SEATAC
HOUSING INVENTORY & ASSESSMENT REPORT



PUBLIC REVIEW DRAFT

SeaTac Housing Action Plan Project
March 1, 2021

March 2021 ▪ DRAFT

Prepared by:
MAKERS
BERK Consulting

Note about Formatting Errors in this Draft Report

We would like to acknowledge that there are some formatting errors (including in the footnoting of data sources) in this draft report. The project team will work to identify and correct these errors for the final version of this document.

EXECUTIVE SUMMARY

The Draft Housing Inventory and Assessment Report (HIAR) was created as part of the City's Housing Action Plan (HAP) Project. It is a guide for decision-makers, residents, and other community members that:

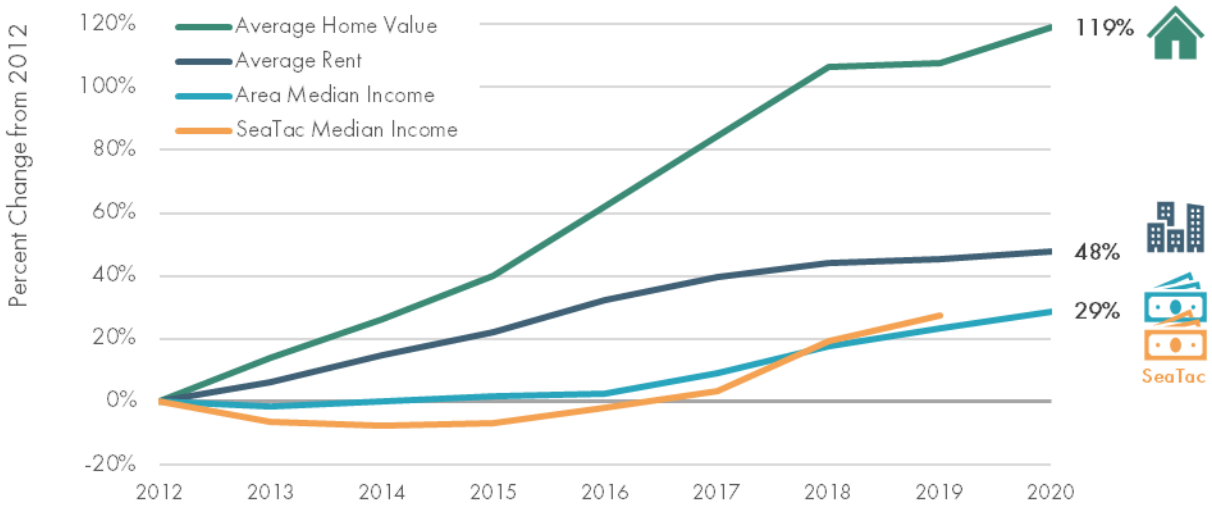
- Provides SeaTac's current housing conditions baseline data, and
- Identifies shortcomings or gaps in how the housing supply meets demand now and in the future.

Along with community input, the findings from this report will be used to develop strategies for SeaTac's Housing Action Plan.

HOUSING COSTS

1. **Like most of the Puget Sound region, housing costs in SeaTac have risen significantly more than household incomes over the last decade.** Since 2012, home prices have risen 119%, rents have risen 48%, while incomes are up just 29%. This makes buying a home increasingly out of reach for average SeaTac families.

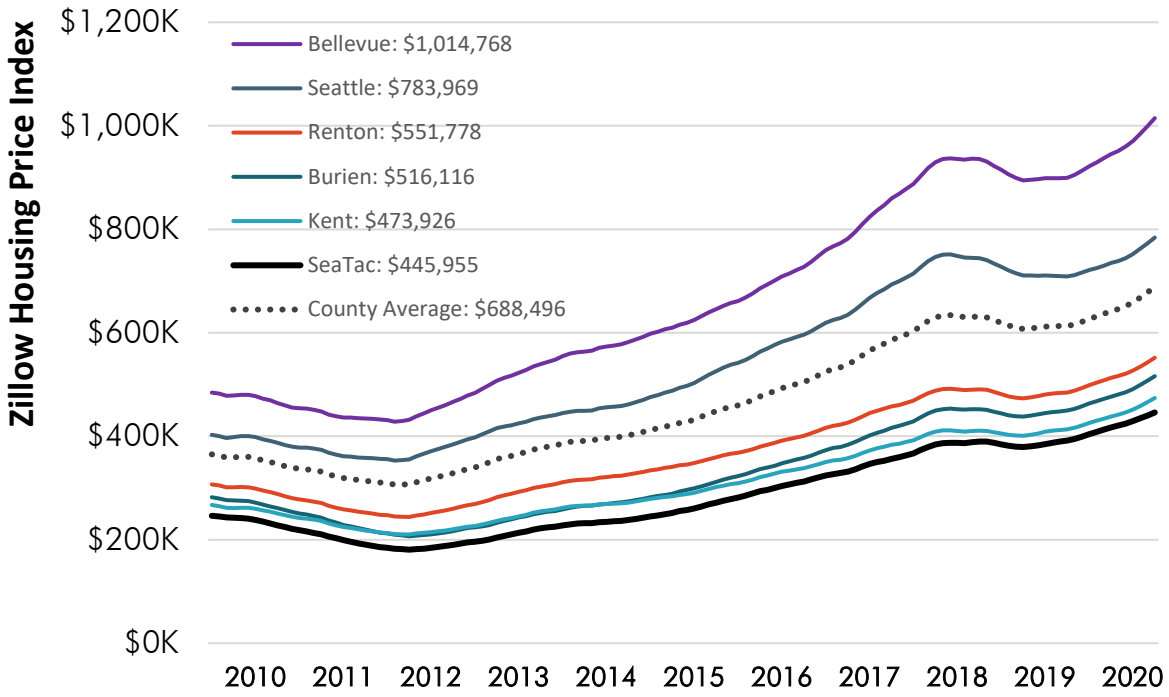
Exhibit 1. Home Prices, Rents, and Incomes in SeaTac and King County



Source: Zillow, 2020; HUD 2020, ACS 2019 5-Year Estimates

2. **While home prices are rising in SeaTac and other South King County cities, they have not risen as fast as the countywide average**.

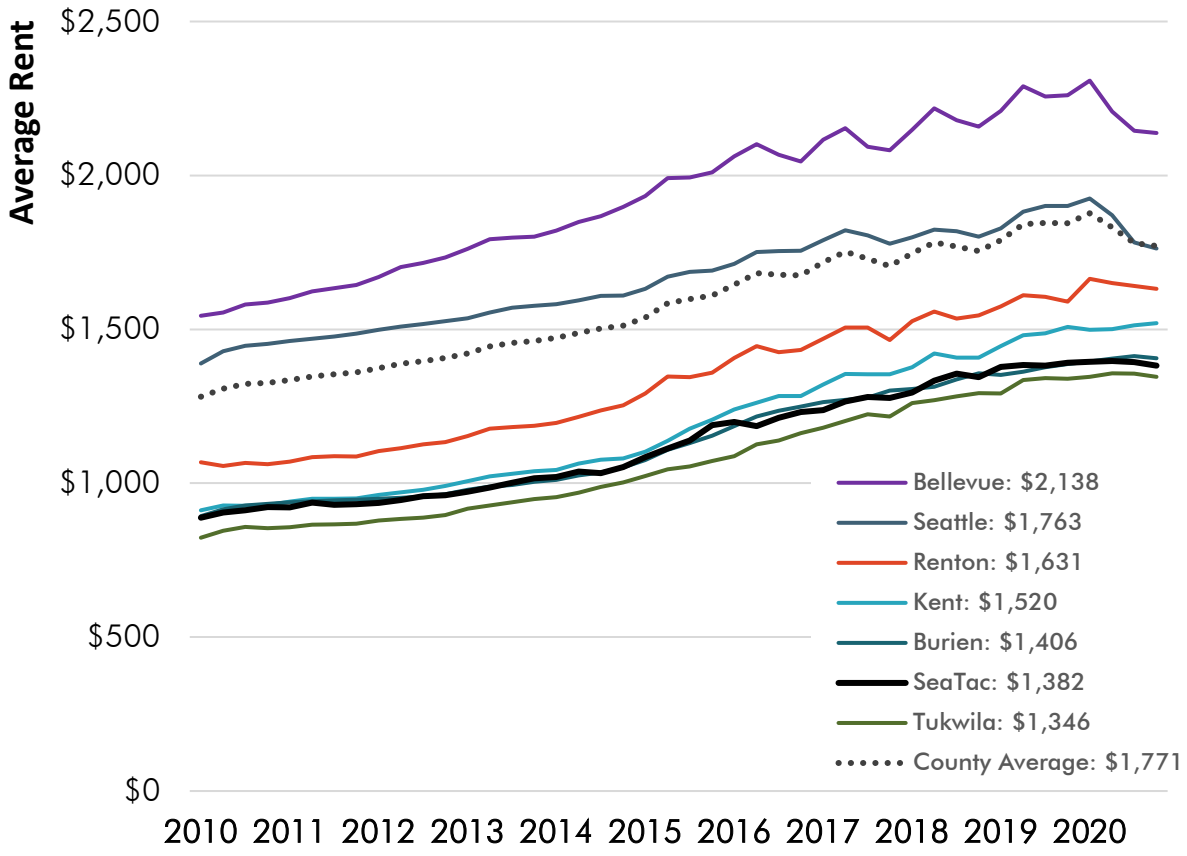
Exhibit 2. SeaTac and Peer Cities House Prices House Prices 2010-2020



Source: Zillow, 2020; BERK, 2020.

3. **While SeaTac's average rent costs are around $600 less a month than the county average, they generally align with rents in South King County.**

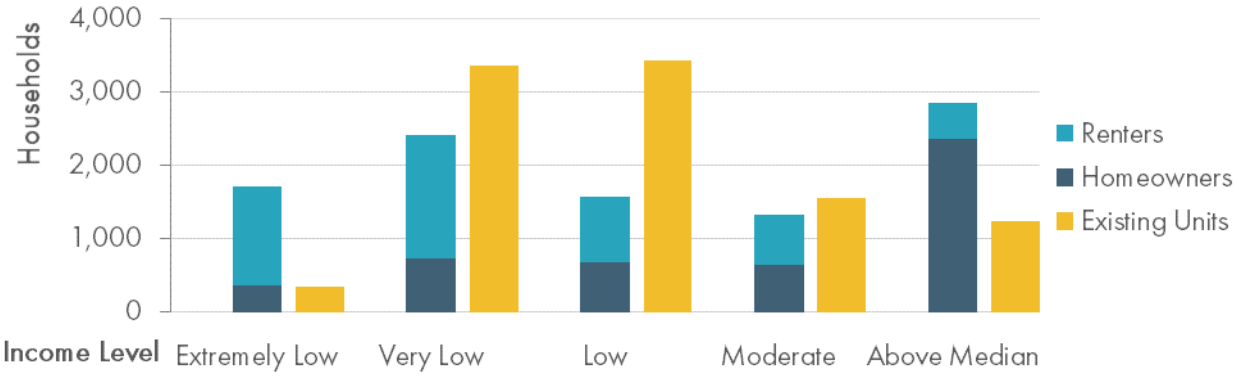
Exhibit 3. SeaTac and Regional Rent Growth, 2001-2020



Source: CoStar, 2020; BERK, 2020.

4. **SeaTac has a shortage of homes for people at the highest and lowest income levels.** SeaTac has few rental units available for the 23% of renter households that have moderate or high incomes, and these households may be able to afford higher monthly costs than they are paying now. Adding desirable units for higher income renters alongside existing affordable units could reduce pressure on lower-income market segments. SeaTac also does not have enough housing affordable to households in the "extremely low" income category, requiring these households to rent units they can't easily afford. (When looking at the cumulative stock of extremely low and low income units, it is likely that there are households in both income categories that are in units that are difficult to afford.)

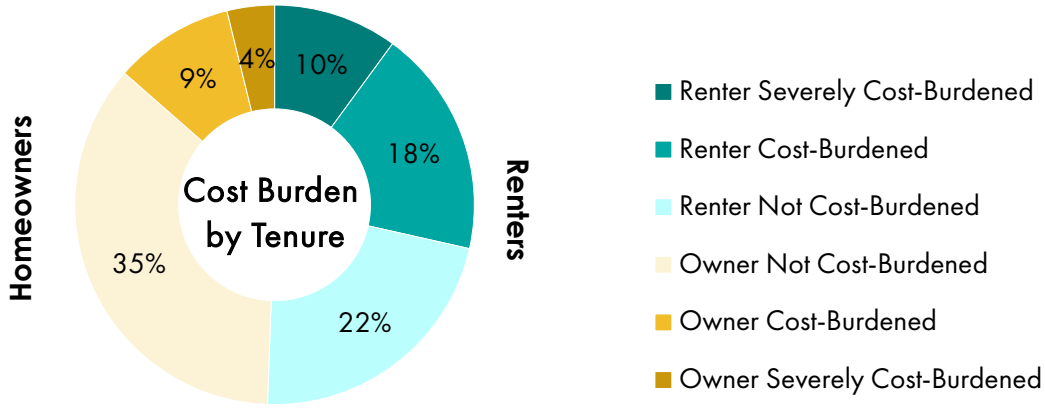
Exhibit 4. Existing Supply and Gaps/Surplus by Income Level



Source: HUD CHAS, 2020 (based on ACS 2017 5-year estimates)

5. **While SeaTac has a proud history of providing housing for working families, currently, two out of five SeaTac households are paying more than 30% of their gross income on housing.** The US Department of Housing & Urban Development considers these households to be "cost burdened," because they will have less money available for other essentials.

Exhibit 5. Cost Burden and Severe Cost Burden by Tenure (Owner/Renter)

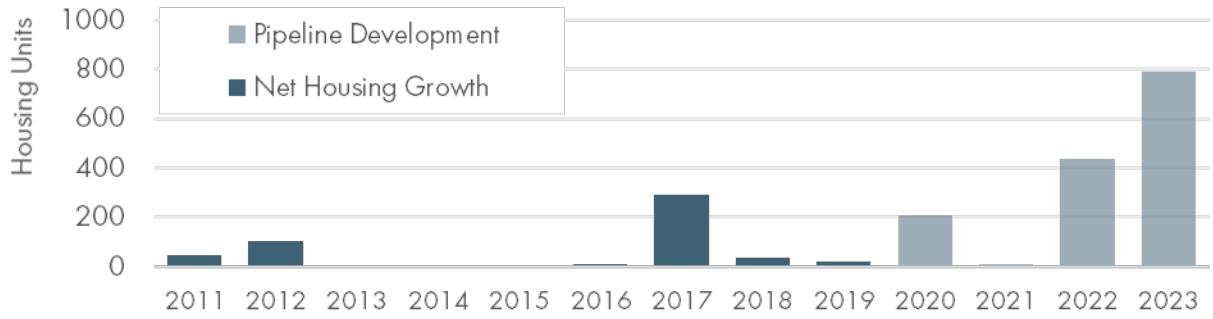


Source: HUD CHAS (based on ACS 2013-2017 5-year estimates); BERK, 2020.

RECENT & ANTICIPATED HOUSING GROWTH

6. **Until recently, SeaTac's housing supply was not on pace to meet anticipated demand.** Although the city has adequate land capacity to meet forecasted growth, actual housing growth over the last decade has been slower than in most other cities in King County. In the last few years, however, the development community has shown more interest in building housing here, and approximately 1,300 new, primarily multi-family/ apartment units are anticipated to be constructed in the next five years. In accordance with the City's urban village growth strategy, much of this construction is located near the three light rail stations that serve SeaTac. To accommodate expected population growth (including local young adults wanting to stay in SeaTac, empty nesters and people moving to the region), SeaTac needs about 4,700 additional homes by 2040. This means an average of 235 new homes/residential units constructed per year.

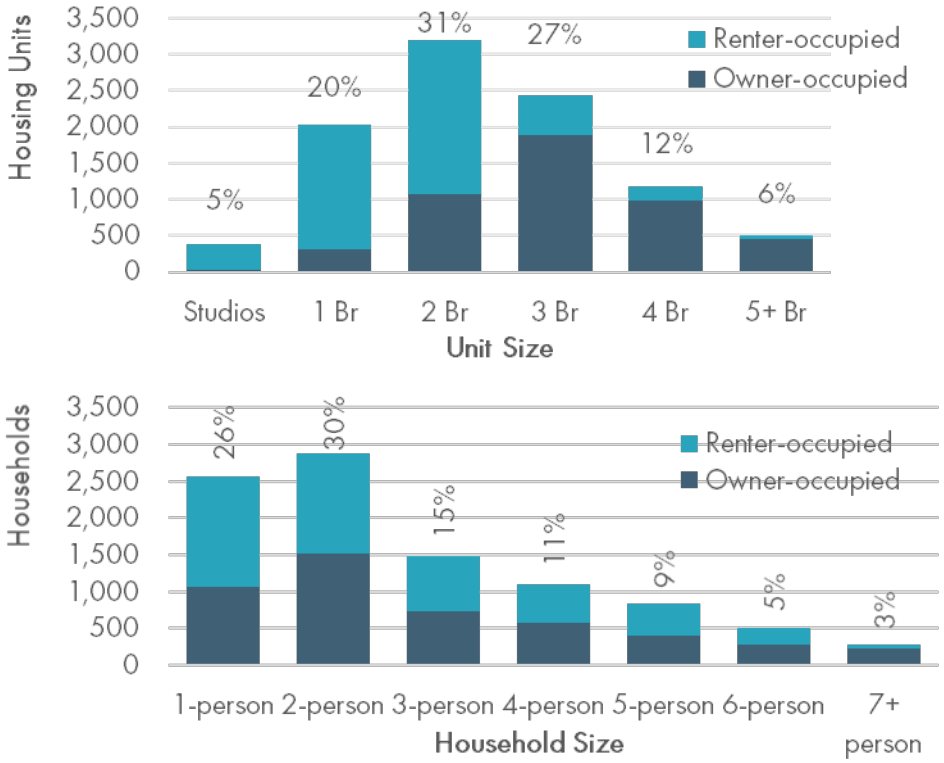
Exhibit 6. Housing Growth and 2020-2023 Pipeline Development



Source: Washington Office of Financial Management, 2020.

HOUSING DEMAND

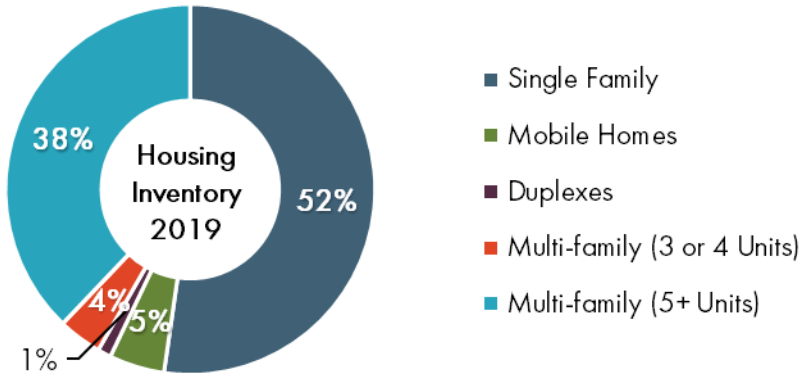
7. **SeaTac's unit sizes do not reflect its household sizes and current demand for housing for families and single-person households.** SeaTac is unique in that families with children are more likely to be renters than homeowners. This may be related to the city's large number of older, mid-century apartments which provide more bedrooms per unit than is typical in newly constructed multi-family buildings. At the same time about a quarter of SeaTac households live alone, indicating demand for small and/or shared homes. Currently, just 5% of SeaTac homes are studios, all of which are rentals.



Source: US Census 2018 ACS 5-Year Estimates.

8. **Middle-density housing options are underrepresented**. SeaTac's housing supply mainly consists of single-family housing and large multi-family/apartment housing, which together make up 9 out of 10 homes. So called "missing middle" housing types like duplexes, townhouses, and small multifamily buildings are becoming more common in the region and could provide options for households that are not well served by other housing types.

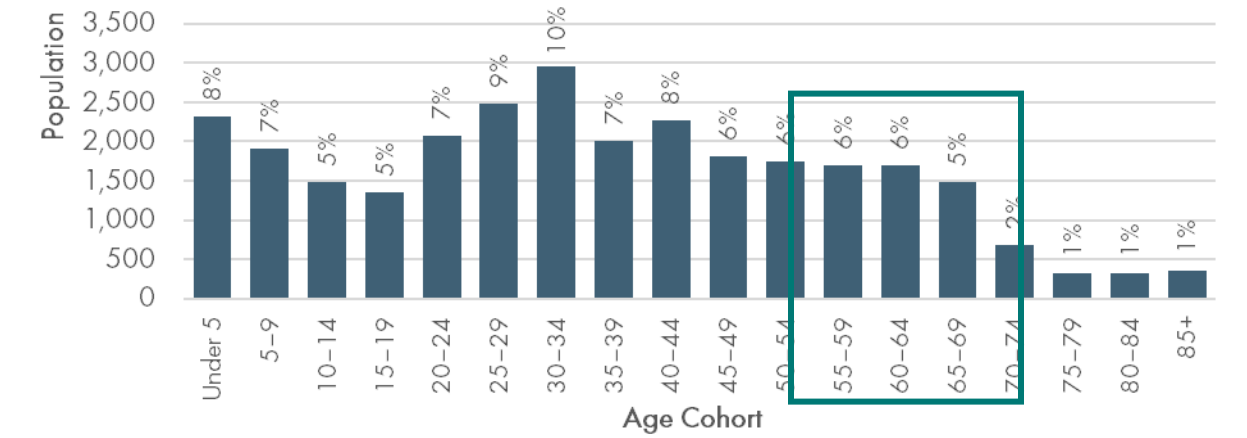
Exhibit 7. SeaTac Housing Types, 2019



Source: Washington Office of Financial Management, 2020.

9. **SeaTac's aging population will require accessible units**. Almost a quarter of SeaTac's current residents will reach the age of 70 within the next 20 years. Ground-floor and elevator accessible units, ideally located near transit and other resources and amenities, would help this segment of the population to remain in SeaTac as they age.

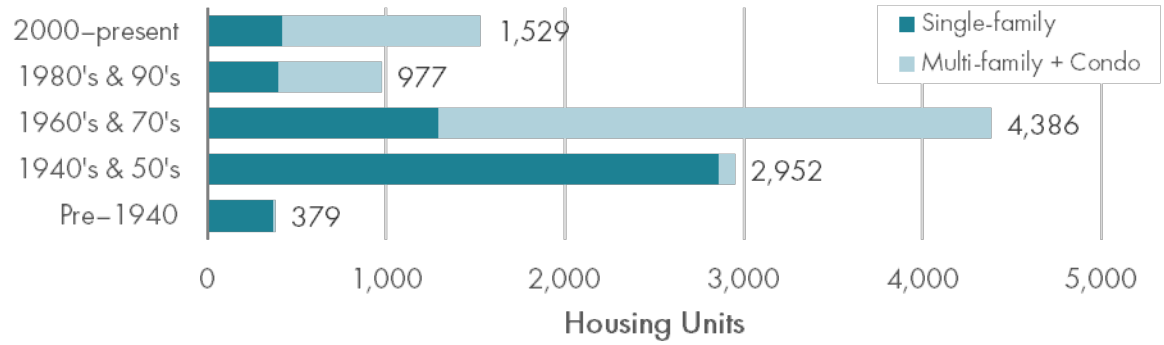
Exhibit 8. SeaTac Population by Age Cohort



Source: US Census 2019 ACS 5-Year Estimates.

10. **Most housing in SeaTac was built within a short period of time and is aging.** Nearly two thirds of all housing units in SeaTac were built between 1950 and 1980. This includes both single family homes and apartment buildings. These units have provided affordable homes for generations of SeaTac residents, but the need for maintenance and renovations will rise in coming decades. As land values rise, demolition and redevelopment can bring new housing options to communities, but can also lead to the displacement of people living in the existing units, and disrupt adjacent communities.

Exhibit 9. SeaTac Housing by Year Built, 2020.



Source: King County Assessor, 2020.

Table of Contents

Part 1: Introduction 1
1-1 Background & Purpose 1
A. Background 1
B. Purpose 2
1-2 Methodology 2

Part 2: Housing Overview 6
2-1 Local Housing History 6
A. History of Housing & Growth in SeaTac 6
B. Neighborhoods 8
2-2 Current Snapshot: Population, Housing, & Employment 9
A. Population & Growth Trends 9
B. Residential Land Use 10
C. Housing Growth & Trends 11
D. Employment & Trends in Job Growth 14
2-3 City's Housing Goals 16
A. City's Urban Village Strategy 16
B. Existing City's Housing Strategy 19
C. Alignment with Regional Housing Goals 19
2-4 Key Takeaways: Housing Overview 22

Part 3: Current Housing Conditions 23
3-1 Housing Supply 23
A. Housing Stock 23
B. Housing Tenure (Owner/Renter Units) 29
C. Special Housing Types 30
D. Regulated Affordable Housing 31
3-2 Residential Development & the Physical Environment 32
A. Physical Environment 32
B. Existing Infrastructure 34
3-3 Community Profile & Housing Needs 35

A. Population Characteristics 35
B. Household Types & Sizes 40
C. Households by Renter/Owner 43
D. Households & Income 46
3-4 Key Takeaways: Housing Supply & Demand 50
A. Housing Supply 50
B. Physical Environment 50
C. Housing Demand 50

Part 4: Housing Costs & Affordability in SeaTac 51
4-1 Local Housing Market 51
A. Home Prices 52
B. Rental Costs 54
4-2 What Housing Affordability Means in SeaTac 57
A. Housing Affordability for Current SeaTac Households 57
B. Cost Burden 59
4-3 Key Takeaways: Housing Costs & Affordability 62

Part 5: The Assessment: Gaps in Current & Future Housing Demand 64
5-1 Gaps in Implementing City Housing Goals 64
A. Urban Village Strategy Evaluation 64
B. Alignment with Regional Growth Strategy 67
C. 20-Year Development Capacity 69
D. Development Pipeline 70
5-2 Gaps in Housing Supply 71
5-3 Gaps in Affordability 74
A. Affordable Housing Availability 74
B. Future Housing Need by Income Level 79
5-4 Key Takeaways: SeaTac's Housing Gaps 80

Part 6: Appendices 82
City of SeaTac Comprehensive Plan Policies 82

Table of Exhibits

Exhibit 1. Home Prices, Rents, and Incomes in SeaTac and King County ii
Exhibit 2. SeaTac and Peer Cities House Prices House Prices 2010-2020 iii
Exhibit 3. Exhibit SeaTac and Regional Rent Growth, 2001-2020 iv
Exhibit 4. Existing Supply and Gaps/Surplus by Income Level v
Exhibit 5. Cost Burden and Severe Cost Burden by Tenure (Owner/Renter) v
Exhibit 6. Housing Growth and 2020-2023 Pipeline Development vi
Exhibit 7. SeaTac Housing Types, 2019 vii
Exhibit 8. SeaTac Population by Age Cohort viii
Exhibit 9. SeaTac Housing by Year Built, 2020. viii
Exhibit 10. SeaTac Neighborhoods Map 8
Exhibit 11. SeaTac Population, 2000-2020 9
Exhibit 12. SeaTac Population, 2000-2020 10
Exhibit 13. SeaTac Residential Land Use by Housing Type 11
Exhibit 14. Total Housing Units in SeaTac 2000-2020 12
Exhibit 15. Housing Growth in SeaTac and Neighboring Cities, 2011-2020 12
Exhibit 16. Percent Housing Growth, Selected King County Cities*, 2011-2020 13
Exhibit 17. Commutes to and from SeaTac (2017) 15
Exhibit 18. SeaTac Station Areas and Urban Center 17
Exhibit 19. SeaTac Future Land Use Map 18
Exhibit 20. SeaTac Housing Development Capacity and Net Growth by Type. 21
Exhibit 21. Development Capacity and Net Growth, SeaTac and Surrounding Cities (2014 BLR). 21
Exhibit 22. SeaTac Housing by Year Built, 2020. 24
Exhibit 23. SeaTac Housing Inventory, 2019, and SeaTac Housing Production 2010-2019 25
Exhibit 24. Percent of Housing Stock as Single-Family Housing, Selected King County Cities*, 2019 26
Exhibit 25. Total Housing Unit Production by Type, SeaTac and Neighboring Cities, 2011-2019. 27
Exhibit 26. SeaTac Housing by Number of Bedrooms 28
Exhibit 27. SeaTac Housing Permits by Type, 2011-2019; Pipeline Development 2020-2023 28
Exhibit 28. Tenure (owner/renter status) of SeaTac Households, 2018 29
Exhibit 29. Comparison of SeaTac and King County Household Tenure (owner/renter status) 29
Exhibit 30. Airport Noise Contours and Other Potential Pollution Sources 33
Exhibit 31. Age Distribution 36

Exhibit 32. Population by Race/Ethnicity (2018) (Percent of Total Population) 37
Exhibit 33. SeaTac Race/Ethnicity Dot Map 38
Exhibit 34. SeaTac Resident Place of Birth 39
Exhibit 35. SeaTac US Citizenship 39
Exhibit 36. SeaTac Languages Spoken at Home 39
Exhibit 37. Household Size 40
Exhibit 38. Household Type 41
Exhibit 39. Household Size and Median Number of Bedrooms 42
Exhibit 40. Renter/Owner Status of Households with Children 43
Exhibit 41. SeaTac Households by Size and Renter/Owner, 2018 44
Exhibit 42. Proportion of Each Household Size Renting/Owning 44
Exhibit 43. SeaTac Households by Race and Tenure (Home Owner/Renter) 45
Exhibit 44. Median Household Income in SeaTac, King County, and Peer Cities 47
Exhibit 45. SeaTac and County Household Median Income by Household Type, 2018 48
Exhibit 46. SeaTac Households by Income Category 48
Exhibit 47. Income Categories with Sample Income and Job Information 49
Exhibit 48. HUD Maximum Annual Income per Income Category by Household Size 49
Exhibit 49. SeaTac Change in Home Values, Rents, and AMI, 2012-2020 52
Exhibit 50. SeaTac Average Home Prices 2000- 2020 53
Exhibit 51. SeaTac and Peer Cities House Prices House Prices 2010-2020 54
Exhibit 52. SeaTac Rents 2000–2020 55
Exhibit 53. Exhibit SeaTac and Regional Rent Growth, 2001-2020 56
Exhibit 54. SeaTac and Regional Rental Vacancy 2000–2020 57
Exhibit 55. Example Rents Affordable at Selected Income Categories 58
Exhibit 56. Cost Burden and Severe Cost Burden by Tenure (Owner/Renter) 59
Exhibit 57. SeaTac Households by Cost Burden and Income 60
Exhibit 58. Cost Burden by Race in SeaTac 60
Exhibit 59. Proportional Cost Burden by Race in SeaTac 61
Exhibit 60. SeaTac Development and Activity Pipeline 2017-2020 66
Exhibit 61. SeaTac Housing Demand Projections, 2020–2040 68
Exhibit 62. SeaTac Housing Development Capacity and Net Growth by Type 69
Exhibit 63. Development Capacity and Net Growth, SeaTac and Surrounding Cities (2014 BLR). 70
Exhibit 64. SeaTac Housing Demand Projections, 2020–2040 71
Exhibit 65. Comparison of Housing Unit and Household Size 73

Exhibit 66. Income Needed to Afford SeaTac Median Home Price..... 75
Exhibit 67. Gap in Available Rental Units by Income Group 76
Exhibit 68. Affordability of Rental Units Compared to Incomes in SeaTac and King County 76
Exhibit 69. Housing Needs, Existing Supply, and Gaps/Surplus by Income Level 77
Exhibit 70. Housing Needs, Existing Supply, and Gaps/Surplus by Income Level 78
Exhibit 71. Cost Burden in SeaTac..... 78
Exhibit 72. Project Housing Need and Gaps by Income Level 79
Exhibit 73. Projected 2040 Housing Gap by Income Level 80

Glossary

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.

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. A healthy housing market includes a variety of housing types that are affordable to a range of different household income levels. However, the term "affordable housing" is often used to describe income-restricted housing available only to qualifying low-income households. Income-restricted housing can be located in public, nonprofit, or for-profit housing developments. It can also include households using vouchers to help pay for market-rate housing (see "Vouchers" below for more details).

American Community Survey (ACS)

This is an ongoing nationwide survey conducted by the U.S. Census Bureau. It 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.

Area Median Income (AMI)

This is a term that commonly refers to the area-wide median family income (MFI) calculation provided by the Department of Housing and Urban Development (HUD) for a county or metropolitan region.[1] 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).

Cost Burdened

When a household pays more than 30 percent of their gross income on housing, utilities (including heating and water but not telephone or internet), 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. (US HUD)

[1] See https://www.huduser.gov/portal/datasets/il.html

Fair market rent (FMR)

Fair Market Rents (FMRs) are used to determine payment standard amounts for most HUD housing programs. The U.S. Department of Housing and Urban Development (HUD) annually estimates FMRs for Office of Management and Budget (OMB) defined metropolitan areas, some HUD defined subdivisions of OMB metropolitan areas and each nonmetropolitan county. HUD uses FMR estimates for these areas to calculate area median income (AMI).

HFMA

HFMA stands for HUD FMR area. HFMA is the same as FMR.

Household

A household is a group of people living within the same housing unit.[2] 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 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. Some income-restricted rental housing is owned by a city or housing authority, while others may be privately owned. In the latter case the owners typically receive a subsidy in the form of a tax credit or property tax exemption. As a condition of their subsidy, these owners must offer a set percentage of all units as income-restricted and affordable to household 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. See an example table incorporating family size in Exhibit 47.

Median Family Income (MFI)

The median income 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). Calculated based on results of the American Community Survey (ACS) (table B19113).

[2] The census sometimes refers to "occupied housing units" and considers all persons living in an occupied housing unit to be a single household. So, Census estimates of occupied housing units and households should be equivalent.

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.

Vouchers (Tenant-based and Project-based)

HUD provides housing vouchers to qualifying low-income households. These are typically distributed by local housing authorities. Vouchers can be "tenant-based", meaning the household can use the vouchers to help pay. The Census sometimes refers to "occupied housing units" and considers all persons living in an occupied housing unit to be a single household. So, Census estimates of occupied housing units and households should be equivalent.for market-rate housing in the location of their choice. Or they can be "project-based", meaning they are assigned to a specific building.[3]

Universal Design

Universal design is "the design and composition of an environment so that it can be accessed, understood and used to the greatest extent possible by all people regardless of their age, size, or ability".[4] When integrated into the built environment, universal design principles ensure that residents who are aging or who have a disability are not blocked from accessing housing and services.

[3] See https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/tenant and https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/project for more details.
[4] http://universaldesign.ie/What-is-Universal-Design/

INTRODUCTION

Part 1: Introduction

1-1 Background & Purpose

A. Background

How is this Housing Inventory and Assessment Report related to SeaTac's Housing Action Plan?

This Housing Inventory and Assessment Report was created as part of the larger Housing Action Plan (HAP) project. (These assessments are often called "Housing Needs Assessments.") The main goals of the Housing Action Plan are to identify strategies to increase the city's housing supply and options for current and future residents at all income levels. This assessment provides baseline data about SeaTac's current housing supply and demand that can be utilized to inform the HAP recommendations.

How is this project funded?

The City is able to undertake this project thanks to funding provided by the Department of Commerce and created by Washington State House Bill 1923 (E2SHB 1923). E2SHB 1923 allocated funds for cities with the goal of supporting housing affordability because of a growing statewide gap between incomes and housing costs. Grant funding has been provided to cities to support efforts to:

- Create housing action plans that encourage the construction of more housing and a greater variety of housing types.
- Increase residential building capacity in areas that have supportive transportation and utility infrastructure and are served with frequent transit service.
- Prioritize the creation of affordable, inclusive neighborhoods.
- Consider the risk of residential displacement, particularly in neighborhoods with communities at high risk of displacement.

How do regional housing issues affect SeaTac?

Steady population and job growth in the Puget Sound region have increased demand for housing faster than new housing has been built. In King County from 2010 to 2017, three new full-time jobs

were created for every new unit of housing.[5] This means increased competition for each home for sale or rent and longer waiting lists for subsidized housing programs. Rising costs can lead residents to look elsewhere for housing they can afford – which often means moving further away from jobs, amenities, and cultural communities, a phenomenon known as "economic displacement."

In SeaTac, as in other South King County cities, housing prices have historically been lower than in Seattle or east King County. However, **affordability is an increasing problem in SeaTac as average house values have risen 4 times faster than income, and average rents almost 2 times faster**, since 2012 (see Exhibit 49).

What role does the City play in housing production?
The City of SeaTac does not build or manage any housing. However, the City can affect how much and what types of housing are produced in SeaTac through comprehensive plan policies, development codes, incentives, programs and capital projects. The HAP will identify strategies to ensure the City's influence on housing production is in line with its overall housing goals.

B. Purpose

This assessment describes how SeaTac's housing supply meets current and future demand. It is intended to be a guide for decision-makers, residents and others that first, provides a baseline of data that explains the condition of housing in SeaTac in 2020, and second, identifies where there are shortcomings or gaps in how the housing supply meets demand now and in the future.

This assessment can be divided into two main sections:

- **The Housing Inventory**: Parts 2, 3, and 4 are an inventory of SeaTac's housing supply and demand, including information on the current housing stock, residential population and local housing market. The inventory also identifies the City's current housing goals.
- **The Assessment of Housing Gaps**: Part 5 is an assessment of the problems, issues and gaps identified in the housing inventory in terms of:
  - Gaps in the implementation of the City's housing policies,
  - Gaps in the current type of housing stock available, and
  - Gaps in housing affordability.

1-2 Methodology

The analysis conducted in this assessment relies on available socio-demographic and housing data

[5] Source: HOUSING UNDERPRODUCTION IN WASHINGTON STATE, Up for Growth & ECONorthwest; Washington Office of Financial Management, U.S. Census Bureau LEHD Origin-Destination Employment Statistics (LODES)

from multiple sources. This includes as much publicly available data as possible, but also incorporates some data from real estate listings websites that have limitations on their use. All data used is the latest data available but note that in some cases information may take some time to compile and may be older.

The sources of data we used for this analysis include the following:

- **Puget Sound Regional Council (PSRC).** The PSRC provides overall regional housing targets through the VISION 2040 regional growth strategies, recently updated with the VISION 2050 plan, which informs the development of King County's Countywide Planning Policies.[6] Additionally, the PSRC coordinates housing and employment projections for the region, including the Land Use Vision model referenced in this report.[7]
- **Washington State Office of Financial Management (OFM).** The OFM is the state-level agency in charge of developing official population and housing counts for statutory and programmatic purposes, and compiles data from individual jurisdictions to further this goal. Publicly available counts for population and housing are available on their website.[8] Additionally, small-area and more detailed custom data are also available to provide more detail on housing and population growth.
- **King County Buildable Lands.** Coordinated on a periodic basis, the County coordinates a review and evaluation of development and land supply to determine whether its cities are meeting growth and density targets and if cities have enough land to meet future growth needs. As part of this work, cities survey their available lands for development, and compare this to growth targets established through the Countywide Planning Policies. This report relies on both the estimates of land capacity, as well as the assessment of future growth targets. Data utilized from 2014 Buildable Lands Report and Preliminary 2021 Buildable Lands Report.
- **US Census LEHD Origin-Destination Employment Statistics (LODES).** The US Census compiles information about the home and work locations of employees, and provides information through a web-based interface[9] on the characteristics of jobs and workers, such as economic sector, general length of commute, and wages. Additionally, LODES can also be used to indicate where people in a given location or jurisdiction work, and where workers in a community live, which can provide an understanding of commuting patterns. This data is partly "synthetic", meaning that it is based on estimates from the original data to preserve anonymity while being representative of major characteristics or trends.
- **King County Assessor's Office.** The King County Assessor maintains records of taxable property across King County. For the analysis of housing, the extensive files on property

[6] https://www.psrc.org/vision.
[7] For more information, refer to the PSRC website: https://www.psrc.org/projections-cities-and-other-places. Note that this dataset is currently being revised to account for the VISION 2050 plan.
[8] https://ofm.wa.gov/washington-data-research/population-demographics/population-estimates.
[9] https://onthemap.ces.census.gov.

information can be useful in characterizing the local housing stock.[10] These files can also be paired with cadastral data from the King County GIS Center to provide more geographical information on the distribution of housing.[11]

- **American Community Survey (ACS).** The American Community Survey is an ongoing survey program coordinated by the US Census Bureau to provide detailed information about the population. Developed as an alternative to the Decennial Census long form, the ACS relies on a sample of households to collect more detailed data on topics such as education, transportation, internet access, employment, and housing.[12] The results from the ACS are reported on a yearly basis for larger cities, and on a 5-year average basis for all communities. This report relies on this information for some demographics data, and the ACS is also used as part of the CHAS dataset (below).
- **Comprehensive Housing Affordability Strategy (CHAS).** The US Department of Housing and Urban Development (HUD) relies on custom tabulations from the ACS to develop the more detailed CHAS dataset.[13] This information is intended to demonstrate the extent of housing needs and issues across communities, with a focus on low-income households. This information, available at a city level, provides detailed information about characteristics of the local housing stock, including the affordability of both rental and owner-occupied housing. The CHAS dataset also provides some household information, which can be cross-tabulated with housing information to link household characteristics with needs. Note that the most recent dataset, released in August 2020, relies on the 2013–2017 ACS dataset.
- **Zillow.** The online real estate listings company Zillow provides some data on the real estate market free of charge. These datasets include information on rents, home values, inventory, and sales at the city, metro, and zip code levels.[14] To address gaps in data, some of this information relies on information from the ACS to weight key values.
- **CoStar.** CoStar is a commercial real estate listings service that provides more detailed market statistics over metro areas across the US, Canada, and other countries.[15] This dataset relies on information from several sources, including listings sites owned by the CoStar Group, and can provide information on multifamily rents, vacancy rates, and absorption on the market.
- **City of SeaTac Land Use and Housing & Human Services Background Reports.** As part of the development of the Comprehensive Plan, the City of SeaTac created reports to provide supplementary information to support City goals, policies, and implementation strategies. For this analysis, the Land Use and Housing & Human Services Background Reports provide key background information, including references to citywide targets for growth.[16]
- Port of Seattle, Sea-Tac International Airport Economic Impacts Study, January 2018, by

[10] https://info.kingcounty.gov/assessor/DataDownload/default.aspx.
[11] See: https://kingcounty.gov/services/gis/GISData.aspx.
[12] For more information, refer to the ACS website: https://www.census.gov/programs-surveys/acs.
[13] https://www.huduser.gov/portal/datasets/cp.html
[14] https://www.zillow.com/research/data/
[15] See https://www.costar.com/ for more information. Note that this project relies on a dataset available through subscription only.
[16] See: https://www.seatacwa.gov/government/comprehensive-plan.

Community Attributes, Inc. Employment and other data were utilized from this study which can be accessed at the following link: https://www.portseattle.org/sites/default/files/2018-02/180131_CAI_sea_tac_airport_economic_impacts.pdf.

- **South King County Subregional Housing Action Framework** – Task 2 Housing Context Assessment Methods memo, ECONorthwest, Summer 2020. This memo was created with funding through HB 1923 as part of a collaborative project undertaken by the cities of Auburn, Burien, Federal Way, Kent, Renton and Tukwila. Some data from this memo was utilized in this report.

In addition to these sources of data, this report also relies on GIS data for mapping provided primarily by the City of SeaTac, the King County GIS Center, and the US Census Bureau. This document provides references for figures, tables, and conclusions based on the information described here.

HOUSING INVENTORY

Part 2: Housing Overview

2-1 Local Housing History

Purpose: The purpose of this section is to provide the reader with a baseline understanding of SeaTac's housing history and to shed light on why and how SeaTac's residential neighborhoods have evolved into what they are today.

A. History of Housing & Growth in SeaTac

The following section provides a history of SeaTac's residential growth. This information is based on sources that are referenced at the end of the section.

Native Peoples – The lower Puget Sound is the historic homeland of Southern Lushootseed-speaking Coast Salish people. Prior to the arrival of Euro-Americans, many Lushootseed tribes inhabited the Puget Sound and Green River valley. They tended to live in permanent villages composed of longhouses near abundant sources of food and resources along rivers and shorelines. Salish longhouses accommodated large extended families and were usually made of Western Redcedar. In SeaTac, Salish canoes have been found in Angle Lake, where native people likely hunted or fished. Tribes that inhabited the area around SeaTac in the 19th Century were reorganized into the Muckleshoot and Duwamish tribes by the Treaty of Point Elliott in 1855, and all longhouses were destroyed.

Early White Settlement – Highline ridge was relatively sparsely inhabited during early settlement of the Puget Sound. Military Road was constructed in 1860, providing the first north-south road in the Puget Sound and opening up the Highline area to settlers, who built small farms and cabins. When railroads arrived in the 1890's the pace of settlement increased. Many settlers were Japanese immigrant farmers who grew produce for the Seattle market.

Airport and Suburban Growth – Gradual farming settlement continued until Bow Lake airfield was selected as the site for Seattle Tacoma International Airport in 1942. Neighborhoods sprang up in SeaTac as bedroom communities for jobs related to building and operating the airport as well as wartime industry in Seattle and Renton, causing the population of SeaTac to triple from 1941-1945. Construction of I-5 in the 1960's improved vehicular access throughout the region and spurred a further increase in suburban residential development, mostly of single-family houses.

Investment and Federal Policy Impacts – As suburban neighborhoods throughout the United States were developed, the real estate industry, with the support of the federal government, used "redlining" to prevent non-white people from buying property, denying them the opportunity to accumulate wealth. According to the University of Washington's Seattle Civil Rights & Labor History Project, these practices occurred throughout the Puget Sound Region, including SeaTac. Redlining was common from 1923 to 1950 before being banned in Washington State in 1977. The disparities resulting from redlining were exacerbated during the postwar period, when the federal government made an unprecedented investment in popular homeownership but excluded people of color from participation. These investments included the GI bill, Fannie Mae, Freddy Mac, and other programs that subsidized single-family home construction and purchase. The effects of the increased wealth disparity between white and African American families caused by redlining and exclusionary federal programs have passed through generations and continue to drive economic outcomes today.

Urbanization and Incorporation – Low-land prices and good transportation access promoted the construction of apartment buildings and mobile home parks throughout Highline, helping to meet the need for affordable housing options in central Puget Sound. However, in the 1960s, regional through-traffic on Highway 99 was diverted to the new Interstate 5. This, together with expansion of the airport and accompanying noise levels, contributed to an economic downturn in the area around Highway 99. Rising population and the desire for improved public safety and services led city residents to incorporate the City of SeaTac in 1990.

Recent Years – Following incorporation, the City worked to improve Highway 99 –renamed "International Boulevard" and develop a vision for more cohesive growth around the creation of a new city center adjacent to the airport. Construction of Sound Transit's three light rail stations in the late 00's spurred the creation of station area/urban village plans, where infrastructure investment and development regulations would support denser, more walkable development. However, since the 1990's, housing development in SeaTac has occurred at a relatively slow pace compared to other King County cities.

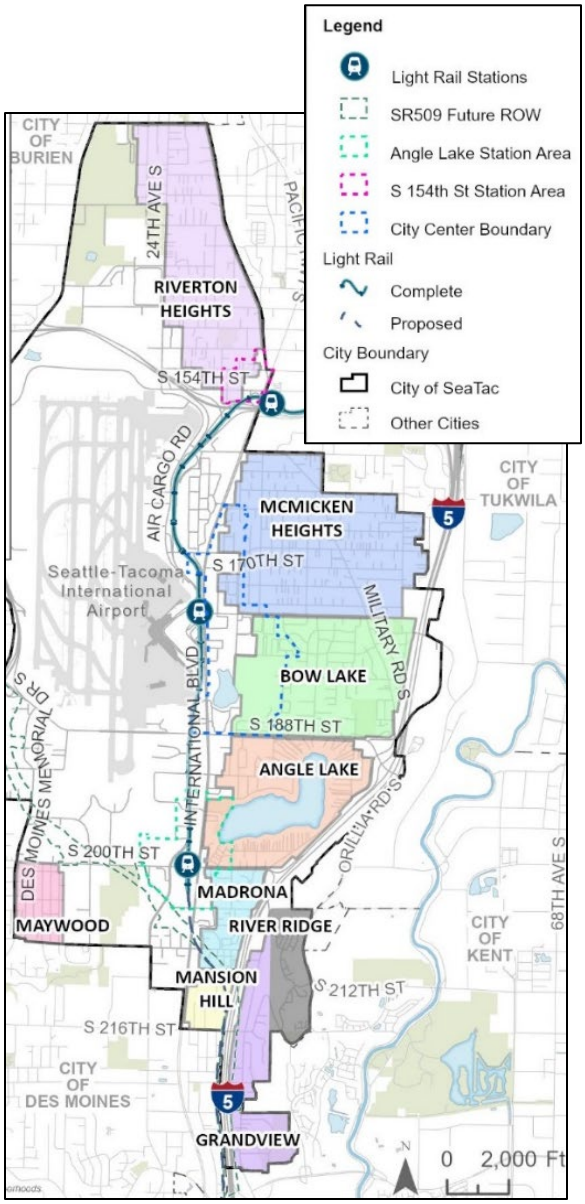
Airport and Impacts on Housing – While the growth of air travel over the years has led to significant job and business opportunities, increases in air traffic have also had negative impacts on SeaTac's residential communities. Since the 1950s, the Port of Seattle has acquired hundreds of properties from individuals due to operational expansions and noise mitigation programs. Additionally, thousands of area homes have needed noise proofing. These impacts have likely contributed to slower housing growth and detracted from community vitality in and near these neighborhoods.

Sources: HistoryLink: SeaTac — Thumbnail History, SeaTacWA.gov HISTORY, Suquamish Tribe - History & Culture, ,Simon Fraser University - Coast Salish Architecture, Seattle PI: Sea-Tac's Turbulent History Dec 11, 1994, The Color of Law – Richard Rothstein, Seattle Civil Rights & Labor History Project, University of Washington.

B. Neighborhoods

- SeaTac's residential areas include nine neighborhoods, which cover a range of residential densities and include some non-residential land uses.
- However, SeaTac has not completed a formal process to designate neighborhoods, nor are there neighborhood-based community councils or organizations.
- Limited pre-automobile development means that only one neighborhood, McMicken Heights, has a functional neighborhood business node. The City's only major grocery store, Safeway, anchors this area.
- While most neighborhoods lack north-south streets and sidewalks, neighborhoods in the north end tend to have more well-connected street grids than those in the south.
- A well-connected street grid allows better local mobility options, promotes active transportation like walking and bicycling, and can better support access to goods, services, education, recreation and other nearby opportunities.
- The City's policy goals include creating urban villages adjacent to light rail stations in the north, central, and southern sectors of SeaTac that can provide current and future residents with greater access to housing, employment and neighborhood-oriented services. These areas have not been historically connected to the surrounding communities as neighborhood service centers, and only recently have started to develop in line with City goals and their development potential.

Exhibit 10. SeaTac Neighborhoods Map



Source: City of SeaTac

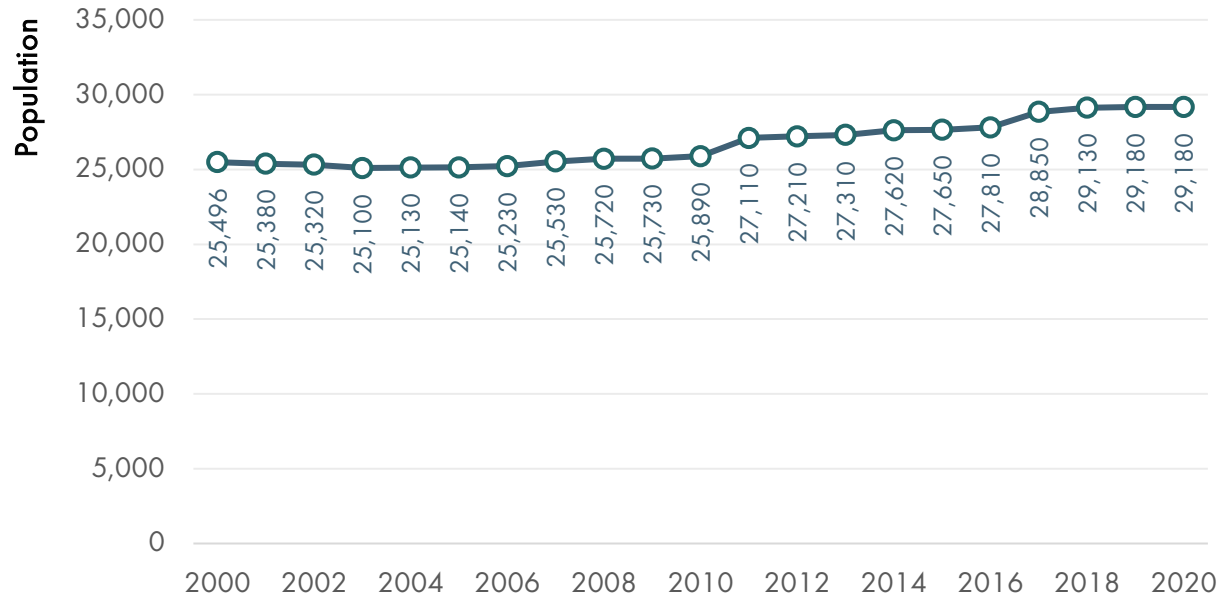
2-2 Current Snapshot: Population, Housing, & Employment

Purpose: The purpose of this section is to provide the reader with a baseline understanding of the status of the people and jobs that help drive residential demand in the city and housing production trends.

A. Population & Growth Trends

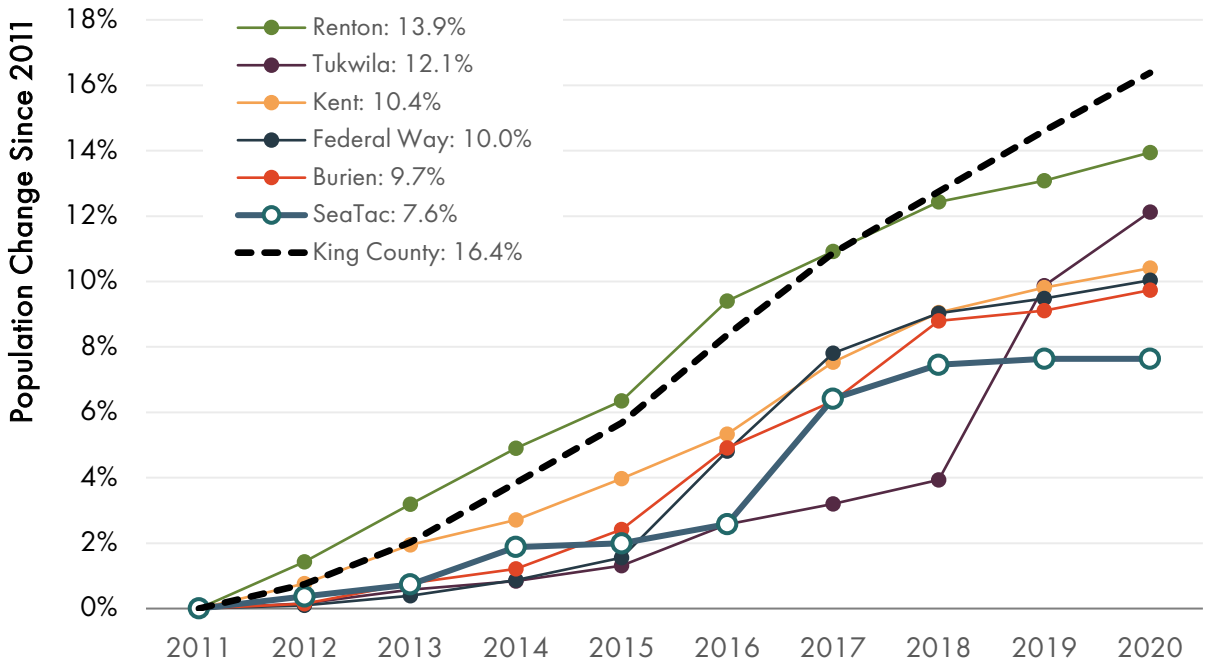
- SeaTac's population has grown by less than 4,000 residents over the past 20 years.
- SeaTac is growing slower than other South King County cities. As a group, South King County cities are growing slower than the county.

Exhibit 11. SeaTac Population, 2000-2020



Source: Washington Office of Financial Management, 2020; BERK, 2020.

Exhibit 12. SeaTac Population, 2000-2020



Source: Washington Office of Financial Management, 2020; BERK, 2020.

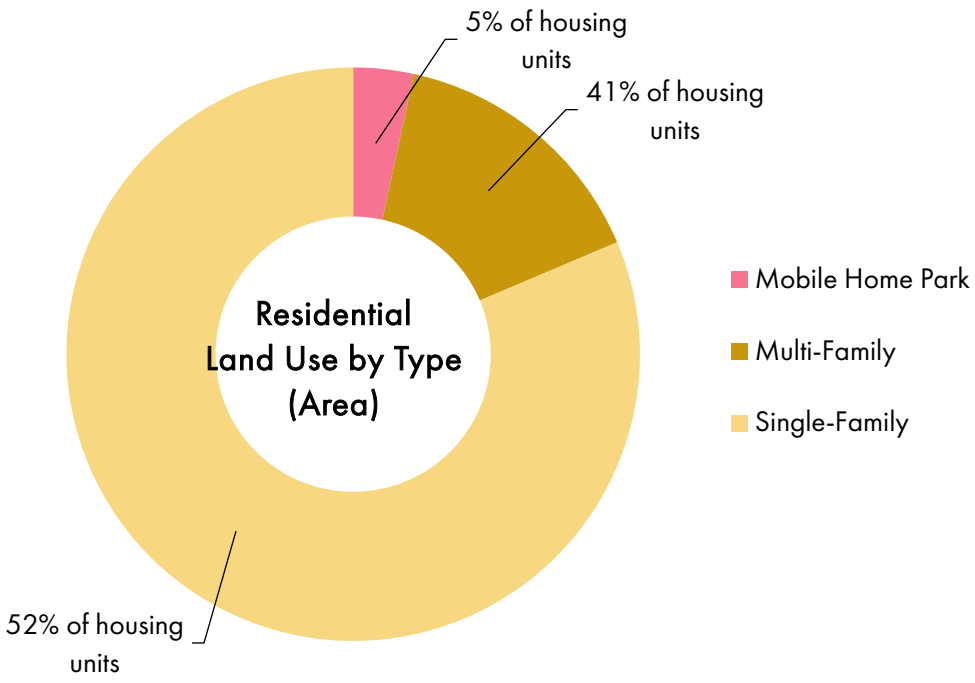
Note: Renton annexed areas with approximately 5,500 residents between 2011 and 2020, accounting for more than a third of its 13.9% population growth.

B. Residential Land Use

- Airport-related uses occupy roughly 34%of the city.
- Residential land uses occupy roughly 33% of SeaTac's land area (excluding rights-of-way).
- For residential land uses as of 2019:
    - About 81.4% of residential land has detached/single-family houses with a total of 5,675 housing units.
    - About 15.2% of residential land has multifamily residential with a total of 4,654 housing units.
    - About 3.4% of residential land use is for mobile home parks with a total of 526 housing units.[17]

[17] City of SeaTac, Land Use Background Report, 2015; Washington Office of Financial Management, 2020

Exhibit 13. SeaTac Residential Land Use by Housing Type



Source: City of SeaTac, Land Use Background Report, 2015; Washington Office of Financial Management, 2020

C. Housing Growth & Trends

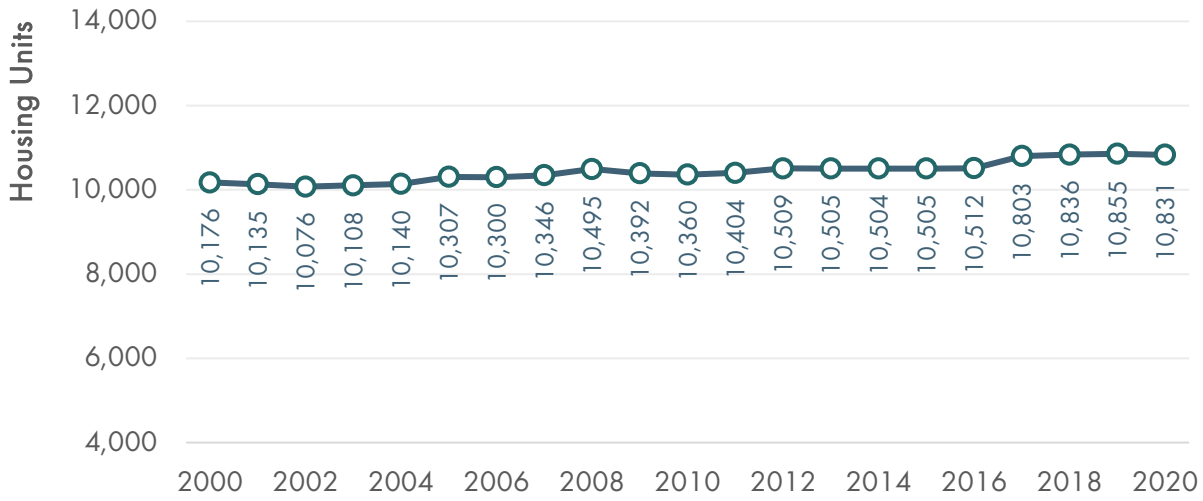
In SeaTac, during the last 20 years, eleven multifamily development projects with over 1,000 units have been constructed, and single family housing has been added through short platting and individual home construction. However, residential units have also been removed from the housing supply during that that time period.

- Since 2000, SeaTac has seen fewer than 700 net new units added to its housing supply.[18]
- During that time, around 400 units were removed from the housing supply due to airport noise mitigation programs, buyouts from the SR 509 highway extension project and a mobile home park closure.
- Housing growth in SeaTac since 2011, has been slower than other South King County cities and slower than King County as a whole.
- Development pipeline projects include those under construction, planned, or permitted. If completed, these projects could increase the city's rate of growth over the next five or more years. SeaTac's pipeline projects include between 1200 to 1400 potential housing units. (The units are provided as a range because projects sometimes change the number of units during

[18] Washington Office of Financial Management, 2020; BERK, 2020.

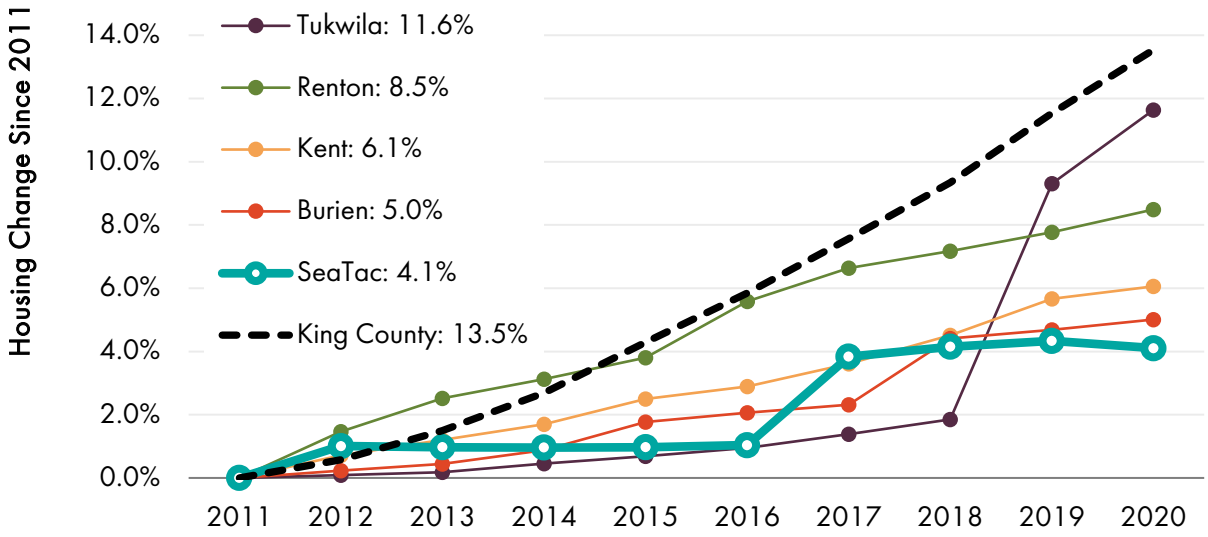
the permitting process.)

Exhibit 14. Total Housing Units in SeaTac 2000-2020



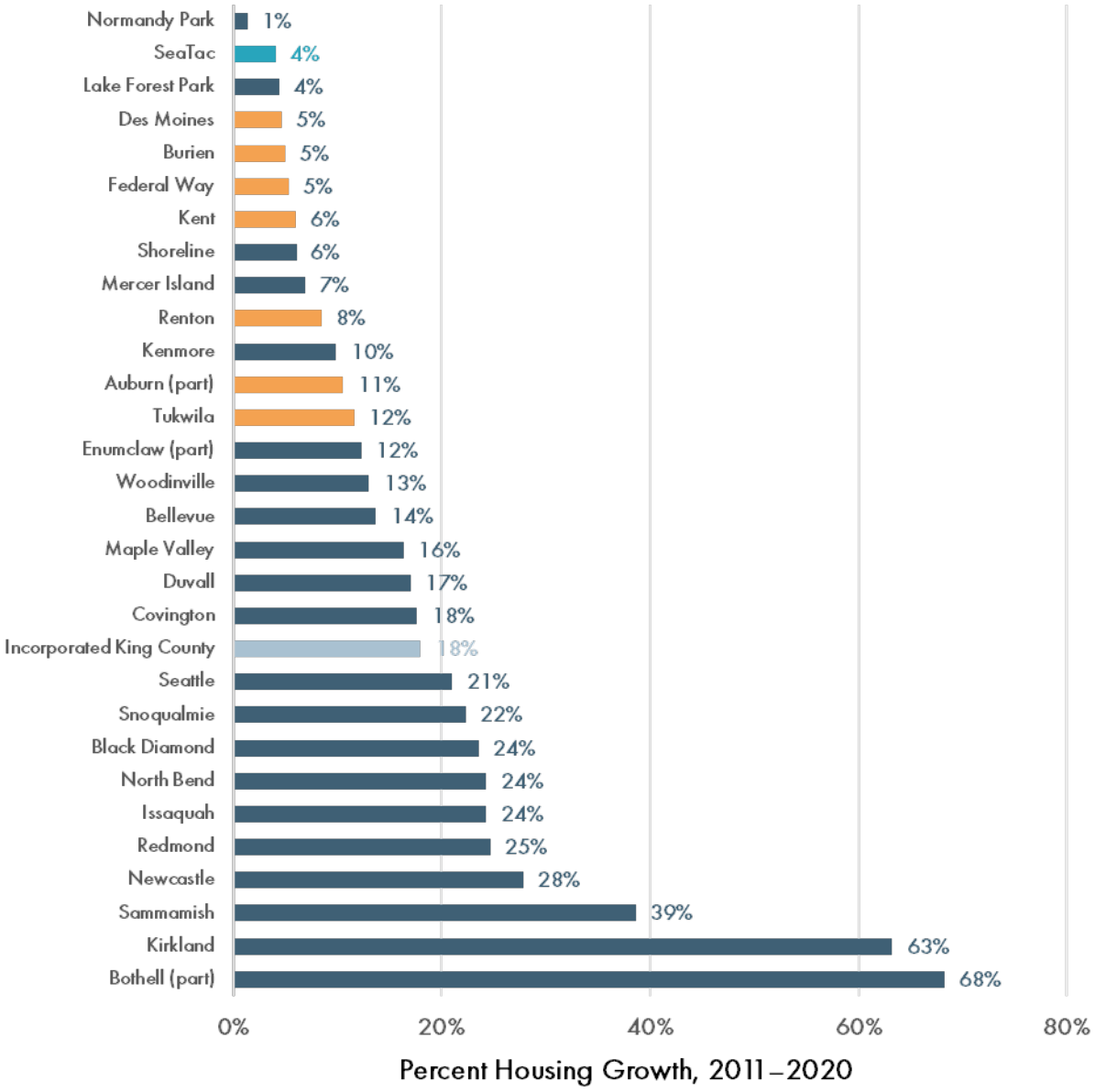
Source: Washington Office of Financial Management, 2020; BERK, 2020.

Exhibit 15. Housing Growth in SeaTac and Neighboring Cities, 2011-2020



Source: Washington Office of Financial Management, 2020; BERK, 2020.

Exhibit 16. Percent Housing Growth, Selected King County Cities*, 2011-2020



* Cities with less than 5,000 King County residents not included.

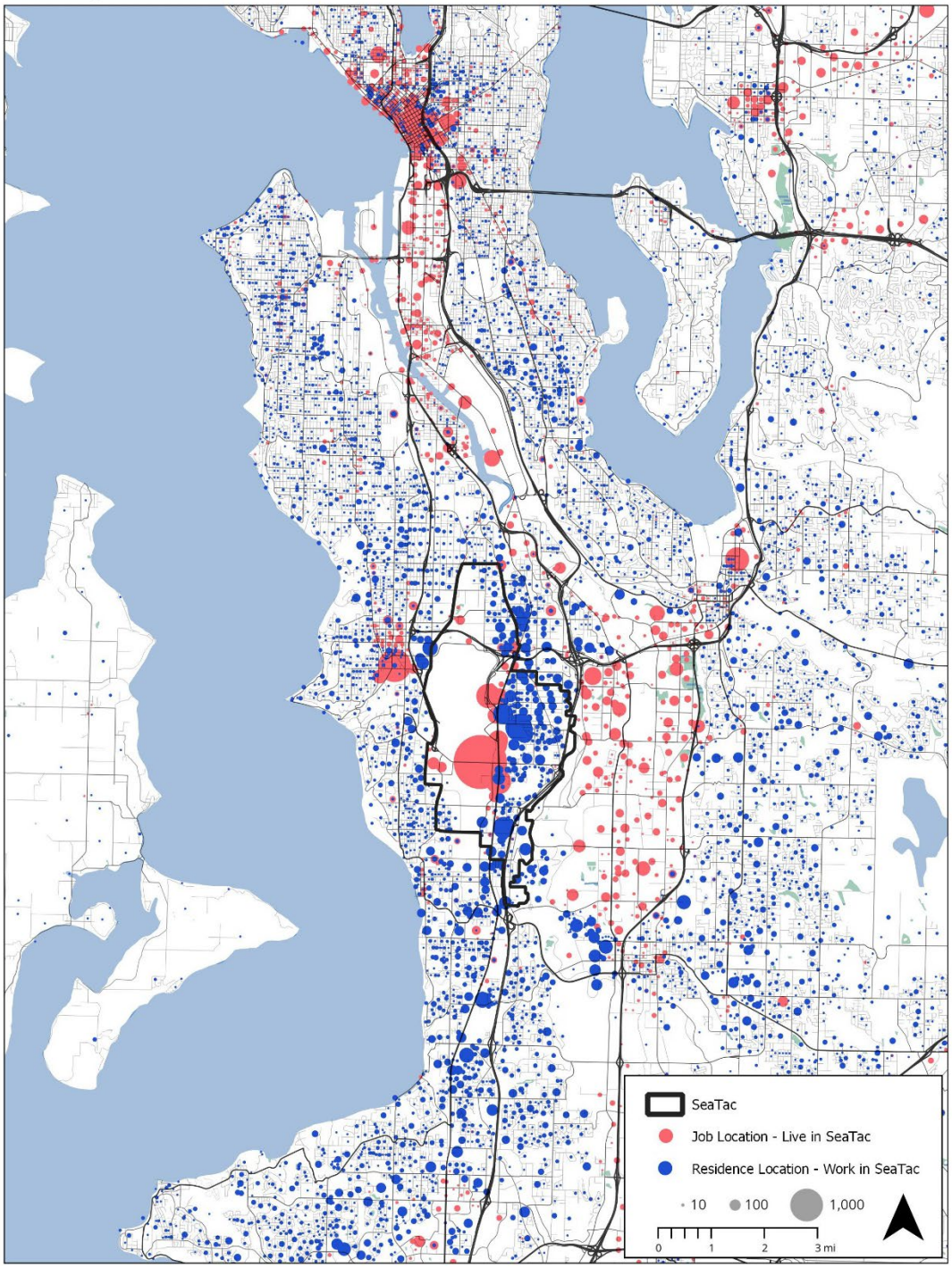
Source: Washington Office of Financial Management, 2020; BERK, 2020.

D. Employment & Trends in Job Growth

The availability of jobs in a city or region can influence the local housing market, especially in terms of potential housing demand. The section below provides information on the number and type of jobs currently available in SeaTac with a focus on airport-related jobs in the city.

- As of 2019, there were 36,523 jobs in SeaTac (This number is from PSRC figures for "covered employment," or employees covered under the State's unemployment insurance program and excludes the self-employed).
- Airport-related jobs account for a significant percentage of the city's employment base. According to the Port of Seattle Airport Economic Impacts Study (2018), "Sea-Tac International Airport supported more than 24,100 jobs within the City of SeaTac through direct, indirect and induced impacts in 2017. Jobs supported by the airport represented 78% of total employment in the city." The study also notes that:
    - The Airport Economic Impact Study also notes that in 2017, of the 19,100 people who worked at the Airport, 1,050 airport employees lived in SeaTac.
    - Of central Puget Sound cities, only Seattle (1,700), Federal Way (1,510) and Kent (1,430) had more residents working at the Airport. Of the remaining workers, 5,380 live in Tukwila, Des Moines, Renton, Burien, Auburn, Lakewood, Bellevue, Puyallup, Fife, Normandy Park, Shoreline, and 8,030 live in other locations. (See link to study in Methodologies section.)
- In addition to jobs within SeaTac, many residents commute to work in Kent, Tukwila, Sodo, (acronym for Seattle's South Downtown area) and Downtown Seattle. (See Exhibit 17.)
- SeaTac workers commute from other parts of Highline, South King County, and Seattle. (See Exhibit 17.)

Exhibit 17. Commutes to and from SeaTac (2017)



Source: U.S. Census Bureau. 2020. LEHD Origin-Destination Employment Statistics (2002-2017) Washington, DC: U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program [distributor], accessed on 11/23/2020 at https://onthemap.ces.census.gov. LODES 7.4 [version]

2-3 City's Housing Goals

Purpose: The purpose of this section is to summarize currently established City policies and goals related to housing.

A. City's Urban Village Strategy

The urban village strategy is the City's primary tool for focusing housing and job growth within SeaTac, and specifically within its regionally designated Urban Center. SeaTac's Comprehensive Plan and related light rail station area plans set out a framework for focusing housing growth in **"urban villages"**—compact and complete neighborhoods near the three light rail stations that serve SeaTac and offer opportunities for healthy and active lifestyles and access to resources and amenities. This kind of development accomplishes multiple goals simultaneously, such as efficient use of City and regional investment in infrastructure and transit, increased access to opportunity, improved public health, and protected natural environment.

Especially applicable Comprehensive Plan goals and policies include the following (Note: The words in parenthesis are intended to identify the content of the policies in brief):

- **GOAL 2.1 (focus of growth)**
  Focus growth to achieve a balanced mix and arrangement of land uses that support economic vitality, community health and equity, and transit access.
- **Policy 2.1A** (subarea/station area plans)
  Implement the City Center, South 154th Street Station Area, and Angle Lake District Station Area Plans to focus the majority of SeaTac's commercial and residential growth and redevelopment into three distinct complete communities within SeaTac's designated Urban Center.
- **Policy 2.1B** (urban center density)
  Direct moderate and high density residential development to the Urban Center, especially within the City Center and station areas.

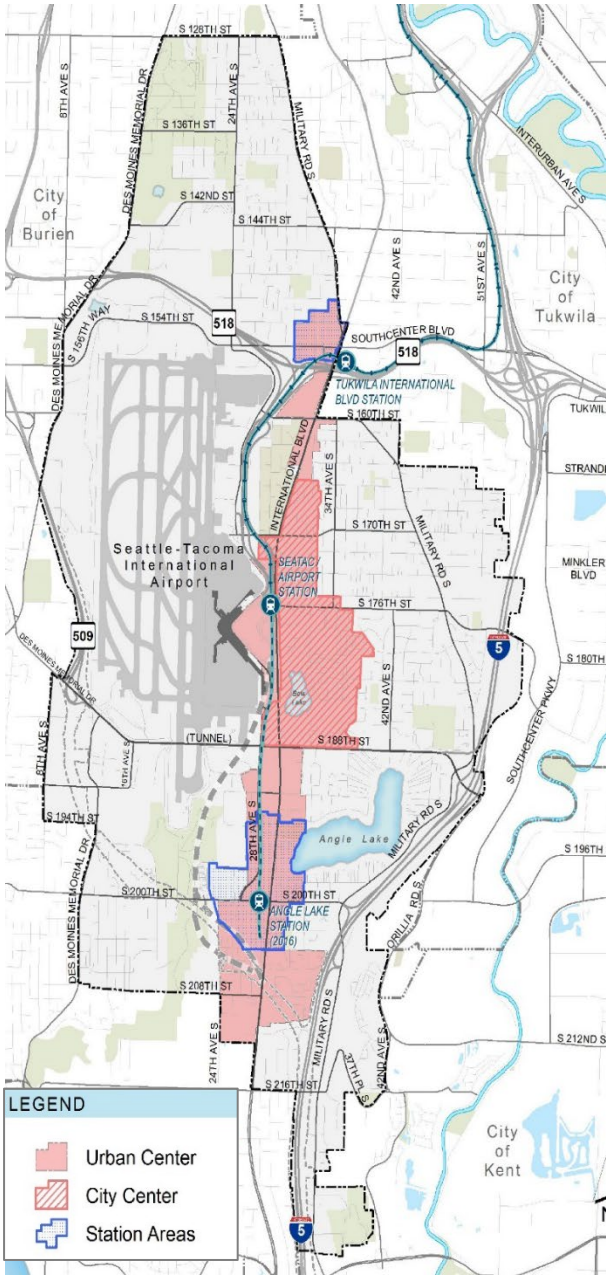
Station Area/Subarea Plans

SeaTac's subarea plans are the main implementation tools for the City's urban village growth strategy. They include:

- **South 154th Street Station Area Plan** focused on the area adjacent to Tukwila International Boulevard Station in the city's north end
- **City Center Plan**, which includes the SeaTac/Airport Station area and is focused on the city's central business and hospitality district adjacent to the Airport. This plan is currently being updated.
- **Angle Lake District Station Area Plan** focused on the area near the Angle Lake Station in south SeaTac

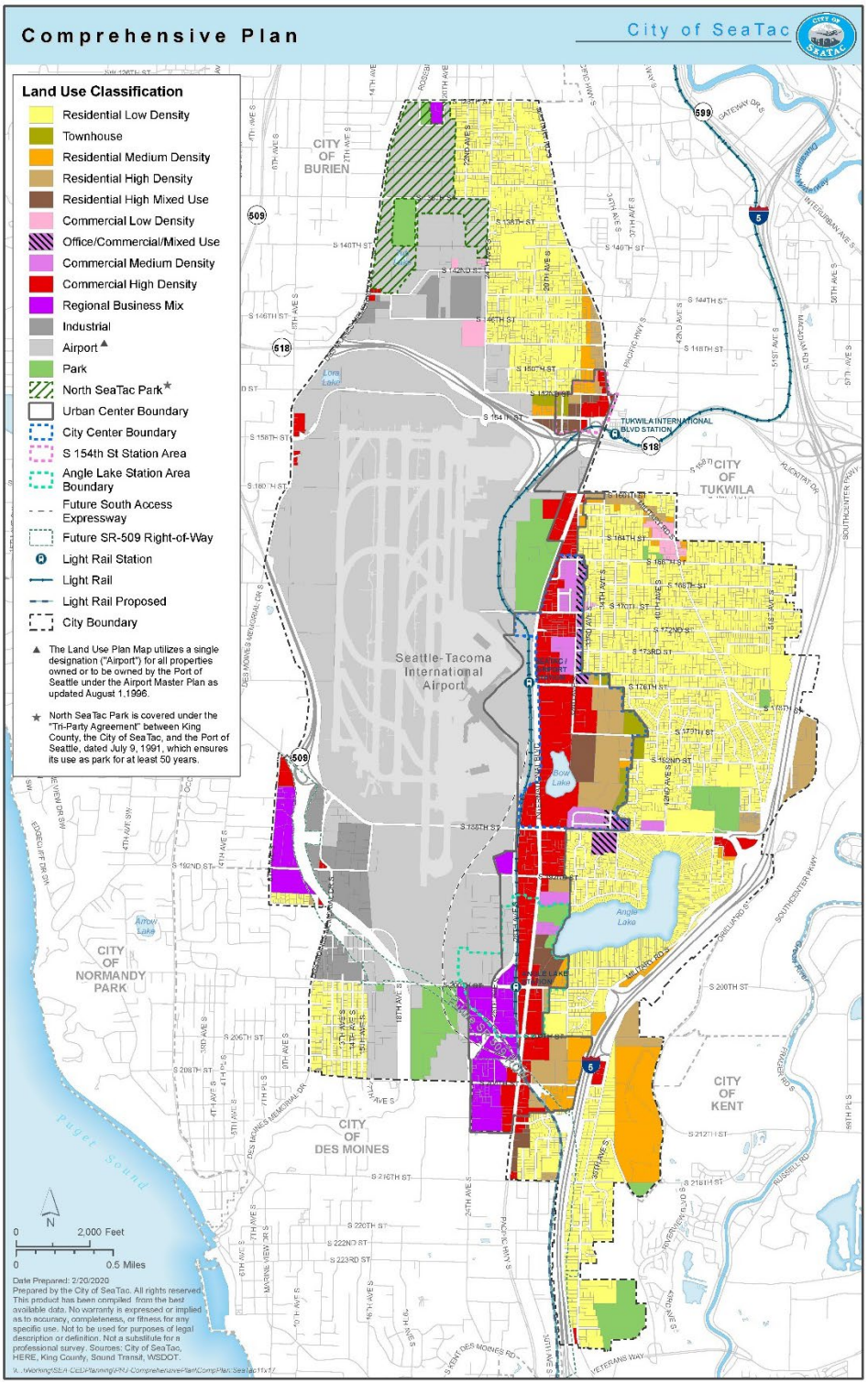
These plans support compact development around three Link light rail stations within the Urban Center to maximize residents' and businesses' access to the region via public transit. Implementation of these plans would transform the International Boulevard corridor from a linear commercial form into three distinct and complete neighborhoods, accommodating new residential and employment growth. Higher employment and residential densities would result in an inviting and vibrant urban environment, while preserving the City's lower density residential areas outside of the station areas.

Exhibit 18. SeaTac Station Areas and Urban Center



Source: City of SeaTac

Exhibit 19. SeaTac Future Land Use Map



Source: City of SeaTac

B. Existing City's Housing Strategy

In addition to promoting urban villages adjacent to the light rail stations, the City's housing policies also encourage the creation of "complete communities" in all residential neighborhoods. Complete communities provide residents with access to a full range of amenities that contribute to sustainable and healthful neighborhoods including access to parks and open spaces, opportunities for active transportation (walking and bicycling) and access to healthy food and other resident-oriented goods and services.

To ensure "complete" housing communities in SeaTac's neighborhoods, the Comprehensive Plan's Housing and Human Services Element identifies six goals and multiple policies that emphasize increasing the diversity of housing types and providing housing opportunities for all income segments in the city. Additional goals include preserving and strengthening existing neighborhoods and maintaining the affordability of the current housing stock.

C. Alignment with Regional Housing Goals

SeaTac's Comprehensive Plan and station area/subarea plans maintain alignment with regional growth strategies – Washington's Growth Management Act (GMA), the Puget Sound Regional Council's (PSRC's) Vision 2040 (recently updated to Vision 2050), and King County's countywide planning policies. The GMA requires cities to plan to accommodate 20 years of housing growth and ensure affordable options for all. SeaTac's zoning allows for the growth needed to meet regional growth allocation targets, and SeaTac's plans guide how to encourage desired growth.

Urban Centers Strategy

The King County Countywide Planning Policies designate a portion of SeaTac an "Urban Center" (mapped on Exhibit 18). Urban Centers are locations that offer the mixed-use zoning, infrastructure, and concentrations of services and amenities needed to accommodate housing and employment growth. The Puget Sound Regional Council's Vision 2050 plan identifies these same areas as "Regional Centers," and they are part of the multi-county regional growth strategy. The SeaTac Urban Center encompasses the areas identified in the South 154th Street Station Area, the City Center, and the Angle Lake District plans.

Growth Allocation Targets

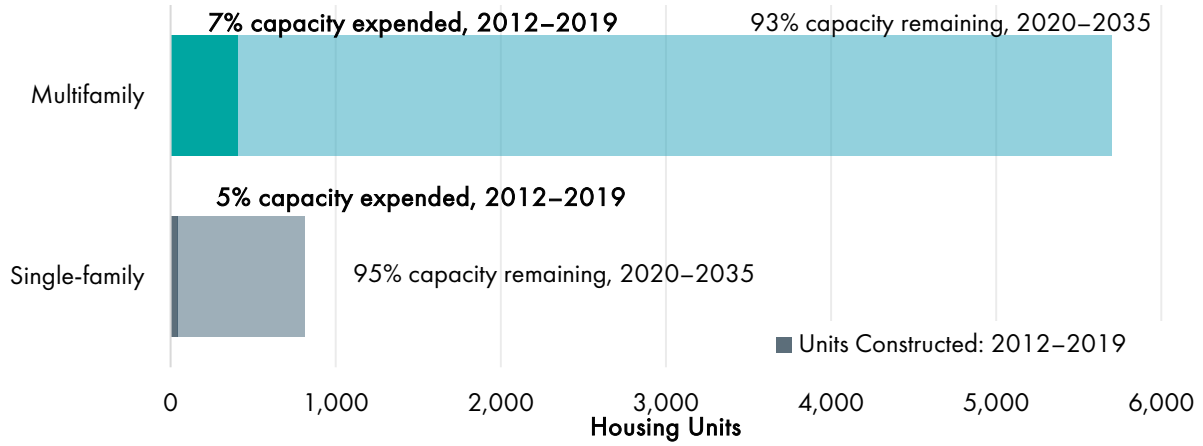
- The Puget Sound Regional Council (PSRC) and King County's regional planning prioritizes growth in SeaTac due to the city's access to light rail and jobs. Past growth targets for SeaTac have exceeded actual growth. PSRC's VISION 2050, passed in October 2020, continues the Vision 2040 policy focus on transit-oriented growth as a regional growth strategy.
- The 2035 residential growth target adopted in SeaTac's 2015 Comprehensive Plan is 15,835 households, an increase of 4,881 above today's 10,954 households.
- Meeting the adopted 2040 housing goal would require a much higher yearly rate of housing growth than seen in the past decade. The current development pipeline's projected 1,200 to 1,400 housing units could significantly increase the average units gained per year for the next few years.

Capacity to Accommodate Future Housing Growth

Two types of zones predominate in SeaTac: airport-related and single family zones.

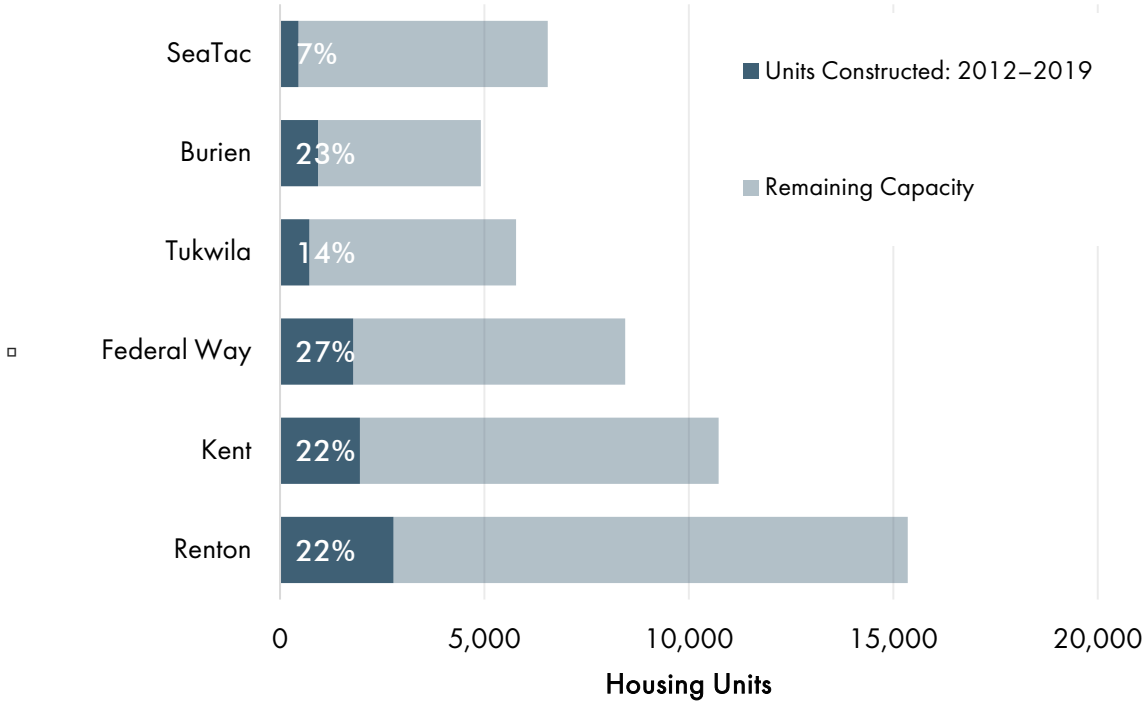
- Airport-related zoning occupies around 45% of all zoned acres, while Urban Low (single family) zones cover about 29% of zoned acreage.
- Higher density residential and non-airport commercial zones occupy just about 10% of zoned acreage but provide the majority of zoning capacity and contain roughly half of all existing housing units in the city.
- Past analysis has found that SeaTac has sufficient zoning capacity for anticipated future housing development. The 2014 Buildable Lands Report estimated existing capacity of 6,545 units, sufficient to meet growth targets noted above.
- Since 2012, 451 new units have been built, representing 7% of development capacity.

Exhibit 20. SeaTac Housing Development Capacity and Net Growth by Type.



Source: City of SeaTac, Land Use Background Report, 2015; BERK, 2020.

Exhibit 21. Development Capacity and Net Growth, SeaTac and Surrounding Cities (2014 BLR).



Source: King County Buildable Lands Report, 2014; BERK, 2020.

2-4 Key Takeaways: Housing Overview

Housing History

- The history of SeaTac's transformation from a farming area to a suburban community surrounding an international airport services hub affects housing outcomes today in terms of both the residents who have chosen to live in the city and the types of housing available to them.

Growth Trends

- SeaTac has grown slowly over the past 20 years compared to its peers and the county as a whole, but recent permitting trends show increasing interest in the SeaTac housing market.
- While the Airport is a major employment center, attracting around 20,000 employees daily for airport- and travel-related employment, only around 1,000 of those employees reside in the city.
- Like many suburban cities, post-war automobile-oriented development patterns limit connectivity and walkability in most residential areas. This can limit development opportunities for some types of housing, businesses and services.

City Housing Goals

- The current approach to create urban villages adjacent to SeaTac's three light rail stations presents a major change to past development patterns and is the City's main tool for implementing multiple housing growth and development goals.

Part 3: Current Housing Conditions

3-1 Housing Supply

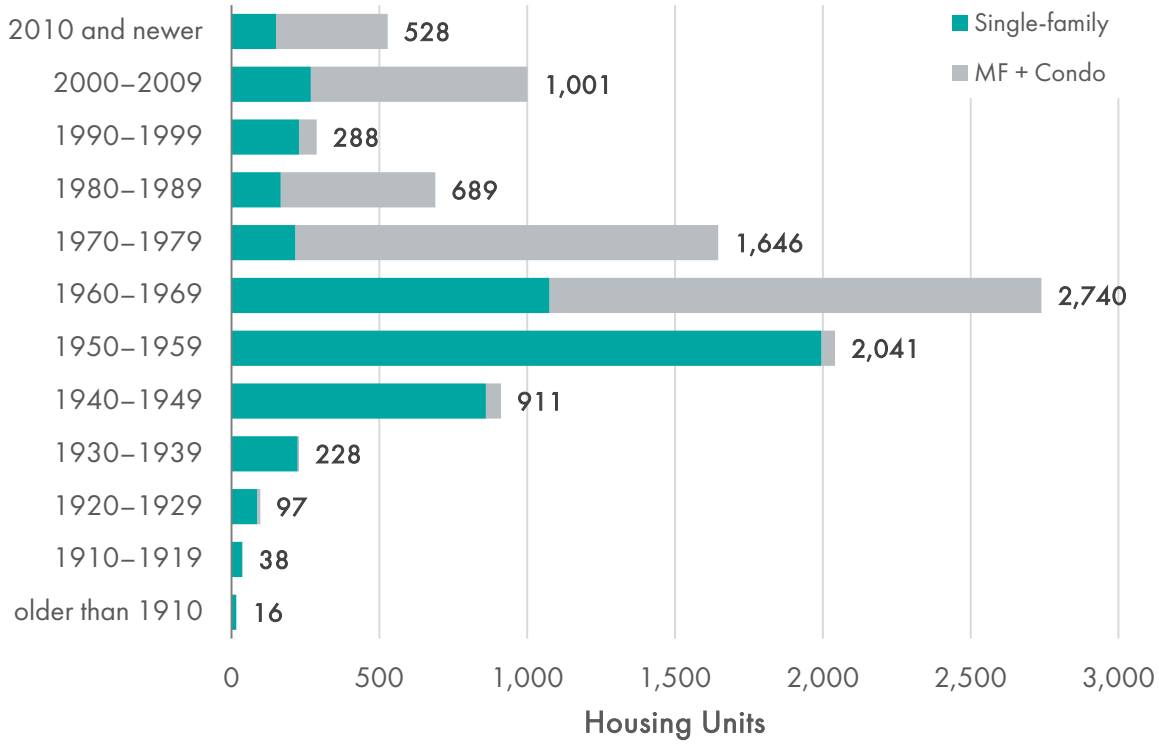
Purpose: The purpose of this section is to provide data on SeaTac's current housing stock including information on the following: characteristics of existing housing, housing tenure (owner/renter units), special housing types and regulated affordable housing in the city.

A. Housing Stock

Housing Age

- **Most housing units (63%) in SeaTac were developed between 1950 and 1980, during the postwar suburban housing boom.**
- Construction through the 1950's was almost exclusively single-family homes.
- Apartment construction took off in the 1960's and has dominated housing production since.

Exhibit 22. SeaTac Housing by Year Built, 2020.



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

Physical Condition of Housing

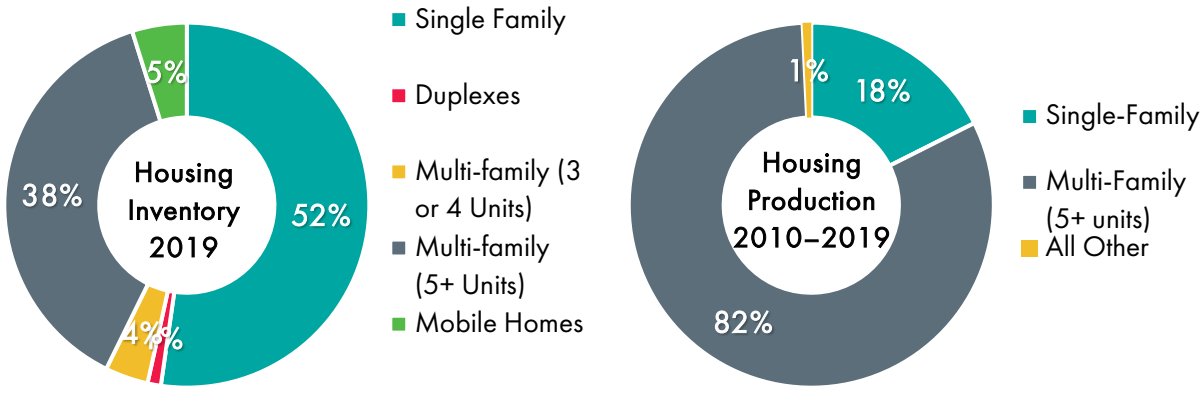
- Aging housing stock can offer relatively affordable housing for residents, with the risk of deteriorating buildings creating unsafe or substandard living conditions. Depending on their location and condition, older buildings may also be candidates for redevelopment.
- Almost two-thirds (63%) of SeaTac's **multifamily housing** was built in the 1960's and 70's.
    - These structures, now over 40 years old, will likely need renovations or high levels of maintenance in order to remain viable housing through 2040.
- Three-quarters of SeaTac's **single-family housing** stock was built between 1940 and 1970.
    - These homes will need renovations or maintenance during the plan timeframe.
    - Mid-century houses tend to have a smaller footprint than pre-war or more recent houses. They can provide relatively affordable options for homebuyers. However, in the current market, they are more likely to be torn down and replaced one-for-one with a new house, especially when existing houses are in poor physical condition.

Housing Types

Like many inner-ring suburban cities, including those in South King County, SeaTac has a fairly even split of single family and multiple family housing types.

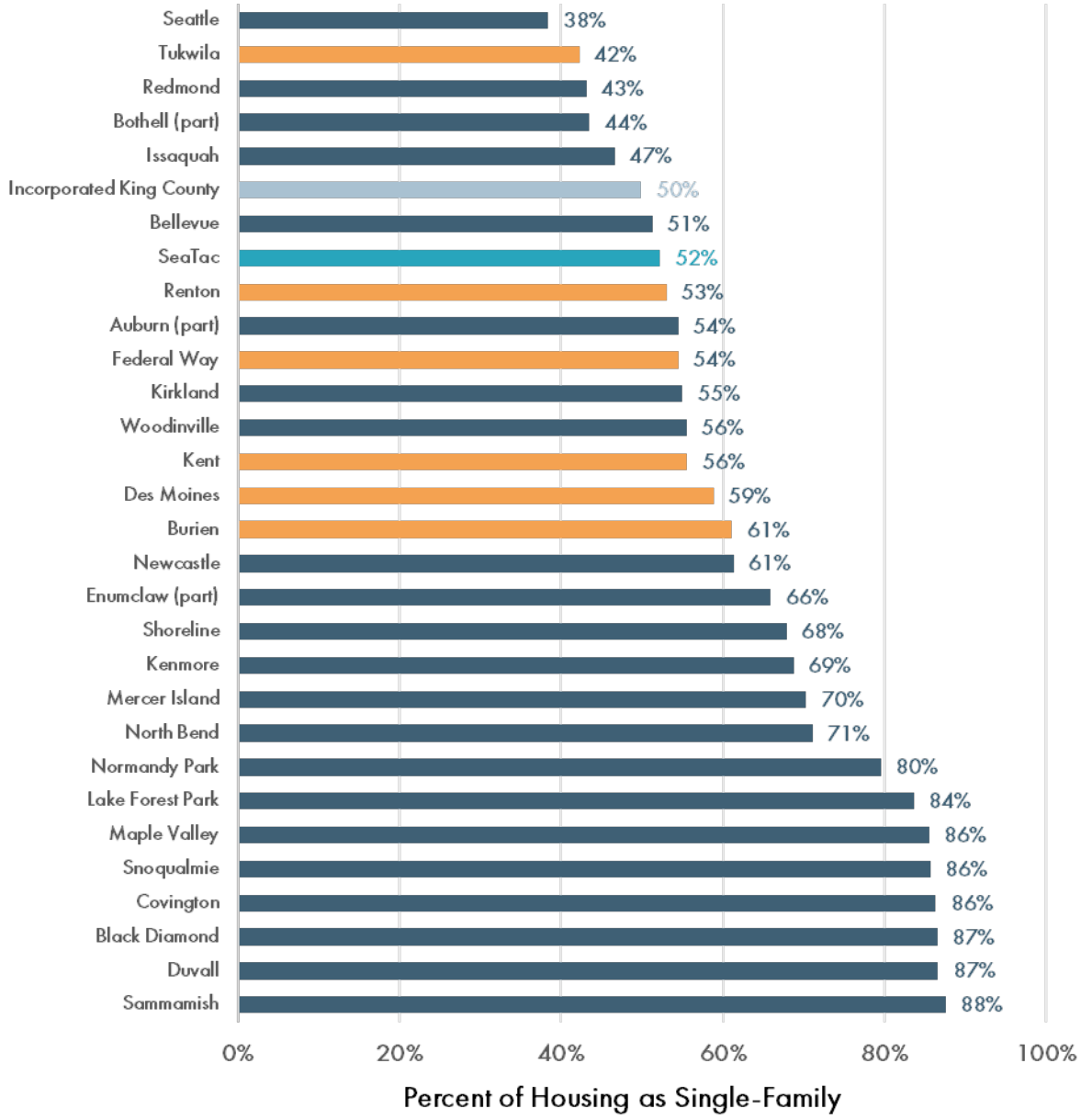
- Just over half (52%) of all housing units are single family homes (or "detached houses"), which is a relatively low percentage compared to many King County cities.
- About 48% are units in large multifamily/apartment buildings, mobile homes and "middle housing" types (duplexes, townhouses, small apartments)
- Since 2011 more multifamily/apartment units were produced than other housing types in SeaTac, a trend that is also occurring in other South King County cities.

Exhibit 23. SeaTac Housing Inventory, 2019, and SeaTac Housing Production 2010-2019



Source: Washington Office of Financial Management, 2020; BERK, 2020.

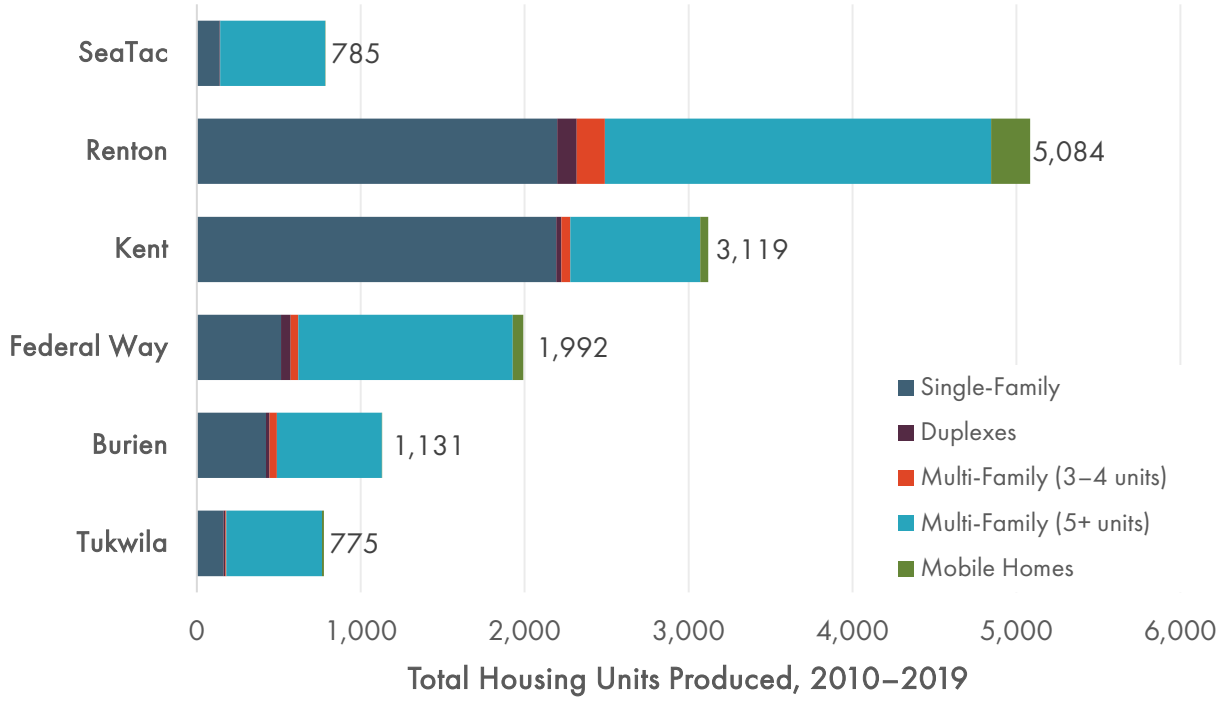
Exhibit 24. Percent of Housing Stock as Single-Family Housing, Selected King County Cities*, 2019



* Cities with less than 5,000 King County residents not included.

Source: Washington Office of Financial Management, 2020; BERK, 2020.

Exhibit 25. Total Housing Unit Production by Type, SeaTac and Neighboring Cities, 2011-2019



Source: Washington Office of Financial Management, 2020; BERK, 2020.

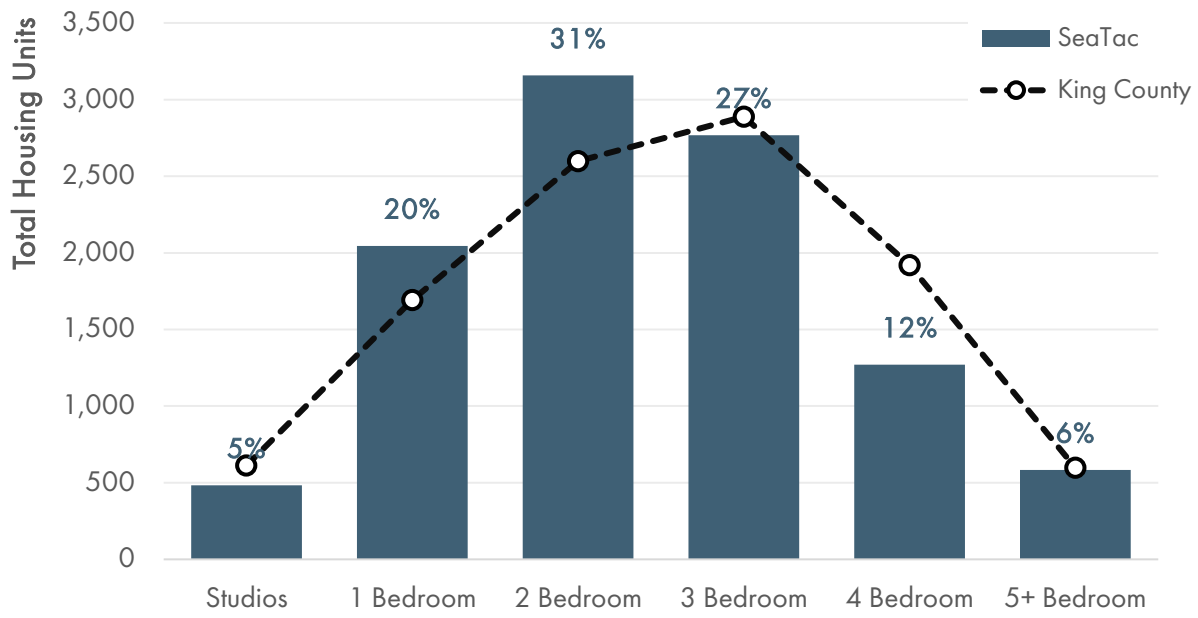
Unit size

- Households in SeaTac tend to be larger than the county-wide average, however dwellings in SeaTac tend to have fewer rooms than the county average

HOUSEHOLD AND HOUSING UNIT SIZE	SEATAC	KING COUNTY
Household size	2.88	2.46
Median number of bedrooms	2 bedrooms	3 bedrooms

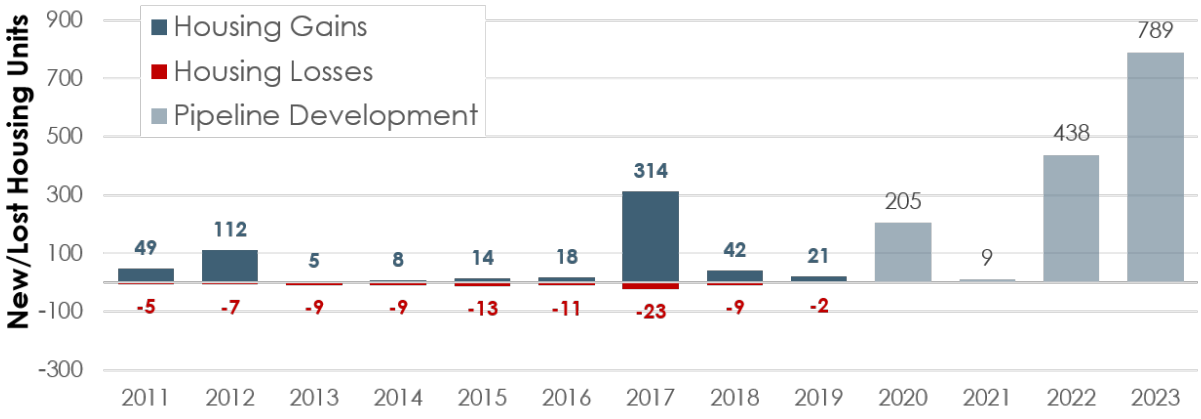
ACS 2018 5-year estimates DP04, S2501

Exhibit 26. SeaTac Housing by Number of Bedrooms



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

Exhibit 27. SeaTac Housing Permits by Type, 2011-2019; Pipeline Development 2020-2023



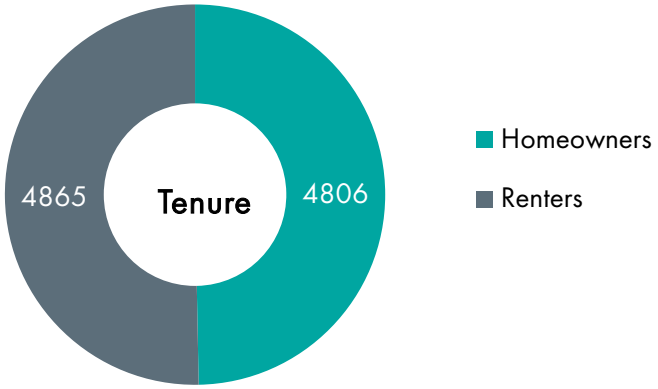
Source: Washington Office of Financial Management, 2020; BERK, 2020, Preliminary 2021 Buildable Lands Report

B. Housing Tenure (Owner/Renter Units)

"Tenure" refers to whether a household owns or rents the unit they live in.

- SeaTac has had an almost even split of homeowners and renter households since at least 2000.
- Like the rest of the county, SeaTac has a gradually rising share of renter households.
- The US Census' 2018 American Community Survey (ACS) 5-Year Estimates for Tenure of SeaTac Households:
  - Renter households: 4,865
  - Homeowner households: 4,806
- Homeowner households tend to be somewhat larger in terms of people per household than renter households; therefore, a small majority of SeaTac residents likely live in homeowner households.

Exhibit 28. Tenure (owner/renter status) of SeaTac Households, 2018



2018 ACS 5-Year Estimates Table DP04

Exhibit 29. Comparison of SeaTac and King County Household Tenure (owner/renter status)

	SEATAC			KING COUNTY		
Year	2000	2010	2018	2000	2010	2018
Owner Occupied	54%	53%	50%	60%	59%	57.1%
Renter Occupied	46%	47%	50%	40%	41%	42.9%

Source: 2000 and 2010 U.S. Census, 2018 ACS 5-Year Estimates Table DP04

C. Special Housing Types

While housing is usually thought of as houses, apartments, condominiums, townhouses and mobile homes, there are additional special housing types that serve segments of the population.

HOUSING FOR SPECIAL POPULATIONS

This section provides an inventory of housing for special populations in SeaTac.

- **Senior Housing Group Quarters:** There are three senior housing facilities within SeaTac. Together these facilities provide approximately 429 units of senior housing. All three are located near bus lines and/or light rail:
    - Falcon Ridge Assisted Living located on International Boulevard,
    - Angle Lake Court Senior Housing with 80 subsidized low-income units operated by Lutheran Community Services, and
    - The Reserve, built in 2016, with 289 subsidized low-income (60% AMI) units.
- A privately operated group home for disabled adults is located on Military Road.
- **Hotel/Motel Rooms:** While hotels and motels are not usually considered as permanent residences, some hotel rooms are used as residences for resident managers or caretakers. It is likely that some hotel rooms serve as permanent residences. In addition, hotels often provide short-term housing for homeless families who are receiving temporary housing vouchers through churches and non-profit agencies. Currently, the City does not collect data on hotel units used as residences.
- **Federal Detention Center:** The Federal Detention Center is located within the city limits with an average inmate population between 700 and 900. Long term residents at the center are counted by the state in SeaTac's official population estimates.

D. Regulated Affordable Housing

In situations in which the housing market does not provide sufficient housing that is affordable to an area's population, local governments and non-profit organizations provide rent-subsidized housing with regulated eligibility based on income and household size.

- King County Housing Authority owns 802 regulated affordable units at four properties in SeaTac. These properties are managed by private companies. All four accept Section 8 Housing Choice Vouchers.
    - Abbey Ridge – 146 units
    - Carriage House – 235 units
    - Corinthian – 95 units
    - Windsor Heights – 326 units
- Private organizations also operate regulated affordable housing. The following offer low-income senior housing:
    - Angle Lake Court – 80 units operated by Compass Housing Alliance
    - The Reserve at SeaTac – 289 units operated by The Reserve
    - Heights by Vintage – 170 units
- King County Housing Authority manages 10,200 Section 8 Housing Choice Vouchers countywide.
    - As of 2019, 1,651 vouchers were in use in the zip codes that cover SeaTac (as well as parts of Des Moines, Burien, and Tukwila). These vouchers may be in use at the four KCHA properties listed above, or other locations.[19]

[19] Picture of Subsidized Households 2019, HUD

3-2 Residential Development & the Physical Environment

Purpose: This section describes environmental and infrastructure issues that can influence residential development in SeaTac.

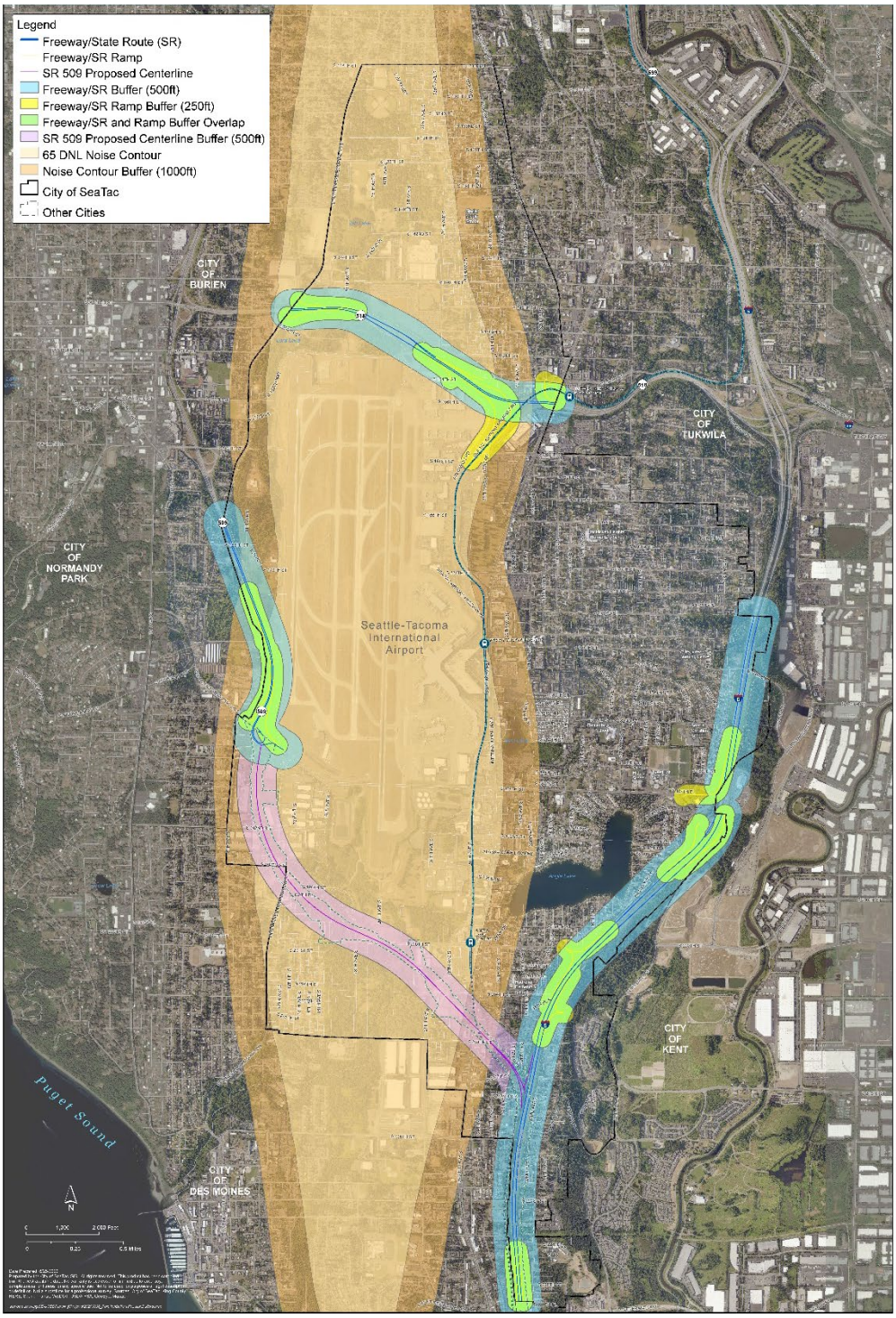
A. Physical Environment

AIRPORT

While the airport is the main driver of economic activity in the city, noise from air traffic is a significant issue, whether real or perceived, for residential developers considering building in SeaTac. The Federal Aviation Administration's (FAA) standards (under the Part 150, Airport Noise Compatibility Program) identify compatible land uses for areas immediately adjacent to an airport. In order to mitigate noise impacts within certain distances of the airport, multifamily housing must be constructed to meet certain defined noise standards. The construction of single family residential uses in certain airport-adjacent areas can also require noise mitigation measures.[20]

[20] SeaTac Comprehensive Plan, Ch 2 Land Use Element, 2.5E

Exhibit 30. Airport Noise Contours and Other Potential Pollution Sources



Map Source: City of SeaTac – Preliminary Mapping Study on Potential Pollution Impacts

HIGHWAYS

Like many cities, multiple highways run through SeaTac. According to the Center for Disease Control (CDC), exposure to air pollution related to automobile traffic can be linked to various health conditions, including childhood asthma, impaired lung function and others. A mapping exercise identifying these highways with various buffer separations, as seen in Exhibit 30, can help inform City conversations on the location and type of housing growth that may be appropriate in close proximity to high traffic roadways.[21]

B. Existing Infrastructure

MEGA-BLOCKS/URBAN FORM

Like many suburban cities that were once part of unincorporated county land (SeaTac incorporated in 1990), SeaTac lacks the connected, walkable street grid and historic neighborhood centers that developed over time in many older cities. The city's current auto-oriented "mega-block" development pattern, lack of sidewalks, and nearby neighborhood services and destinations can be a deterrent to some residential developers.

UTILITY INFRASTRUCTURE

Because of its location, size, and history, the City of SeaTac only directly provides the Surface Water Utility; there are several other utility providers that also serve the city. In some cases, multiple utilities provide the same type of service, specifically the city's two electric utilities, four sewer districts and five water utilities. While this can make it complicated for developers to build projects, it can also be challenging for the City to ensure that the utilities plan for and provide the services necessary to support future forecasted development.

[21] Source: Residential Proximity to Major Highways — United States, 2010 (cdc.gov), Supplements, November 22, 2013/62(03); 46-50

3-3 Community Profile & Housing Needs

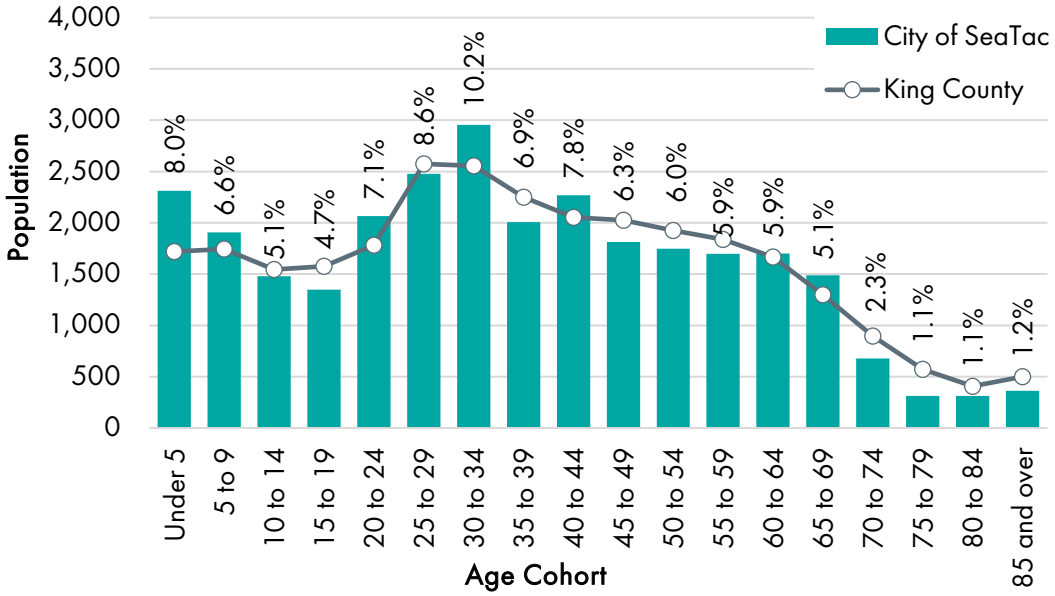
A. Population Characteristics

Age Distribution

Understanding the distribution of residents' ages can shed light on whether there may be more demand for homes with multiple bedrooms for families with children or small, low-cost units for income-restricted seniors or young singles. While SeaTac's general age distribution pattern resembles county-wide averages there are some key differences. (The following bullets refer to Exhibit 31.)

- **Young families.** SeaTac has a larger proportion of residents aged 30-34 and under 9 years old than King County as a whole, suggesting that young families may be starting out in SeaTac.
- **Changes since 2010.** The proportion of those aged 10-19 is lower than the county average. As compared to 2010, the 5-19 age bracket decreased from 18% to 16.4%. This could indicate that households with school-aged children moved out of SeaTac and/or that young adults have left the city or chosen not to move into the city over the last decade.
- **Aging in place.** SeaTac has a smaller proportion of residents aged 70 years and older. However, people in their 50s and 60s are large cohorts, and these residents may want to age in place, indicating a potential demand for more homes accessible and affordable to seniors.

Exhibit 31. Age Distribution



Source: US Census ACS 5-Year Statistics, 2019; BERK, 2020.

Racial & Ethnic Diversity

SeaTac is one of the most racially diverse and multiethnic municipalities in King County. Understanding the racial and ethnic diversity of city residents helps inform the need for a variety of housing options to fit cultural needs, such as unit and building types (e.g., private yards vs shared open space, options for multigenerational households) and number of bedrooms per unit. It also highlights the legacy effects of lending and redlining practices and impacts to intergenerational wealth building through homeownership. The data shows:

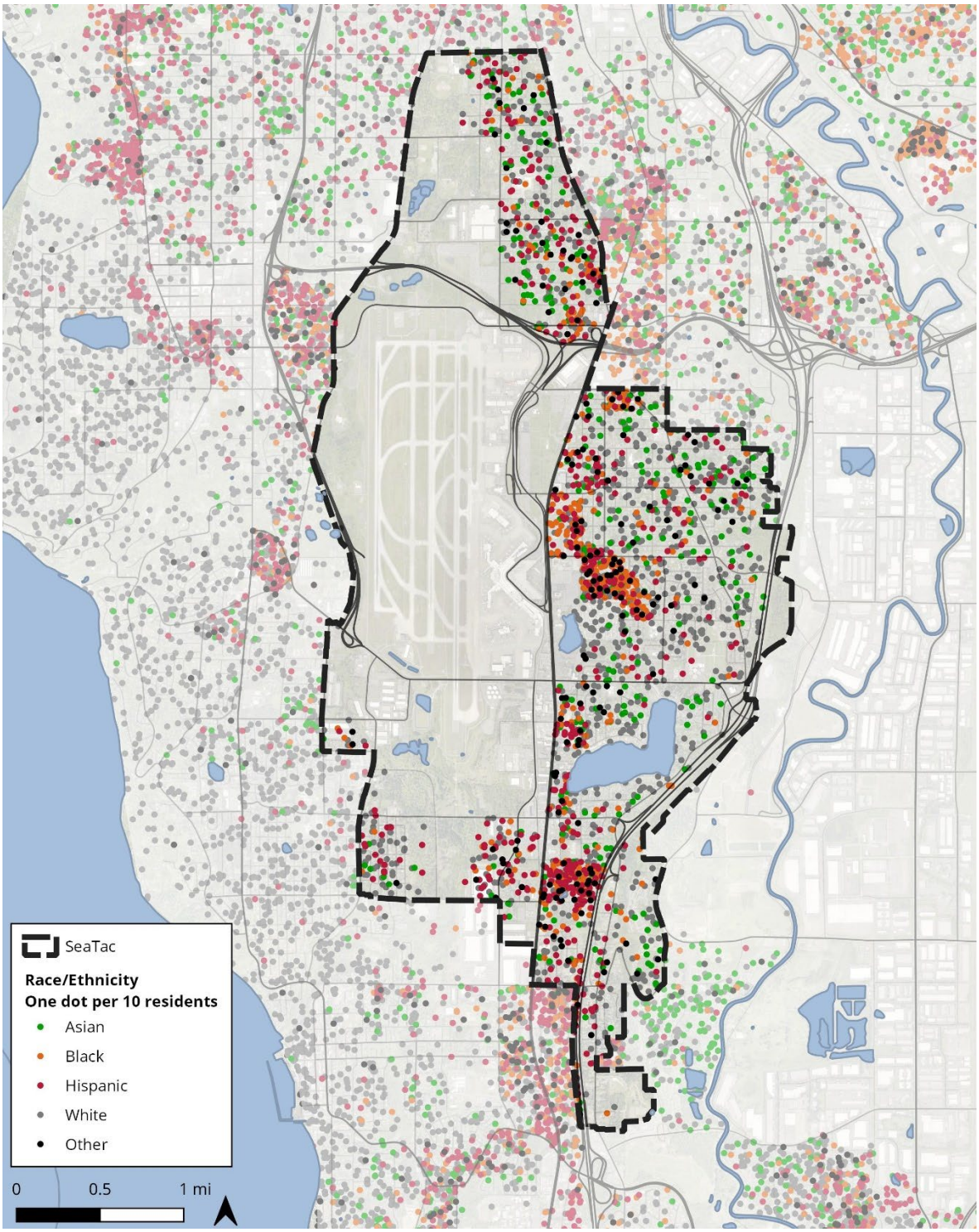
- The city's Black, Indigenous, and People of Color (BIPOC) population proportion (68%) is significantly greater than that of King County (40%).
- While the city is more racially and ethnically diverse than the county as a whole, SeaTac's population characteristics are more similar to cities within the south King County sub-region.
- Significant numbers of Black and Hispanic residents are concentrated in multifamily areas in central and south SeaTac within clusters of primarily older apartments.

Exhibit 32. Population by Race/Ethnicity (2018) (Percent of Total Population)

Race/ethnicity	SeaTac	South King County*	King County
White, non-Hispanic	32%	55.1%	60%
Black, non-Hispanic	24%	11.2%	6%
American Indian, non-Hispanic	1%	0.9%	1%
Asian, non-Hispanic	15%	14.2%	17%
Native Hawaiian and Pacific Islander, non-Hispanic	3%	1.4%	1%
Two or more, non-Hispanic	6%	5.1%	5%
Hispanic, any race	18%	11.9	10%

Source: 2018 ACS 5-Year Estimates Table B03002; *South King County Subregional Housing Action Framework – Task 2 Housing Context Assessment Methods memo, ECONorthwest, Summer 2020 (Figure 7. South King County Households by Race and Ethnicity, 2018). Cities included Auburn, Burien, Federal Way, Renton, and Tukwila.

Exhibit 33. SeaTac Race/Ethnicity Dot Map



Source: US Census Bureau, 2010; MAKERS, 2020.

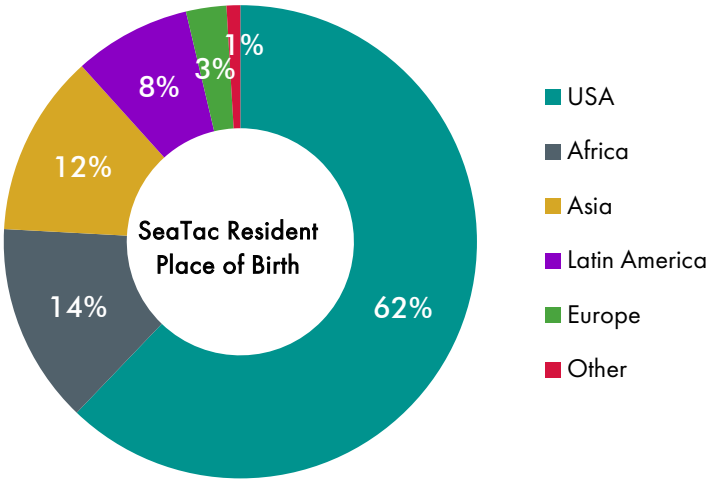
Language and National Origin

The city has a large proportion of foreign-born residents, residents who speak a language other than English at home, and naturalized citizens and non-citizen residents.

An increasing proportion of King County residents are foreign-born.

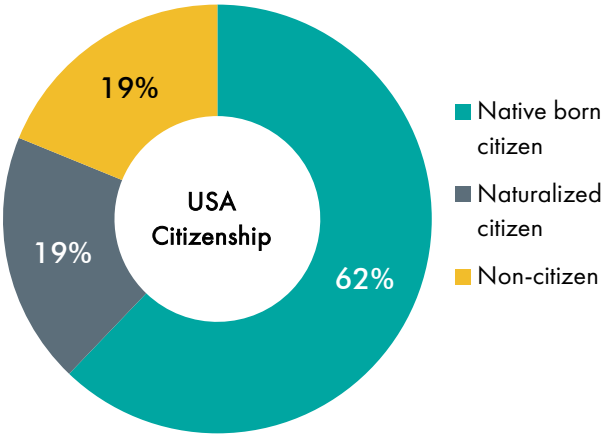
As King County's population has boomed in recent years, much of the increase has been due to an influx of foreign-born residents. In 2000, 15.4% of King County residents were born in another country. As of 2018, this had grown to 23.5%. (Source: King County)

Exhibit 34. SeaTac Resident Place of Birth



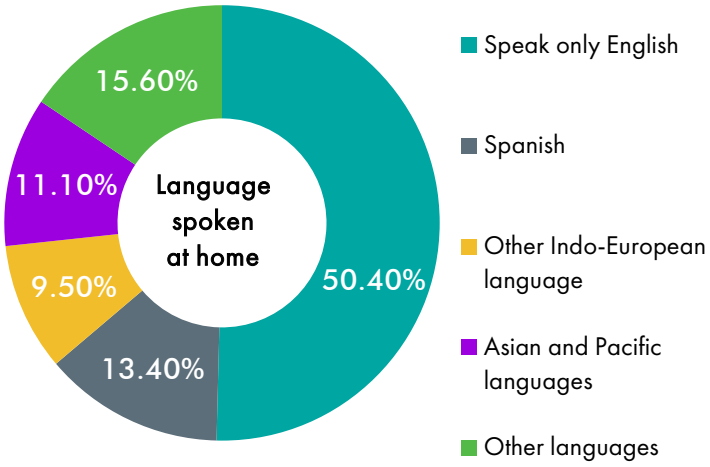
Source: US Census ACS 2018 5-year Estimates Table B05002

Exhibit 35. SeaTac US Citizenship



Source: US Census ACS 2018 5-year Estimates Table B05002

Exhibit 36. SeaTac Languages Spoken at Home



Source: US Census ACS 2018 5-year Estimates Table S1601

B. Household Types & Sizes

Understanding SeaTac's household characteristics can be helpful in determining potential demand for certain housing types and features such as unit size, number of bedrooms, accessible/universal design and availability of amenities.

Households Count & Size

- **SeaTac's total households: 9,671** (2018 ACS 5-Year Estimate)
- **SeaTac's average household size: 2.88 people**,[22] as compared to the countywide average of 2.43 people.[23]
- Since 2000, the average household size has increased by 13.8%. As seen in Exhibit 37 **much of this growth has been in households with five or more persons**.

Exhibit 37. Household Size

NUMBER IN HOUSEHOLD	2000	PERCENT	2010	PERCENT	2018	PERCENT
1 person	2,913	30%	2748	29%	2,560	26%
2 person	2,981	31%	2756	29%	2,888	30%
3 person	1,552	16%	1439	15%	1,491	15%
4 person	1199	12%	1159	12%	1,105	11%
5 person	561	6%	716	8%	835	9%
6 person	303	3%	371	4%	515	5%
7+ person	181	2%	344	4%	277	3%
Average household size	**2.53**		**2.72**		**2.88**	

Source: 2000 and 2010 US Census; US Census 2014-2018 ACS 5-Year Estimates

[22] 2018 ACS 5-Year Estimates Data Profiles Table: DP04
[23] 2019 ACS 1-Year Estimates Data Profiles Table: DP04

Household Types (Family/Non-Family Households)

Households are families (related individuals) or unrelated people who share most housing costs (see Glossary for more information).

- **SeaTac's family households: 64%**, as compared to 60% for the county (see Exhibit 38).
- **SeaTac has more families with children than the county,** indicating that SeaTac plays an important role by providing family-sized housing (see Exhibit 38).

Exhibit 38. Household Type

HOUSEHOLD TYPE	SEATAC	KING COUNTY
Families with children	33%	29%
Families without children	32%	32%
Non-family households	36%	40%

Source: ACS 2018 5-year Estimates Table S2501

What does the US Census mean by "family?"

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 (including related subfamily members) are considered as members of one family. … The number of families is equal to the number of family households, however, the count of family members differs from the count of family household members because family household members include any non-relatives living in the household.

Crowding

Where housing costs exceed income, homes may become crowded. Less than 200 square feet of living space per person can indicate overcrowded conditions. Overcrowding can also be defined as more than one occupant per room on average.

- **10% of SeaTac's homes have more than one person per room, as compared to 3.6% in King County** (see Exhibit 39).
- This number rises to **12%** when looking at crowding in just SeaTac **rentals**.

Exhibit 39. Household Size and Median Number of Bedrooms

HOUSEHOLD SIZE AND OCCUPANTS PER ROOM	SEATAC	KING COUNTY
Average household size	2.88 people	2.43 people
Median number of bedrooms	2 bedrooms	3 bedrooms

Source: ACS 2018 5-year estimates DP04, S2501

C. Households by Renter/Owner

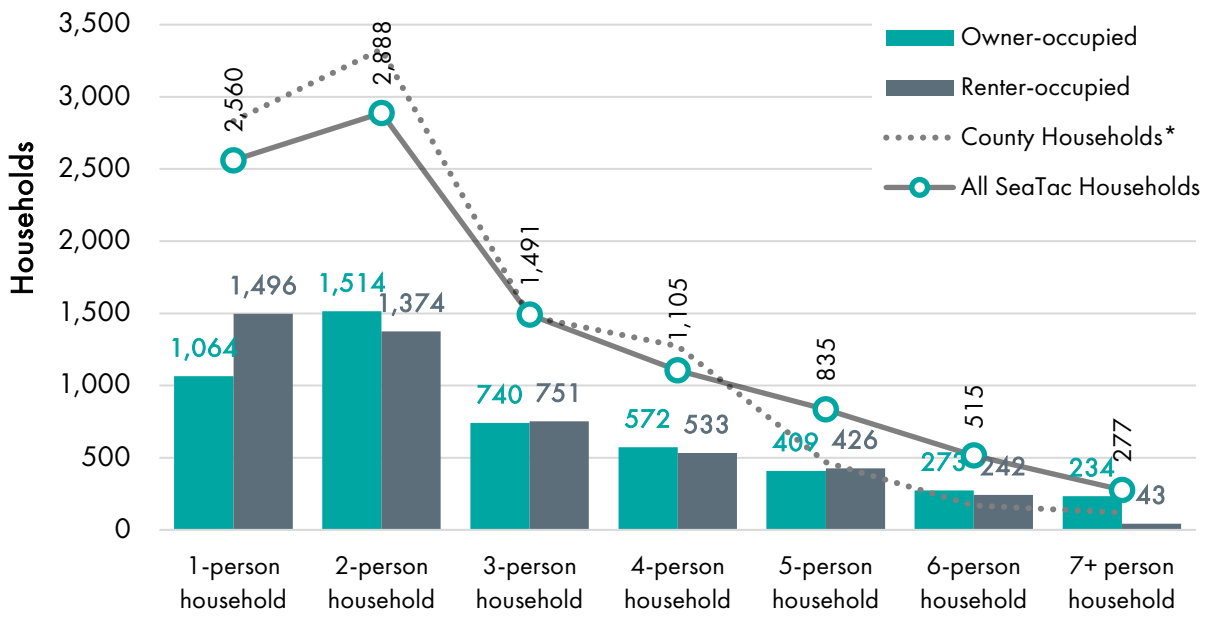
- **Families with children in SeaTac are more likely to be renters than homeowners**, which is the opposite of the countywide trend. This indicates that SeaTac is playing a significant role in providing rentals for families.
- **More singles are renting than buying in SeaTac**, and King County has proportionately more singles than SeaTac.
- SeaTac has a much **greater proportion of renters at the three- to six-person households range** than the county, and much lower among the seven-person and more households.
- White households make up 70% of the city's home-owning households.
- Households of color account for 67% of SeaTac's renter households.

Exhibit 40. Renter/Owner Status of Households with Children

	SEATAC	KING COUNTY
Renter households with children	36%	24%
Owner households with children	29%	32%

Source: ACS 2018 5-year Estimates Table S2501

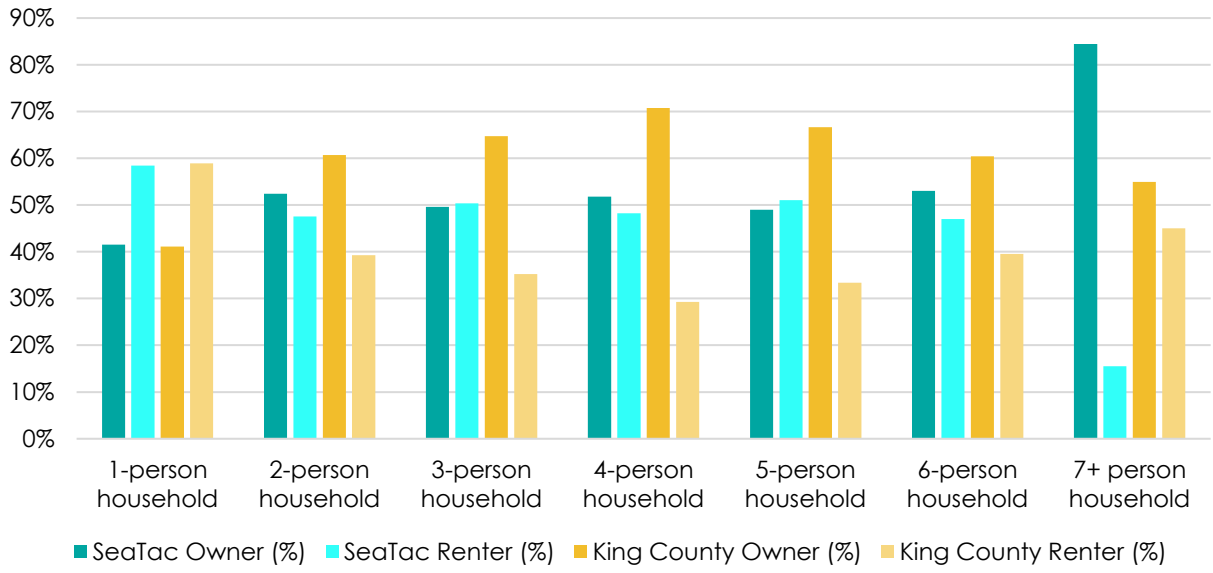
Exhibit 41. SeaTac Households by Size and Renter/Owner, 2018



*The dotted County Households line is the household size averages scaled for comparison to SeaTac.

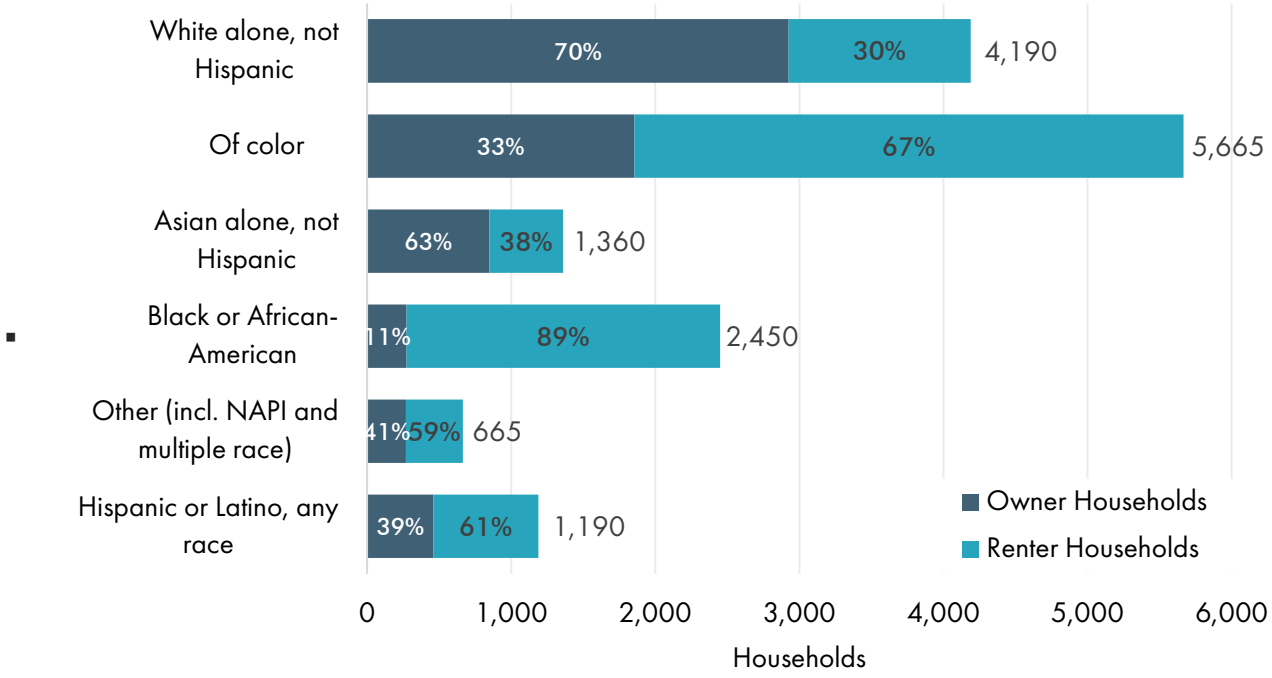
Source: 2018 ACS 5-Year Estimates; BERK, 2020.

Exhibit 42. Proportion of Each Household Size Renting/Owning



Source: 2018 ACS 5-Year Estimates

Exhibit 43. SeaTac Households by Race and Tenure (Home Owner/Renter)



Source: HUD CHAS (based on ACS 2013-2017 5-year estimates

D. Households & Income

Household income is a measurement that relates to people's ability to afford a home.

- "**Area Median Income (AMI)**" is a term used to describe a way of calculating and categorizing income levels for a defined area and is widely used to assess housing affordability. The median income is the income at which half the group makes more money and half makes less; it is referred to as "100% AMI." See the Glossary for related median income calculations like Median Family Income (AMI) and HUD-Area Median Family Income (HAMFI).
- **Household income** is not *per capita* income, nor is it necessarily *family* income. Because costs increase with the size of a household, an income that is adequate for a single-person household is less than what it takes to support a family of five. Likewise, a dual-income household may be able to afford more than a single-income household.

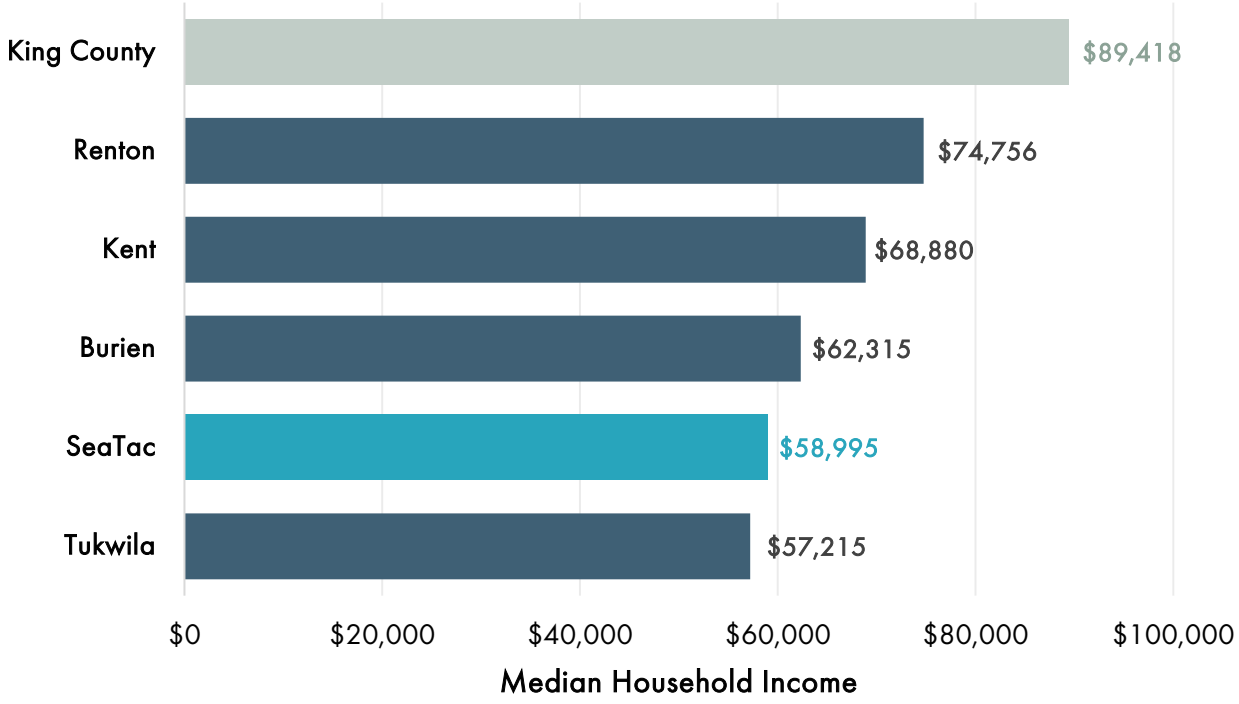
US Department of Housing and Urban Development (HUD) household income thresholds – used for determining eligibility for subsidized housing – are set for the Seattle-Bellevue area, which extends over King and Snohomish counties, and includes the City of SeaTac. To determine eligibility for subsidized housing and Section 8 vouchers, household size is considered to determine where a household falls in relationship to AMI. This assessment examines housing affordability for the following income groups:

- Greater than 100% AMI
- 80%-100% AMI or "moderate income"
- 50%-80% AMI or "low income"
- 30%-50% % AMI or "very low income"
- Less than 30% or "extremely low income"

Median Household Income in SeaTac

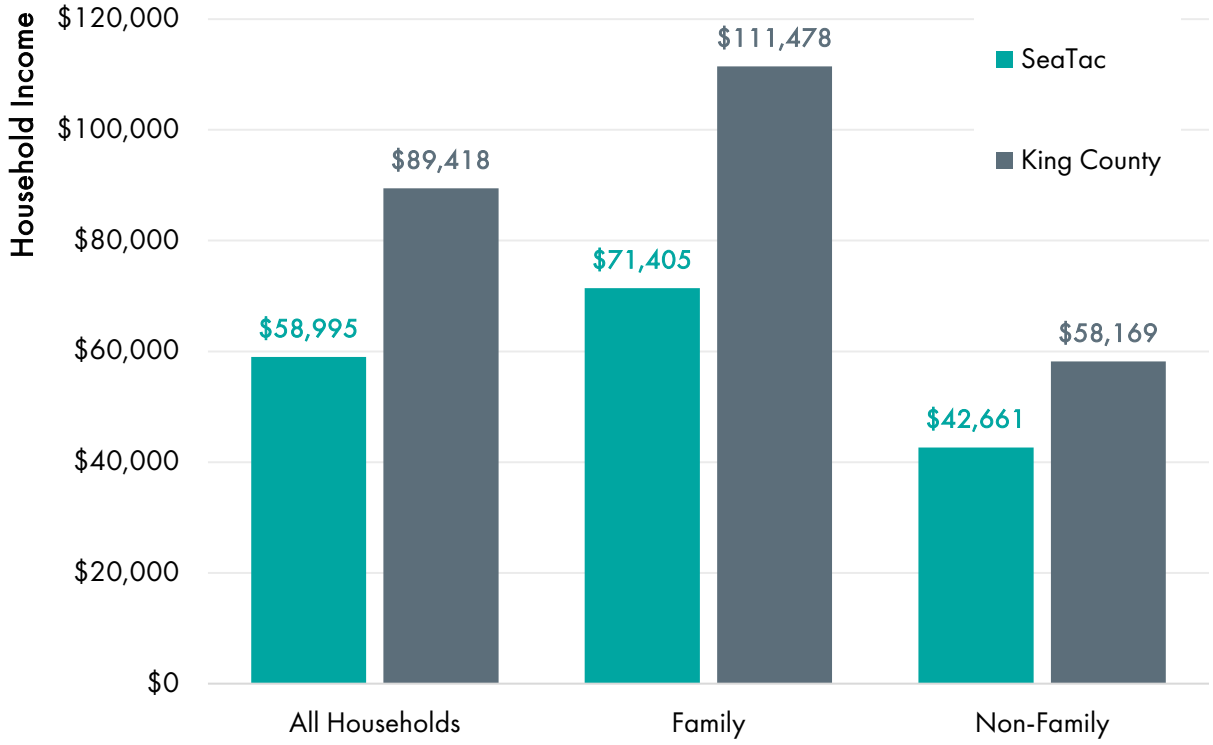
- In 2018, the median income for all households in SeaTac was $58,995 (see Exhibit 44).
- While SeaTac's median income level is similar to its peer cities in south King County, it is significantly lower compared to the median of the county as a whole, which was $89,418 in 2018. The higher county median is likely due to high income earners concentrated in Seattle and east King County cities.
- At 66% AMI, SeaTac's median household income falls within the "low income" category.

Exhibit 44. Median Household Income in SeaTac, King County, and Peer Cities



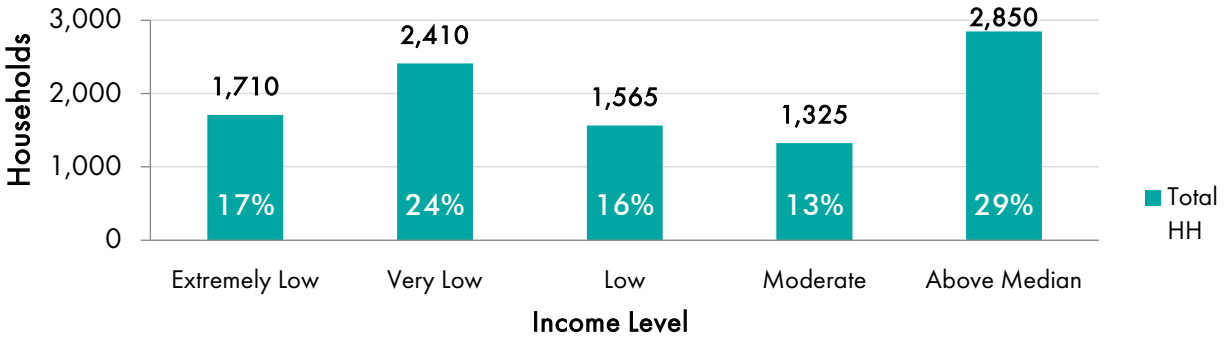
Source: 2018 ACS 5-Year Estimates; BERK, 2020.

Exhibit 45. SeaTac and County Household Median Income by Household Type, 2018



Source: 2018 ACS 5-Year Estimates; BERK, 2020.

Exhibit 46. SeaTac Households by Income Category



Source: HUD CHAS, 2020 (based on ACS 2013-2017 5-year estimates); BERK, 2020.

Exhibit 47. Income Categories with Sample Income and Job Information

INCOME CATEGORIES	EXTREMELY LOW-INCOME	VERY LOW-INCOME	LOW-INCOME	MODERATE INCOME	ABOVE MEDIAN INCOME
AMI Range	≤30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	>100% AMI
Approx. Household Income*	<$33,990	$33,990 - $56,650	$56,650 - $90,640	$90,640 - $113,300	>$150,000
Typical Jobs	Retiree using Social Security Benefits	Airport Maintenance	Flight Attendant	Firefighter	Airline Pilot
	Fast Food Worker	City of SeaTac Parks Operation Worker	Middle School Teacher	Dental Hygienist	Software Engineer
	Uber Driver	Drywall Installer	Architect	Engineer	

*US HUD income thresholds scale with household size

Source: Airport Economic Impacts, 2018, Port of Seattle; US Department of Housing and Urban Development, City of SeaTac

Exhibit 48. HUD Maximum Annual Income per Income Category by Household Size

HOUSEHOLD SIZE	EXTREMELY LOW INCOME	VERY LOW INCOME	LOW INCOME	MODERATE INCOME	ABOVE MEDIAN INCOME
1-person	$25,100	$41,800	$66,700	$83,600	N/A
2-person	$28,650	$47,800	$76,200	$95,600	N/A
3-person	$32,250	$53,750	$85,750	$107,500	N/A
4-person	$35,800	$59,700	$95,250	$119,400	N/A
5-person	$38,700	$64,500	$102,900	$129,000	N/A

Source: Department of Housing and Urban Development, 2020.

3-4 Key Takeaways: Housing Supply & Demand

A. Housing Supply

SeaTac's housing supply is comprised of essentially two types of housing. It is primarily composed of:

- Detached single family houses constructed from 1940-1960
- Large apartment buildings constructed from 1960-1980
- The lack of different types of housing limits options for families of different sizes, life stages, and incomes.

With 63% of all housing units built between 1950 and 1980, SeaTac's housing stock is aging. Older housing stock may provide relatively affordable housing but may also require investment to avoid substandard living conditions. A mix of old and new homes in an area provides more options, as could additional housing types like townhomes or duplexes.

- Older multifamily buildings will need investment in repairs and renovation to maintain healthy and safe conditions, potentially driving up rents.
- Older single-family homes will require investment in maintenance and repairs and could be replaced with larger more expensive homes over time.

B. Physical Environment

- SeaTac's physical environment, development pattern and infrastructure provide some but not all of the needed elements for resilient urban growth.
- Noise from air traffic, whether real or perceived, can be an issue for residential developers in SeaTac.
- Lack of street connectivity, safe places to walk, large block sizes, airport-related economic dynamics and automobile-oriented development present challenges to the City's goals for housing and "complete communities."

C. Housing Demand

- SeaTac is a remarkably diverse city; the population includes large proportion of immigrants and people of color. SeaTac is also highly family oriented.
- The average household in SeaTac is larger than the county average, and there is some

evidence of overcrowding.

- SeaTac has a greater proportion of renters, particularly in the three to six-person households than King County. This signifies that SeaTac is supporting larger households who rent, than the rest of the region.

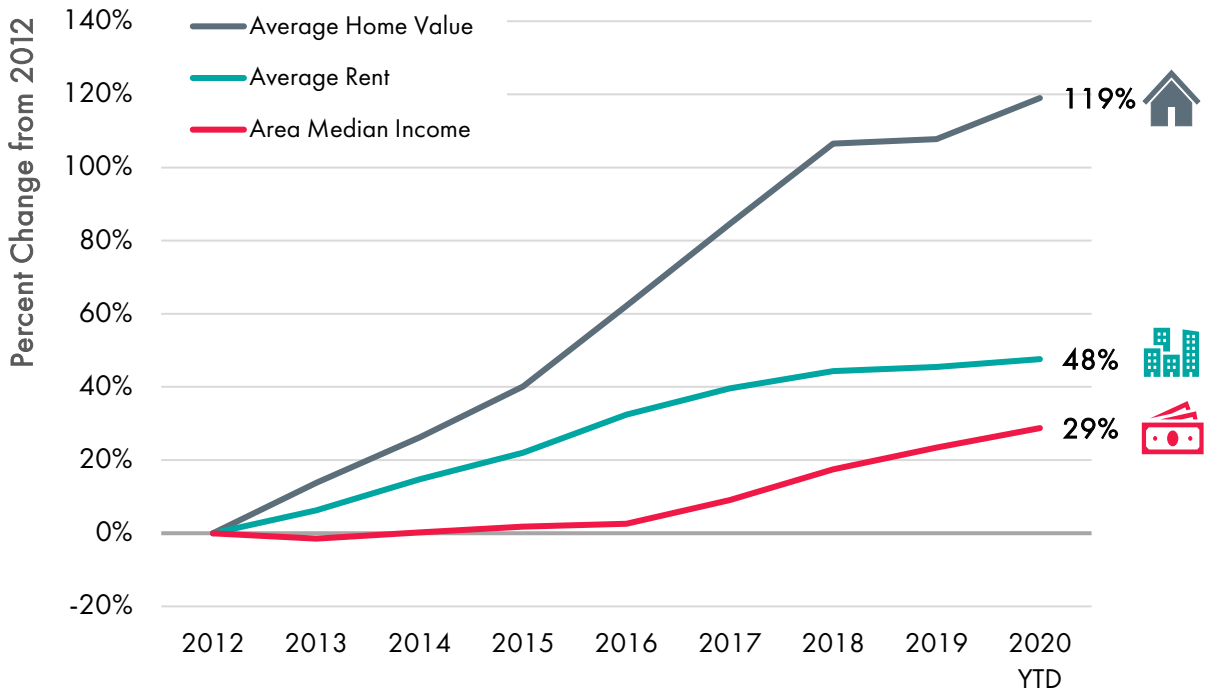
Part 4: Housing Costs & Affordability in SeaTac

4-1 Local Housing Market

Purpose: This section describes recent trends in for-sale and for-rent housing in SeaTac and King County.

Since 2012, the cost of housing in SeaTac has risen faster than household income.

Exhibit 49. SeaTac Change in Home Values, Rents, and AMI, 2012-2020

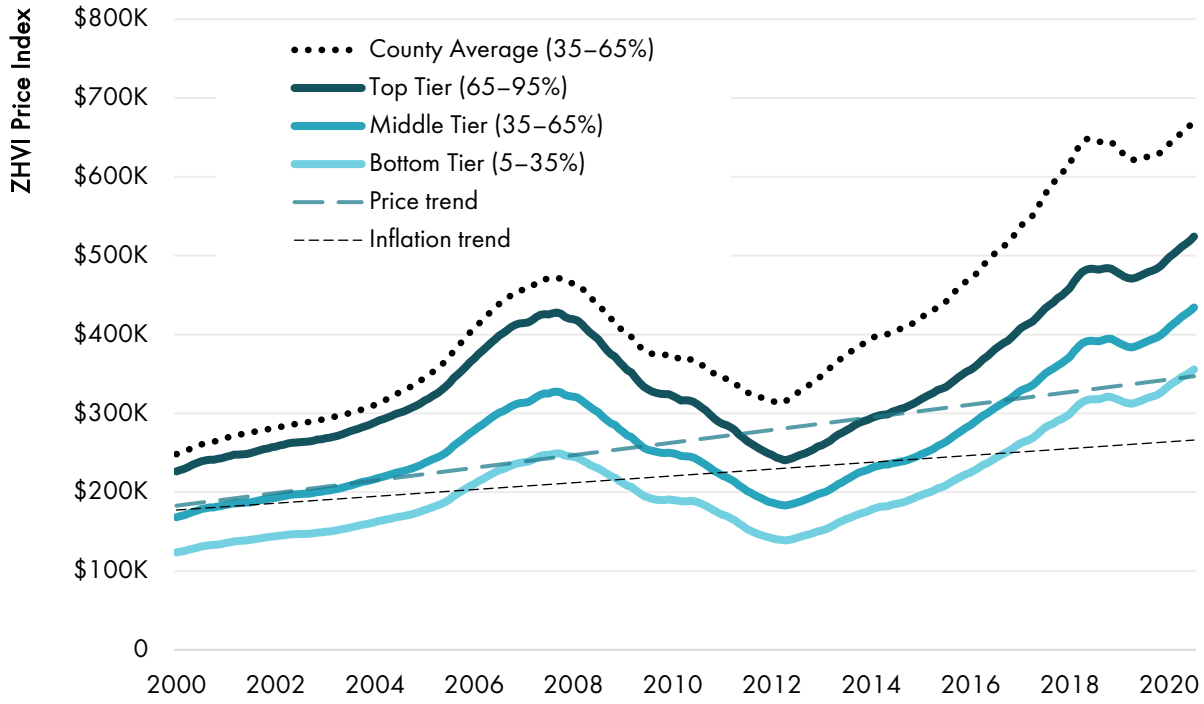


Sources: Zillow, 2020; HUD, 2020; BERK, 2020.

A. Home Prices

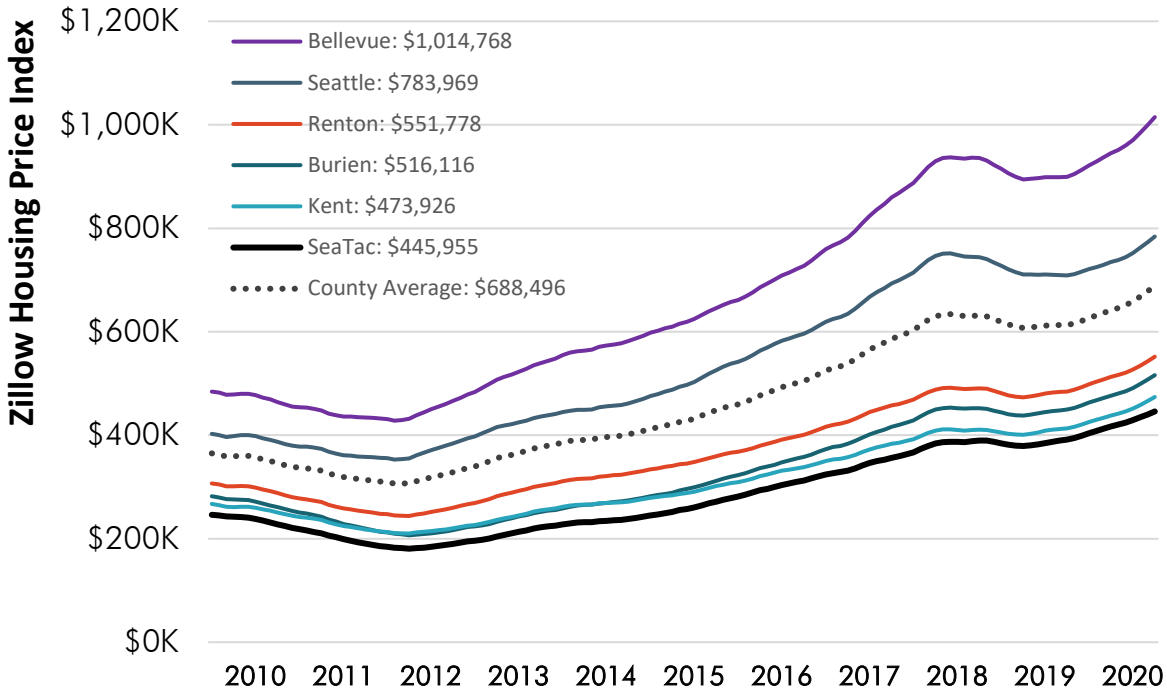
- SeaTac home prices are on average lower than King County as a whole, but are much closer in price to homes within south King County.
- Home prices are rising in SeaTac across all price tiers, however home prices have not risen as fast as the countywide average.
- Rising prices make it difficult for existing residents to buy property because SeaTac households tend to have lower incomes relative to other cities in King County.

Exhibit 50. SeaTac Average Home Prices 2000- 2020



Source: Zillow, 2020; BERK, 2020, MAKERS 2020, US Bureau of Labor Statistics, 2020.

Exhibit 51. SeaTac and Peer Cities House Prices House Prices 2010-2020

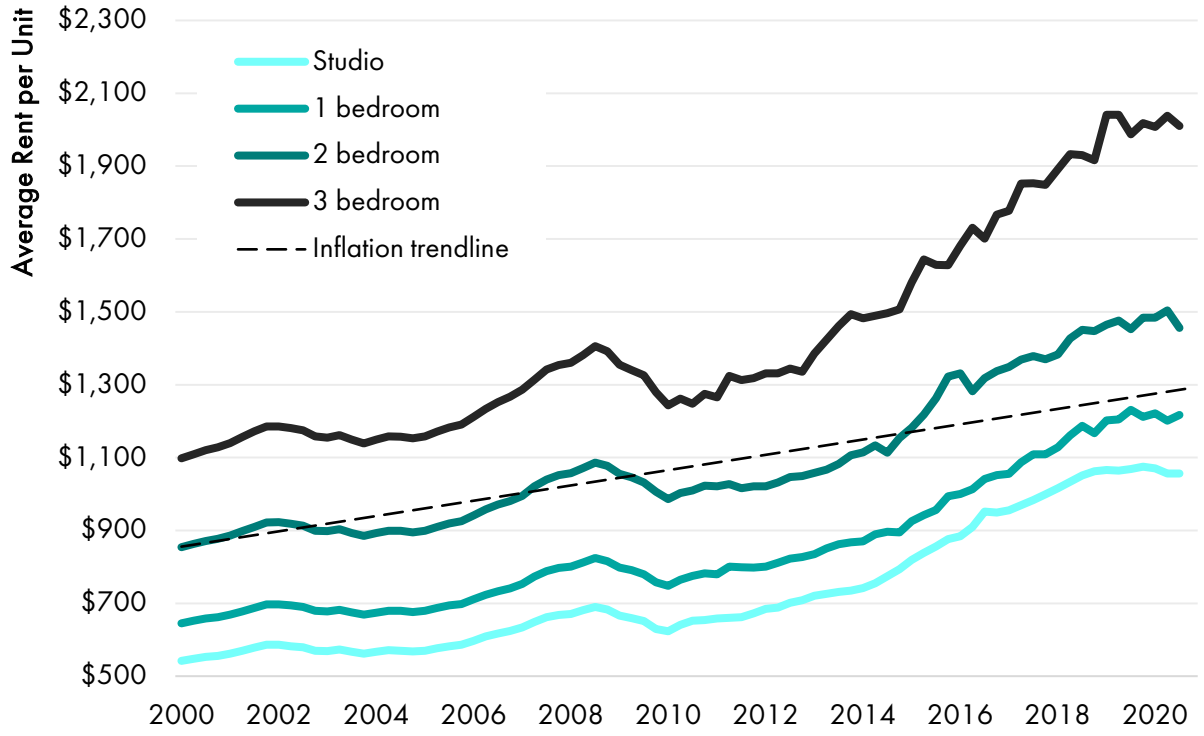


Source: Zillow, 2020; BERK, 2020.

B. Rental Costs

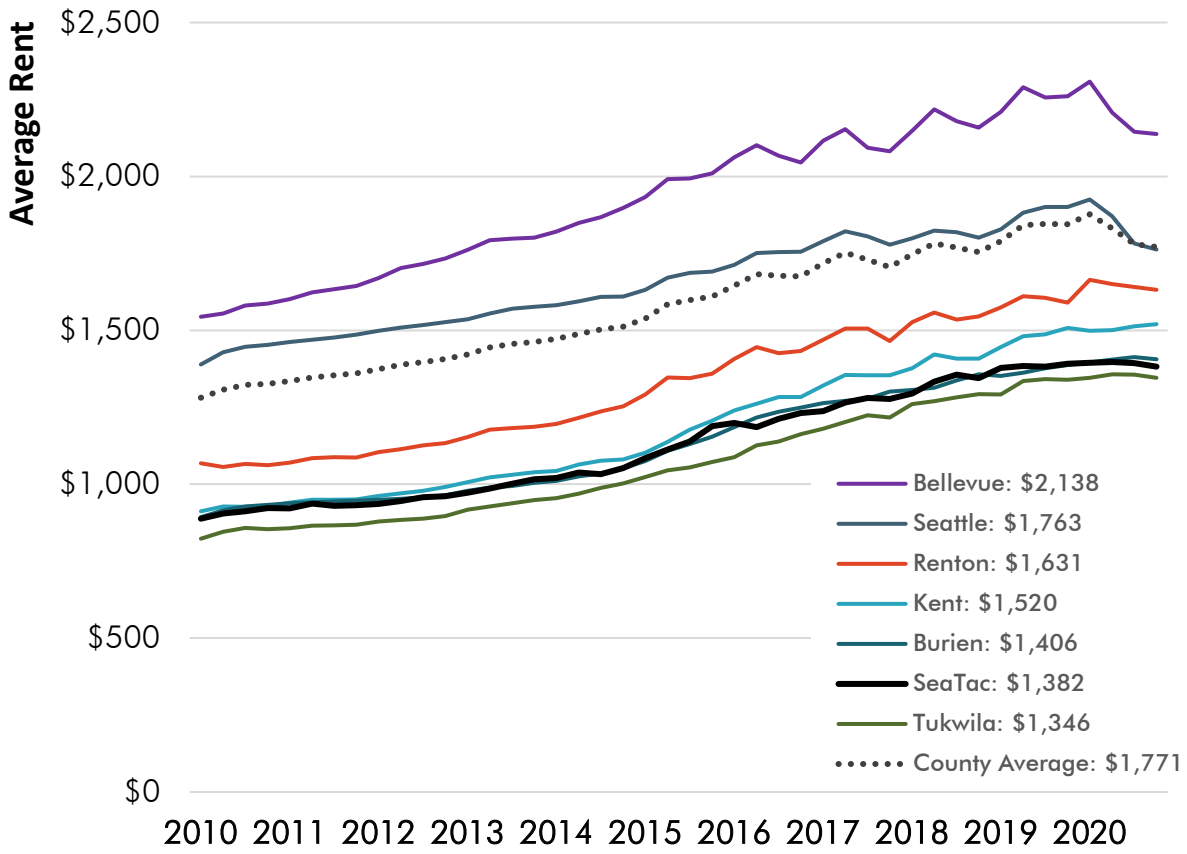
- The Seattle-Tacoma-Bellevue region has seen rapidly rising rents in recent history, especially since 2010. These trends have affected housing affordability in SeaTac and surrounding communities.
- The average rent for a two-bedroom apartment in SeaTac in early 2020 was $1,484, over $400 more a month than in 2000.
- Since 2010, rents have grown about 35% faster than inflation.
- Currently, SeaTac's average rent costs are around $600 less a month than the county average. . SeaTac rent costs are more in line with rents in South King County than the county as a whole.

Exhibit 52. SeaTac Rents 2000–2020



Source: CoStar, 2020; BERK, 2020; MAKERS 2020, US Bureau of Labor Statistics, 2020.

Exhibit 53. SeaTac and Regional Rent Growth, 2001-2020



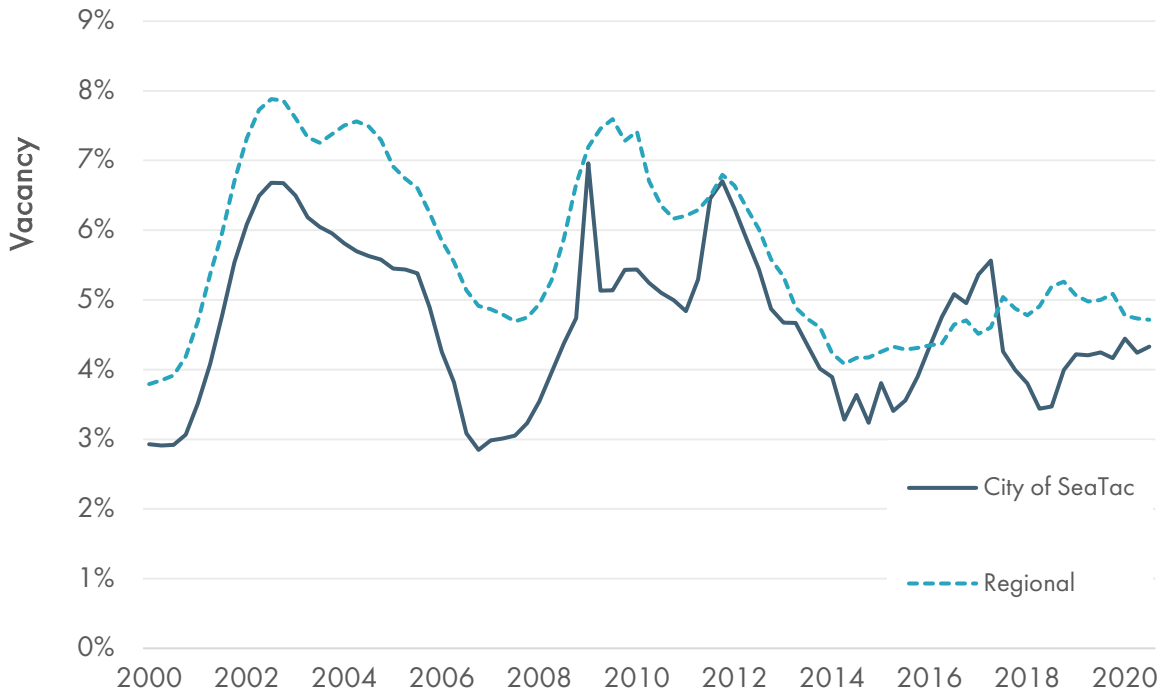
Source: CoStar, 2020; BERK, 2020.

Rental Vacancy

Low vacancy rates can suggest that more housing units are needed to meet demand.

- Rental vacancy in SeaTac has fluctuated with regional rates, generally staying slightly lower than the regional rate. In recent year vacancies have gradually risen to 4% from 3% in 2014.
- Vacancy rates do not suggest that there have been general shortages of housing in SeaTac, but rates lower than regional averages would suggest that housing in the city is in slightly more demand, and there may be some needs in specific market segments.

Exhibit 54. SeaTac and Regional Rental Vacancy 2000–2020



Source: Zillow, 2020; BERK, 2020.

4-2 What Housing Affordability Means in SeaTac

Purpose: This section helps to define and explores how housing affordability affects SeaTac residents.

A. Housing Affordability for Current SeaTac Households

There are two types of affordable housing: market-rate and regulated. Per the HUD definition, affordable means less than 30% of household income.

Market-Rate Affordable Housing

In many cases housing that is affordable to lower income segments of the population is provided by the private market without subsidy or other financial support. This market-rate or "naturally occurring" affordable housing is an essential part of the housing system, providing most of the housing units that are affordable to low income households. However, naturally occurring/lower cost housing is dependent on market conditions, and is highly vulnerable to the region-wide trend of rising rents.

Exhibit 55. Example Rents Affordable at Selected Income Categories

	EXTREMELY LOW INCOME	VERY LOW INCOME	LOW INCOME	AVERAGE SEATAC RENTS*
1-person Household	<$628	$628-1,045	$1,045-1,668	Studio $1,056
3-person Household	<$806	$806-1,344	$1,344-2,144	2 Br $1,456
5-person Household	<$968	$968-1,613	$1,613-2,573	3 Br $2,010

Source: CoStar, 2020. Department of Housing and Urban Development.

* "Average Rent" figure provided by Co-Star based on local market conditions.

Regulated Affordable Housing

Income-restricted affordable housing is one method of achieving housing affordability that involves either publicly owned or publicly subsidized housing.

Regulated or income-restricted affordable housing 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. Some income-restricted rental housing is owned by a city or housing authority, while others may be privately owned. In the latter case the owners typically receive a subsidy in the form of a tax credit or property tax exemption. As a condition of their subsidy, these owners must offer a set percentage of all units as income-restricted and affordable to household at a designated income level.

B. Cost Burden

What is "cost burden"?

HUD considers households which pay more than 30% of their gross income on housing, including utilities, to be **cost burdened**. Households that pay more than 50% of their gross income on housing are considered **severely cost burdened**.

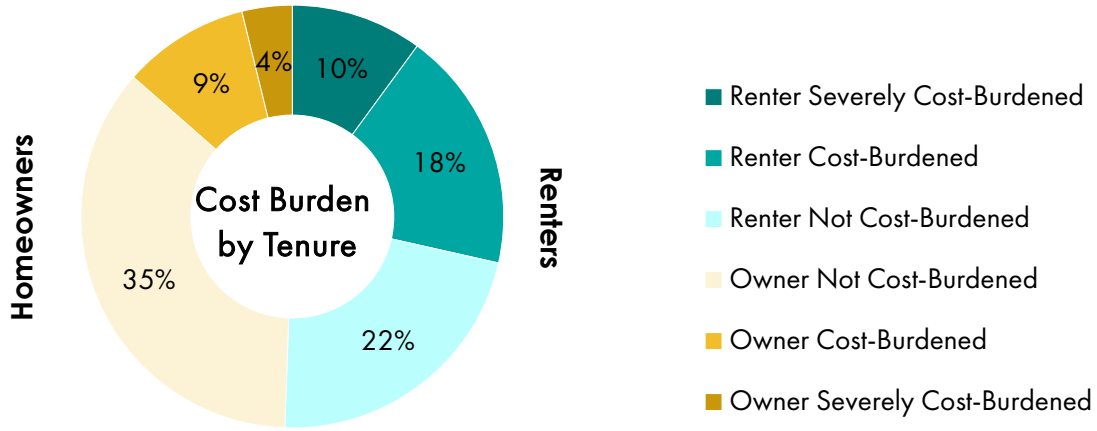
Why is it important to understand cost burden?

Cost burden is most threatening for households at lower income levels who will have less money available for other essentials such as food, clothing, transportation, and medical care.

Who is Cost Burdened in SeaTac?

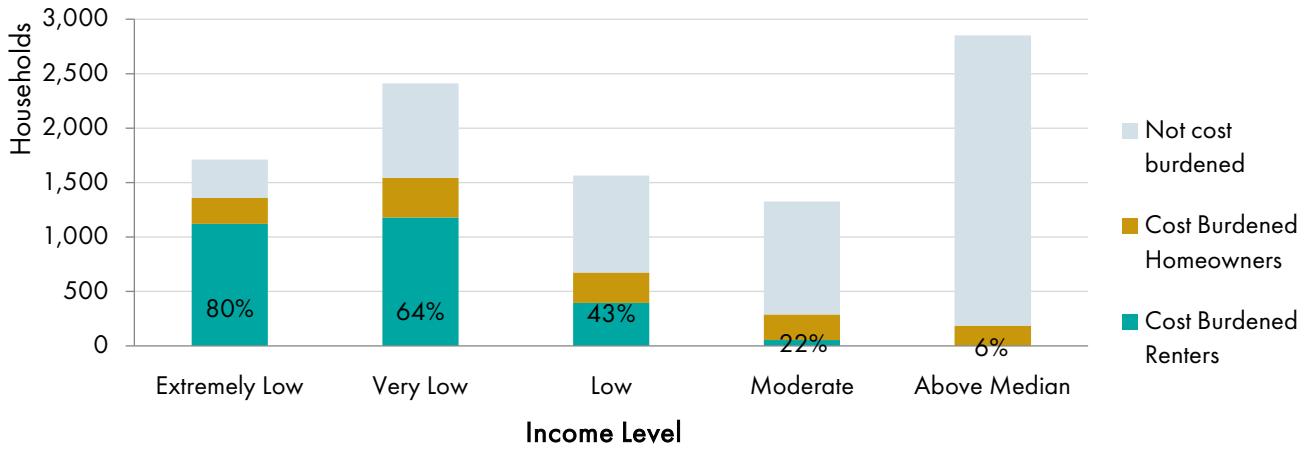
- **Two out of five (41%) SeaTac households are cost burdened.**
- Cost burden affects **more than half of renter** households compared to about **a quarter of homeowner** households.
- **Lower income households** are much more likely to be cost-burdened.
- **Black households** are much more likely to be cost-burdened than white households.

Exhibit 56. Cost Burden and Severe Cost Burden by Tenure (Owner/Renter)



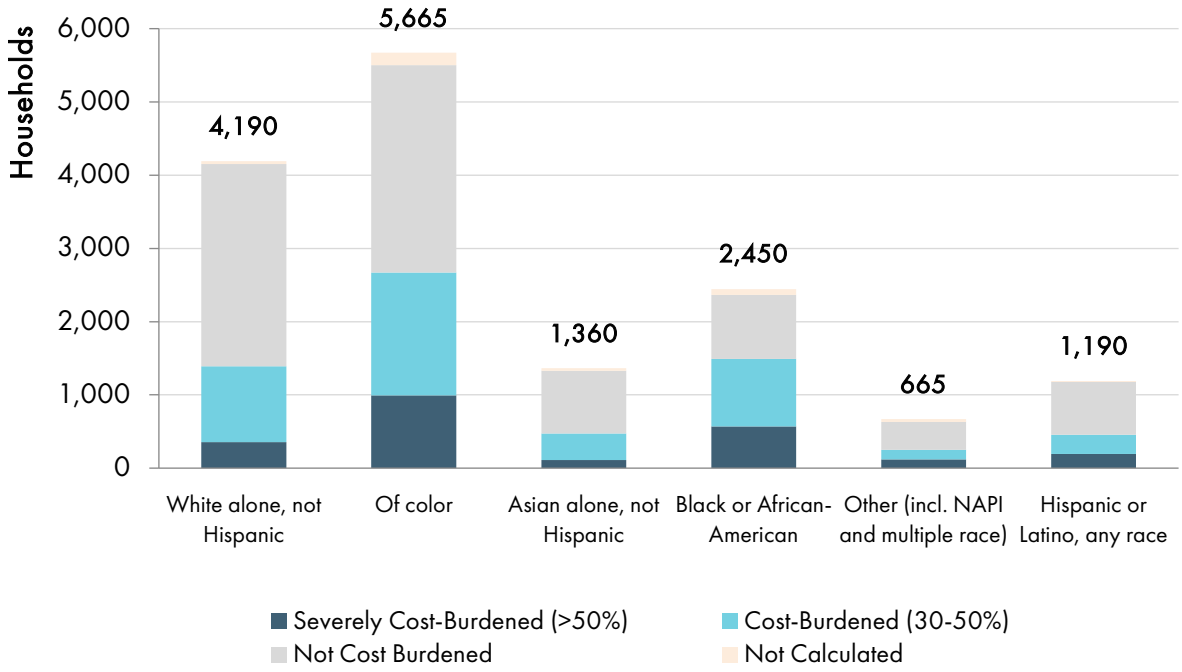
Source: HUD CHAS (based on ACS 2013-2017 5-year estimates); BERK, 2020.

Exhibit 57. SeaTac Households by Cost Burden and Income



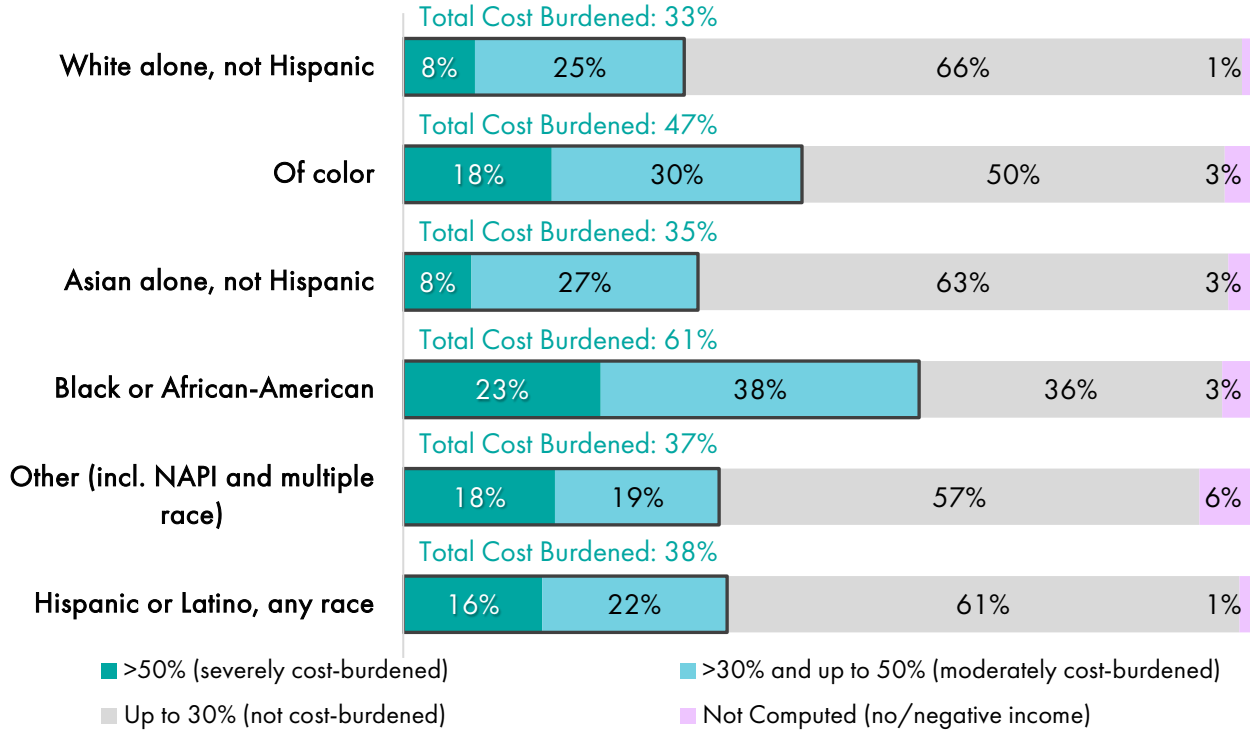
Source: HUD CHAS (based on ACS 2013-2017 5-year estimates); BERK, 2020

Exhibit 58. Cost Burden by Race in SeaTac



Source: HUD CHAS (based on ACS 2013-2017 5-year estimates); BERK, 2020.

Exhibit 59. Proportional Cost Burden by Race in SeaTac



Source: HUD CHAS (based on ACS 2013-2017 5-year estimates); BERK, 2020.

4-3 Key Takeaways: Housing Costs & Affordability

Housing Cost Trends

- Like much of the region, housing costs in SeaTac have risen significantly over the past two decades, especially since 2014.
- While home costs are lower on average compared to the rest of the region, rising prices can be difficult for existing residents because SeaTac households have a lower Average Median Income (AMI) relative to other cities in the county.
- SeaTac home values have increased more than the cost of rent.

Home Prices & Rental Costs

- Since 2012, the cost of housing in SeaTac has risen faster than household income.

Regulated Housing

- While there is a significant amount of regulated affordable housing in SeaTac, it represents about one fifth of the overall rental market (see

- Regulated Affordable Housing).

Housing Cost Burden for SeaTac Households

- About 41% of SeaTac residents are housing cost burdened. This includes more than half of all renters.
- Households of color are much more likely to be cost burdened than non-Hispanic white households, and are less likely to be homeowners.

HOUSING ASSESSMENT

Part 5: The Assessment: Gaps in Current & Future Housing Demand

Purpose: The purposes of this section are twofold:

1) To identify gaps or shortcomings in the implementation of the City's housing goals, and
2) To assess the gaps between the supply of housing and the housing demand discussed in the previous housing inventory.

5-1 Gaps in Implementing City Housing Goals

Purpose: This section assesses the City's implementation of its housing-related strategies:

A. Urban Village Strategy Evaluation

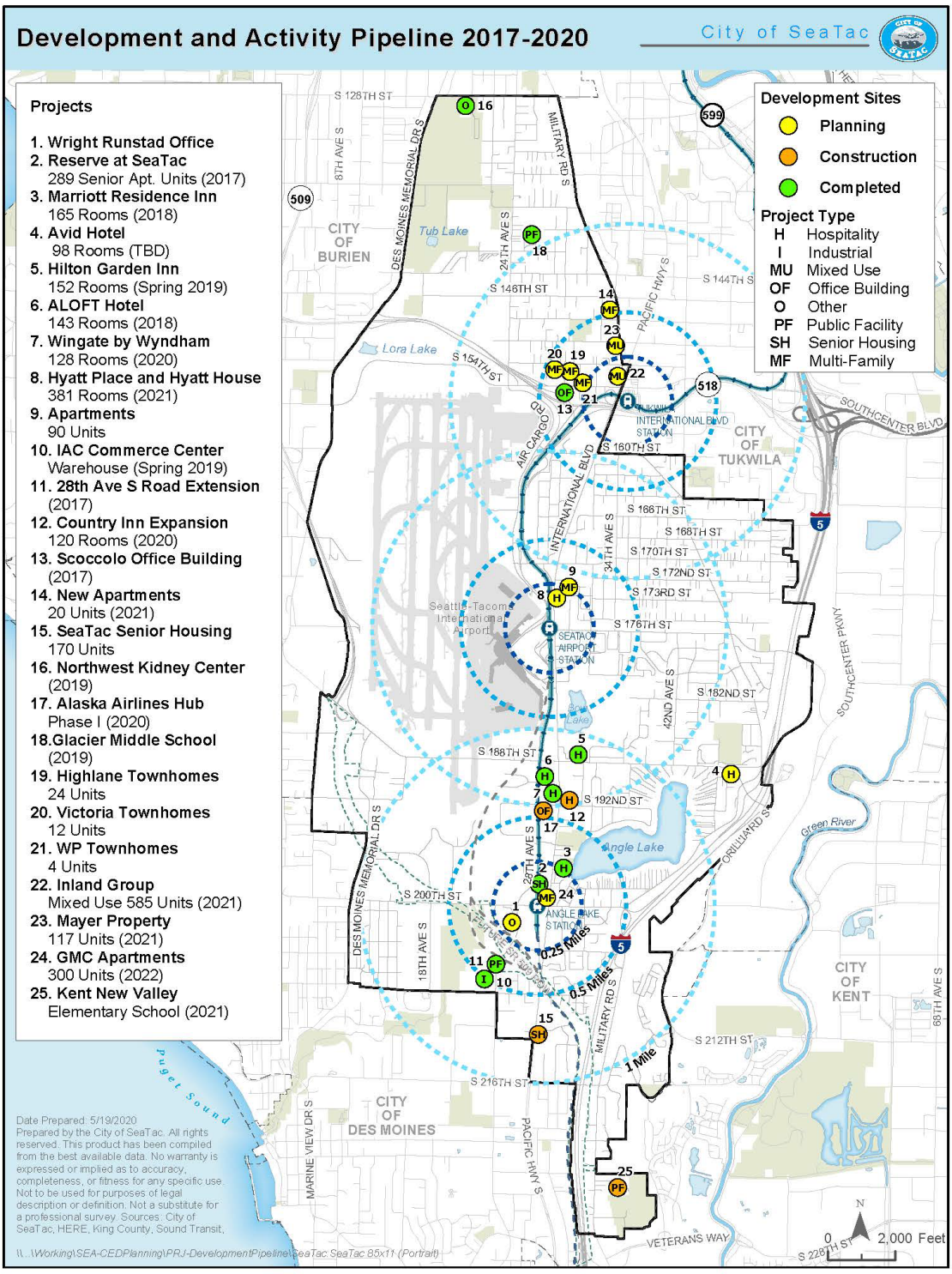
Status of Urban Village Growth Strategy

This section asses the outcomes of SeaTac's housing growth strategy set forth in the Comprehensive Plan. This strategy is based on the "urban villages" alternative analyzed in the Comprehensive Plan EIS.

- SeaTac's City Center, Angle Lake Station Area, and 154th St Station Area play the role of "urban villages", where dense housing, commercial services, amenities, and access to transit meet many daily needs within a short walk from home.
- Population growth in SeaTac has been limited over the past ten years, with an average growth rate of about 0.5% per year since 2010. This has largely been due to limited housing production during this period.
- Major development projects that have occurred over the past several years, including housing, are in or near station areas (see Exhibit 60).

- Recently, there has been growing interest in developing housing within or close to the station areas, including multiple projects in the development pipeline.
- Station areas continue to lack a cohesive feel, or adequate services and amenities to fulfill the urban village vision.

Exhibit 60. SeaTac Development and Activity Pipeline 2017-2020



Source: City of SeaTac

B. Alignment with Regional Growth Strategy

King County Growth Allocation Targets

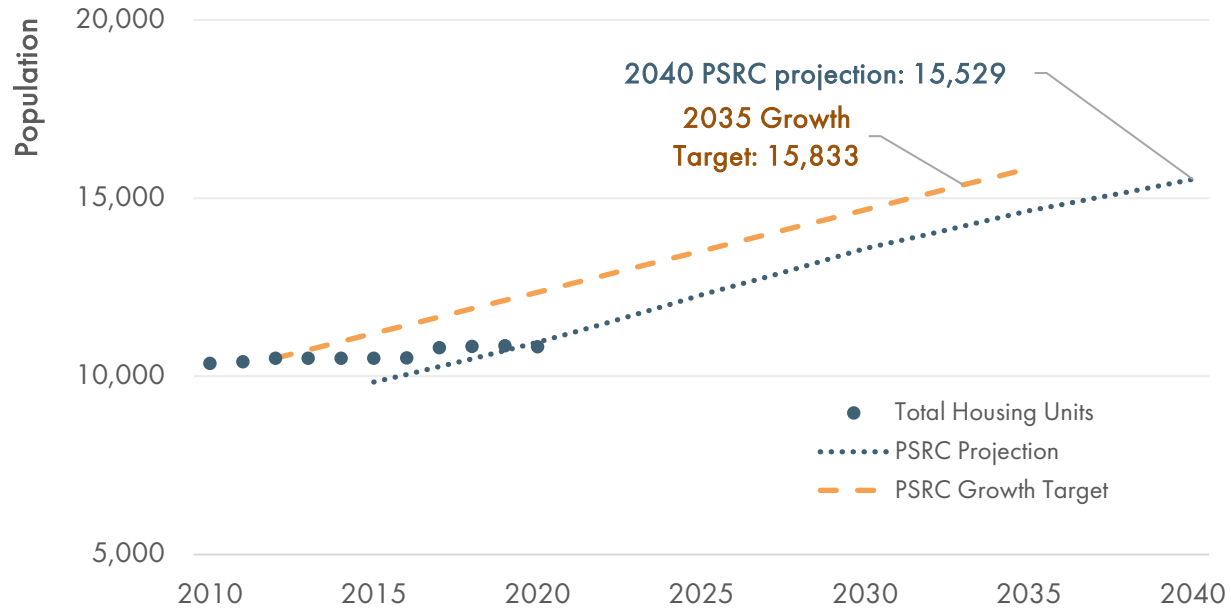
- PSRC and King County's regional planning prioritizes growth in metropolitan cities (e.g. Seattle and Bellevue) and core cities (including SeaTac), in part due to the cities access to light rail and jobs.
- VISION 2050, passed in October 2020, will increase this regional commitment to transit-oriented growth. However, growth allocation targets associated with VISION 2050 will not be released until mid-2021.
- Growth targets for 2031, set by King County's countywide planning policies (CPP) in 2012 and 2016, have so far exceeded SeaTac's actual growth by a large margin (see).
- In the 2015 Comprehensive Plan, the City of SeaTac adopted a 2035 target of 15,833 households, an increase of 5,973 above today's approximately 9,860 households.[24]
- To accommodate the 2035 target, the 2015 Comprehensive Plan ensured that the City had planned for this level of growth.
- If constructed, housing units in the city's development pipeline could significantly increase SeaTac's growth rate.

[24] US Census Bureau 2017 ACS 5-Year Estimate

Puget Sound Regional Council Growth Projections

- In 2017 Puget Sound Regional Council (PSRC) produced Land Use Vision (LUV) projections to support the VISION 2040 regional growth plan.
- LUV was developed with growth assumptions and modelling based on the VISION 2040 growth strategy, local policies, and adopted growth targets.
- LUV projects SeaTac should plan for 15,529 housing units by 2040 to support anticipated population growth.
- In 2021, King County and its cities will collaborate to develop growth targets based on the PSRC's recently adopted VISION 2050 plan.

Exhibit 61. SeaTac Housing Demand Projections, 2020–2040



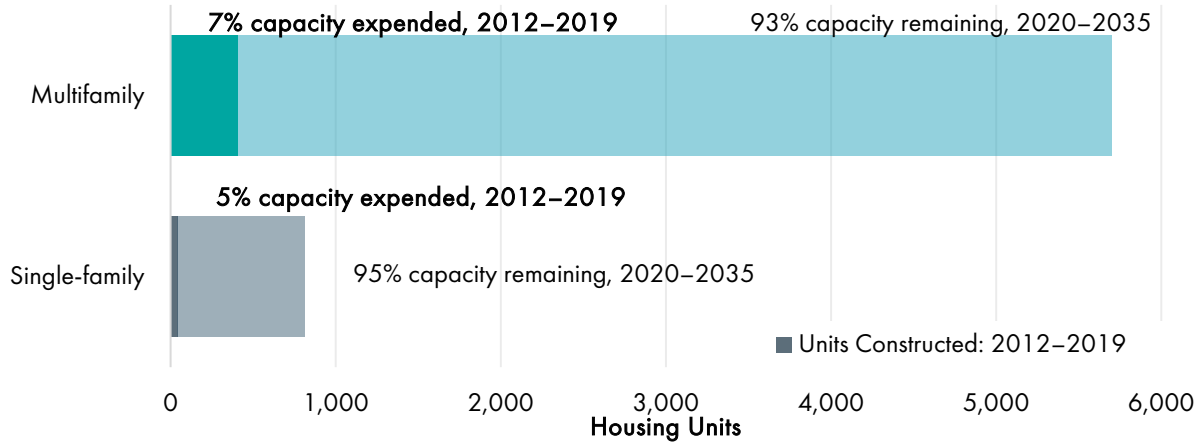
Source: City of SeaTac, 2015; PSRC, 2018; BERK, 2020.

C. 20-Year Development Capacity

Does SeaTac's zoning provide sufficient development capacity for SeaTac to meet its residential growth target?

- **"Development capacity"** refers to how much can be built under current regulations in a defined area – in this case, the City of SeaTac.
- SeaTac has 10,831 housing units[25] currently.
- In the 2015 Comprehensive Plan, SeaTac adopted a 2035 target of 15,833 housing units.
- PSRC projects SeaTac should have 15,529 housing units by 2040 to support population growth.
- **The 2014 Buildable Lands Report estimated existing capacity of 6,545 units, sufficient to meet growth targets noted above.**
- Since 2014, 451 new units have been built, representing 7% of the city's 2031 development capacity.

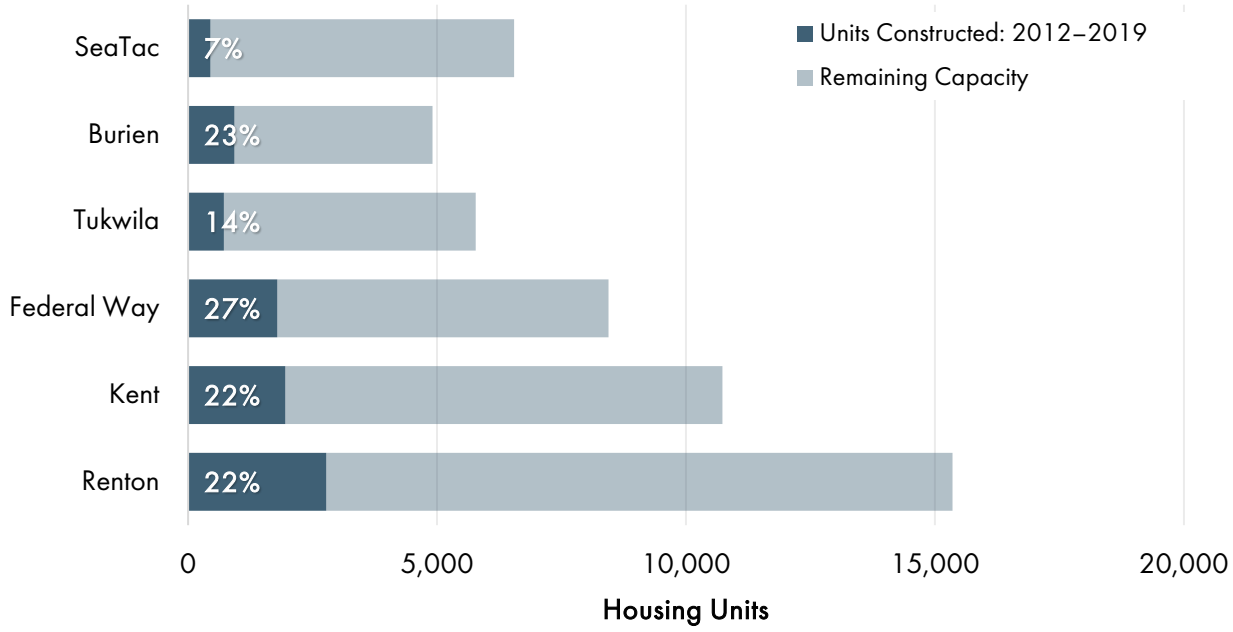
Exhibit 62. SeaTac Housing Development Capacity and Net Growth by Type



Source: City of SeaTac, Land Use Background Report, 2015; BERK, 2020.

[25] Washington Office of Financial Management, 2020

Exhibit 63. Development Capacity and Net Growth, SeaTac and Surrounding Cities (2014 BLR).



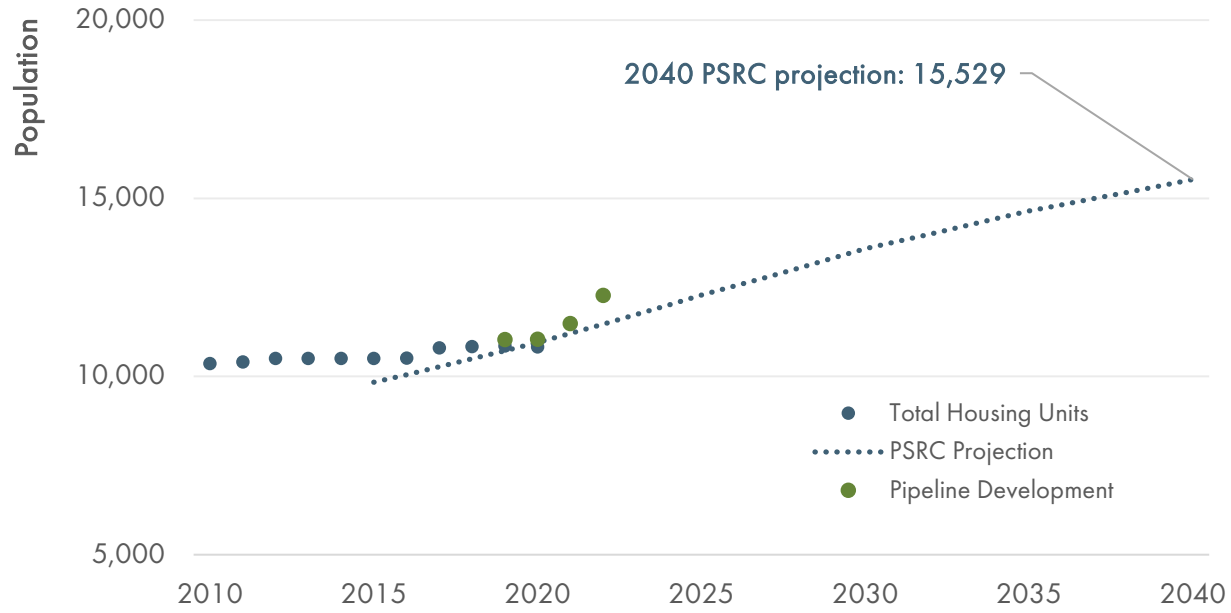
Source: King County Buildable Lands Report, 2014; BERK, 2020.

D. Development Pipeline

Real estate development projects that are in progress but have not yet been completed are referred to as being "in the development pipeline."

- Preliminary analysis performed for the 2021 Buildable Lands Report development capacity assessment noted 1,441 housing units in some stage of development in SeaTac. These units, if completed, could enter the market between 2020 and 2023.
- About half (790) of the pipeline units are currently under construction or were completed in 2020. The other half (651) were either under review or in the pre-application phase. These units may or may not be completed.
- 2020 pipeline development indicates a substantial increase in housing production in SeaTac. From 2000-2020 an average of 29 housing units were added per year. If all 1,441 units are completed in the four years from 2020 to 2023, the city will have increased the pace of housing production to 360 units per year over that period.

Exhibit 64. SeaTac Housing Demand Projections, 2020–2040



Source: City of SeaTac, 2015; PSRC, 2018; Preliminary 2021 King County Buildable Lands Report, BERK, 2020.

5-2 Gaps in Housing Supply

Purpose: This section assesses gaps in the housing supply in terms of the housing stock and available building and unit types.

Building Stock

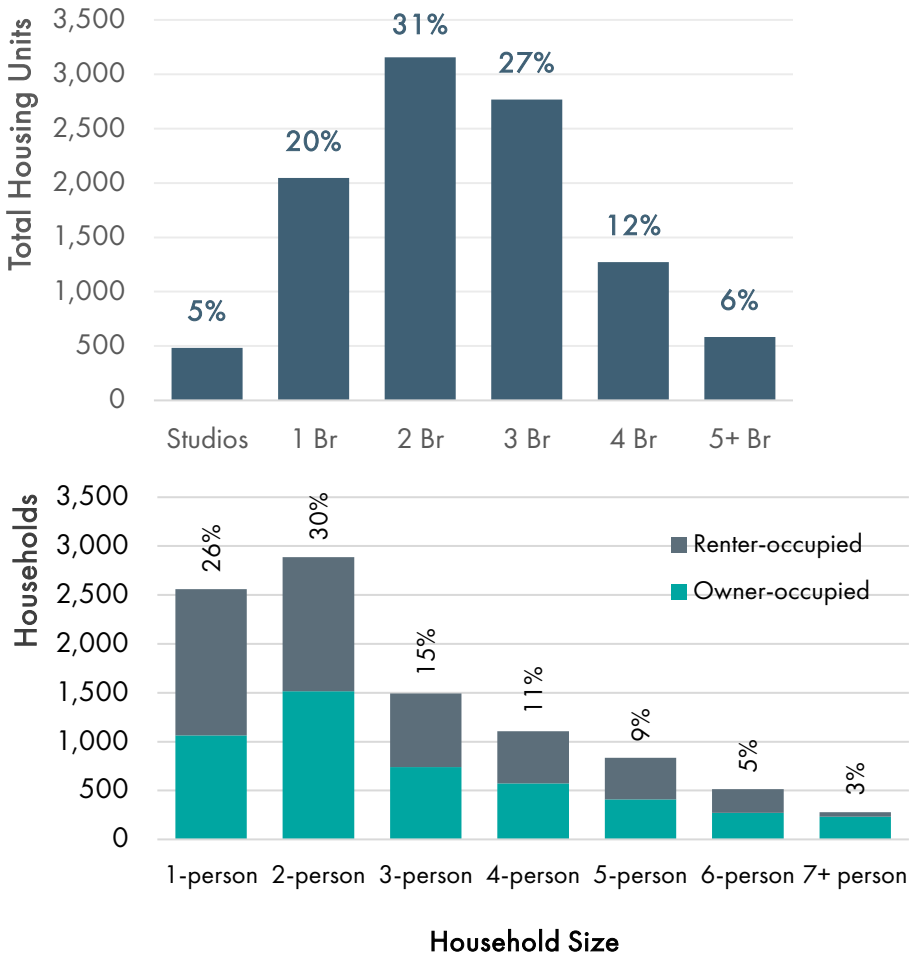
- Middle density housing, such as duplexes, townhouses, or small apartment buildings, do not play a large role in SeaTac's supply of housing. These building types are not allowed in the single-family zoning that covers most of the city's residential land, and there is relatively limited amount of land zoned for these moderate density zoning types.
- A housing supply with limited building types is likely not serving the needs or preferences of some households. This is especially the case for those interested in middle housing types because of affordability, family size, maintenance or other issues.
- Most of SeaTac's housing stock was built between 50 and 70 years ago. Buildings older than 50 years typically require major renovation or face mounting maintenance costs.
- **Building stock gaps include a lack of middle/moderate density options and newer**

multifamily and single family dwellings.

Large Units

- Compared to King County as a whole, SeaTac households are larger and more likely to be families with children. Large households have grown as a share of the population, including among renters.
- At the same time, housing units in SeaTac have fewer bedrooms than the county average. The largest units available are likely detached houses, mostly occupied by homeowners. However, family size among homeowners and renters is nearly identical (see Exhibit 65).
- Apartment buildings built from the 1960's-1980's provide most of SeaTac's housing stock. These older buildings tend to have more rooms than recently constructed buildings.
- **Based on the demand for large units, there appear to be gaps in the amount of 2+ bedroom rental and ownership options currently available.**

Exhibit 65. Comparison of Housing Unit and Household Size



Source: US Census 2014-2018 ACS 5-Year Estimates; BERK, 2020.

Small Units and/or Shared Homes

- SeaTac has 1,064 one-person households and only 483 studios. This could mean that **single people are living in larger units or sharing homes**.
- For the city's 2,870 one- and two-person households, only 2,528 1-bedroom and studio units are available (a difference of 342 units).
- **Therefore, there is a gap in the supply of studio and 1-bedroom apartments.**

Accessible Units

- With 23% of SeaTac's population between the ages of 50 and 70, SeaTac, like King County as a whole, has a large portion of its population approaching senior status (see Exhibit 31). By comparison, today only 6% of SeaTac residents are 70 or older.
- This "silver tsunami" suggests potential demand **for accessible housing – ground-floor or elevator accessible housing with no internal stairs, ideally located in walking/rolling distance of resources and amenities**.
- With the large number of older low-rise apartments in SeaTac, it is likely that many rental units do not have elevators.
- Mid-century houses, which make up much of SeaTac's stock of detached houses, often have a single story, making them better suited to residents with limited mobility. However, home and yard maintenance can present financial and technical difficulties for older adults.
- **The data above indicates a demand for universal design housing options for those with mobility and other needs.**

5-3 Gaps in Affordability

Purpose: This section assesses gaps in the affordability of SeaTac's housing supply. First, the analysis considers the **affordability of units** for homebuyers and renters at different income levels. "Affordable" housing in this assessment is considered housing that costs households less than 30% of their total income. The second part of the analysis evaluates **affordability by income** and with a focus on **cost burdened households.** Per the HUD definition, cost-burdened households are those that spend more than 30% of their income on housing.

A. Affordable Housing Availability

The term "affordability gap" describes the difference between housing costs in an area and the amount a household can afford to pay.

Affordability Gap for Homebuyers

- One method of understanding the affordability gap for SeaTac homebuyers, is to examine the difference between the city's median home price and the price a median income family can afford.
- In SeaTac, the median priced home would cost more than a family making the median

household income could afford.

Exhibit 66. Income Needed to Afford SeaTac Median Home Price

Median home price in SeaTac	$434,329
Required estimated minimum yearly income to afford*	$81,761 with 20% down payment $102,115 with 10% down payment
Median income for SeaTac family	$71,405 (2018)
Median income for all types of households	$58,995 (2018)

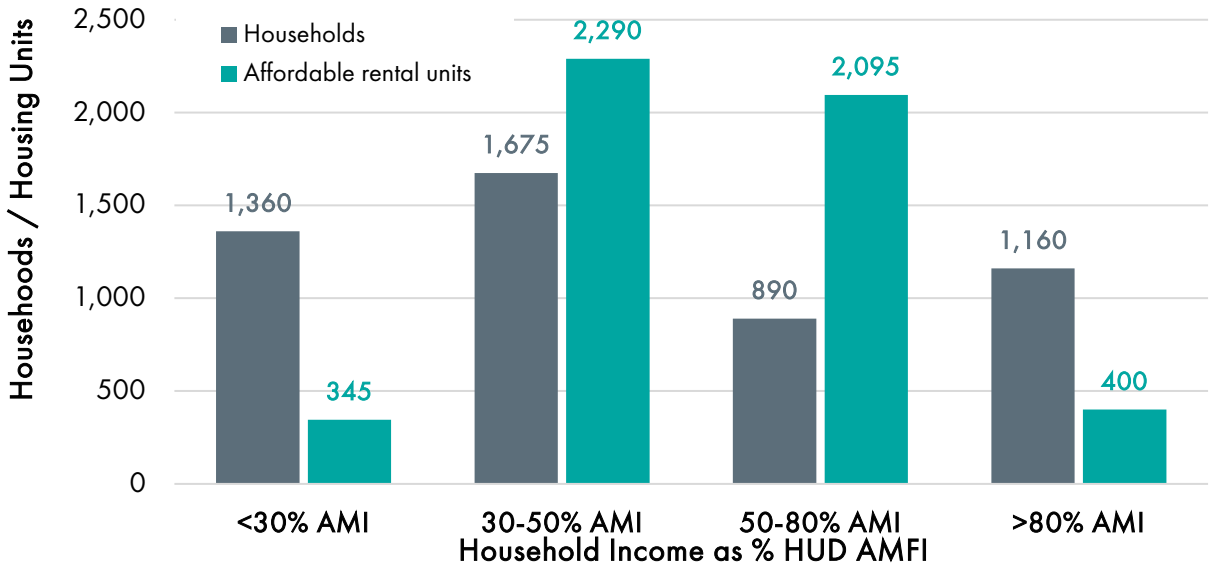
Source: Source: Zillow, 2020; US Census 2014-2018 ACS 5-Year Estimates; BERK, 2020.

*Monthly cost of loan principal, interest, property tax, insurance. Assumes 30% of household income benchmark for affordability and down payment from other source.

Affordability Gap for Renters

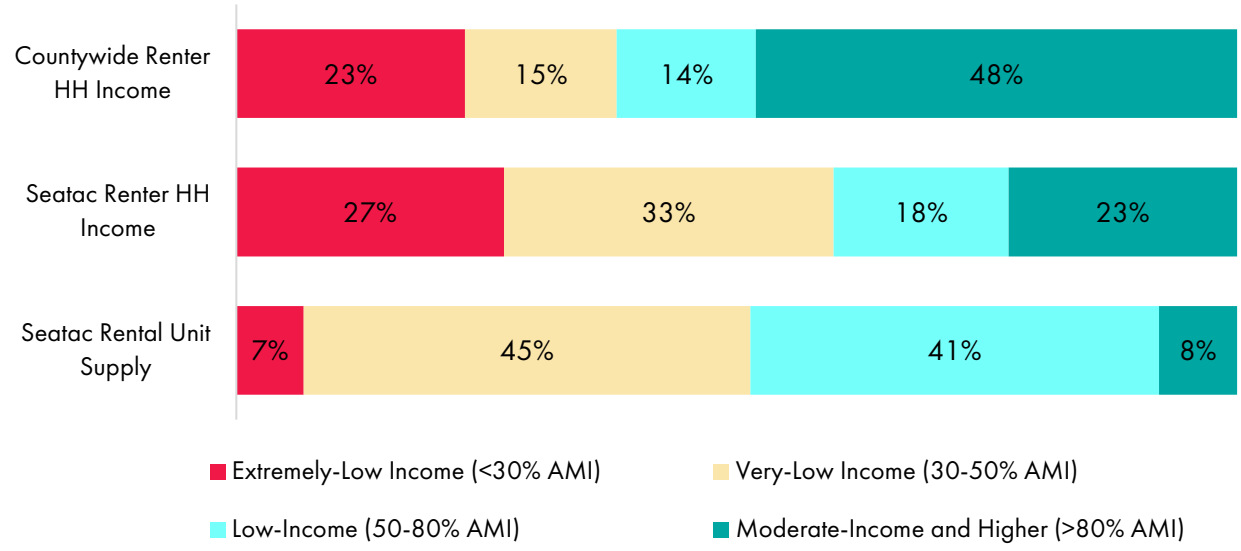
- In 2020, average rent in SeaTac for a two-bedroom apartment was $1,456, up from $986 in 2010.
- There is a surplus of units affordable to households who earn between 30% and 80% of median income.
- There is significant gap in the number of units that are affordable to households at the extremely low household income level, <30% AMI.
- There is a shortage of units for moderate income households and those at median or above. This gap is likely due to the lack of higher end market rate apartment units in the current SeaTac market.
- Because the number of housing units affordable at any income level does not match the number of households with said income, some portion of renters will rent units from either a higher or lower income category. SeaTac has a surplus of units affordable to households making between 30% and 80% of AMI, but a deficit in the number of unit available in 0-30% AMI and <80% income groups, causing these households to take on cost burden by renting homes they can't afford, or down-renting, respectively.

Exhibit 67. Gap in Available Rental Units by Income Group



Source: HUD CHAS (based on ACS 2013-2017 5-year estimates); BERK, 2020.

Exhibit 68. Affordability of Rental Units Compared to Incomes in SeaTac and King County



Source: HUD CHAS (based on ACS 2013-2017 5-year estimates); BERK, 2020.

Affordability Gap by Income Level

While the previous sections discussed gaps in affordability from the perspective of homebuyers and renters in SeaTac, this section evaluates gaps in the affordability of housing based on income levels and the percentage of cost-burdened households in the city.

Exhibit 70 shows the number of homeowner and rental housing units available to households within different income categories. The purple arrows indicate where, because of a lack of units in their income ranges, higher income households may be living in units affordable to lower income households, while lower income households may have to rent units that cost more than 30% of their incomes. Some key findings include the following:

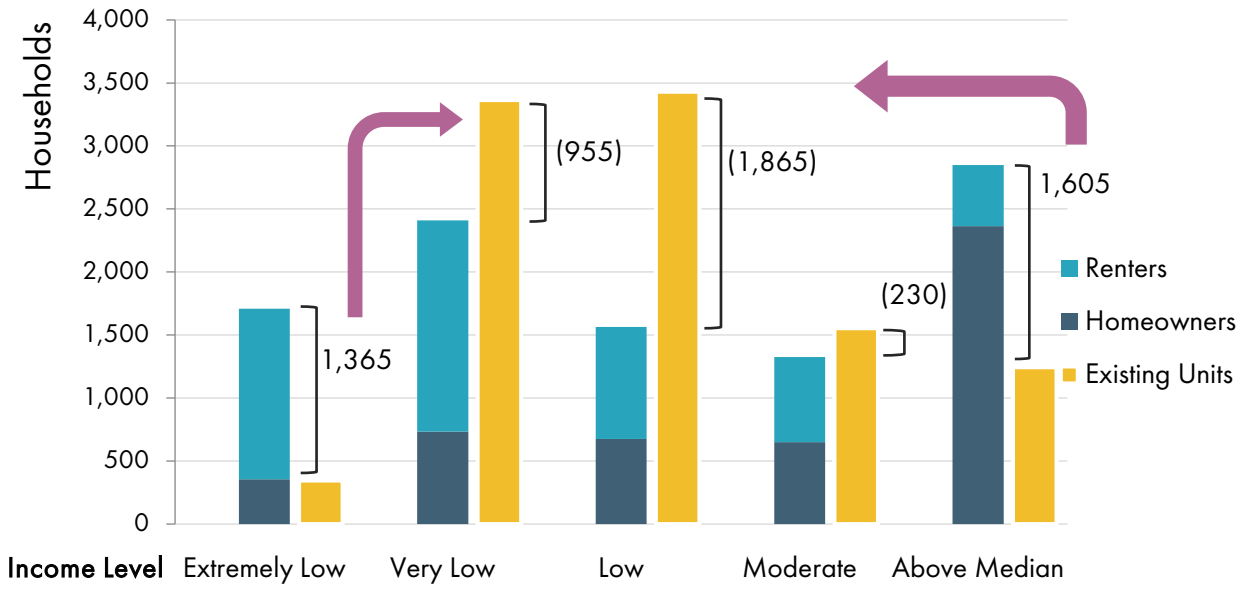
- There is a significant **lack of housing units affordable to extremely low income** (<30% AMI) households in SeaTac.
- While there are enough units affordable to the very low income (30-50% AMI) population, the housing gap for <30% AMI is larger than the 30-50% AMI surplus. As a result, both **very low- and extremely low-income households face a lack of affordable units**, requiring residents to rent more expensive units.
- More than half of both groups are cost burdened.
- There is a significant **gap in units available for households above median income.**

Exhibit 69. Housing Needs, Existing Supply, and Gaps/Surplus by Income Level

INCOME LEVEL	EXTREMELY LOW-INCOME	VERY LOW-INCOME	LOW-INCOME	MODERATE INCOME	ABOVE MEDIAN INCOME
AMI Range	≤30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	>100% AMI
Existing Demand (units)	1,710	2,410	1,565	1,325	2,850
Existing Supply (units)	345	3,365	3,430	1,555	1,245
Existing Gap/Surplus (Units)	**-1,365**	**+955**	**+1,865**	**+230**	**-1,605**

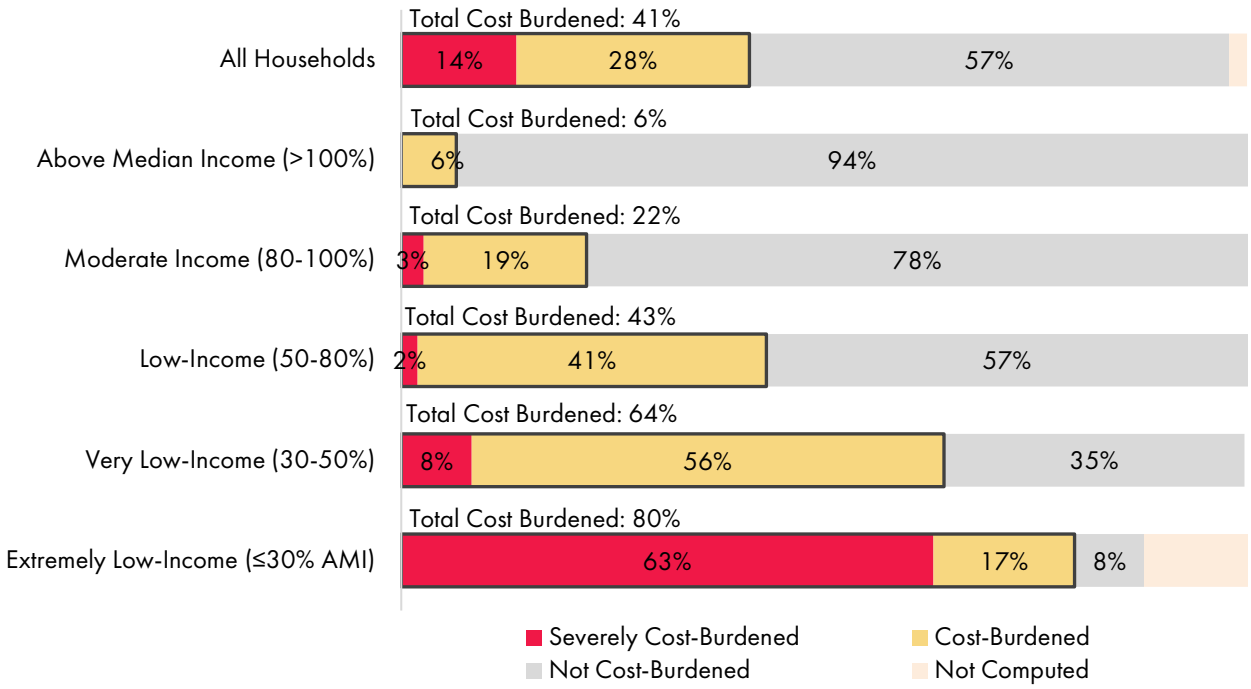
Source: HUD CHAS, 2020 (based on ACS 2013-2017 5-year estimates); BERK, 2020, MAKERS 2020.

Exhibit 70. Housing Needs, Existing Supply, and Gaps/Surplus by Income Level



Source: HUD CHAS, 2020 (based on ACS 2013-2017 5-year estimates); BERK, 2020, MAKERS 2020.

Exhibit 71. Cost Burden in SeaTac



Source: HUD CHAS (based on ACS 2013-2017 5-year estimates); BERK, 2020.

B. Future Housing Need by Income Level

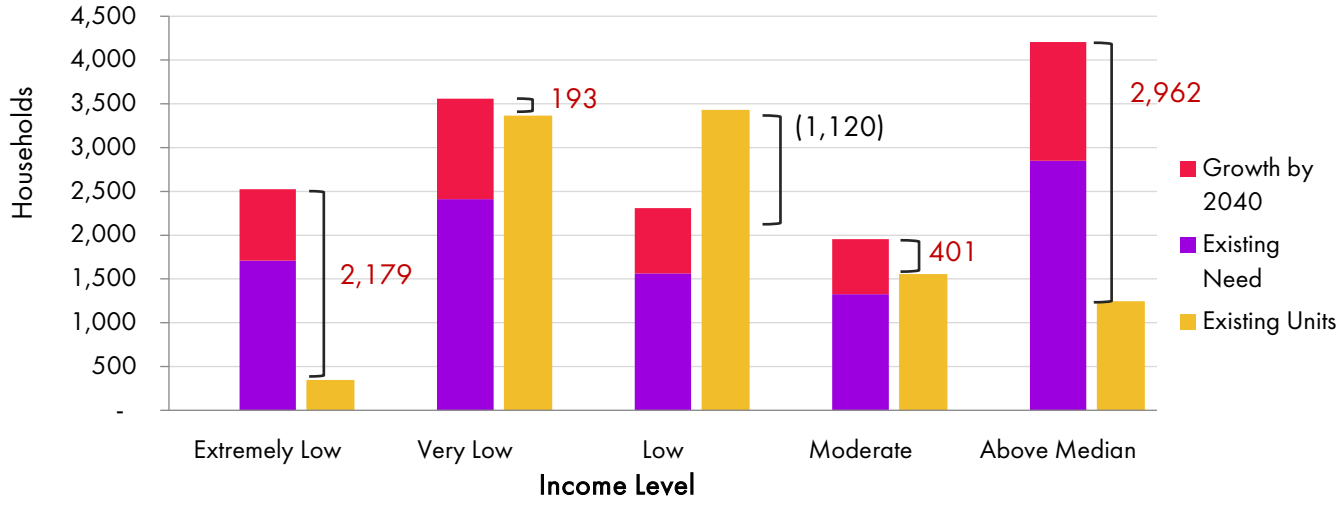
Exhibit 72 and Exhibit 73 and compare existing units with the projected need by 2040. This analysis assumes the current household income level proportions remain constant over time (i.e., 17% of all households remain extremely low income, 29% remain above median income, etc.) and homeowners and renters are grouped together. The projected gap is most extreme at the low and high ends (without displacing existing households). While this analysis assumes that household income levels proportions will remain constant through 2040, it is likely that these proportions will change over time.

Exhibit 72. Project Housing Need and Gaps by Income Level

INCOME CATEGORIES	EXTREMELY LOW-INCOME	VERY LOW-INCOME	LOW-INCOME	MODERATE INCOME	ABOVE MEDIAN INCOME
AMI Range	≤30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	>100% AMI
Existing Demand	1,710	2,410	1,565	1,325	2,850
Existing Supply	345	3,365	3,430	1,555	1,245
2040 Demand	2,524	3,557	2,310	1,955	4,207
2040 Gap	**-2,179**	**-193**	**+1,120**	**-401**	**-2,962**

Source: PSRC LUV2 model; HUD CHAS, 2020 (based on ACS 2013-2017 5-year estimates); BERK, 2020, MAKERS 2020.

Exhibit 73. Projected 2040 Housing Gap by Income Level



Source: PSRC LUV2 model; HUD CHAS, 2020 (based on ACS 2013-2017 5-year estimates); BERK, 2020, MAKERS 2020.

5-4 Key Takeaways: SeaTac's Housing Gaps

City Housing Goal Implementation Gaps

- **Urban Village Strategy:** SeaTac's station area "urban villages" have seen some development activity since 2010, however significant progress is needed to fulfill the urban village vision of complete communities with dense housing, amenities, jobs, and access to recreation.
- **Growth targets:** SeaTac has planned for the growth targets adopted in the 2035 comprehensive plan, however to date the housing growth rate has been relatively slow.
- **Pipeline development:** Residential development projects in the pipeline show a major increase in the rate of housing production.

Housing Supply Gaps

- **Missing middle:** SeaTac's housing supply is dominated by single-family housing and large multifamily housing. Middle-density housing types, like duplexes, townhouses, and small multifamily buildings could provide options for households that are not well served by other housing types.
- **Large unit gap:** SeaTac's housing stock does not adequately reflect the large households

and high proportion of families among its population. There is demand for 2+ bedroom units for sale and for rent.

- **Small and/or shared homes:** SeaTac has a high proportion of singles, indicating demand for small and/or shared homes.
- **Accessible unit gap:** Almost a quarter of SeaTac's current residents will reach the age of 70 within the next 20 years. Ground-floor and elevator accessible units, ideally located near transit and other resources and amenities, could help this segment of the population (and similarly sized cohort throughout the county) to remain in SeaTac as they age.

Affordability Gaps

- **Homeowner Units:** About 27% of existing homeowners are cost-burdened, including about half of all low, very low, or extremely-low income homeowner households (all less than 50% AMI), indicating affordability problems for low-income homeowners. Renters with larger households may be interested in becoming homeowners but may be prevented from doing so by high house prices.
- **Rental Units:** SeaTac has a housing supply gap of about 1,015 rental units for extremely low-income households (<30% AMI). Taken together there is a gap of about 400 housing units available for extremely low (<30% AMI) and very low income (<50% AMI) renters.
- **Low-end affordability gap:** SeaTac does not have enough housing affordable to extremely low- and very low-income households.
- **High-end gap:** SeaTac has relatively few rental units available for the 23% of renter households that have moderate or high incomes (above 80% AMI). Providing desirable units for higher income renters can reduce pressure on more moderately priced units, as long as displacement of existing households and affordable units is prevented.
- **Racial disparity:** Non-white households are experiencing significantly higher cost burden and lower homeownership rates than white households.

APPENDICES

Part 6: Appendices

City of SeaTac Comprehensive Plan Policies

- **GOAL 1.1**
  As a public entity, serve the good of the SeaTac community.
- **GOAL 1.2**
  Ensure that SeaTac's Comprehensive Plan is internally consistent and remains consistent with the State's Growth Management Act and regional growth management plans and policies.

Healthy, Equitable, and Connected Communities

- **GOAL 2.2**
  Create walkable, compact, transit-oriented communities with a range of transportation, employment, housing, recreation, goods, and service choices for residents of all income levels.

Access to Transportation Choices

- **Policy 2.2A** (Smart Growth)
  Establish land use patterns that promote walking, bicycling, and transit use to access goods, services, education, employment, and recreation.
- **Policy 2.2B** (Transit oriented development)
  Promote dense residential and employment uses in transit communities to provide current and future residents with greater access to transportation, housing, and economic opportunities.

Access to Housing

- **Policy 2.2F**
  Foster high quality, diverse, and affordable housing.

Achieve a Diversity of Housing Options

- **Goal 2.3**
  Achieve a mix of housing types while maintaining healthy residential neighborhoods and guiding new housing development into appropriate areas.
- **Policy 2.3A** (Single-family neighborhoods)
  Stabilize and protect existing single family residential neighborhoods by maintaining a designated Residential Low Density (Single Family) area.
- **Policy 2.3B** (ADUs)
  Allow accessory dwelling units in single family designations to provide additional housing opportunities and income sources for homeowners, and compatible non-residential uses including schools, parks and religious use facilities.
- **Policy 2.3C** (Townhouses)
  Maintain single-family characteristics while building the densities that support transit ridership and nearby commercial activities through the Townhouse designation.
- **Policy 2.3D** (medium density)
  Allow higher densities than single family areas while maintaining a desirable family environment through the Residential Medium Density designation. Some compatible non-residential uses including schools, parks and religious use facilities may be allowed.
- **Policy 2.3E** (high density)
  Provide a high density living option through the Residential High Density designation. Some compatible non-residential uses may be allowed, including neighborhood oriented commercial when part of mixed use development.
- **Policy 2.3F** (vertical mixed use)
  Promote high density residential uses and opportunities for mixed use development that complements bordering high density commercial areas through the Residential High Mixed Use designation.

Variety of Housing Types

- **GOAL 3.4**
  Increase housing options in ways that complement and enhance nearby residential and commercial uses.
- **GOAL 3.6**
  Increase housing opportunities for all economic segments of the community, especially in SeaTac's transit communities.
- **GOAL 3.7** (special needs)
  Encourage a variety of housing opportunities for persons with special needs.

- **GOAL 3.8** (mobile home parks)
  Support the maintenance of SeaTac's existing mobile home parks as a source of affordable housing.
- **GOAL 3.9**
  Minimize the impacts of mobile home relocation on low- and moderate-income residents.
- **Policy 3.4A** (infill development)
  Encourage development of residential areas and lots with adequate existing utilities and transportation systems. SeaTac's neighborhoods have opportunities for infill development. Development of these lots is fiscally responsible and efficient since the utilities and infrastructure are already in place and available.
- **Policy 3.4B** (housing diversity)
  Promote a variety of housing types and options in all neighborhoods, particularly in proximity to transit, employment, and educational opportunities.