Exhibit 47. 2014 Developable Land Capacity and Recent Development, Local Area Cities.


<table>
<thead>
<tr>
<th>Housing Units</th>
<th>Description</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>9,262 total units needed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,099 units (44%)</td>
<td>Above Median Income (&gt;100% AMI)</td>
<td></td>
</tr>
<tr>
<td>5,163 affordable units (56%)</td>
<td>Below Median Income (&lt;100% AMI)</td>
<td></td>
</tr>
<tr>
<td>1,339 units (14%)</td>
<td>Moderate Income (80-100% AMI)</td>
<td></td>
</tr>
<tr>
<td>1,852 units (20%)</td>
<td>Low Income (50-80% AMI)</td>
<td></td>
</tr>
<tr>
<td>1,079 units (12%)</td>
<td>Very Low Income (30-50% AMI)</td>
<td></td>
</tr>
<tr>
<td>894 units (10%)</td>
<td>Extremely Low Income (≤30% AMI)</td>
<td></td>
</tr>
<tr>
<td>2-BD Housing Budget (2020 HUD AMI)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5,000</td>
<td>$2,680 per month 100% AMI</td>
<td></td>
</tr>
<tr>
<td>4,000</td>
<td>$2,144 per month 80% AMI</td>
<td></td>
</tr>
<tr>
<td>2,000</td>
<td>$1,344 per month 50% AMI</td>
<td></td>
</tr>
<tr>
<td>1,000</td>
<td>$806 per month 30% AMI</td>
<td></td>
</tr>
</tbody>
</table>

Appendix: Definitions

The following are housing terms used in this report:

**Accessory Dwelling Units**

According to state law, an accessory dwelling unit is a dwelling unit located on the same lot as a single-family housing unit, duplex, triplex, townhome, or other housing unit. These can be “attached”, or located within or attached to the housing unit, or “detached”, consisting partly or completely of a separate building.\(^6\)

**Affordable Housing**

The United States Department of Housing and Urban Development (HUD) considers housing to be affordable if the household is spending no more than 30 percent of its income on housing costs, which is also the definition provided in state law. Under the Washington State Growth Management Act, this is defined as not exceeding 30 percent of monthly income for households at 60 percent of median household income for rental housing, 80 percent median household income for owned-occupied housing.\(^7\)

The term “affordable housing” is often used to describe income-restricted housing available only to qualifying low-income households. It can also include “naturally occurring” market-rate housing that is affordable at this income level.

**American Community Survey (ACS)**

This is an ongoing nationwide survey conducted by the U.S. Census Bureau that is designed to provide communities with current data about how they are changing. The ACS collects information such as age, race, income, commute time to work, home value, veteran status, and other important data from U.S. households. ACS data is commonly used for the Community Profile section of a housing needs assessment.

Note that the availability of data depends on the size of the jurisdiction. Currently, the most precise and detailed data is only available for smaller jurisdictions through 5-year estimates, based on data collected and averaged over a five-year period.

\(^6\) RCW 36.70A.696(1), (2), and (5).
\(^7\) RCW 36.70A.030(1)
Area Median Income (AMI)

This is a term that commonly refers to the area-wide median family income (MFI) calculation provided by the US Department of Housing and Urban Development (HUD) for a county or metropolitan region. Income limits to qualify for affordable housing are often set relative to AMI or MFI. In this report, unless otherwise indicated, both AMI and MFI refer to the HUD Area Median Family Income (HAMFI).

Note that for federal, state, and local policies, Renton relies on the AMI calculated for King and Snohomish Counties.

Cost Burdened

When a household pays more than 30 percent of their gross income on housing, including utilities, they are “cost-burdened.” When a household pays more than 50 percent of their gross income on housing, including utilities, they are “severely cost-burdened.” Cost-burdened households have less money available for other essentials, like food, clothing, transportation, and medical care.

Household

A household is a group of people living within the same housing unit. The people can be related, such as family. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit, is also counted as a household. Group quarters population, such as those living in a college dormitory, military barrack, or nursing home, are not considered to be living in households.

Household, Family

According to the US Census Bureau, a family is a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people are considered as members of one family.

Household, nonfamily

According to the US Census Bureau, a nonfamily household consists of a householder living alone (a one-person household) or where the householder shares the home exclusively with people to whom they are not related.

Household Income

The census defines household income as the sum of the income of all people 15 years and older living together in a household.

Income-Restricted Housing

This term refers to housing units that are only available to households with incomes at or below a set income limit and are offered for rent or sale at a below-market rates. Income-restricted housing can be
in public, nonprofit, or for-profit housing developments. It can also include households using vouchers to help pay for market-rate housing.

Note that for privately-owned properties, the owners typically receive a subsidy in the form of a tax credit or property tax exemption. As a condition of this subsidy, these owners must offer a set percentage of all units as income-restricted and affordable to households at a designated income level.

**Low-Income**

Families that are designated as low-income may qualify for income-subsidized housing units. HUD categorizes families as low-income, very low-income, or extremely low-income relative to area median family incomes (MFI), with consideration for family size. These levels are set in the state Growth Management Act as follows⁸:

- Moderate income: 80–100% AMI
- Low-income: 50–80% AMI
- Very low-income: 30–50% AMI
- Extremely low-income: 0–30% AMI

**Median Family Income (MFI)**

The median income (the amount which divides the income distribution into two equal groups, half having incomes above the median, half having incomes below the median) of all family households in the metropolitan region or county. Analyses of housing affordability typically group all households by income level relative to area median family income. Median income of non-family households is typically lower than for family households. In this report, both MFI and AMI refer to the U.S. Department of Housing and Urban Development Area Median Family Income (HAMFI).

Note that for federal, state, and local policies, Renton relies on the MFI calculated for King and Snohomish Counties.

**Permanent Supportive Housing**

Under state law, permanent supportive housing is subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors.

---

⁸ RCW 36.70A.030
Permanent supportive housing is paired with on-site or off-site voluntary services designed to support a person living with a complex and disabling behavioral health or physical health condition who was experiencing homelessness or was at imminent risk of homelessness prior to moving into housing to retain their housing and be a successful tenant in a housing arrangement, improve the resident's health status, and connect the resident of the housing with community-based health care, treatment, or employment services.\textsuperscript{9}

**Tenure**

Tenure references the ownership of a housing unit in relation to the household occupying the unit. According to the US Census Bureau, a housing unit is "owned" if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. A cooperative or condominium unit is "owned" only if the owner or co-owner lives in it. All other occupied units are classified as "rented," including units rented for cash rent and those occupied without payment of cash rent.

\textsuperscript{9} RCW 36.70A.030(16)