Housing Needs Assessment:
Methodology

ECONorthwest
ECONOMICS · FINANCE · PLANNING

City of Redmond
WASHINGTON

What is objective of this presentation?

- To Learn:
    - What is a Housing Needs Assessment?
    - What methodologies were used for the Housing Needs Assessment?
- What's the ask from council?
    - No action requested
    - Informational

What is a Housing Needs Assessment?

- **Inventory of existing conditions**
  - Workforce
  - Cost burden
  - Demographics

- **Evaluates unmet housing needs**
  - Current Housing Gaps
  - Future Housing Demand

- **Results:**
  - Informs policies & actions

Methodology Framework

A. Estimate Current Housing Shortages
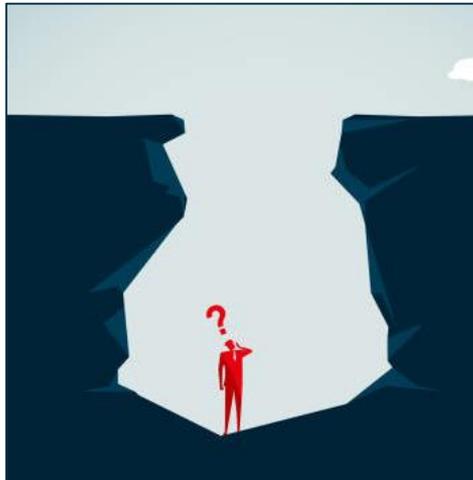
B. Forecast Future Housing Demand

C. Combine Shortage & Future Demand

D. Allocate Housing Units By Income

Shortage **NOW** + **FUTURE** Demand → Proportion by **AMI**

Current Housing Shortage (Ratio Method)

1. Convert Our Population Into **Households**

   - (Redmond Population) divided by (Average Household Size)
     = **Redmond Households**

2. Multiply **Redmond Households** by 1.14 to find
   Needed # Housing Units

   - 1.14 is the National Housing Ratio

     - (Housing units) divided by (Households)

3. Current Housing Shortage is Equal to:

   - [**Needed # Housing Units**] minus
     [**Current # Housing Units**]

Future Housing Demand (More Ratios)

1. Puget Sound Regional Council Forecast Data
   - Macroeconomic Forecast unit of measurement: <u>households</u>

2. Multiply PSRC's <u>Forecasted Households</u> by 1.14 to find our <u>Future Housing Demand # Housing Units</u>
   - 1.14 is the National Housing Ratio
     - (Housing units) divided by (Households)
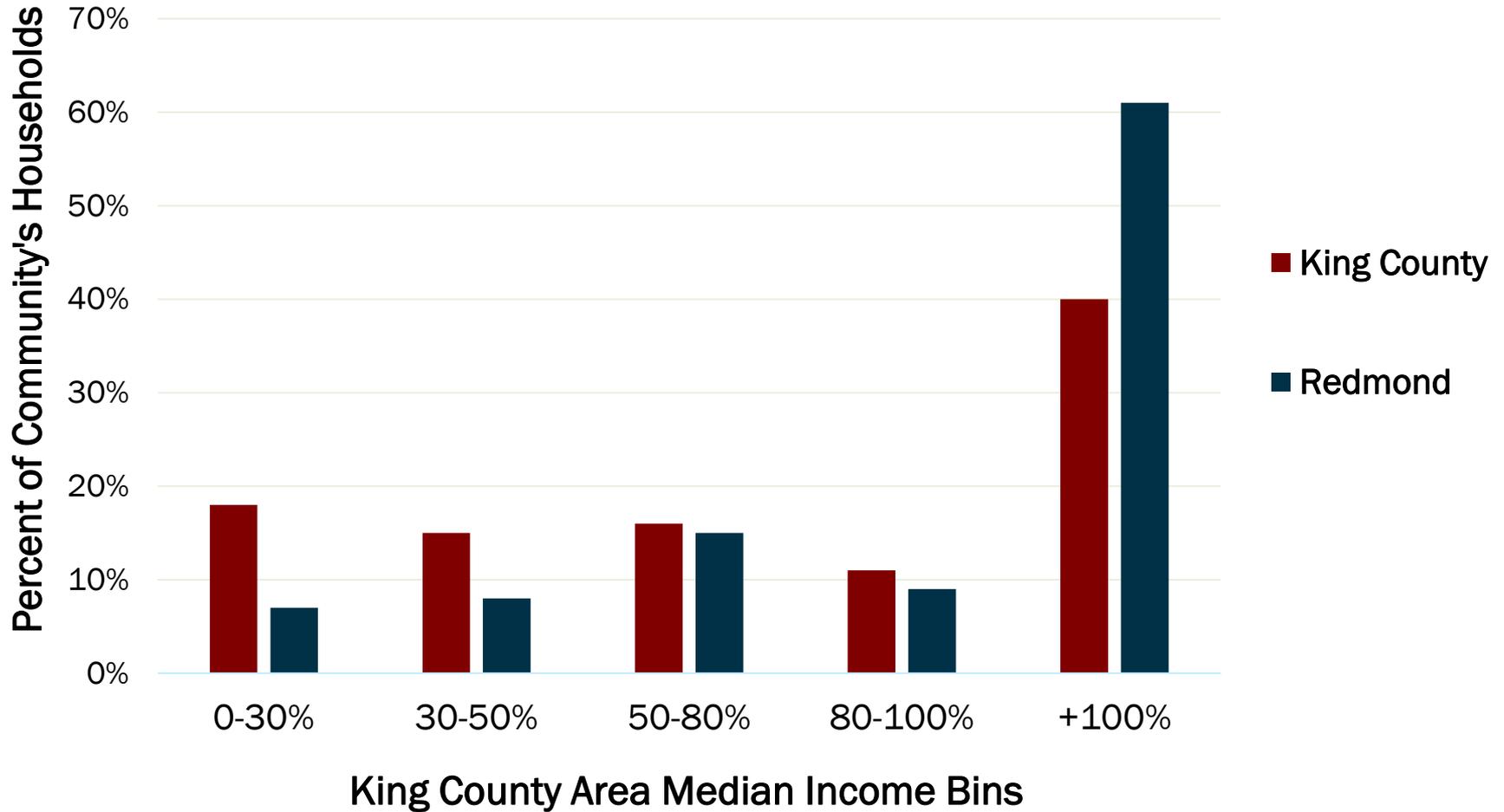
C. Combine Shortage & Future Demand

Housing Gap for Redmond in Comparison to Bellevue and Kirkland

City	Current Estimated Underproduction, Units	Future Housing Need, Units	Existing Housing Units (2019, OFM)	Total Units
Redmond	309	8,589	28,619	8,897
Bellevue	1,448	13,173	62,372	14,621
Kirkland	85	5,218	38,980	5,303

- Shortage = Current Shortage
- Need = Future Demand over next X Years
- Shortage + Need = The Total Housing Needed over next X Years
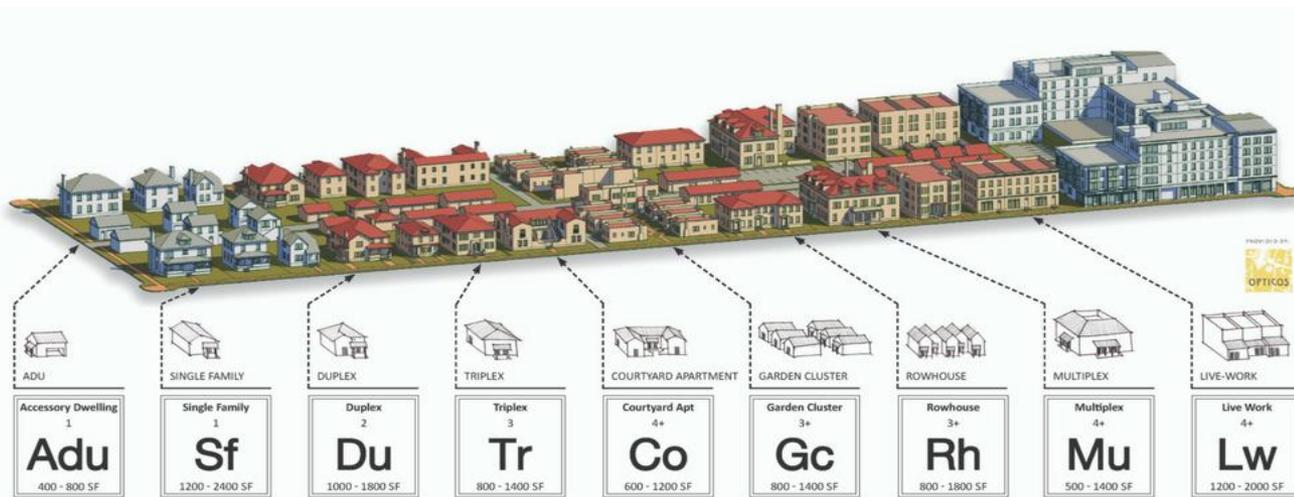
Distribution of Households by Income

Income to Housing Unit Type Translation

| Components | Total Housing Needs | Needs Distributed by Income | Needs Distributed by Housing Type |

Needs Estimate

Region's AMI Bins	Total Housing
80 - 100%	
50 - 80%	
30- 50%	
0 – 30%	

ADU	SINGLE FAMILY	DUPLEX	TRIPLEX	COURTYARD APARTMENT	GARDEN CLUSTER	ROWHOUSE	MULTIPLEX	LIVE-WORK
Accessory Dwelling 1	Single Family 1	Duplex 2	Triplex 3	Courtyard Apt 4+	Garden Cluster 3+	Rowhouse 3+	Multiplex 4+	Live Work 4+
Adu	Sf	Du	Tr	Co	Gc	Rh	Mu	Lw
400 - 800 SF	1200 - 2400 SF	1000 - 1800 SF	800 - 1400 SF	600 - 1200 SF	800 - 1400 SF	800 - 1800 SF	500 - 1400 SF	1200 - 2000 SF

City of Redmond

Planning and Human Services

Ian Lefcourte

425.556.2438

ilefcourte@redmond.gov