Research questions:

• What should communities know about their housing markets?

• What can various types of analysis tell local leaders about future housing needs?

• How do the numbers translate to concrete policy solutions and action plans?
What is affordable housing?

• $\leq 30\%$ of household income spent on housing costs
• Paying over 30% for housing = cost burden
• Lower-income households usually spend higher percentages of income on housing
• Affordable housing affects everyone
Housing needs assessments…

• Involve both quantitative and qualitative data collection
• Account for the complex nature of housing markets by evaluating micro- and macro-level demographic, economic, and social trends
• Calculate “gaps” between current supply and future demand
• Deliver associated recommendations
Three variations

1. Westmoreland County, PA
2. Colorado Springs, CO
3. Washington State
Westmoreland County
Housing Policy and Plan, 2014

Project goals:

• Fulfill requirements of HUD’s Five-Year Consolidated Plan
• Address the housing element of the County’s Comprehensive Plan
• Develop guiding strategies for public policy
  • Housing and community development activities
  • High-impact public-private partnerships
Two approaches:

Policy should ensure equal opportunities for housing choice, but the County needs to understand local markets to get the most benefit possible out of limited resources.

**Traditional Neighborhood Typology**
- Classifying neighborhoods by market characteristics to learn which interventions will be most effective

**HUD Communities of Opportunity Model**
- Balancing revitalization of high-poverty areas of racial/ethnic concentration with the expansion of affordable housing choice elsewhere
Neighborhood typology

• A neighborhood’s vitality can be described as its stage along a continuum of change: stable, transitional, decline, renewal

• At each of these stages and according to defining characteristics, a different form of public intervention or non-intervention could be appropriate

• Doesn’t inform \textit{whether} we should invest in a certain area, but \textit{how}
Mapping market status

- **Geography:** Block groups within school districts
- **Composite market viability score** assigned to each, representing an average of standardized housing market indicators:
  - RealSTATs transaction-level sales data
  - Household income
  - Cost burden
  - Structure age
  - Vacancy
Westmoreland County
Housing Policy and Plan, 2014

Mapping market status
Maps as a tool for describing equity

- Regional racial and social inequalities often manifest as spatial inequity
- Intuitive, readable organization of infinite data points
- Means of exploring dynamics created by clustering of conditions
  - What characteristics define and separate neighborhoods?
  - How does a community calibrate policy to fit a variety of dynamics?
Equity indicators (some ditched, some kept)

- Educational proficiency
- Poverty
- Labor market engagement
- Job accessibility
- Health hazards exposure
- Transit access
- Connectivity
- Quality of life
The iterative process: Translating findings to recommendations

- Originally planned to quantitatively combine ALL indices via hierarchical cluster analysis, then attempted classification by scatter-plotting into quadrants
- This made no intuitive sense (… obviously).
The solution:

- Create categories of recommendations by market/character (example: strong urban, average rural, etc.)
- Opportunity maps serve as reference for individual investment decisions

The outcome:

- County has a proactive policy strategy for every type of neighborhood
Project goals:

- **Quantify precise future affordable housing needs**
  - By demographic – who will need housing?
  - By housing type – what kinds of housing will be needed?
  - By geography – where should resources be allocated?
- **Increase housing market resilience**
- **Incorporate homelessness prevention into housing policy**
- **Coordinate City and County community development priorities**
Project goals (contd.)

- Planning for volatility
- Transit-oriented development
Methodology

- Segment population by income tier, tenure, and geography
- Create “gap analysis”
  - Generate exact numbers of affordable units “missing” from inventory
  - Differentiate between “affordable” and “affordable and available”
- Project future need over next five years
- Create neighborhood typologies
- Verify findings through stakeholder interviews
  - Qualitative research adds nuance
Affordable Housing Gaps Analysis

Affordable Housing Deficits by Income and Availability

Colorado Springs and El Paso County
Comprehensive Housing Market Analysis, 2014

Affordable Housing Deficit Projections

<table>
<thead>
<tr>
<th></th>
<th>Total Deficit in Affordable Units</th>
<th>Total Deficit in Available Units at Affordable Price Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deficit, El Paso County</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ELI Households</td>
<td>3,057</td>
<td>4,352</td>
</tr>
<tr>
<td>VLI Households</td>
<td>-173</td>
<td>3,741</td>
</tr>
<tr>
<td>LI Households</td>
<td>6,712</td>
<td>7,418</td>
</tr>
<tr>
<td>Mod Households</td>
<td>5,715</td>
<td>3,001</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>19,511</td>
<td>24,513</td>
</tr>
</tbody>
</table>

|                | 2012                             |                                                            |
| ELI Households  | 2,471                            | 3,518                                                      |
| VLI Households  | -342                             | 2,025                                                      |
| LI Households   | 5,426                            | 5,997                                                      |
| Mod Households  | 7,854                            | 7,277                                                      |
| **Deficit, Colorado Springs** | 15,612                           | 19,817                                                     |

|                | 2012                             |                                                            |
| ELI Households  | 586                              | 834                                                        |
| VLI Households  | -33                              | 717                                                        |
| LI Households   | 1,286                            | 1,421                                                      |
| Mod Households  | 1,861                            | 1,724                                                      |
| **Deficit, Balance of County** | 3,699                            | 4,695                                                      |

|                | Projected, 2019                   |                                                            |
| ELI Households  | 2,713                            | 3,963                                                      |
| VLI Households  | -153                             | 3,321                                                      |
| LI Households   | 5,317                            | 6,584                                                      |
| Mod Households  | 8,522                            | 7,988                                                      |
| **Deficit, Colorado Springs** | 16,944                           | 21,381                                                     |

|                | Projected, 2019                   |                                                            |
| ELI Households  | 682                              | 889                                                        |
| VLI Households  | -36                              | 773                                                        |
| LI Households   | 1,387                            | 1,533                                                      |
| Mod Households  | 2,008                            | 1,860                                                      |
| **Deficit, Balance of County** | 3,991                            | 5,066                                                      |
Housing + Transportation = Actual Housing Costs

- Center for Neighborhood Technology indices:
Neighborhood Typologies

- Conditions Indices
  - Community prosperity
  - Crime and safety
  - Employment
  - Housing market strength
  - Homeownership
  - Building conditions
  - Vacancy

- Final typology matrix
  - Break areas out of binary
Neighborhood Typologies

- Impact future project decisions
  - Establish geographic priority areas
  - Allocate resources for higher impact
Colorado Springs and El Paso County
Comprehensive Housing Market Analysis, 2014

Applications

Housing Need Assessment Results

City of Colorado Springs

El Paso County

Mountain Metro Transit

Continuum of Care

5-Year Consolidated Plan

Comprehensive Plan

TOD Rerouting Initiative

10-Year Plan to End Homelessness; CoC Restructuring
Project goals:

- Create a foundation for statewide policy development
  - ...for people who aren’t policy wonks
- Assess relative housing affordability
- Quantification of affordable housing gap by geography, tenure and income band
- Replicability
Overcoming “Analysis by Committee”
### Demographics vs. Inventory

**State of Washington Housing Needs Assessment, 2015**

<table>
<thead>
<tr>
<th>Type</th>
<th>#</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group Home</td>
<td>2,257</td>
<td>1.7%</td>
</tr>
<tr>
<td>Single Room Occupancy</td>
<td>1,385</td>
<td>1.0%</td>
</tr>
<tr>
<td>Studio</td>
<td>11,490</td>
<td>8.5%</td>
</tr>
<tr>
<td>One Bedroom</td>
<td>54,276</td>
<td>40.4%</td>
</tr>
<tr>
<td>Two Bedrooms</td>
<td>36,479</td>
<td>27.1%</td>
</tr>
<tr>
<td>Three Bedrooms</td>
<td>15,645</td>
<td>11.6%</td>
</tr>
<tr>
<td>Four or More Bedrooms</td>
<td>3,160</td>
<td>2.4%</td>
</tr>
<tr>
<td>Unit Type Not Available</td>
<td>9,701</td>
<td>7.2%</td>
</tr>
</tbody>
</table>

**Total** | 134,393 | 100%
Current need vs. current inventory

State of Washington
Housing Needs Assessment, 2015

Subsidized Inventory and Cost-burden

- Total Units, ’13 % Cost-Burden, ’11
  - < 31 < 25%
  - 31 - 50 26% - 30%
  - 51 - 100 31% - 35%
  - 101 - 300 36% - 40%
  - > 300 > 41%

Source of data and geographies:
PEMS 2008-2012; Mullic & Isonergon

Urbanized Areas
1. Bellingham, WA
2. Mount Vernon, WA
3. Marysville, WA
4. Olympia-Lacey, WA
5. Wenatchee, WA
6. Spokane, WA
7. Longview, WA-OR
8. Portland, OR-WA
9. Yakima, WA
10. Kennewick-Pasco, WA
11. Lewiston, ID-WA

Urban Puget Sound
A. City of Seattle
B. Burnaby: Urbanized Area
C. East King County
D. South King County
E. City of Tacoma
F. Seattle Urbanized Area (multigap)
Assisted housing inventory analysis

- Not a pure market
- Compared supply to metrics of need
- Compared supply to descriptive characteristics of residents
  - One-eighth of households in subsidized units also used a voucher
  - Nearly 6,000 households exceeded income thresholds
- Analyzed units at risk and in pipeline
Gaps Analysis

- Segment by:
  - Income tier
  - Housing cost
  - Geography
- “Affordable” vs. “affordable and available”
- User-friendly formats

<table>
<thead>
<tr>
<th>% of Median Family Income</th>
<th>Homeowner Households</th>
<th>Affordable &amp; Available Units</th>
<th>Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% - 30%</td>
<td>113,762</td>
<td>30,184</td>
<td>-83,578</td>
</tr>
<tr>
<td>0% - 50%</td>
<td>261,834</td>
<td>106,665</td>
<td>-155,169</td>
</tr>
</tbody>
</table>
Mapping the Gap

Extremely low-income renters face the largest gaps in the Puget Sound, Vancouver and southeastern regions.

State of Washington
Housing Needs Assessment, 2015

Affordable and Available Housing for Every 100 Renter Households Earning 0-30% of the Median Family Income, 2012
- 25 or less
- 26 - 30
- 31 - 35
- 36 - 40
- 41 or more

Urbanized Areas
1. Spokane, WA
2. Olympia-Lacey, WA
3. Vancouver, WA
4. Yakima, WA
5. Everett-Mukilteo, WA

Urban Puget Sound
A. City of Seattle
B. East King County
C. South King County
D. City of Tacoma
E. Seattle Urbanized Area (multi-part)

Source of data and geographies: USGS 2010-2012
Geographic Profiles

- Useful data...
  ...for people who don’t use data
- The “elevator pitch” of affordable housing advocacy
- Clear data = better policy
Geographic Profiles

• Sync inventory to demographics
• Expiring units
• Created for every county and urbanized area
• Automatic updating!

State of Washington
Housing Needs Assessment, 2015
Overall takeaways: What did we learn?

- Data-driven analysis should be powerful, not “wonky”
- Know your client, know your audience, present accordingly
- Transparency improves usefulness
- Don’t underestimate qualitative research
  - Verify everything, with everyone
Conclusions:

• Affordable housing matters *everywhere*
  • Respond to changing trends
  • Optimize program design
  • Budget efficiently

• Studying housing needs help leverage outside resources

• HNAs can be conducted at any depth level and geography