

City of Bellevue Housing Needs Assessment

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Prepared by:



Prepared for:





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that are important to decision makers.*

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CONTENTS

Executive Summary	5
Gap Analysis.....	6
Introduction	10
Background and Purpose	10
Methods	10
Limitations of this Study	10
Organization of this Report.....	11
Housing Planning and Policy Context	11
State Context	12
Growth Management Act	12
Regional Planning and Growth Targets	12
Puget Sound Regional Council VISION 2050	13
King County Countywide Planning Policies.....	13
King County Urban Growth Capacity Report	14
Washington State Department of Commerce and King County Affordable Housing Needs Allocation	14
Demographic and Economic Character of Bellevue	15
Population and Demographics.....	15
Total Population	15
Population by Age.....	17
Population by Race	20
Populations with Special Housing Needs.....	22
Household Characteristics	25
Household Size	25
Household Type	28
Household Tenure.....	29
Household Income.....	33
Employment and Commuters.....	37
Total Employment	38
Employment by Industry	39
Worker Earnings	41
Travel to Work Patterns	42
Current Housing Supply.....	44

Housing Stock	44
Housing Units by Type	44
Housing Units by Size.....	47
Housing Units by Age	49
Special Needs Housing.....	50
Housing Market Conditions and Trends	51
Housing Production	51
Home Values.....	53
Rental Housing Costs	55
Vacancy Rates.....	56
Housing Affordability.....	58
Affordability Metrics.....	58
Cost Burdened Households	61
Affordable Housing Production.....	65
Impact of Existing Programs	72
Gap Analysis By Affordability Levels.....	76
Bellevue’s Projected Housing Needs by Income Level	76
Total Projected Housing Need.....	76
Allocation by Affordability Level	77
Comparison to King County Affordable Housing Needs Allocation	80
Bellevue Draft Affordable Housing Needs Allocation.....	81
Conclusion.....	83

EXECUTIVE SUMMARY

This housing needs assessment identifies existing and future housing needs based on the socioeconomic characteristics of Bellevue residents, workers, and others who may wish to live in Bellevue. The findings serve as a foundation for policy recommendations designed to provide housing units that meet the city's housing needs across the income spectrum. It contains data on Bellevue's current housing stock, demographic and economic characteristics of people and families that live and work in Bellevue, information about local, regional, and national trends that may impact these characteristics in the future, and regional requirements for housing production through 2044.

This housing needs assessment reveals Bellevue's declining housing affordability and a lack of choice for housing types within the local housing stock. Key findings from the assessment include:

- **Bellevue's demographic trends highlight that the community needs a range of housing types to accommodate its population.** Housing is needed for young adults (20-44 years) which are Bellevue's most prevalent age group, families with children and seniors which have almost doubled since 1990.
- **Bellevue's commuting trends suggest that many of the city's workers either may not be able to afford suitable housing inside the community or the available housing may not meet their needs or preferences.** Bellevue has high rates of commuting both to and from the city and the city's workforce largely lives outside of Bellevue (89 percent).
- **Bellevue's current housing stock is not aligned well with its population in terms of unit size.** 53% of the housing units have three or more bedrooms, yet nearly 61% of the households have only one or two members. This may indicate some larger housing units are underoccupied by small households who prefer a larger home and/or some larger households may be constrained by affordability to live in smaller units.
- **Rising regional prices have increased housing costs in Bellevue, resulting in high levels of household cost burden.** Housing cost burden disproportionately affects lower income and renter households. About 27% of all of Bellevue's households are cost burdened. Those most cost-burdened are moderate to low-income renters, seniors living alone, and Black and Hispanic households.
- **Bellevue has a deficit in the number of units affordable to households in the 30-50% AMI and <30% AMI income groups.** The data also shows that the housing inventory that is affordable to

households with incomes above 50% AMI is higher than the percentage of households at that income level.

- **Homeownership is out of reach for a growing proportion of residents, with the lowest homeownership rates for Black or African American and Hispanic or Latino households.** Single parent and nonfamily households are also less likely to own their home.
- **Over the past two decades, Bellevue has almost exclusively produced multi-family housing, and therefore, mostly rental housing.** More than 80% of multifamily occupied housing units are renter-occupied, versus 19% of single family occupied housing units. This may limit housing choices for current and future Bellevue residents.

Gap Analysis

Amended GMA requirements that Bellevue must follow could create challenges for future housing development. The Department of Commerce and King County are developing housing need allocations for the county and its cities. While the housing needs allocations are still in draft format at the time of this report and have not yet been adopted by King County or ratified by cities, draft growth scenarios for Bellevue outline far more affordable housing units than the market would be able to produce.

Bellevue is planning to support robust housing growth over the next twenty years. The city has a housing growth target of a minimum of 35,000 new housing units through 2044 as adopted in the Countywide Planning Policies and ratified by the Bellevue City Council. This growth assumption is closer to the speed the city has added housing since 2015 – at an average annual growth rate of 1.6% or 978 units per year between 2015 and 2022 compared to 2.0% or 1,431 units per year over the period from 2022 to 2044.

The gap analysis conducted for this report estimates housing units by affordability level to serve three specific populations: 1) people who live in Bellevue today; 2) people who work in Bellevue; and 3) people who live across King County and may want to live in Bellevue. Both this gap analysis and the regional draft allocations developed by King County and the Department of Commerce identify the deepest level of affordability, 0-30% AMI, as the largest need for affordable housing (at 80% AMI or less).

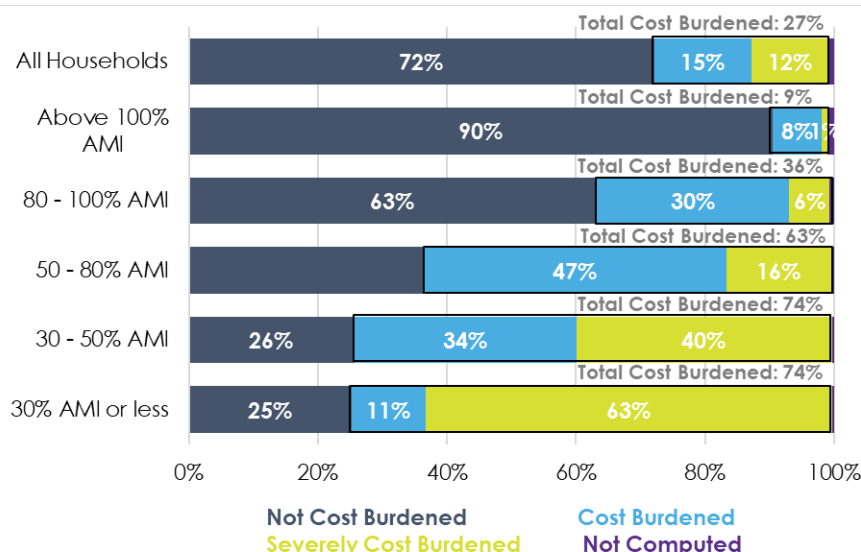
Exhibit 1. Projected Housing Units by Income Level, Bellevue, 2044

	0-30%	31-50%	51-80%	81-100%	101-120%	>120%	Total
Housing Units	6,820	3,646	3,887	3,035	3,185	14,428	35,000
% of Total Units	19%	10%	11%	9%	9%	41%	100%

Source: HUD CHAS 5-year 2015-2019; AASHTO, CTPP Data, 2016; City of Bellevue, 2022; Community Attributes, 2022.

The following highlights several key data representations from throughout the report that support many of the preceding statements.

Exhibit 2. Cost Burden by Income Range, % of Households, Bellevue, 2019 (page 63)



Sources: HUD CHAS, 2015-2019; Community Attributes Inc., 2022.

Exhibit 3. Median Annual Wage and Maximum Affordable Monthly Housing Cost in the Largest Occupations in Bellevue, 2021 (page 41)

	% of 2020 Bellevue Employment	Median Annual Wage, 2021	Maximum Affordable Monthly Housing Cost
Computer and Mathematical	14%	\$130,410	\$3,260
Business and Financial Operations	11%	\$83,810	\$2,095
Office and Administrative Support	11%	\$47,820	\$1,196
Sales and Related	9%	\$44,140	\$1,104
Food Preparation and Serving Related	7%	\$36,680	\$917

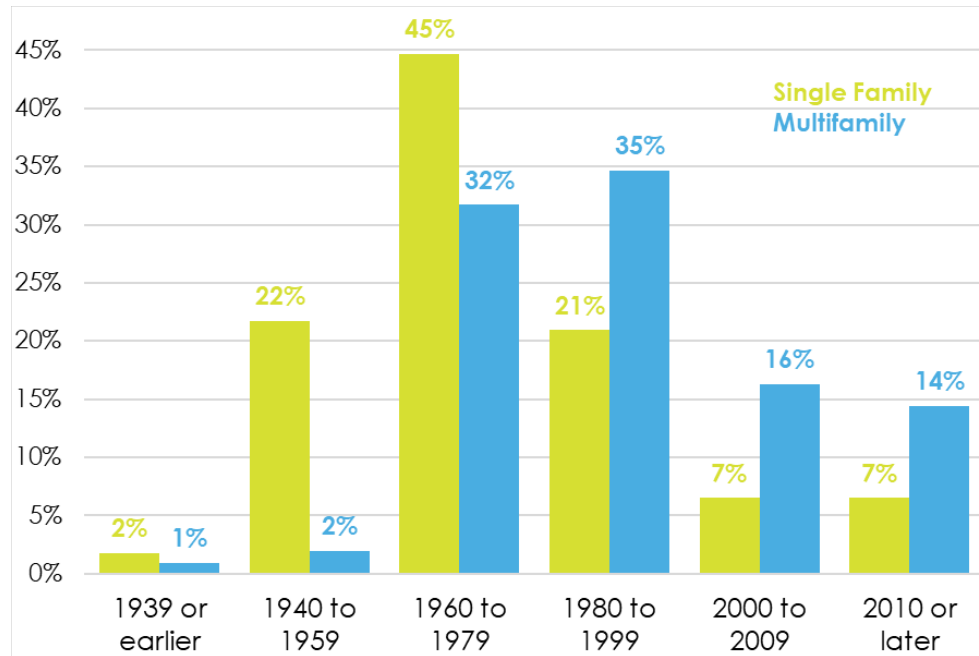
Source: PSRC, 2020; BLS OES, May 2021; CAI, 2022.

Exhibit 4. HUD AMI-based Income Levels and Corresponding Maximum Affordable Gross Rent, Bellevue, 2022 (page 71)

Unit Size	50% AMI		80% AMI		120% AMI	
	Annual Income	Max Affordable Monthly Rent	Annual Income	Max Affordable Monthly Rent	Annual Income	Max Affordable Monthly Rent
Studio	\$45,400	\$1,135	\$72,600	\$1,815	\$108,800	\$2,720
1 Bedroom	\$48,600	\$1,215	\$77,700	\$1,943	\$116,500	\$2,913
2 Bedroom	\$58,300	\$1,458	\$93,200	\$2,330	\$139,800	\$3,495
3 Bedroom	\$67,300	\$1,683	\$107,600	\$2,690	\$161,500	\$4,038
4 Bedroom	\$75,100	\$1,878	\$120,200	\$3,005	\$180,200	\$4,505

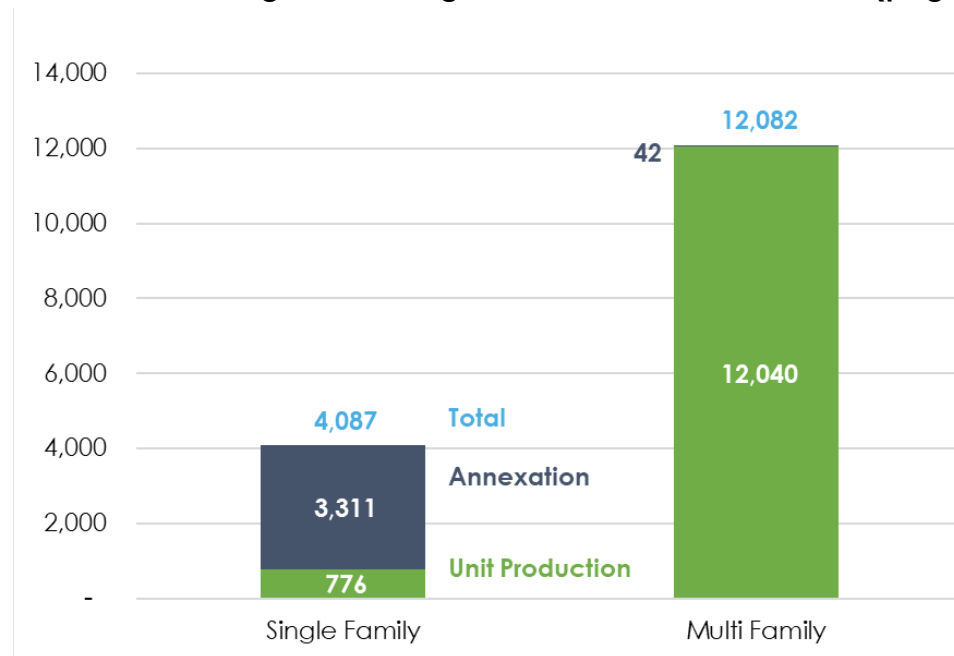
Source: HUD CHAS Income Limits, 2022; Community Attributes Inc., 2022.

Exhibit 5. Age of Housing Units, Bellevue and King County, 2020 (page 51)



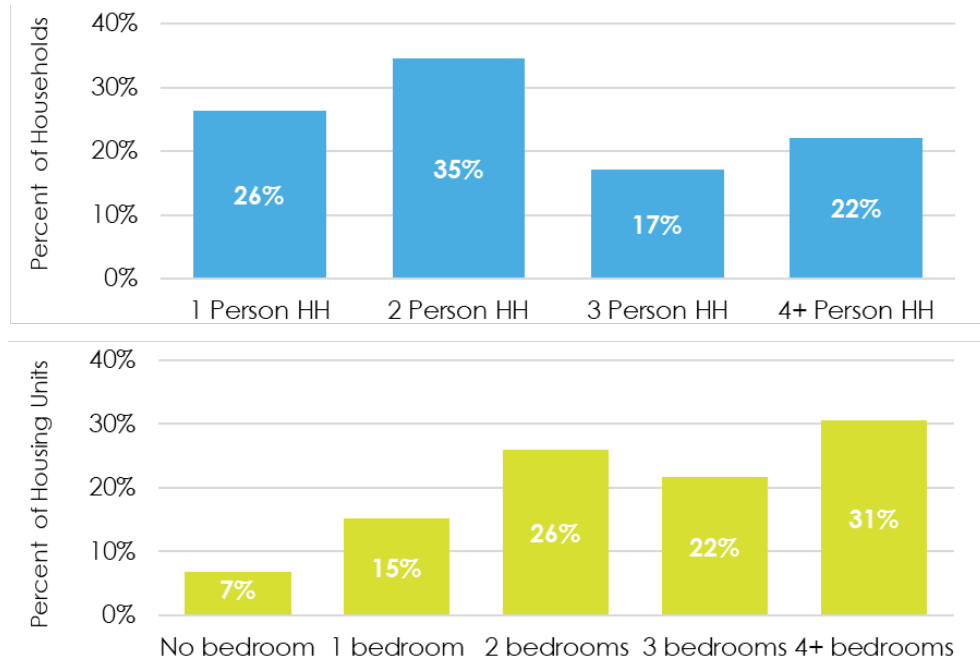
Source: American Community Survey, 2020; CAI, 2022.

Exhibit 6. Net Change in Housing Units, Bellevue, 2000 – 2020 (page 52)



Source: Washington Office of Financial Management, 2020; CAI, 2022.

Exhibit 7. Comparison of Distributions of Housing Unit Size and Household Size, Bellevue, 2020 (page 50)



Source: American Community Survey, 2020; CAI, 2022.

Exhibit 8. Cost Burdened Status by Household Type, Bellevue, 2019 (page 65)

	Not Cost Burdened	Cost Burdened	Severely Cost Burdened	Cost burden not available
Older Adult Family	76%	12%	11%	0%
Older Adult Living Alone	49%	22%	28%	1%
Small Family	78%	14%	8%	0%
Large Family	80%	15%	5%	0%
Other	41%	30%	28%	1%

Sources: HUD CHAS, 2015-2019; Community Attributes Inc., 2022.

INTRODUCTION

Background and Purpose

In October 2021, the City of Bellevue applied for and was awarded grant funding from the Washington State Department of Commerce for Housing Action Plan Implementation (HAPI). This grant included funds for a Housing Needs Assessment, a list of housing actions, and assistance in adopting one to two actions. The city's housing work, in addition to the ongoing work on the Comprehensive Plan Periodic Update due in 2024, will be informed by the need determined by the Housing Needs Assessment.

The Housing Needs Assessment (HNA) describes how Bellevue's housing supply meets current and future needs. It is intended to be a guide for decision-makers, residents, and others that 1) provides a baseline of data that explains the existing condition of housing in Bellevue, and 2) identifies where there are shortcomings or gaps in how the current housing supply meets the needs and demands of residents now and in the future.

Methods

The HNA begins with a demographic and economic analysis organized around population level and trends, household characteristics, and employment and commuting trends which affect the demand for and price of housing. The HNA provides an analysis of current housing supply, availability, and market conditions and trends, defines affordability and how affordability is typically measured, and examines affordability of ownership and rental housing. Lastly, the HNA compares the housing unit inventory and forecasted growth to determine the housing needs the Comprehensive Plan must accommodate.

The analysis in this report relies on secondary data analysis. The analysis leverages data published by federal, state, and local government resources, as well as private real estate data vendors, such as CoStar and Zillow. The analysis addresses the housing market and housing inventory found within the boundaries of the City of Bellevue and provides comparisons with East King County Cities, Seattle, and with King County.

Limitations of this Study

There are several limitations to this study. Most critically, housing policy in Bellevue is part of a complex regional conversation about housing and housing affordability. At the time of this report's issuance, the city is aware that allocations of housing unit need at various levels of affordability, as determined by area median income (AMI) will be passed down from the Washington State Department of Commerce and King County. While this

report contains King County’s draft allocations, the final allocation is forthcoming and is uncertain currently.

The regional housing allocations developed by Commerce and King County focus solely on providing estimates of housing by AMI and estimates of emergency housing, shelter, and permanent supportive housing units. This study helps identify existing gaps not just by level of income, but also by housing type, size, location and more. When assessing future housing needs, this analysis considers both the needs of current Bellevue residents, and the needs of people who may be moving into Bellevue over the next twenty years. The regional conversation may imply a different future and come to a different conclusion regarding future needs and gaps.

Housing markets are also dynamic, and there is inherent uncertainty in how the conditions for housing development will change in Bellevue in the coming years. In addition, the impacts on the housing market of the COVID-19 pandemic and related policy responses and economic shifts are still playing out. There are limitations in the data used in this report, as well. The analysis in this report uses the most recent available data. However, many data sources are not updated frequently enough to capture post-pandemic trends, and some of the sources routinely issue data that is two or three years old.

Organization of this Report

The remainder of this report is organized as follows:

- **Housing Planning and Policy Context.** Summary of housing planning and policy considerations at the state and regional level.
- **Demographic and Economic Character of Bellevue** provides a current snapshot and historic trends of the social and economic conditions in Bellevue.
- **Current Housing Supply** summarizes the current housing stock and market conditions in Bellevue and the region.
- **Gap Analysis** provides an analysis of the specific housing needs of present and future Bellevue residents and workers.

HOUSING PLANNING AND POLICY CONTEXT

The Housing Needs Assessment (HNA) will help inform the 2024 Comprehensive Plan Update work related to the Housing Element. This effort is supported by Growth Management Act grant funds distributed to cities across the state by the Washington State Department of Commerce. The HNA will also inform future policy initiatives by the City of Bellevue by

providing an updated scenario of existing need and potential future needs based on a set of stated assumptions.

The Housing Needs Assessment will support several housing planning and policy considerations at the state and regional level. The following section summarizes each of these planning efforts.

State Context

Growth Management Act

As a Washington county that meets the population threshold of the Growth Management Act (GMA), King County and its cities and towns are required to meet GMA planning requirements. In 2021, the state legislature passed House Bill 1220, which amended the GMA and instructed local governments to “plan and accommodate” for housing affordable to all income levels. Cities must now:

- Plan for and accommodate housing that is affordable to all economic segments, including emergency housing, shelter, and permanent supportive housing.
- Promote a variety of residential densities and housing types.
- Encourage the preservation of existing housing stock.
- Provide housing units necessary to meet statewide projections for moderate, low, very low, and extremely low-income households.
- Report on actions taken to provide housing and increase affordability and diversity in supply, and
- Demonstrate how local housing policy is linked to adjacent city, county, regional, and statewide housing efforts.¹

In response to this update, the Department of Commerce will provide guidance and housing needs targets to communities to meet these new housing requirements with a newly emphasized focus on affordability and racially disparate housing impacts. Cities must take the requirements of HB 1220 into account during the 2024 Comprehensive Plan periodic update.

Regional Planning and Growth Targets

The City of Bellevue’s Comprehensive Plan and other housing plans maintain alignment with regional growth strategies – Puget Sound Regional Council’s VISION 2050 and VISION 2050’s Multicounty Planning Policies, King County’s Countywide Planning Policies (CPP) and Urban Growth Capacity (UGC) Report.

¹ Washington State Department of Commerce, 2022.

Puget Sound Regional Council VISION 2050

- VISION 2050, passed in October 2020, is the region's plan for growth and sets the stage for updates to countywide planning policies and local comprehensive plans done by cities and counties.²
- VISION 2050 calls for cities and counties to support building more diverse housing types, especially near transit, services, and jobs. The plan also calls for more housing that's affordable to low- and very low-income households.
- Bellevue is one of the 5 Metropolitan Cities in PSRC's VISION 2050, the only one on the Eastside. The other four are Bremerton & Bremerton Urban Growth Area (UGA), Everett, Seattle, and Tacoma.
- The Regional Growth Strategy calls for the 2 Metropolitan Cities in King County (Seattle and Bellevue) to accommodate 44% of the county's population growth and 46% of the county's employment growth by the year 2050.

King County Countywide Planning Policies

- RCW 36.70A.210 requires Washington counties to adopt countywide planning policies in cooperation with the cities within its jurisdiction.³
- King County and each of its 39 cities recently ratified the 2021 King County Countywide Planning Policies (CPPs) in preparation for the 2024 statutory updates of city comprehensive plans and in conjunction with the region's growth plan, VISION 2050.
- Under the Growth Management Act, King County, in coordination with the cities in King County, adopts growth targets for the next 20-year planning period. The growth targets are adopted in the CPP and represent policy statements about the amount of housing and job growth each jurisdiction is planning to accommodate in its comprehensive plan. The allocations of growth are consistent with the VISION 2050 Regional Growth Strategy.
- King County classifies Bellevue as a metropolitan city and sets a growth target of a minimum of **35,000 new housing units** and **70,000 new jobs** in Bellevue by 2044. These growth targets were adopted in the Countywide Planning Policies and ratified by the Bellevue City Council.

² VISION 2050: A Plan for the Central Puget Sound Region, Puget Sound Regional Council, October 2020.

³ Countywide planning policies, RCW 36.70A.210

King County Urban Growth Capacity Report

- King County further assesses its future housing and employment constraints and needs through the Urban Growth Capacity (UGC) Report.
- The 2021 Urban Growth Capacity Report provides an interim evaluation of King County jurisdictions' progress in meeting the goals laid out in their 2035 comprehensive plans and fulfills Growth Management Act Buildable Lands planning requirements. The report also implements and tracks portions of the King County Countywide Planning Policies.
- The UGC report shows 2019-2044 growth targets for Bellevue alongside growth capacity. The UGC report shows that Bellevue was slightly under the production pace that was needed to meet its 2035 housing growth target in 2018, but recent years have seen significant increases in residential development.
- While the UGC indicates there is sufficient zoned capacity to accommodate the targeted job growth in Bellevue based on the current 2035 growth target, the 2044 housing growth target exceeds existing capacity at the time of the UGC. Bellevue will demonstrate zoned or planned capacity for their 2044 growth targets in the next round of Comprehensive Plan updates in 2024.

Exhibit 1. Bellevue Adopted Growth Targets and Existing Capacity

	Housing Units	Jobs
Existing Inventory (2021)	65,194	155,031
	Net New Housing Units 2019-2044	Net New Jobs 2019-2044
Target	35,000	70,000
Existing Capacity	26,859	117,241

Source: Comprehensive Plan Periodic Update, February 28, 2022; Community Attributes, 2022.

Note: Existing capacity is urban growth capacity for housing and jobs in Bellevue at the time of the UGC report.

Washington State Department of Commerce and King County Affordable Housing Needs Allocation

In 2021, the Washington State Legislature passed House Bill 1220 (HB 1220) and amended the Growth Management Act. This amendment, signed into law in May, instructs local governments to “plan for and accommodate” housing affordable to all income levels. It also includes new requirements for comprehensive housing elements, including an inventory and analysis of

projected housing needs for all economic segments, as well as permanent supportive housing, emergency housing and emergency shelters.⁴

In line with the requirements of HB 1220, the Department of Commerce is providing countywide projections of housing needs for all counties in Washington State, including special housing and a breakdown by income level. At the time of this report, Commerce released draft county-level projections based on the Washington State Office of Financial Management's (OFM) 2017 Growth Management Act (GMA) population projections. The final Commerce housing needs projections will be based on OFM's updated 2022 GMA population projections, which are due to be finalized in December 2022.

The Affordable Housing Committee (AHC) is establishing jurisdictional affordable housing needs under direction from 2021 GMPC Motion 21-1 informed by local data and the data and methodology provided by the Washington state Department of Commerce. Staff are also developing a recommendation to the GMPC CPP amendments necessary to implement their recommendations. More information about the jurisdictional housing need by income level options under discussion at the time of this report is included in the Gap Analysis chapter of this report.

DEMOGRAPHIC AND ECONOMIC CHARACTER OF BELLEVUE

The following demographic and economic profiles are a current snapshot of Bellevue's population, household characteristics and economy, and historic trends to provide useful context about the forces affecting housing demand.

Population and Demographics

Population and demographics are useful to better understand Bellevue and the people who live here. Characteristics such as population growth, age of residents, ethnicity, and household income provide useful context about Bellevue residents, the trends, and the forces affecting housing demand. Understanding shifting demographics can help the city determine appropriate housing development to accommodate changing household needs.

Total Population

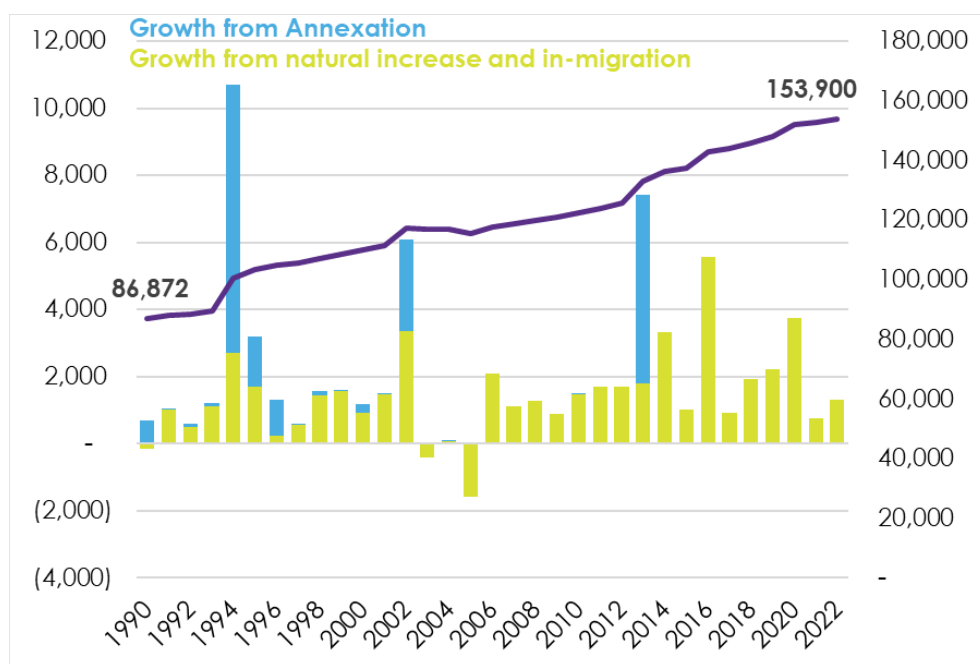
Analyzing population growth helps identify how much growth Bellevue has been experiencing and how much growth is expected in the future, which informs housing production needs.

⁴ Department of Commerce, 2021.

Bellevue's population outpaced its own projections and grew at a faster rate than King County's population

OFM estimates Bellevue's population to be 153,900 in 2022, up from about 86,872 in 1990 (**Exhibit 2**). Since 1990, Bellevue's population has grown at an average annual rate of 1.8% per year. However, some of that growth was due to annexation. Since 1990, annexations have represented 29% of Bellevue's total population growth of roughly 67,000 people. After removing growth from annexation from 1990 to 2022, Bellevue grew at a slower rate than Redmond and Renton but at a faster rate than Kirkland, Seattle, and King County (**Exhibit 3**).

Exhibit 2. Historic Population, Bellevue, 1990 – 2020



Source: Washington Office of Financial Management, 2020; CAI, 2022.

Exhibit 3. Population Growth Rate, Bellevue and Comparison Jurisdictions, 1990 to 2020

	Net Change	% Growth from Annexation	CAGR (natural growth)
Bellevue	67,028	29%	1.5%
Redmond	39,470	3%	2.5%
Kirkland	53,511	60%	1.4%
Renton	65,812	37%	2.3%
Seattle	246,241	0%	1.3%
King	810,395	48%	0.8%

Source: Washington Office of Financial Management, 2020; CAI, 2022.

The City's current Comprehensive Plan, adopted on August 3, 2015, projected at the time that Bellevue's rate of population growth will slow to less than one percent per year with total population projected to reach 160,400 by 2035⁵. Between 2015 and now, Bellevue's population exceeded the growth rate projected in the Comprehensive Plan, increasing at an average annual rate of 1.6%, while the forecast rate was 0.8%. The 2024 update of the Comprehensive Plan is underway which will revise the population projection for Bellevue.

Population by Age

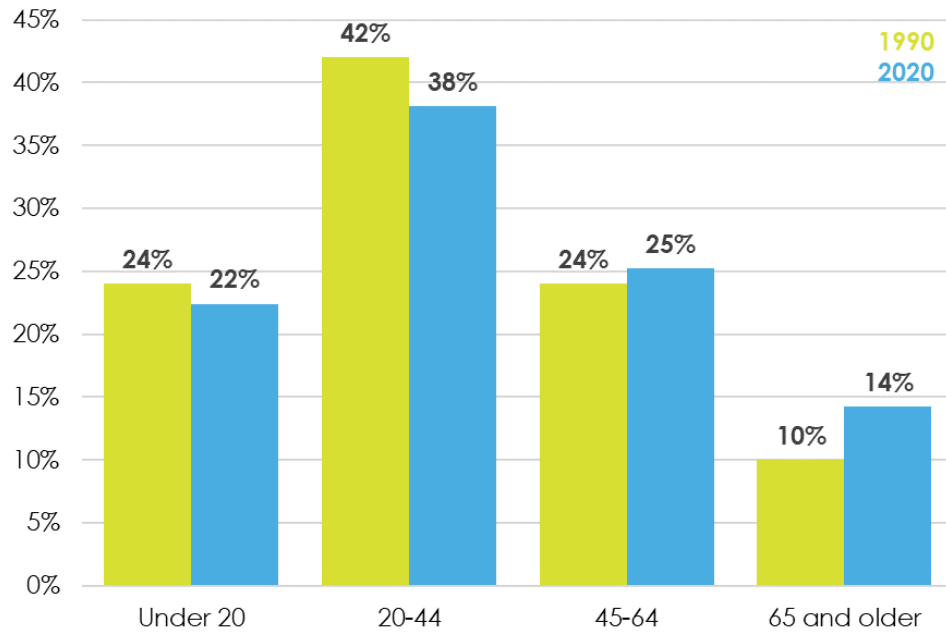
Understanding the distribution of residents' ages can shed light on whether there may be more demand for homes with multiple bedrooms for families with children or small, low-cost units for income-restricted seniors or young singles.

Since 1990, Bellevue's senior population (over 65) more than doubled, while the share of young working age residents decreased

In the last three decades, Bellevue's population has been aging, increasing the median age from 35.4 in 1990 to 37.6 in 2020. This is slightly higher than King County's median age of 37 in 2020. The share of Bellevue residents aged 65 and older increased from 10% in 1990 to 14% in 2020, while the share of young working age residents, ages 20 to 44, decreased from 42% to 38% during the same period (**Exhibit 4**). Bellevue has the lowest share of young working age residents (20-44) of all the comparison jurisdictions and one of the highest shares of older residents (65 and over) (**Exhibit 5**).

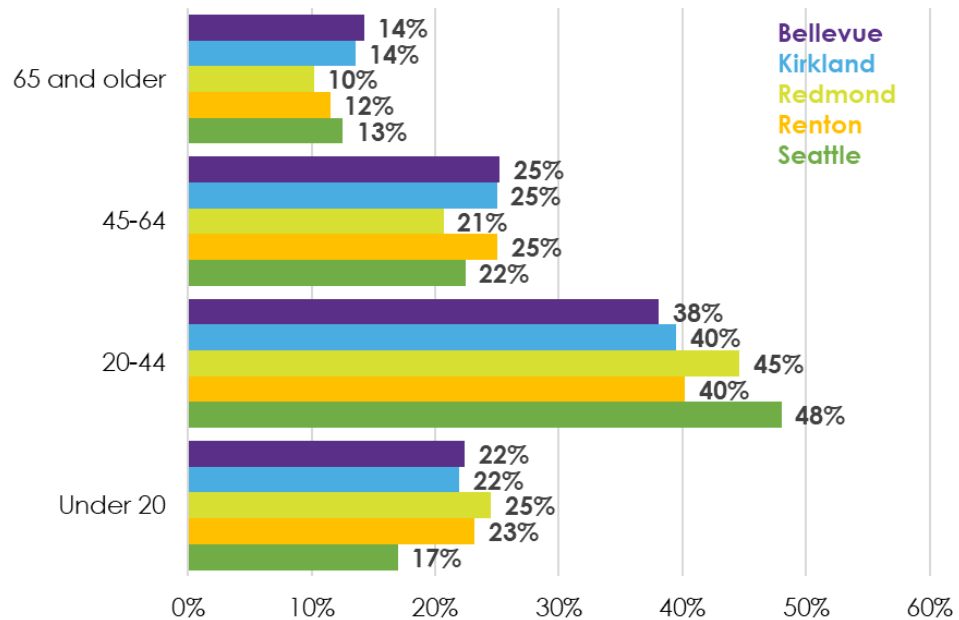
⁵ <https://bellevuewa.gov/city-government/departments/community-development/data/demographic-data/population-trends#:~:text=Since%201970%2C%20annexations%20have%20represented,to%20reach%20160%2C400%20by%202035.>

Exhibit 4. Population Change by Age, Bellevue, 1990 and 2020



Source: American Community Survey, 1990, 2016-2020; CAI, 2022.

Exhibit 5. Population Share by Age, Bellevue and Comparison Jurisdictions, 2020



Source: American Community Survey, 1990, 2016-2020; CAI, 2022.

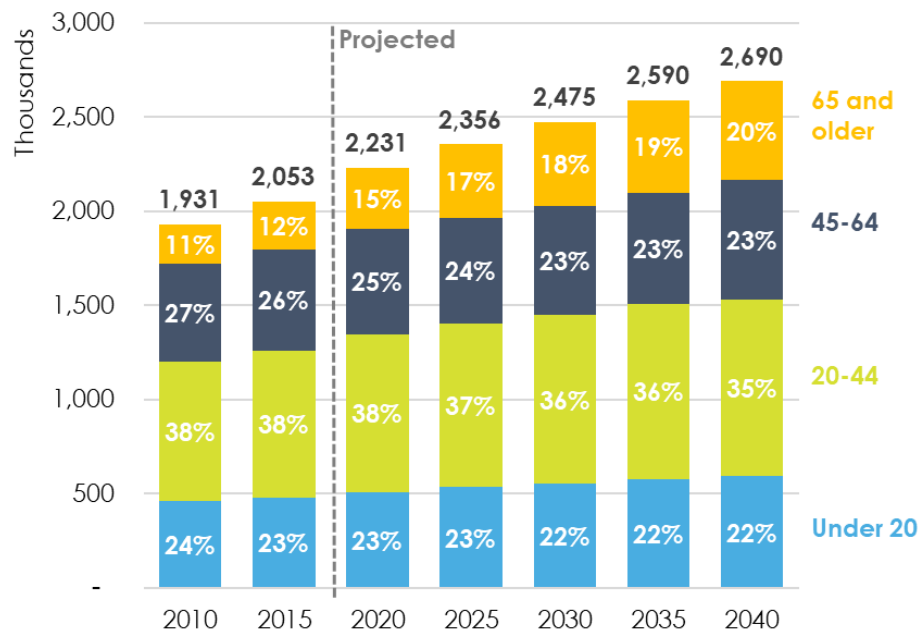
Future demographic trends indicate consistent demand for family-sized housing and housing for older adults

As Bellevue grows, demographic shifts are likely to impact the housing types needed. **Exhibit 6** summarizes growth estimates by age cohort for King County. Bellevue currently has a similar proportion of age cohorts as the county with small variations. The forecasts for King County show the following changes are expected:

- School-aged children (under 20) are expected to maintain a relatively consistent proportion of the population.
- The working aged population (20-64) is projected to decrease from 63% in 2020 to 58% in 2040. This reflects the large Baby Boomer generation aging out of the workforce and into retirement.
- Older adults (65+) will increase from 15% to 20% of the population.

These demographic trends indicate future demand for housing units suitable for older adults. The aging of the Baby Boomer generation could also generate greater demand for special needs housing offering assistance, age-in-place amenities, and multigenerational living accommodations. The projections also emphasize a continuing need to attract young adults and families to Bellevue and consistent demand for family-sized housing.

Exhibit 6. Population Projections by Age Group, King County, 2020 – 2040



Source: Washington Office of Financial Management (OFM), Growth Management Act Population Projections for Counties: 2010 to 2040, 2017 County Projections, Five-year Intervals Medium Series.; CAI, 2022.

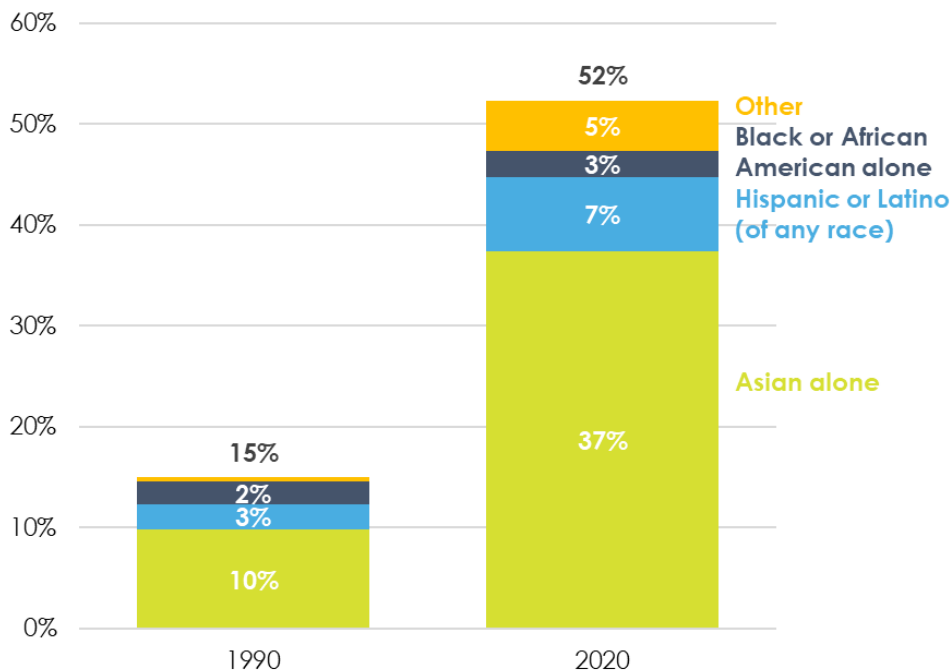
Population by Race

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, prayer space and other culturally specific needs), and the number of bedrooms per unit.

Bellevue's population is becoming more racially and ethnically diverse

The City of Bellevue has become more diverse since 1990. **Exhibit 7** shows that more than half of Bellevue's population in 2020 is non-White alone, an increase from 15% in 1990. The city's Asian representation has increased from 10% of the population in 1990 to 37% of the population in 2020. Moreover, the Hispanic and Latino population and population of two or more races also increased during the same time frame.

Exhibit 7. BIPOC Population Distribution by Race and Ethnicity, Bellevue, 1990 and 2020



Source: American Community Survey, 1990, 2016-2020; CAI, 2022.

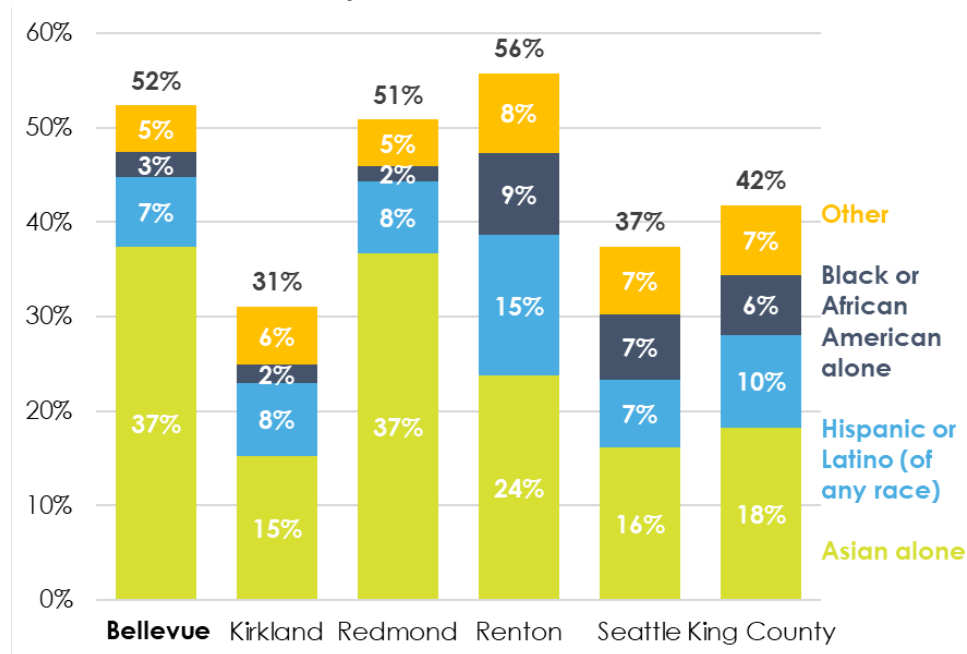
Note: Other includes Native Hawaiian and Other Pacific Islander alone, some other race alone, and two or more races.

Among the comparison jurisdictions, Bellevue has the highest share of BIPOC population after Renton, and significantly higher than Kirkland and Seattle. Bellevue is also more diverse than King County, with a higher share of BIPOC population (52% for the city compared to 42% for King County).

The Asian share of total population is highest in Bellevue and Redmond. The share of Black or African American communities in Bellevue is similar to Kirkland and Redmond, but much lower than Renton, Seattle and King County. (**Exhibit 8**)

Statewide, the Asian and Hispanic populations are predicted to be among the fastest growing racial/ethnic group over the next couple of decades. Both population groups are expected to grow at an average annual rate of 2.3% between 2020 and 2040. (**Exhibit 9**)

Exhibit 8. Percent of BIPOC Population by Race and Ethnicity, Bellevue and Comparison Jurisdictions, 2020



Source: American Community Survey, 2016-2020; CAI, 2022.

Note: Other includes Native Hawaiian and Other Pacific Islander alone, some other race alone, and two or more races.

Exhibit 9. Population Projections by Race and Ethnicity, Washington State, 2020 – 2040

	2020	2040	CAGR
Asian alone	687,046	1,088,032	2.3%
Hispanic or Latino alone	1,029,352	1,610,731	2.3%
Black or African American alone	290,883	394,304	1.5%
Other	495,136	838,698	2.7%

Source: Washington Office of Financial Management (OFM), Projections of the state population by age, sex, race and Hispanic origin 2010 to 2040; CAI, 2022.

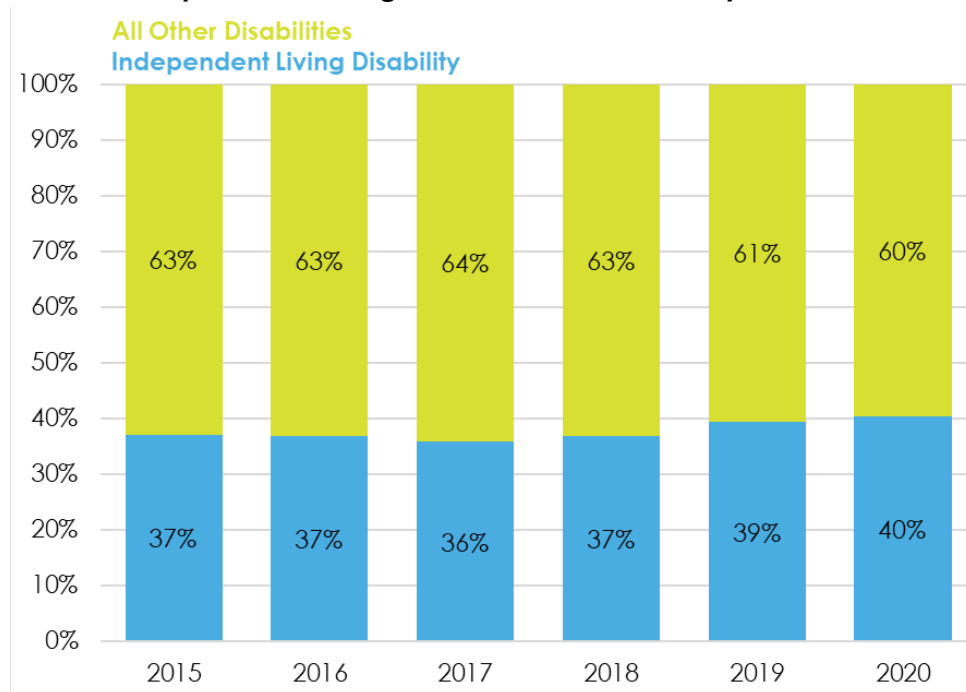
Populations with Special Housing Needs

There are many segments of the community in Bellevue that may have special housing needs, including adults with disabilities, older adults, college and university students, individuals experiencing homelessness and others.

Adults with Disabilities

Between 2015 and 2020 the proportion of Bellevue's population living with a disability has remained stable at 8% of total population and below King County's rate of 10%. The proportion of individuals living with an independent living disability has increased from 37% to 40% of all disabled individuals between 2015 and 2020.

Exhibit 10. Independent Living and All Other Disability, Bellevue, 2015-2020



Source: American Community Survey, 2011-2015 and 2016-2020; CAI, 2022.

College and University Students

Bellevue College had enrollment of more than 27,300 students in 2021, of which roughly 12,000 students or 44% are full-time students, who may need student housing⁶. The college can provide housing for up to 400 students in a variety of suite⁷.

K-12 Students Experiencing Homelessness

According to data from the Washington State Office of the Superintendent of Public Instruction (OSPI), homeless students represent 1% of total students

⁶ <https://www.bellevuecollege.edu/facts/>

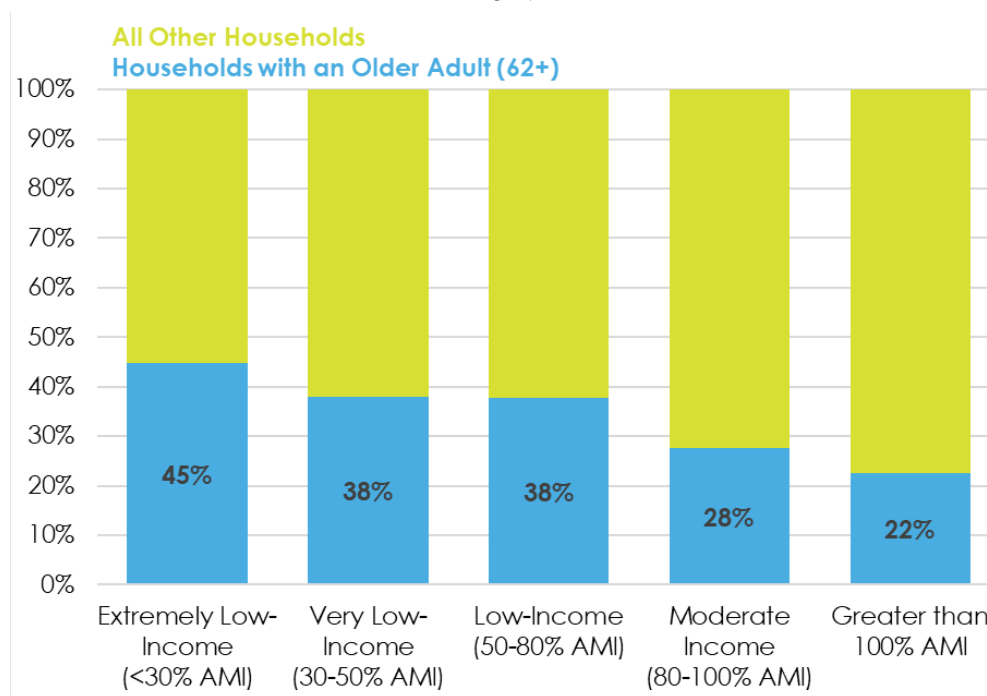
⁷ <https://www.bellevuecollege.edu/housing/>

enrolled in the Bellevue School District. This proportion has remained stable between the 2014-15 and 2021-22 school years. In real terms homeless students have increased from more than 700 students in the 2014-15 school year to nearly 1,200 in the 2019-20 school year. During the pandemic, the number of homeless students decreased by around 200 students to roughly 1,000 in the 2021-22 school year.

Older Adults

Households with older adults (62 years and older) represent a larger share of extremely low-income households (45%) compared to moderate- and high-income households (28% and 22% respectively) (**Exhibit 11**). Elderly households in Bellevue also have a higher share of cost burdened and severely cost burdened households⁸ compared to all other Bellevue households. Roughly 35% of elderly households pay more than 30% of their household income for housing compared to 25% for all other households. (**Exhibit 12**)

Exhibit 11. Income Brackets for Older Adult Households (62+), Bellevue, 2019

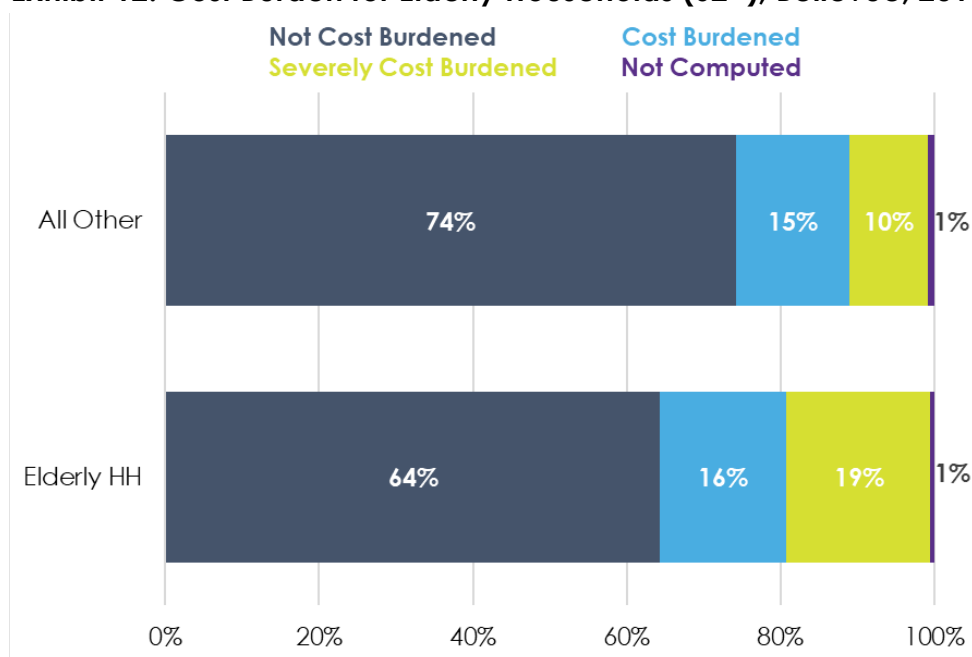


Source: HUD CHAS (based on ACS 2016-2019 5-Year estimates); CAI, 2022.

Note: AMI = HUD Area Median Family Income.

⁸ HUD defines a household as cost burdened if they pay between 30% and 50% of their gross household income for housing, and severely cost burdened if they pay more than 50% of their gross household income on housing (rent or mortgage, plus utilities).

Exhibit 12. Cost Burden for Elderly Households (62+), Bellevue, 2019



Source: HUD CHAS (based on ACS 2016-2019 5-Year estimates); CAI, 2022.

Note: AMI = HUD Area Median Family Income.

Individuals Experiencing Homelessness

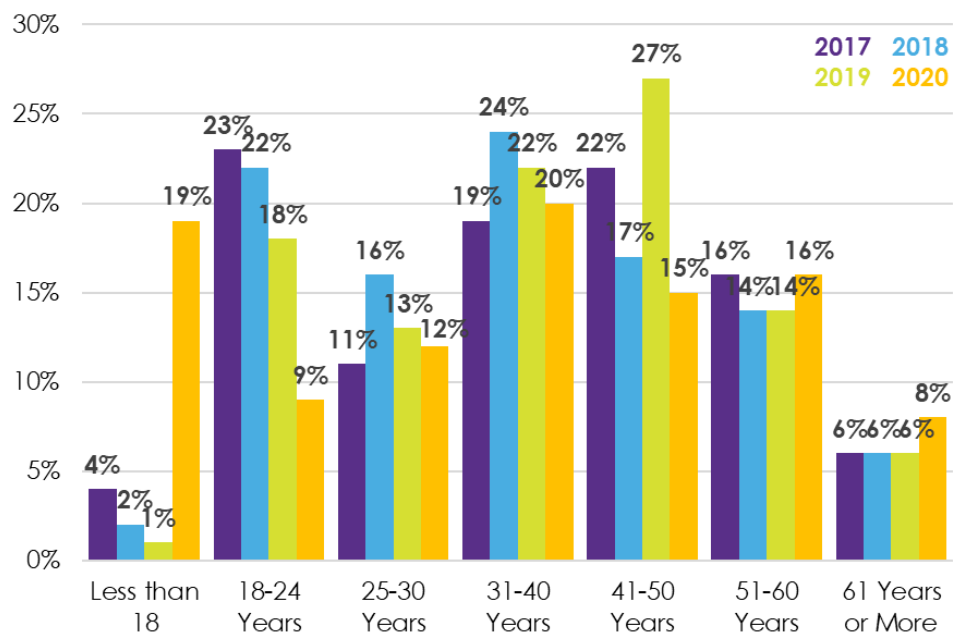
According to the annual Point in Time Count, across King County there were nearly 10,900 homeless households in 2022. This represents a 9% annual increase in homeless households since 2017. The number of homeless individuals increased from nearly 11,650 in 2017 to nearly 13,370 in 2022, an annual increase of 3%.

In 2020⁹, about 19% of all individuals experiencing homelessness were under 18 years old, a significant increase since 2017. The increase may be explained by an increase in families with children under 18 years old experiencing homelessness. According to the PIT report, this increase in families with children can partially be attributed to concerted effort by agencies and service providers for families engaged in data collection efforts¹⁰. The percentage of homeless older adults (age 61+) also slightly increased in 2020 to 8% from 6% between 2017 and 2019. (**Exhibit 13**)

⁹ Due to Covid-19, the unsheltered PIT count was not conducted in 2021. In 2022, the King County Regional Homelessness Authority received a methodological exception to conduct the count in a different way. The 2022 PIT Count does not report homeless population by age.

¹⁰ 2020 Seattle/King County Point-in-Time Count of Individuals Experiencing Homelessness, King County Regional Homelessness Authority.

Exhibit 13. Age of Homeless Population, King County, 2017-2020



Source: HUD CHAS (based on ACS 2016-2019 5-Year estimates); CAI, 2022

There are several shelters and housing organizations and resources across King County, several of which are in Bellevue. There are an adult single men's and adult single women's shelter located in Bellevue. The City also supports efforts to establish a permanent men's shelter in Bellevue and has encouraged organizations seeking to establish emergency shelters. In January 2022, Congregations for the Homeless, in partnership with organizations and with support from King County and the City of Bellevue, broke ground on the Eastside Men's Shelter. It is expected to be completed in 2023. The City of Bellevue also took immediate action to bring the city's code into compliance with the 2021 Growth Management Act amendment to allow emergency housing and emergency shelter in land use districts that already allow hotels and motels. More information about housing for this population group is provided in the Special Needs Housing subsection on page 46.

Household Characteristics

The characteristics and demographics of households may indicate demand for certain types, sizes, and styles of housing.

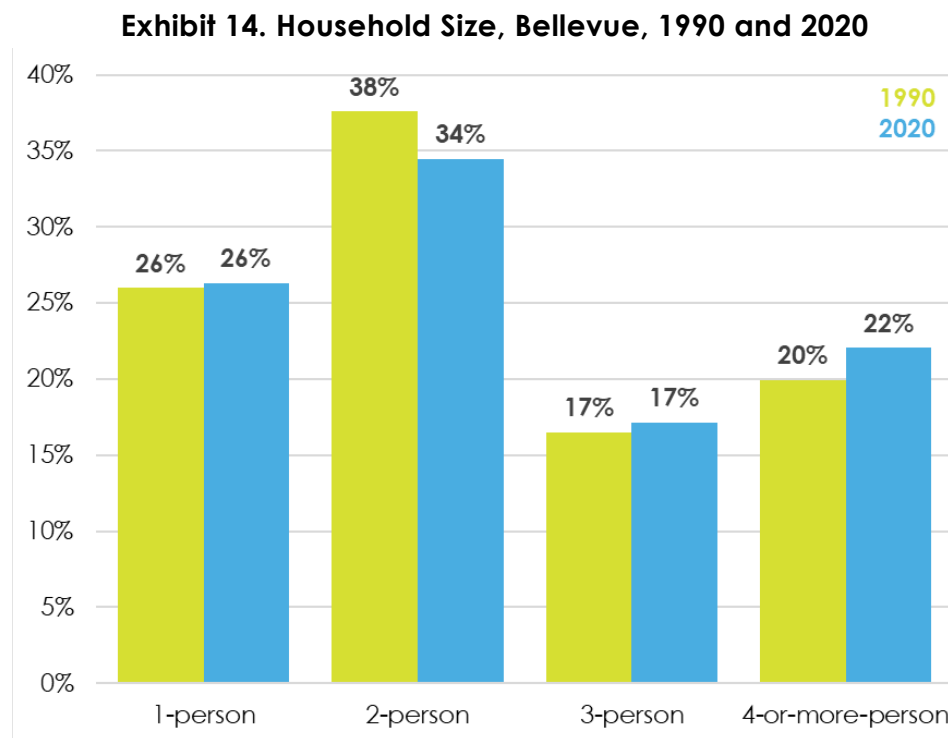
Household Size

The size of households within a community is an important factor that impacts the needs for various housing types. Households with more members seek larger homes with three or more bedrooms, while singles and two person households may be well-served by smaller housing types. Housing types such as townhomes, multiplexes, small lot single family, or cottages can appeal as

potential opportunities for these households. Later sections of this report (page 43) assess the relationship between household size and housing options and supply.

Small households (1-person and 2-person) account for 61% of total households in Bellevue

In 2020, Bellevue had 58,293 households, an increase of 63% since 1990. As of 2020, the average household size in the City of Bellevue is 2.5 individuals, this is similar to Redmond, and higher than the Kirkland and King County average of 2.4 as well as Seattle's average of 2.1. Bellevue's average household size stayed relatively the same from 1990 to 2010 (around 2.4 individuals per household) and increased slightly by 2020 (to 2.5 individuals per household).



Source: American Community Survey, 1990, 2016-2020; CAI, 2022.

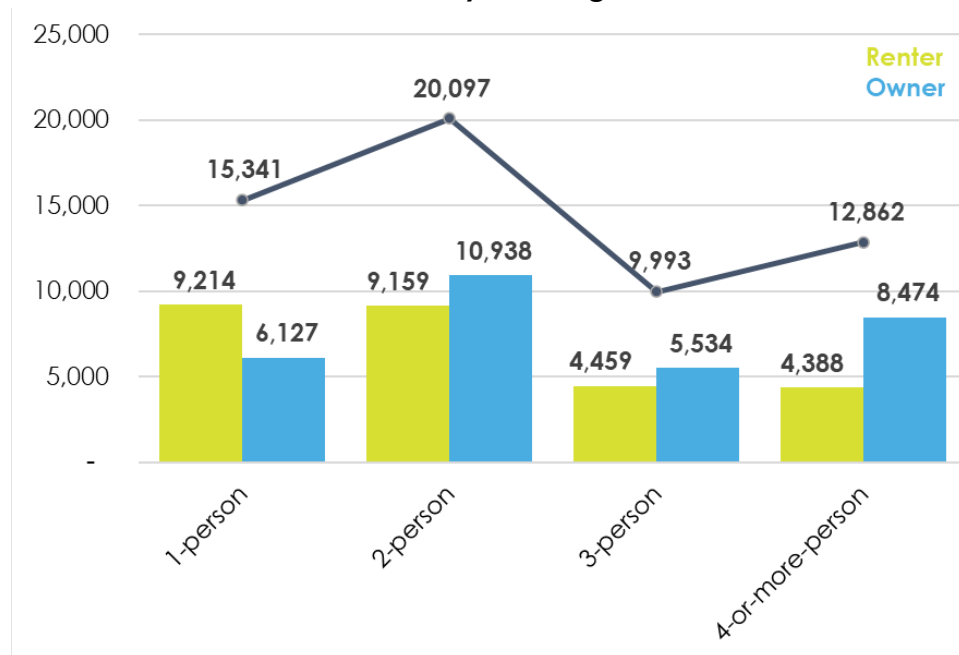
As shown in **Exhibit 14**, 1-person and 2-person households have remained the most common household size overall in Bellevue, accounting for 61% of total households in the city in 2020. The proportion of 2-person households dropped by 4% between 1990 and 2020. While smaller households are more common, there are still a significant number of larger households in Bellevue and their share has increased to 22% of total households. More than 12,800 households have four or more members (**Exhibit 15**).

Compared to King County as a whole, Bellevue has a lower proportion of small households: 61% of Bellevue households have one or two members compared to 64% of King County households. Bellevue has a slightly higher proportion of large households than King County: 22% of Bellevue households have four or more members compared to 21% for King County¹¹.

Over a quarter of Bellevue’s households are 1-person households that are much more likely to be renters, while large households are more likely to be owners

Among owner households, 2-person households are the most common size. 1-person households are much more likely to be renters, while large households are more likely to be owners. Two-thirds of 4-or-more person households own their home, compared to 40% of 1-person households (**Exhibit 15**). Housing options that can accommodate large family groups are more likely to be owner-occupied units, with fewer suitable options available for rent. More than half of all homeowner-occupied homes have more than four bedrooms, compared to approximately 10% of rentable units.¹²

Exhibit 15. Household Size by Housing Tenure, Bellevue, 2020



Source: American Community Survey, 1990, 2016-2020; CAI, 2022.

¹¹ American Community Survey, 2020, Table S2501.

¹² U.S. Census Bureau, American Community Survey 5-Year Estimates, 2016-2020.

Household Type

The types of household structures have different impacts on tenure choice and housing consumption. Additionally, each family structure has different income and price elasticities of housing demand.

The number of married couples with children has almost doubled since 1990

Roughly two thirds of total households in Bellevue in 2020 were family households, as compared to 59% for King County. Of these, 46% are families with children. Householders living alone represent a majority of non-family households or 26% of total households in Bellevue. Seniors living alone make up 8% of total households in the city, which is slightly less than the 9% for King County. **(Exhibit 16)**

Since 1990, the distribution of Bellevue's household types has mostly remained unchanged except for married couple households. The share of married couple with children households increased from 22% in 1990 to 27% in 2020, while the share of married couple without children households decreased from 33% in 1990 to 30% in 2020.

Exhibit 16. Change in Household Type Distribution, Bellevue, 1990 and 2020

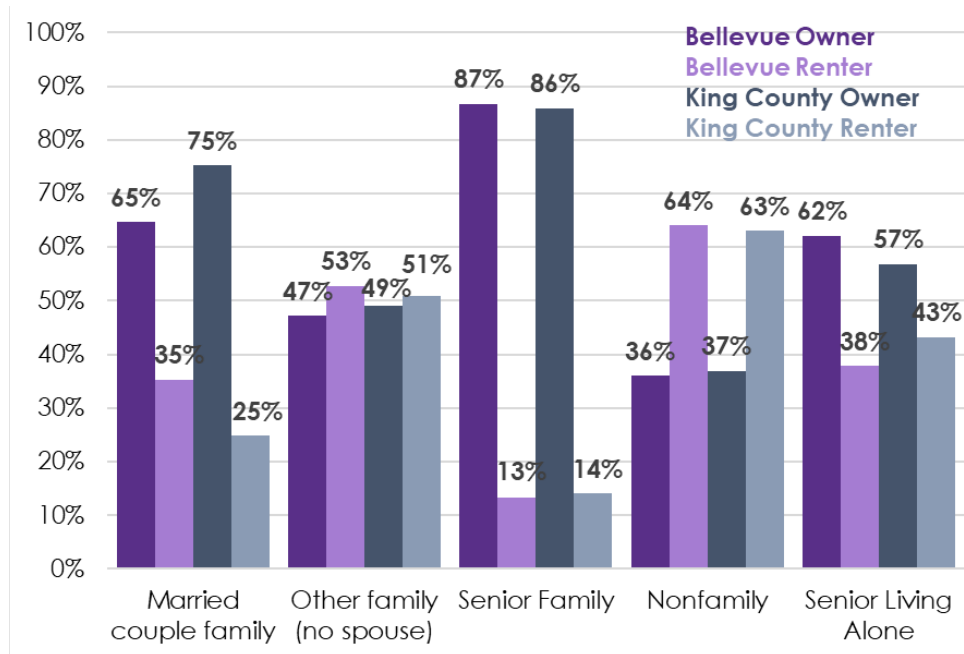
	1990	2020	1990	2020
Married couple with children	7,936	15,605	22%	27%
Married couple without children	11,694	17,542	33%	30%
Single parent (no spouse, with children)	1,967	2,255	6%	4%
Other family (no spouse, without children)	1,776	3,031	5%	5%
Single person	9,297	15,341	26%	26%
2+ person non-family	3,086	4,519	9%	8%
Total Households	35,756	58,293		
Families with children	9,903	17,860	28%	31%
Families without children	13,470	20,573	38%	35%
Non-family	12,383	19,860	35%	34%
Total Households	35,756	58,293		
Family households	23,373	38,433	65%	66%
65 and over	5,614	6,816	16%	12%
Nonfamily households	12,383	19,860	35%	34%
Living alone	9,288	15,341	26%	26%
65 and over	2,164	4,586	6%	8%
Total Households	35,756	58,293		

Source: American Community Survey, 1990, 2016-2020; CAI, 2022.

A higher share of married couple families, senior families, and seniors living alone households own their home

Exhibit 17 shows the percentage of households by tenure for different household types in Bellevue in 2020. Housing choices are a function of the type of housing available in Bellevue and of economics, with many households being obligated to rent smaller units or extend beyond their financial means to access larger homes for their family. Most of the married couple family, senior family and senior living alone households own their homes. However, the share of married couple families and seniors living alone in Bellevue that are homeowners is lower than in King County.

Exhibit 17. Household Type by Tenure, Bellevue and King County, 2020



Source: American Community Survey, 2016-2020; CAI, 2022.

Household Tenure

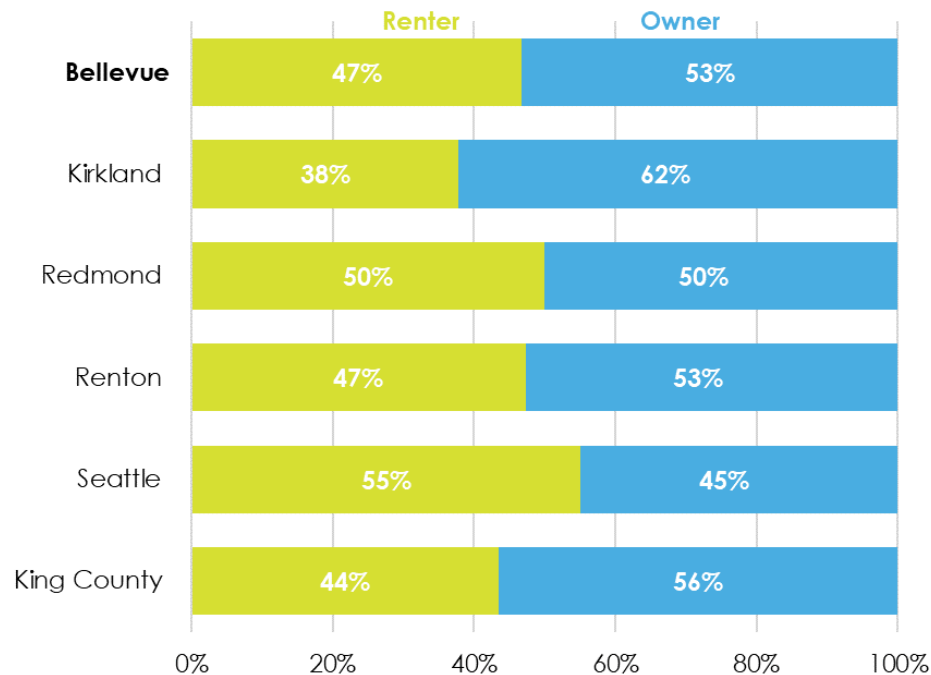
A healthy housing market includes a mix of both ownership and rental housing across all housing types to meet the needs of a diversity of households and income levels. Not all households can afford homeownership or desire to own a home.

Bellevue is gaining renter households at a much faster rate than owner households

As of 2020, an estimated 53% of households in Bellevue owned their home, while 47% were renting their home. This represents a decline in the proportion of owner household units since 1990, when 58% of Bellevue

households were homeowners and 42% were renters¹³. Bellevue is very similar to Renton on this measure but has a higher share of homeowners (53%) than Redmond (50%) and Seattle (45%) and a lower share of homeowners than Kirkland (62%) and King County (56%). (**Exhibit 18**)

Exhibit 18. Households by Tenure, Bellevue and Comparison Jurisdictions, 2020



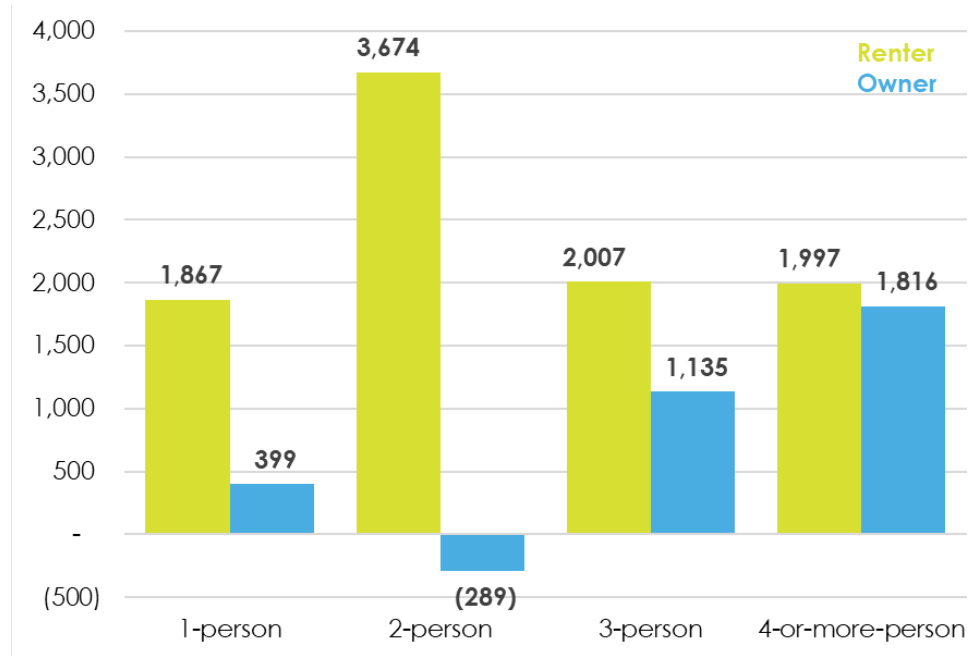
Source: American Community Survey, 2016-2020; CAI, 2022.

The breakdown of households by tenure and size has changed over the past couple of decades. **Exhibit 19** shows the gain or loss of renter and owner households by household size between 2000 and 2020. Bellevue is gaining renter households at a much faster rate than owner households. Between 2000 and 2020, the city experienced a net gain of more than 5,600 small households (1 or 2 members), the overwhelming majority of which (5,500 households) were renter households.

The increase in renter households in Bellevue is closely related to the current rate of multi-family housing development in the city. The city has almost exclusively produced multifamily housing in the past two decades, and therefore, mostly rental housing (see Housing Production on page 48-49). More than 80% of multifamily occupied housing units are renter-occupied, versus 19% of single family occupied housing units (**Exhibit 20**).

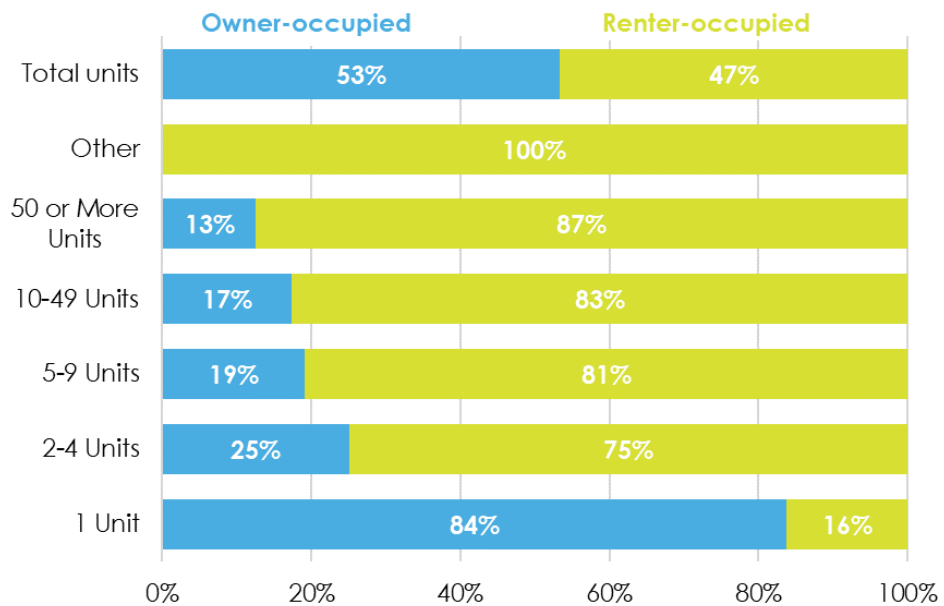
¹³ American Community Survey, 1990 and 2016-2020.

Exhibit 19. Change in Number of Households by Household Size and Tenure, Bellevue, 2000-2020



Source: American Community Survey, 2000, 2016-2020; CAI, 2022.

Exhibit 20. Housing Type by Tenure, Bellevue and Comparison Jurisdictions, 2020



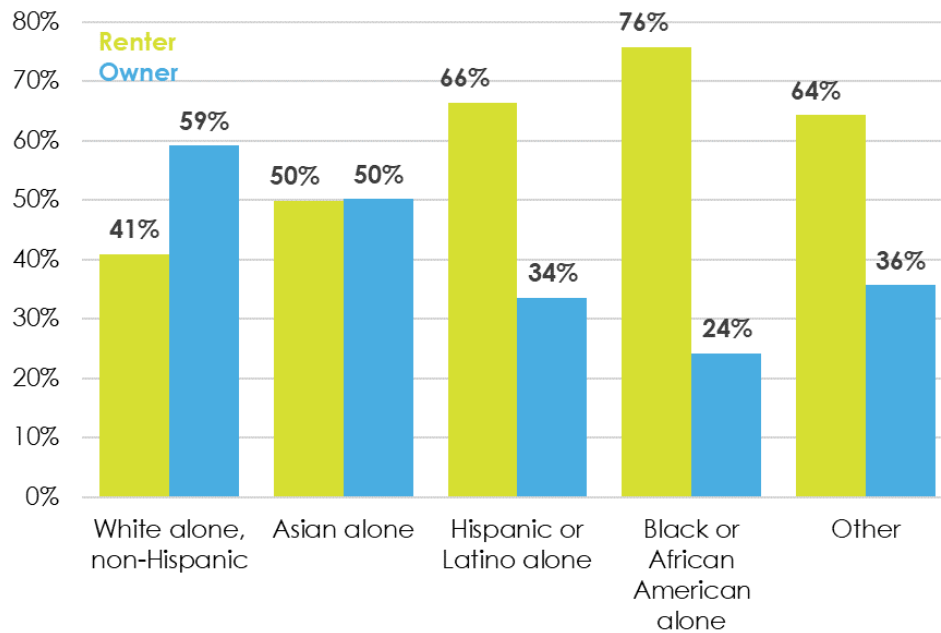
Source: American Community Survey, 2020; CAI, 2022.

Note: Other includes Boats, RV, vans, etc. Mobile homes are included in the 1 Unit category.

A significantly smaller share of Black or African American and Hispanic or Latino households own their home

Roughly 59% of White, non-Hispanic households in Bellevue own their home, compared to only 24% of Black or African American households and 34% of Hispanic or Latino households. Asian households in Bellevue are equally like to own or rent. (Exhibit 21)

Exhibit 21. Households by Race and Tenure, Bellevue, 2020

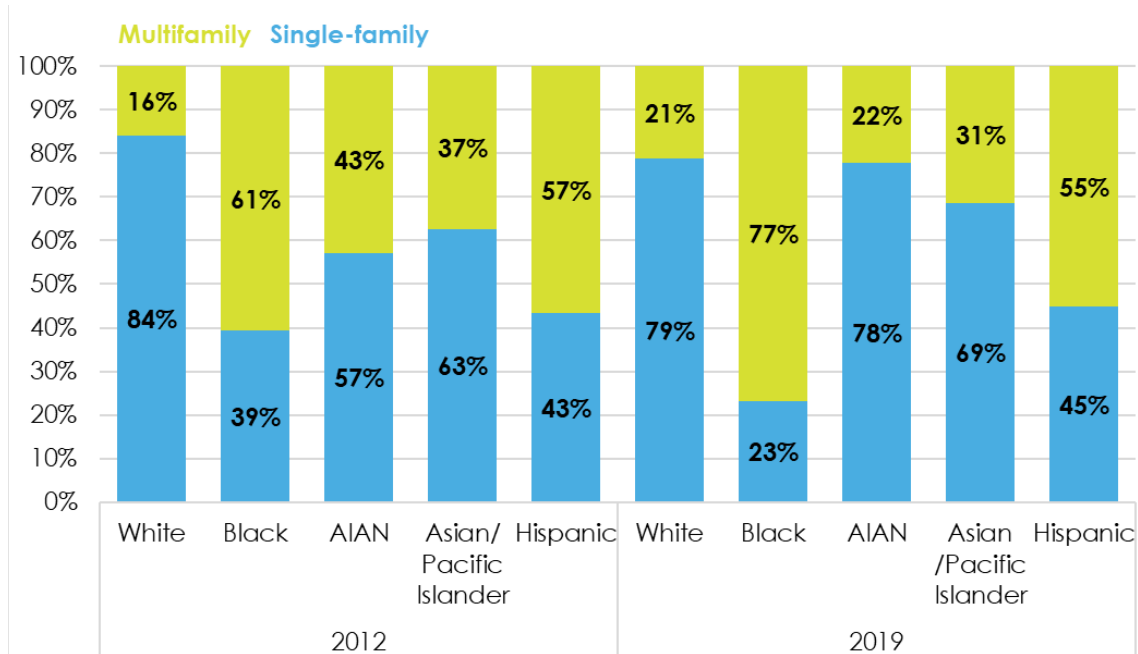


Source: American Community Survey, 2016-2020; CAI, 2022.

The breakdown of residents living in multifamily versus single-family structures by race is presented in **Exhibit 22**. In 2019, most White and Asian/Pacific Islander residents in Bellevue lived in single-family housing. White and Asian residents have higher incomes on average than other race groups and therefore increased access to ownership opportunities. Only 23% of Black residents and 45% of Hispanic residents lived in single-family housing in 2019. From 2012 to 2019, the proportion of White, Black, and Hispanic residents residing in multifamily structures has increased. Meanwhile a greater share of American Indian or Alaska Native (AIAN)¹⁴ and Asian/Pacific Islanders residents resided in single-family structures in 2019 compared to 2012.

¹⁴ The sample size of American Indian or Alaska Native residents was very small for both the 2012 and 2019 data sets.

Exhibit 22. Housing Type by Race, Bellevue PUMA, 2012 and 2020



Source: IPUMS, 2012-2020; CAI, 2022.

Note: The Bellevue PUMA area includes the City of Bellevue, in addition to the surrounding communities of Clyde Hill, Hunts Point, Yarrow Point, Medina, and Beaux Arts Village. The latest data available that provides a breakdown of race and ethnicity by housing type is from 2019. AIAN stands for American Indian or Alaska Native.

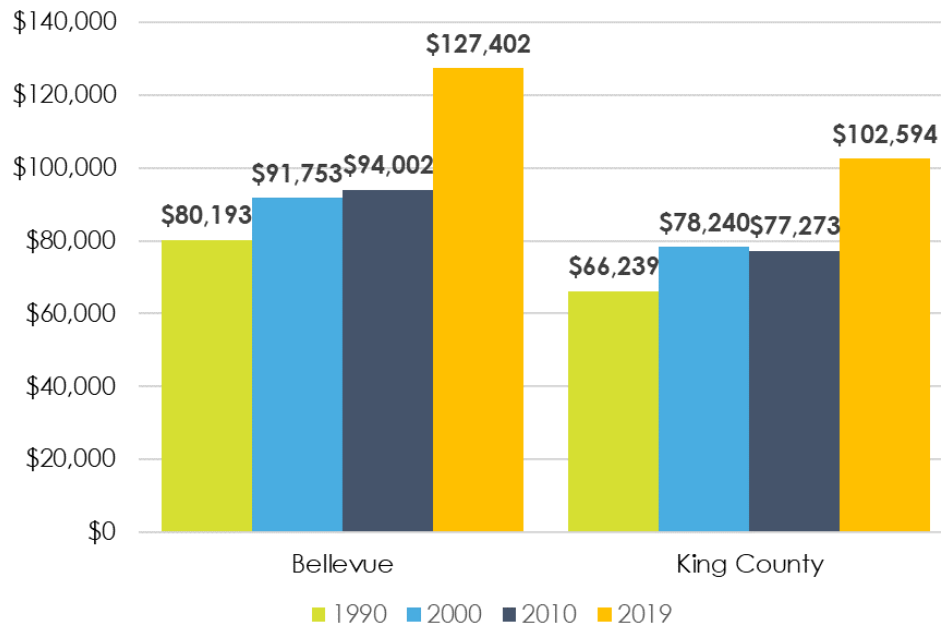
Household Income

Household income is a measure of people's ability to afford a home. The median household income for a community, which is the income at which half the residents make more money and half make less, is helpful for comparisons with other jurisdictions or with median home values. Assessing the geographic distribution of income in a community can help highlight disparities by geography.

Roughly 65% of households in Bellevue have incomes higher than the HUD Area Median Family Household Income for the Seattle-Bellevue HUD Metro Area

In 2019, the median household income in the City of Bellevue was \$106,118 for renters, \$164,882 for homeowners, and \$127,402 across all households. This is higher than King County's median household income of \$102,594 in the same year (**Exhibit 23**). The city's median household income increased by an average annual rate of 5.2% between 2010 and 2019.

**Exhibit 23. Median Household Income (Inflation Adjusted to \$2019),
Bellevue and King County, 1990 to 2019**



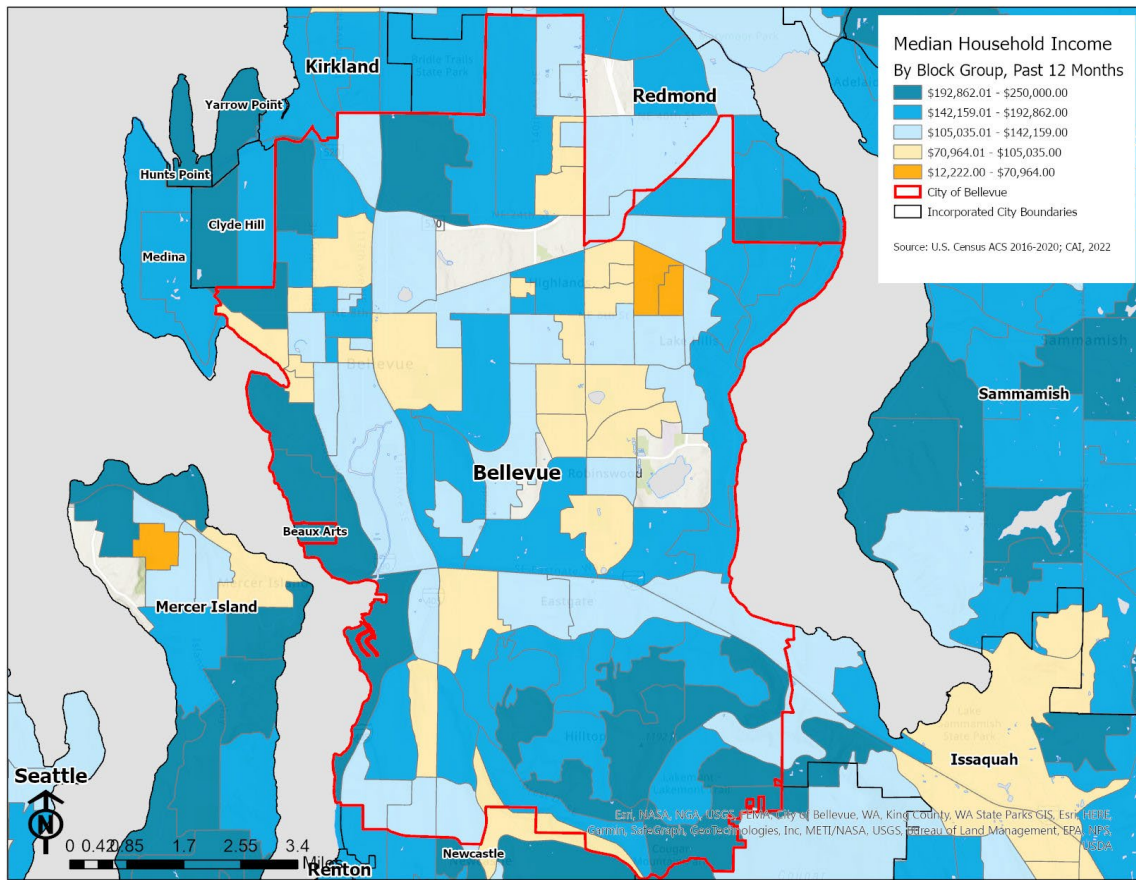
Source: American Community Survey, 1990, 2000, 2010, 2019; CAI, 2022.

Note: Median income is using 1-year ACS estimates which are not available for 2020 due to data quality issues.

Bellevue is part of the U.S. Department of Housing and Urban Development's (HUD's) Seattle-Bellevue Metro Area, which includes all of King County. In 2020, the HUD Area Median Family Household Income for the Seattle-Bellevue HUD Metro Area (also known as Area Median Income or AMI) was \$108,600. It is important to note that the median household income for Bellevue households is higher than the AMI, which is the base metric used in several affordability measures throughout this report. Most households in Bellevue have incomes above the AMI, and so are less likely to face housing affordability challenges than the typical residents of the HUD Seattle-Bellevue Metro Area.

Exhibit 24 shows the geographic distribution of Bellevue residents by median household income. Lower income block groups, indicated in yellow and orange, are located in Bridle Trails, north of I-90 along 148th Ave NE, in Factoria, Wilburton and Northwest Bellevue.

Exhibit 24. Median Household Income by Block Group, Bellevue, 2020



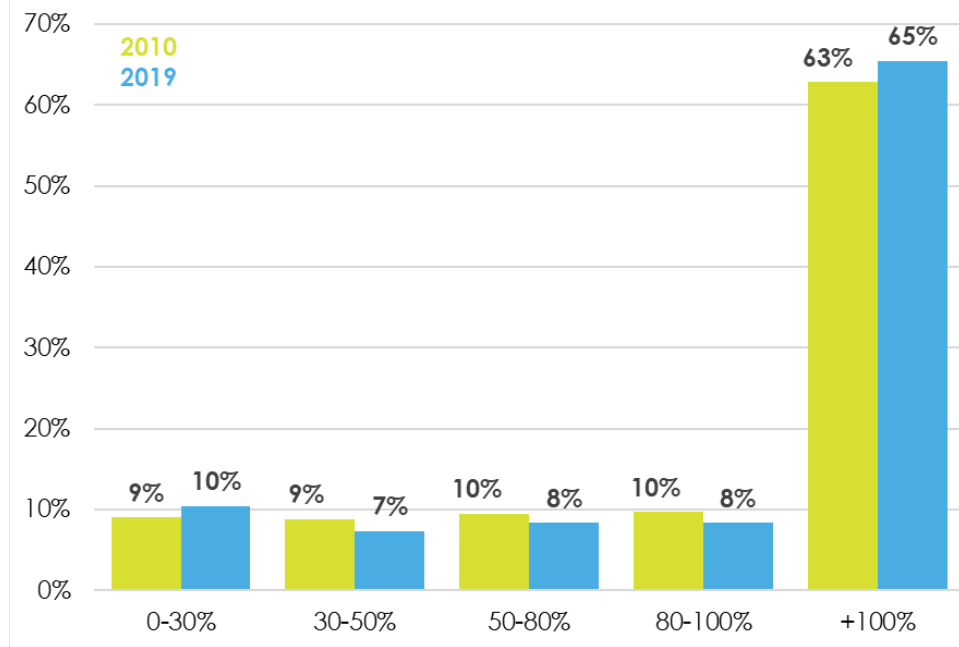
Source: U.S. Census ACS, 2016-2020; Community Attributes, 2022.

The share of households in the lowest and highest income groups are growing in Bellevue

Exhibit 25 shows the distribution of households in Bellevue by household income as a percentage of the area median income for the Bellevue-Seattle HUD Metro area. In 2019, an estimated 35% of households in Bellevue had incomes at or below the AMI, while 65% had incomes greater than the AMI.

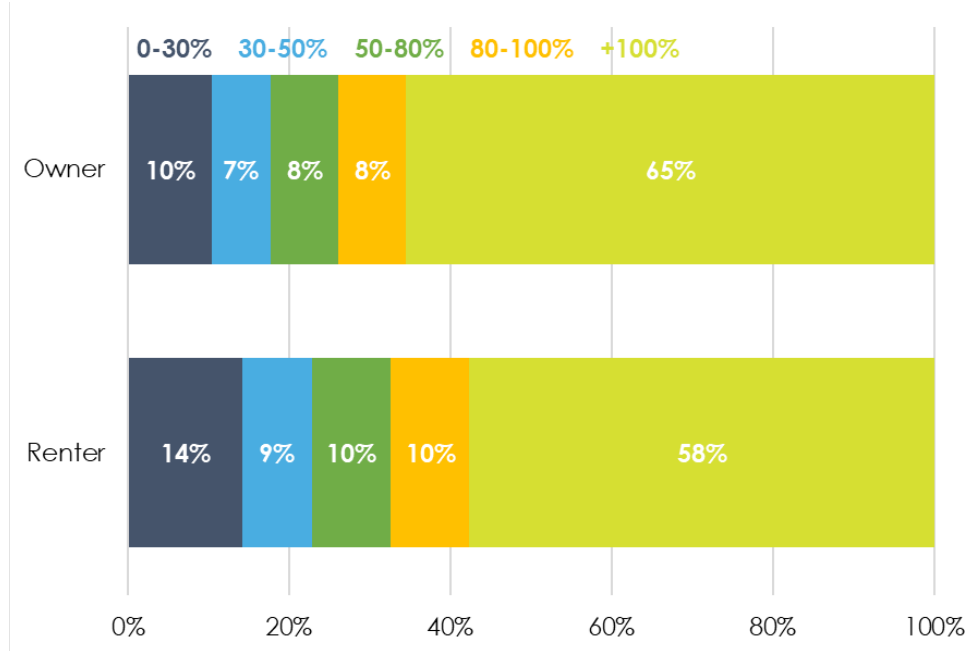
As shown in **Exhibit 26**, households that own their homes in Bellevue are more likely to have higher incomes: 65% of homeowners have incomes above the AMI compared with 58% of renters.

Exhibit 25. Percentage of Households by AMI, Bellevue, 2010 and 2019



Source: HUD CHAS (based on ACS 2006-2010 and 2016-2019 5-Year estimates); CAI, 2022.

Exhibit 26. Percentage of Households by AMI and Tenure, Bellevue, 2019

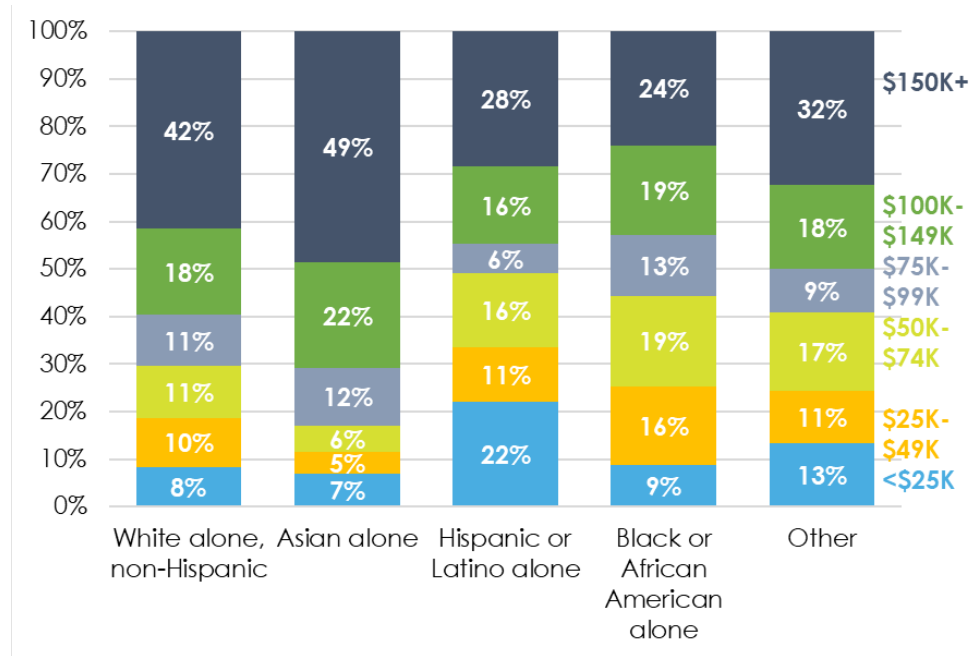


Source: HUD CHAS (based on ACS 2016-2019 5-Year estimates); CAI, 2022.

White and Asian households typically earn more annually than other racial and ethnic groups

There are significant discrepancies in household income among Bellevue’s racial groups (**Exhibit 27**). Roughly 43% of all Bellevue households earn more than \$150,000 annually. Almost half of Asian households earn more than \$150,000 per year. Black, Hispanic, and multi-racial households earn less than other groups, sometimes by large margins.

Exhibit 27. Percentage of Household by Median Household Income and Race and Ethnicity, Bellevue, 2020



Source: U.S. Census ACS, 2016-2020; Community Attributes, 2022.

Employment and Commuters

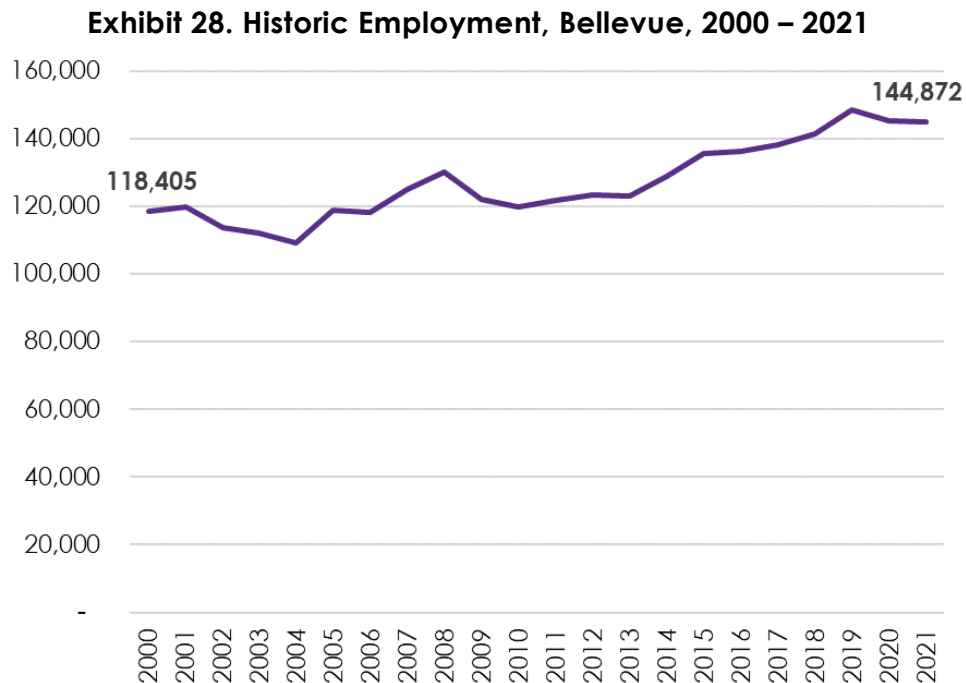
Understanding Bellevue’s workforce profile and commuting trends will help provide insights on the housing needs of workers today and into the future. Factors such as the jobs to housing ratio and the city’s commuting patterns may have implications for how many people are able to both live and work within the city. If such factors indicate many people are commuting into the city for work, it could be possible that the city does not have enough housing to accommodate its workforce or enough housing matching the needs and affordability levels of those wanting to live in Bellevue. Analysis in this section is used to inform the approach to measure anticipated housing gaps in the Gap Analysis section of this report starting on page 69.

Total Employment

Bellevue is a regional employment center and workers commute from throughout the Puget Sound region to their jobs in Bellevue.

Bellevue's employment has grown steadily over time, but at a somewhat slower pace than King County and other Eastside cities

In 2021, the City of Bellevue had over 145,000 jobs, up from 118,000 in 2000, and was the second largest city in terms of employment in Washington state (**Exhibit 28**).



Source: Puget Sound Regional Council, 2021; CAI, 2022.

Exhibit 29. Employment Growth Rate, Bellevue and Comparison Jurisdictions, 2000 to 2020

	2000	2020	Net Change	CAGR
Bellevue	118,405	145,145	26,740	1.0%
Redmond	73,436	97,941	24,505	1.5%
Kirkland	34,354	52,621	18,267	2.2%
Renton	55,519	67,806	12,287	1.0%
Seattle	502,832	637,913	135,081	1.2%
King County	1,149,640	1,430,940	281,300	1.1%

Source: Puget Sound Regional Council, 2021; CAI, 2022.

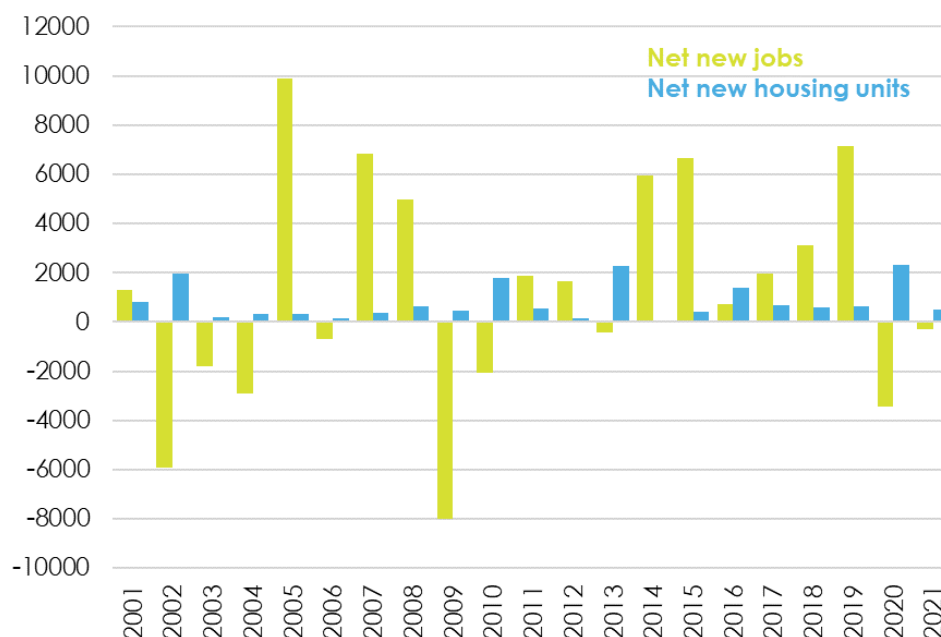
Despite some fluctuations that correlate with economic downturns, Bellevue's employment has grown steadily over time, but at a somewhat slower pace

than King County and other Eastside cities. Between 2000 and 2021, total jobs within the city have increased at an average annual rate of 1%, compared to 2.2% for Kirkland, 1.5% for Redmond, 1.2% for Seattle, and 1.1% for King County (**Exhibit 29**).

Job growth has been outpacing housing production, which increases competition for each available housing unit

In 2000, there were 2.4 jobs for every housing unit in Bellevue. Between 2000 and 2021, the city gained about 26,500 jobs, despite major job losses during recession years. As shown in **Exhibit 30**, housing production during this period occurred at a much slower pace; Bellevue gained about 1.6 net new jobs for every one net new housing unit. The mismatch between job growth and housing production was even more pronounced after the Great Recession. Between 2011 and 2020, the ratio of net new jobs to net new housing was even higher at 2.7. This shows that housing production has not kept pace with employment growth in Bellevue, leading to an increasing supply shortage, which drives up housing prices and rents throughout the city.

Exhibit 30. Net Gain/Loss of Jobs and Housing, Bellevue, 2001 – 2021



Source: Puget Sound Regional Council, 2020; Washington Office of Financial Management, 2020; CAI, 2022.

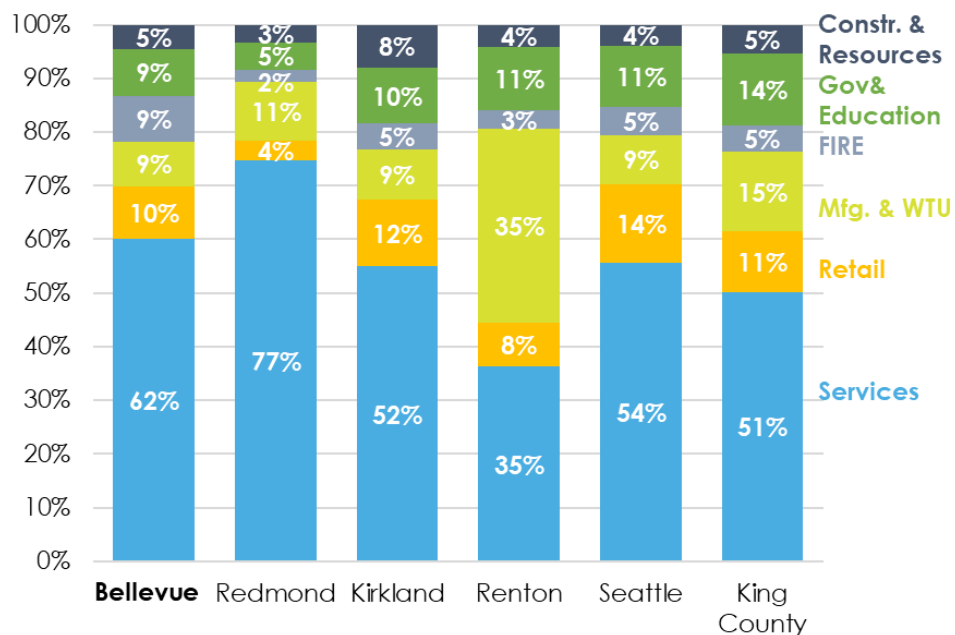
Employment by Industry

Services account for a large share of all employment in Bellevue

At approximately 90,000 jobs, 62% of total jobs, the services sector provides the largest number and share of jobs for the City of Bellevue and has

increased by more than 27,000 jobs (44% growth rate) in the last 20 years.¹⁵ The large share of services jobs is higher in Bellevue than in all comparison jurisdictions other than Redmond. Services is a classification that includes a broad range of industries, including information and technology services, scientific and technical services, management of companies, health care services, and accommodation and entertainment. Bellevue also has a large share of retail and manufacturing and wholesale trade, transportation, and utilities jobs (**Exhibit 31**). However, these sectors lost jobs between 2000 and 2020, decreasing by 3% and 23% respectively.¹⁶

Exhibit 31. Employment Share by Industry, Bellevue and Comparison Jurisdictions, 2020



Source: Puget Sound Regional Council, 2020; CAI, 2022.

Note: *FIRE includes jobs in the industries of finance, insurance, and real estate. WTU includes jobs in wholesale trade, transportation, and utilities.

Median annual wages in Bellevue's five largest occupational categories widely range between \$37,000 and \$130,000

The median annual wages in the five largest occupational categories in Bellevue that add up to 53% of the city's total jobs - computer and mathematical, business and financial operations, office and administrative support, sales and related, food preparation and serving related – range between approximately \$37,000 and \$130,000. Of these five occupational categories, computer and mathematical occupations have the highest median wage and mostly include information and technical services occupations,

¹⁵ Puget Sound Regional Council, City Employment 2000 and 2020.

¹⁶ Puget Sound Regional Council, City Employment 2000 and 2020.

such as software developers, web developers, computer system analysts, and others.

Exhibit 32 shows the maximum housing costs that would be affordable to a household with an annual income equal to the median annual wage in these five occupational categories. “Affordable” means that a household could spend up to that amount on housing costs (whether renting or owning) and not exceed 30% of their total income. Affordable monthly housing costs for such households range from \$917 to \$3,260. In comparison, median rent in Bellevue in 2021 was \$2,080 which is higher than the maximum affordable monthly housing cost for three of Bellevue’s largest occupational categories.

Exhibit 32. Median Annual Wage and Maximum Affordable Monthly Housing Cost in the Largest Occupations in Bellevue, 2021

	% of 2020 Bellevue Employment	Median Annual Wage, 2021	Maximum Affordable Monthly Housing Cost
Computer and Mathematical	14%	\$130,410	\$3,260
Business and Financial Operations	11%	\$83,810	\$2,095
Office and Administrative Support	11%	\$47,820	\$1,196
Sales and Related	9%	\$44,140	\$1,104
Food Preparation and Serving Related	7%	\$36,680	\$917

Source: PSRC, 2020; BLS OES, May 2021; CAI, 2022.

Note: Median wage is for the Seattle-Tacoma-Bellevue MSA.

Worker Earnings

Roughly 28% of Bellevue workers earn \$40,000 or less annually

American Community Survey estimates, summarized by the Census Bureau and LEHD Origin-Destination Employment Statistics, report a total of 149,400 jobs¹⁷ within Bellevue in 2019. The same data provides a comparison of income for people of working age living in Bellevue and people working in Bellevue. **Exhibit 33** shows that in 2019 28.4% of Bellevue workers earned \$40,000 or less annually, compared to 25.3% of Bellevue’s working age residents.

¹⁷ These are primary jobs which include public and private-sector jobs, one job per worker.

Exhibit 33. Income Estimates for Residents and Employees, Bellevue, 2019

Income Estimate	Residents	Employees
Less than \$1,250 per month	5,997 (9.4%)	13,915 (9.3%)
\$1,251 to \$3,333 per month	10,145 (15.9%)	28,510 (19.1%)
More than \$3,333 per month	47,843 (74.8%)	106,926 (71.6%)

Source: U.S. Census OnTheMap, 2019; CAI, 2022.

Travel to Work Patterns

Bellevue has a high share of people commuting into the city, which raises the question of how many of its residents and workforce population are commuting due to preference and how many are commuting due to the lack of affordable housing or housing that fits their needs.

Just over a quarter of Bellevue's residents and 11% of Bellevue's workers live and work in the city

Exhibit 34 shows the inflow and outflow of employees for all jobs in Bellevue and the comparison jurisdictions in 2019. A larger number of people commute into the city for work from another location than those that leave Bellevue for work. Around 89% of people employed in Bellevue live outside the city. This percentage is similar to Kirkland, Redmond and Renton, but significantly higher than Seattle where 62% of the city's workers live outside Seattle. On the other hand, 74% of Bellevue residents are employed outside the city, compared to 88% in Renton, 66% in Redmond, and only 38% in Seattle.

Exhibit 34. Commuter Inflow and Resident Outflow, Bellevue and Comparison Jurisdictions, 2019

	Outflow		Inflow	
	Count	% of Total Residents	Count	% of Total Jobs
Bellevue	49,902	74%	140,032	89%
Kirkland	39,143	87%	45,618	89%
Redmond	22,050	66%	88,315	89%
Renton	45,217	88%	57,915	90%
Seattle	135,989	38%	359,859	62%

Source: U.S. Census OnTheMap, 2019; CAI, 2022.

Bellevue is highly connected to employment centers in Seattle and Redmond. Most of Bellevue's residents employed outside of Bellevue tend to work in Seattle (26%), Redmond (17%), and a range of other cities in the region (**Exhibit 35**). Among Bellevue's workforce, only 11% live in Bellevue, while 17% live in Seattle, 5% live in Kirkland and the other 67% live elsewhere in the region and in other counties in Washington (**Exhibit 36**).

Exhibit 35. Where Bellevue Residents Work, 2019

Place	Total Jobs	% of Total Jobs
Bellevue city, WA	17,778	26%
Seattle city, WA	17,249	26%
Redmond city, WA	11,275	17%
Kirkland city, WA	2,629	4%
Renton city, WA	1,985	3%
Issaquah city, WA	1,821	3%
Tukwila city, WA	1,111	2%
Kent city, WA	1,097	2%
All Other Places in WA	11,825	17%
No place specified	866	1%
Total	67,636	100%

Source: U.S. Census OnTheMap, 2019; CAI, 2022.

Exhibit 36. Where Bellevue Workers Live, 2019

Place	Total Jobs	% of Total Jobs
Seattle city, WA	27,228	17%
Bellevue city, WA	17,778	11%
Kirkland city, WA	7,857	5%
Renton city, WA	6,637	4%
Redmond city, WA	5,945	4%
Sammamish city, WA	5,051	3%
Kent city, WA	3,577	2%
Issaquah city, WA	3,004	2%
Bothell city, WA	2,982	2%
Tacoma city, WA	2,251	1%
Everett city, WA	2,214	1%
Other Places outside WA	2,159	1%
All Other Places in WA	61,464	39%
No place specified	9,663	6%
Total	157,810	100%

Source: U.S. Census OnTheMap, 2019; CAI, 2022.

Roughly 42% of people who work in Bellevue commute between 30 and 59 minutes to their workplace in the city, and another 38% commute between 10 and 29 minutes¹⁸. This is very similar to commute times for workers commuting to other employment centers in the region, such as Kirkland, Redmond, Renton, and Seattle.

¹⁸ American Community Survey, 2020 5-Year Estimates, Universe: Workers 16 years and over who did not work at home.

CURRENT HOUSING SUPPLY

This section examines the current housing stock and market conditions in Bellevue and how it compares to the region. While Bellevue's housing policy and programs impact only the land within its boundaries, many of its housing commitments and strategies are regional in nature and may be driven by interjurisdictional or regional conditions.

Housing Stock

The purpose of this section is to describe Bellevue's housing stock with a focus on characteristics such as type, size, and tenure. The housing stock analysis also considers the needs of special populations within the community.

Housing Units by Type

Multi-family housing unit growth outpaced single-family and now makes up about half of all units

As of 2022, there were an estimated 65,900 housing units in Bellevue. Half of the city's housing units are single family homes, down from 59% in 2000. Between 2000 and 2022, the number of multi-family units increased by more than 13,000 units. The share of multi-family housing units increased from 41% in 2000 to 50% in 2022 (

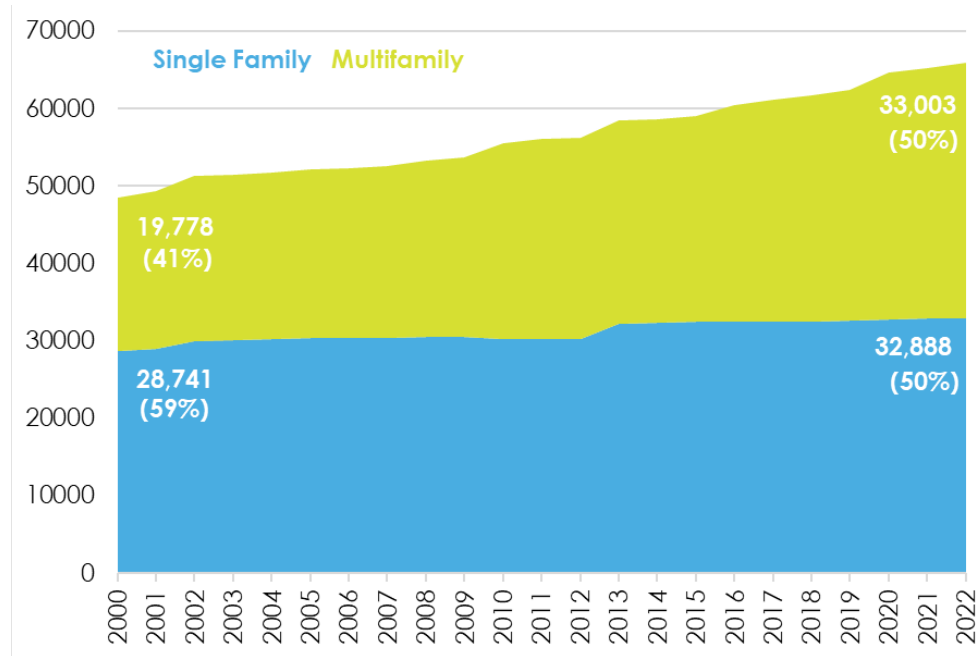
Exhibit 37). The increase of single- and multi-family housing units between 2012 and 2013 is a result of the annexation of the Eastgate and Tamara Hills areas, which added more than 1,900 housing units.¹⁹

Bellevue's 50% share of single-family housing units is below that of King County. Kirkland and Renton both feature a higher share of single-family homes, while less than half of both Redmond and Seattle's housing stock are single-family homes. (**Exhibit 38**)

Exhibit 39 shows the distribution of housing unit types across the city of Bellevue. The highest concentration of condos and apartment units are clustered around the downtown area, west of U.S. 405. Other clusters are in Bridle Trails and Crossroads neighborhoods. The remainder of multi-family units are dispersed throughout the central neighborhoods of Bellevue, particularly in Wilburton and in the area surrounding Bellevue College in Lake Hills neighborhood, and to the south of I-90 in Factoria.

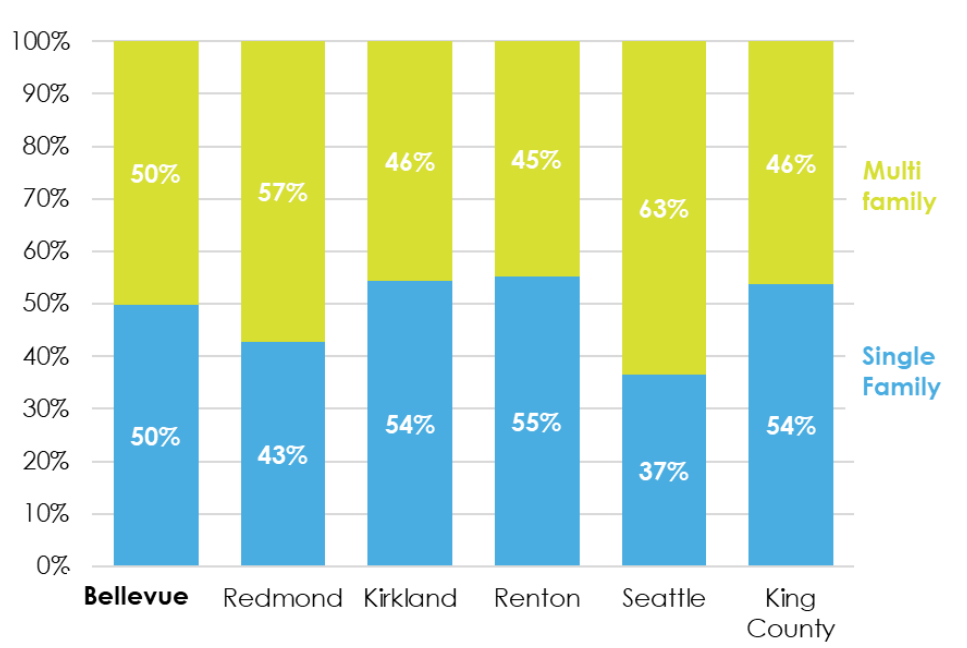
¹⁹ OFM, 2012.

Exhibit 37. Housing Units by Number of Units in Structure, Bellevue, 2000 to 2022



Source: Washington Office of Financial Management, 2022; CAI, 2022.

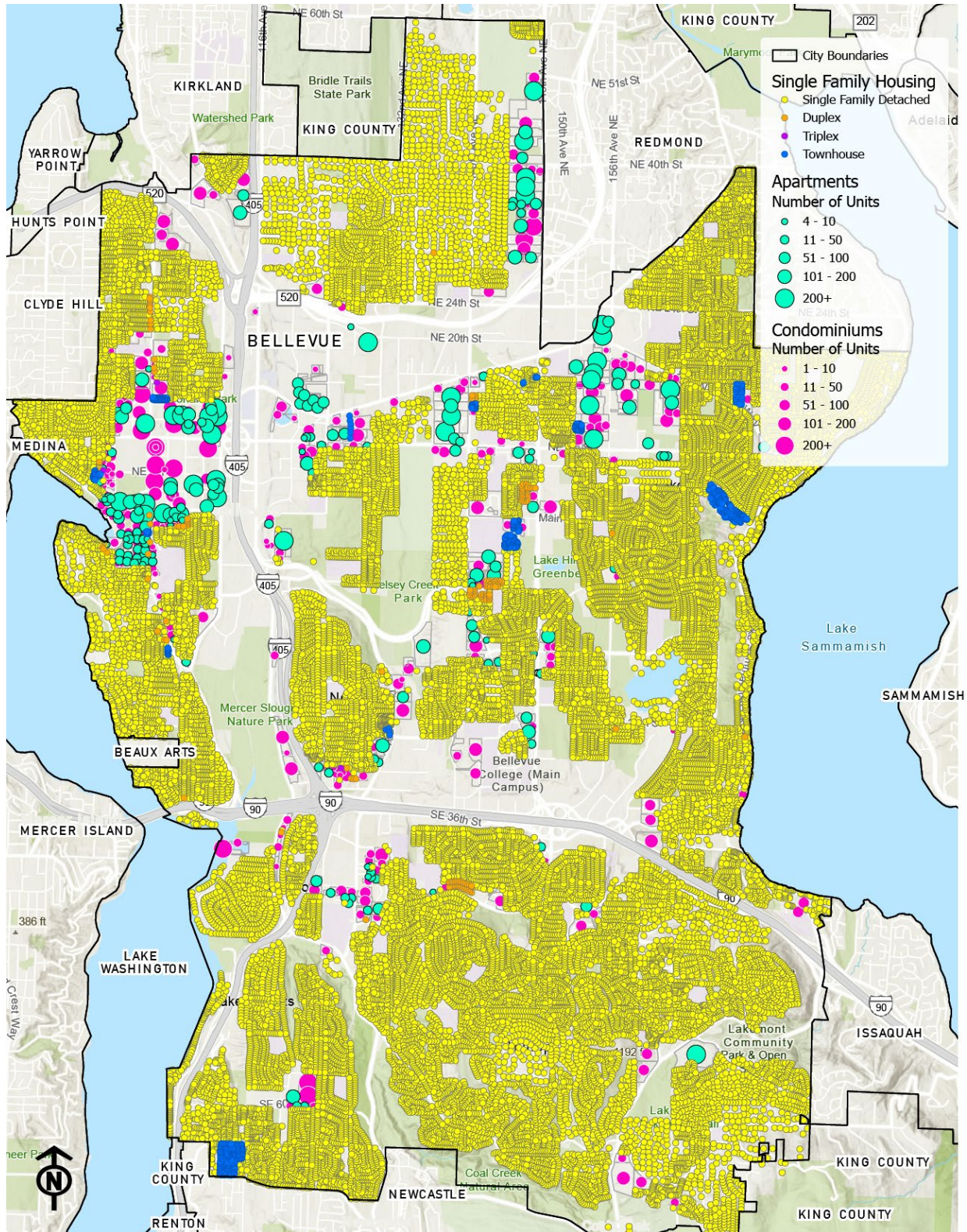
Exhibit 38. Share of Housing Unit Typology, Bellevue and Comparison Jurisdictions, 2022



Source: Washington Office of Financial Management, 2022; CAI, 2022.

Note: Mobile Homes and Special Units are included in the single-family category.

Exhibit 39. Housing Types and Units per Parcel, Bellevue, 2020



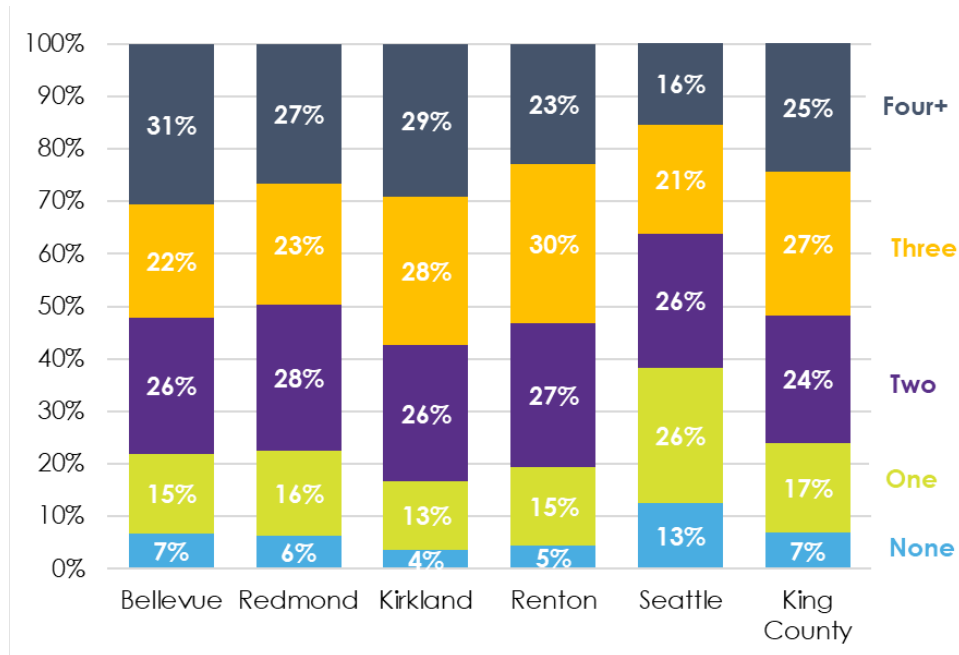
Source: King County Department of Assessments, 2020; CAI, 2022.

Housing Units by Size

More than half of Bellevue's housing stock is made up of larger units with 3 or more bedrooms

Just over half (52%) of Bellevue's housing stock is made up of housing units with 3 or more bedrooms, down from 55% in 2000. The only comparison jurisdictions with a larger share of homes with three bedrooms or more are Kirkland and Renton. Bellevue has a similar composition of housing units by size as King County. Compared to select comparison jurisdictions, Bellevue has a higher share of no bedroom and one-bedroom houses (24%) than Redmond, Kirkland, and Renton. (**Exhibit 40**)

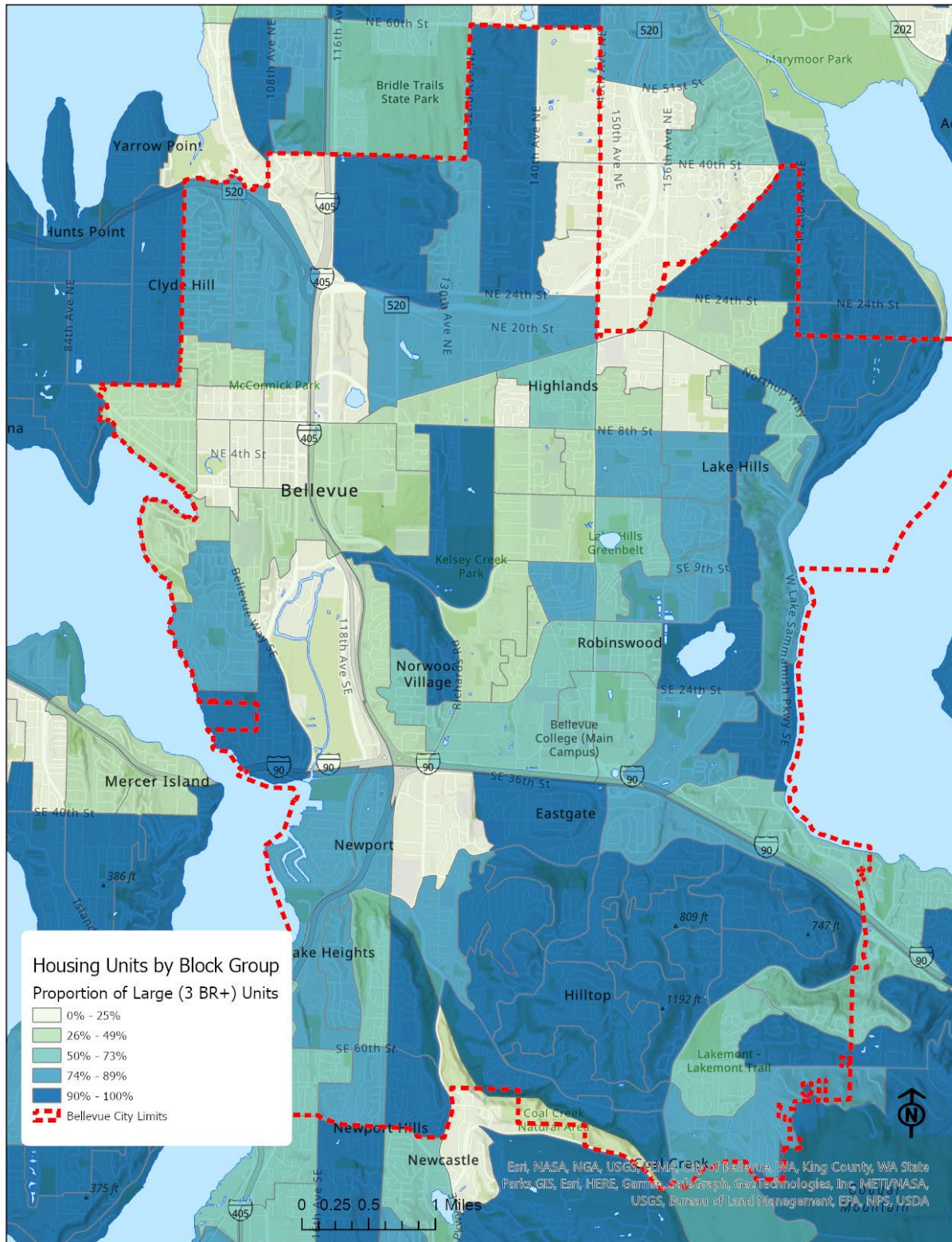
Exhibit 40. Number of Bedrooms in Home, Bellevue and Comparison Jurisdictions, 2020



Source: American Community Survey, 2020; CAI, 2022.

Exhibit 41 shows the distribution of housing units with 3 or more bedrooms by block group. Block groups with a majority of large units (90% or more) are mostly in Somerset, Cougar Mountain/Lakemont, parts of Eastgate/Factoria, Northeast Bellevue, and eastside of Bridle Trails.

Exhibit 41. Proportion of Large Units by Block Group, Bellevue, 2020

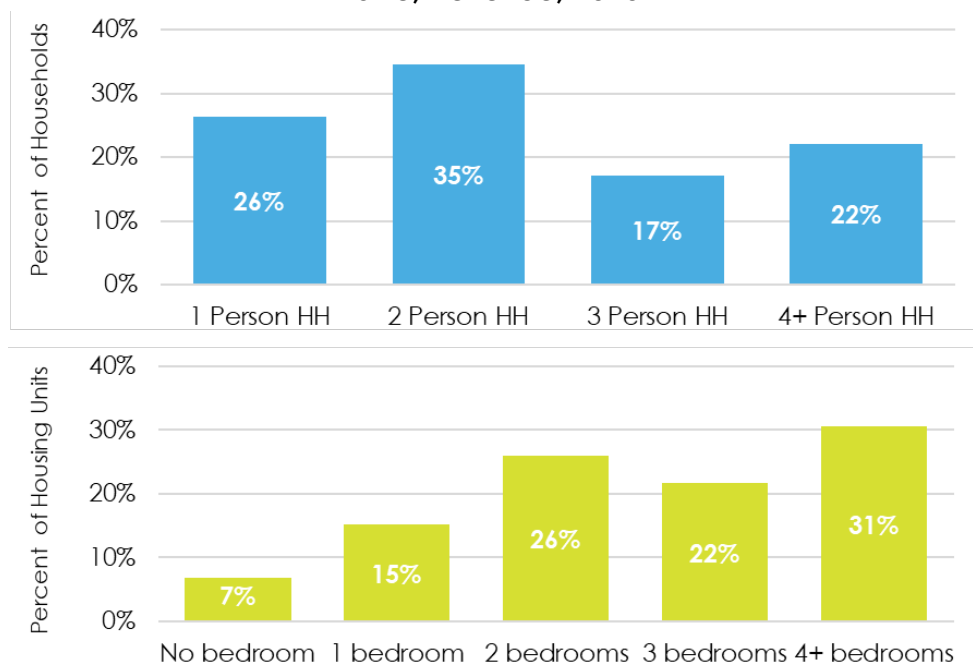


Source: U.S. Census ACS, 2016-2020; Community Attributes, 2022.

Bellevue's current housing stock is not aligned well with its population in terms of unit size

Most (61%) households in Bellevue are comprised of one or two persons (**Exhibit 42**). However, most housing units in the city are built for larger households: more than half (52%) of all units have three or more bedrooms, down from 55% in 2000. This may indicate single workers or small families seeking to live in Bellevue, or existing households, such as retirees, who may wish to downsize their home and stay in the community may find it difficult to access smaller format housing. However, this could also indicate that a portion of one- and two-person households likely live in a housing unit with at least one unoccupied bedroom which would reduce the number of larger homes available for larger households. Larger households take many different forms and could include households with large family sizes, multigenerational households, families doubling-up to save money, or other situations.

Exhibit 42. Comparison of Distributions of Housing Unit Size and Household Size, Bellevue, 2020



Source: American Community Survey, 2020; CAI, 2022.

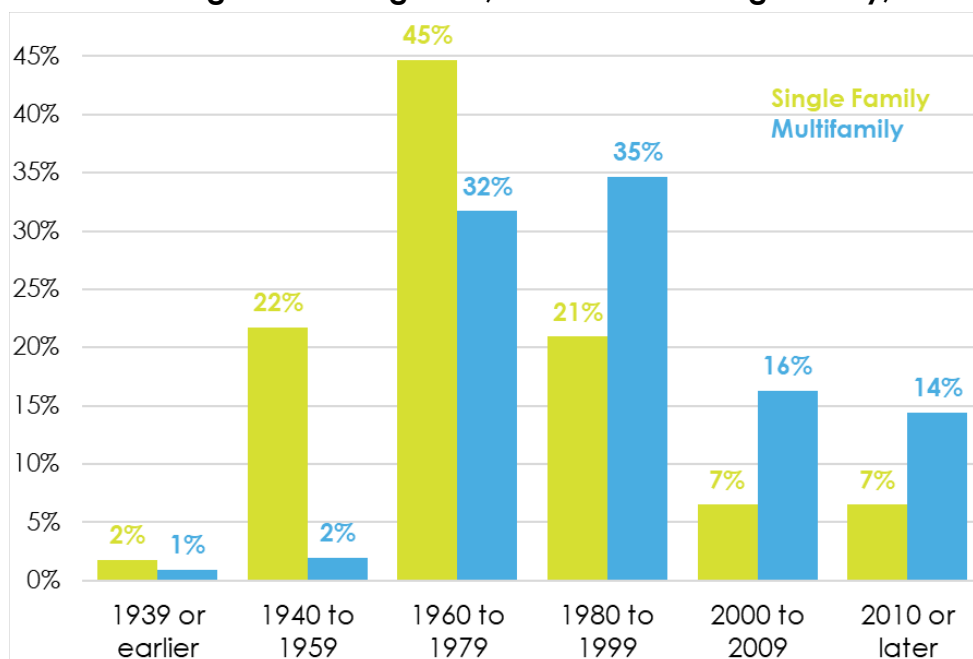
Housing Units by Age

Most housing units in Bellevue were built in the 1960s and 1970s

The age of housing units indicates historic development trends and the age of a city's housing stock but should not be taken as an indicator of unit production, which is examined further in this report. In general, Bellevue's single-family housing stock is older than its multi-family stock (**Exhibit 43**).

Nearly half of all single-family units were built between 1960 and 1979 and are now 40 to 60 years old. Only 14% of single-family homes have been built since 2000. Approximately two-thirds of multi-family units were built between 1960 and 1999, a large age range as these units are now between 20 and 45 years old. An additional 30% of multi-family units have been built since 2000. Most of the new single-family units built since 2000 are replacing existing units, as the city has been mostly producing multifamily housing during this period (see Housing Production section on page 50).

Exhibit 43. Age of Housing Units, Bellevue and King County, 2020



Source: American Community Survey, 2020; CAI, 2022.

Special Needs Housing

According to the U.S. Department of Health & Human Services Bellevue has 183 certified nursing home beds across two facilities. This equates to approximately 9 beds per 1,000 residents 65 and older. Nationally, there are approximately 46 nursing home beds per 1,000 older adults, according to the US Department of Health and Human Services, “Long-term Care Providers and Service Users in the United States, 2015-2016.”

According to the City of Bellevue’s inventory of income-restricted housing units there are 5,018 units serving low-income families and individuals, seniors as well as homeless, transitional, and special needs families and individuals. Housing for families and individuals make up nearly 85% of these units. Housing for homeless, transitional housing and special needs housing includes emergency shelters, permanent supportive housing, housing for individuals with disability and housing for homeless individuals and

families. The Eastgate Men’s Shelter and Eastgate Permanent Supportive Housing and workforce housing is included in this inventory. Completion of this facility is anticipated for 2023.

Exhibit 44. Income-Restricted Housing Units by Type, Bellevue, 2022

Type	Units
Families and Individuals	4,248
Homeownership	71
Senior	358
Homeless/Transitional Housing/Special Needs Housing	341
Total	5,018

Source: City of Bellevue, 2022; CAI, 2022.

Across King County there are nearly 15,400 shelter, transitional and permanent supportive housing beds as of 2021 according to the U.S. Department of Housing and Urban Development Continuum of Care Housing Inventory Reports. This includes more than 4,340 emergency shelter beds and nearly 6,270 permanent supportive housing beds. Overall, since 2017 the number of beds has increased by an annual rate of 1.1%.

Housing Market Conditions and Trends

Indicators such as housing unit production, vacancy rates, housing sales prices, rental costs, and vacancy rates are key for comprehending housing needs.

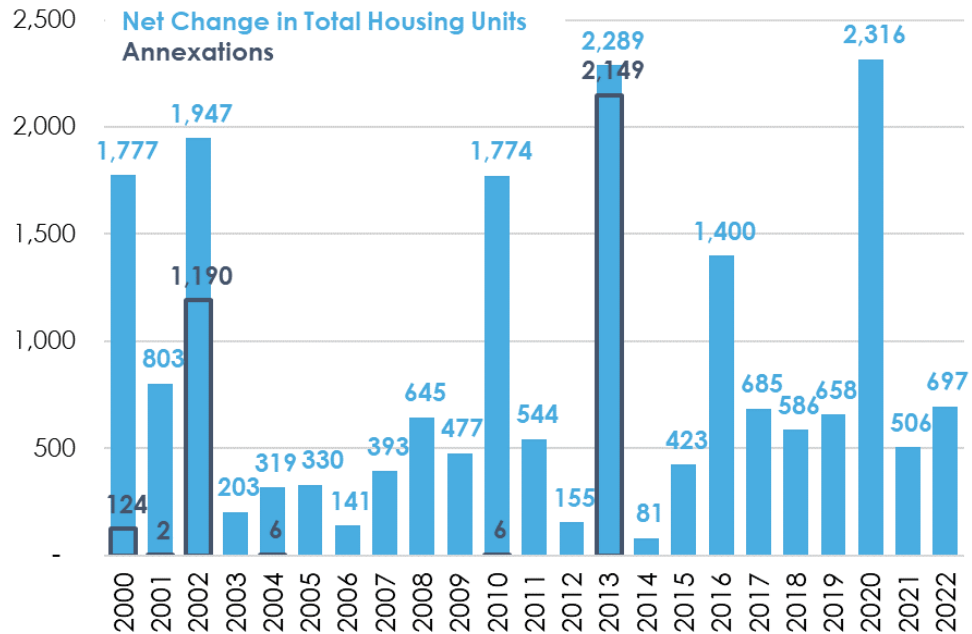
Housing Production

Bellevue has added 17,372 housing units between 2010 and 2022 – the vast majority are multi-family units, while the city’s new single-family housing is almost exclusively from annexation

Housing units in Bellevue increased by 17,372 housing units from 2000 to 2022. Of those, 3,353 came from annexations of existing housing units, most of which were annexed in 2002 and 2013. On average, after excluding annexations, Bellevue has produced 637 units per year between 2000 and 2022. In the last decade, 55% of the housing units produced were added in three years: 2010, 2016, and 2020. (**Exhibit 45**).

The City’s Comprehensive Plan projected that between 2015 and 2035 the city will accommodate nearly 15,200 new housing units to reach 74,200 units in 2035. This translates to an average annual growth rate of 1.2% or 760 units per year. Between 2015 and 2022 the city added more than 6,800 units. The average annual growth rate during this period was 1.6% or 978 units per year. At this rate, in 2022 Bellevue was over the pace needed to meet its 2035 housing growth target. The 2024 update of the Comprehensive Plan is underway which will revise the housing projection for Bellevue.

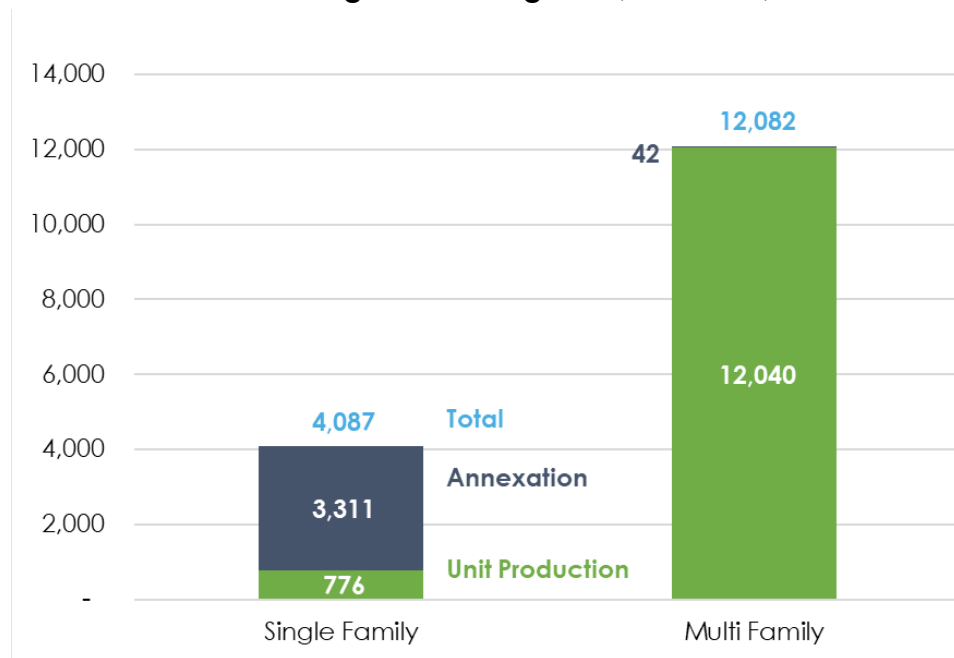
Exhibit 45. Net Change in Housing Units by Year, Bellevue, 2000 to 2022



Source: Washington Office of Financial Management, 2020; CAI, 2022.

Between 2000 and 2020, Bellevue has produced very few single-family residential units and more than 12,000 multi-family units (**Exhibit 46**). Annexed housing units account for 84% of all new single-family houses added during this period.

Exhibit 46. Net Change in Housing Units, Bellevue, 2000 – 2020



Source: Washington Office of Financial Management, 2020; CAI, 2022.

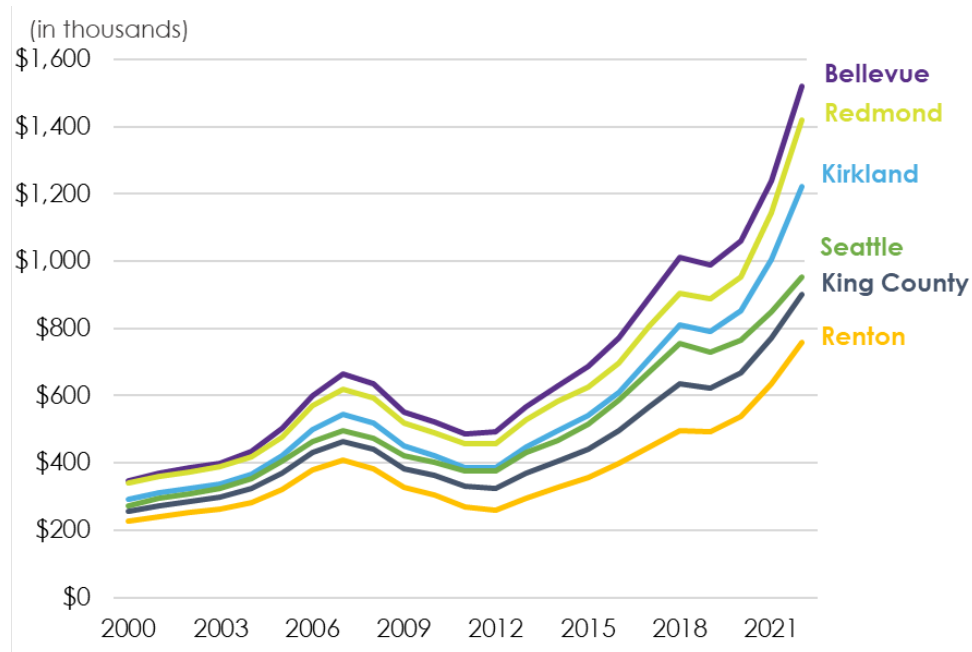
Home Values

Home values in Bellevue have steadily increased since 2000 and at a higher rate than all the comparison jurisdictions

Home prices in Bellevue have largely followed regional trends. Home prices in the region have increased significantly between 2000 and 2021, with a slump during the Great Recession. During this period, Bellevue has consistently had the most expensive median home sale price out of select comparison cities and King County. In 2022, the median sales price for homes in Bellevue was \$1.5 million, an increase of more than 200% from 10 years earlier, when the median sales price was \$491,600. In addition to Bellevue, Redmond, and Kirkland each have a median home value over \$1 million as of 2021. (**Exhibit 47**)

During this time, Bellevue's median home value grew at the highest compound annual growth rate (7.3%). Redmond and Kirkland both grew at a 7.0% annual rate. King County, Seattle, and Renton grew at a slower rate, with a 6.2%, 6.1%, and 5.9% annual growth rate, respectively. This variable growth between cities and King County has led to a greater median home value range in 2021 than in 2000. In 2000, the difference in the highest and lowest median home value among the jurisdictions outlined in **Exhibit 47** was approximately \$120,000. In 2021, this range grew to more than \$600,000.

Exhibit 47. Median Home Value, Bellevue and Comparison Jurisdictions, 2000 to 2022



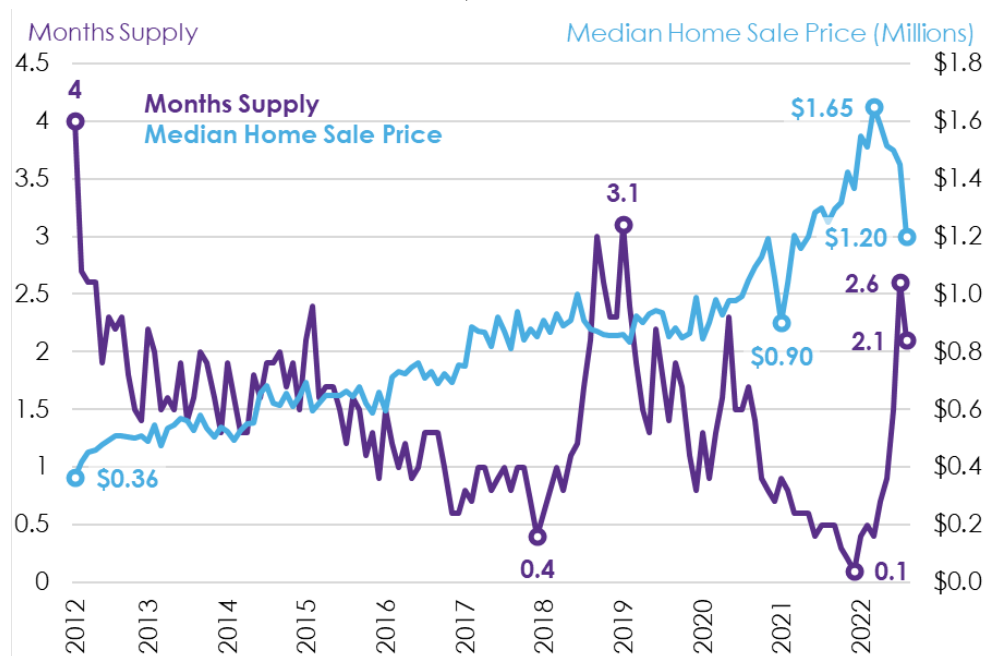
Source: Zillow Home Value Index, 2022; CAI, 2022.

The current month's supply of housing indicates the size of the for-sale inventory compared to the number of homes being sold. This can indicate the competitiveness of a housing market and the number of houses available for buyers. Four to five months of supply is average. A lower number means that buyers are dominating the market and there are relatively few sellers; a higher number means there are more sellers than buyers.

The housing market in Bellevue has become increasingly competitive for buyers, with fewer houses on the market (**Exhibit 48**). As of mid-2022, the market has shifted to favor sellers, with little more than two months' supply of housing units. A similar peak occurred throughout 2019 and 2020. **Exhibit 48** also tracks the increase in Bellevue's median home sale price from 2012 to 2022, although the two values are not necessarily correlated. Median home values have topped \$1 million on and off since late 2020.

In early 2022, median home sale prices peaked at \$1.65 million, before a sharp decrease to the current median value of \$1.2 million. In that approximate time period, the average fixed rate mortgage for a home in the United States increased by 119.9%, from an interest rate of 3.22% to 7.08%.²⁰

Exhibit 48. Months' Supply of Housing Units and Monthly Median Sale Price, Bellevue, 2012 to 2022



Source: Redfin, 2022; CAI, 2022.

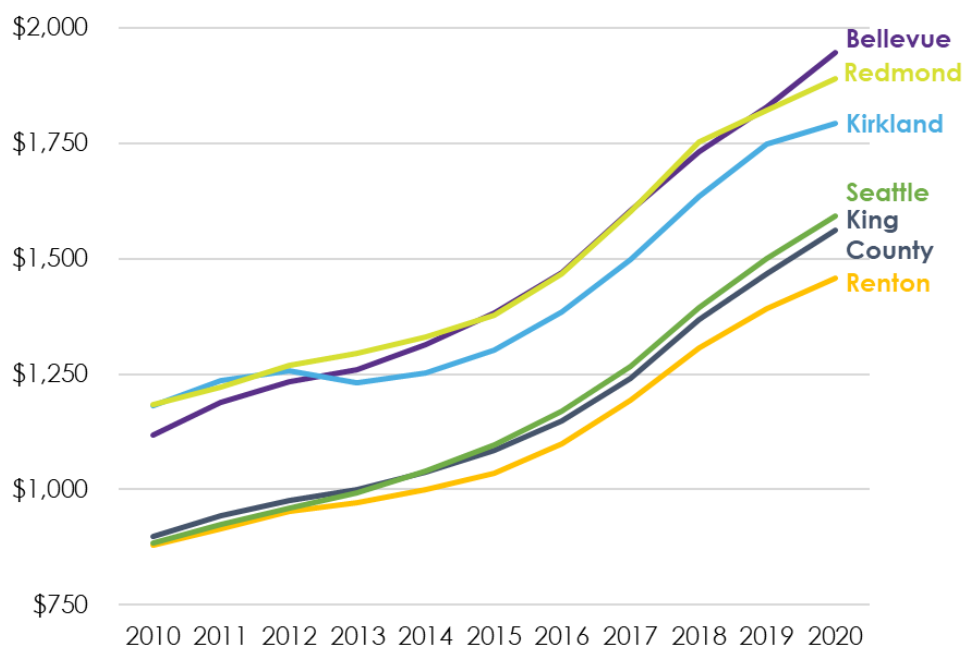
²⁰ FRED Economic Data, Federal Reserve Bank of St. Louis, October 2022.

Rental Housing Costs

Rental costs have risen by more than 80% and Bellevue remains one of the costliest cities for renters in the region

Rental costs have followed a similar pattern of increase as home values. From 2010 to 2020, the median rent in Bellevue increased by more than 80% (**Exhibit 49**). Bellevue's rent is currently the highest out of the select comparison cities, although Bellevue, Redmond, and Kirkland have each been the most expensive rental city at times. Bellevue's median rent in 2020 is about \$400 higher than King County as a whole.

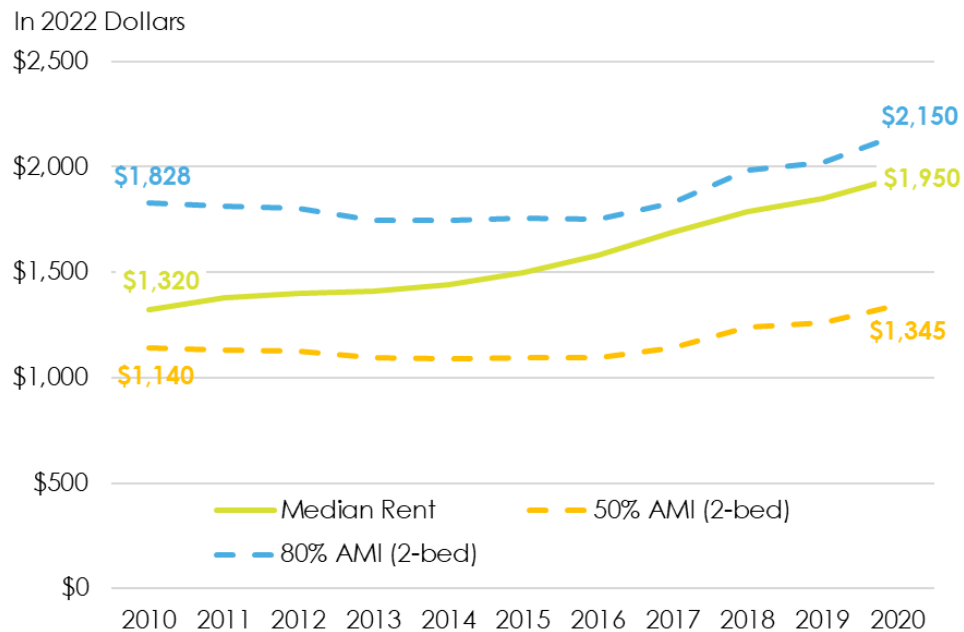
Exhibit 49. Change in Median Rent, Bellevue and Comparison Jurisdictions, 2010 to 2020



Source: American Community Survey, 2010 to 2020; CAI, 2022.

Exhibit 50 shows change over time in median rent in Bellevue as well as what rents are affordable to households at two different income levels: 80 percent and 50 percent of AMI. The dotted lines are estimated based on HUD Income Limits for a 3-person household (equivalent of a 2-bedroom unit when assuming 1.5 people per bedroom). The trends in this chart show that rents in Bellevue were still affordable in 2020 but trends are indicating they may not stay affordable for much longer.

Exhibit 50. Income Limits and Median Rent (2022 Dollars), 2010 through 2019



Source: HUD 2010-2020; ACS, 2010-2020; CAI, 2022.

Vacancy Rates

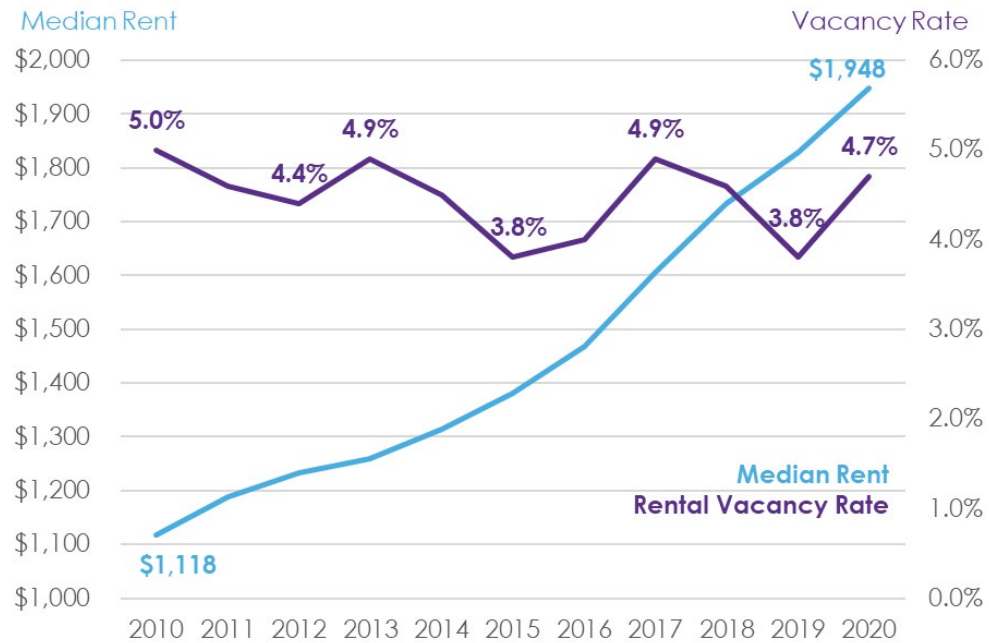
Another useful measure of housing supply and demand are vacancy rates and annual changes in rent. Healthy vacancy rates differ for ownership and rental units. A 2018 study by the Lincoln Land Institute explored the variation experienced between rural and urban housing markets, as well as differences for cities of various size across the country. Taking a long-term view, average vacancy rates in the ownership housing market hover around 2 percent, increasing to 7-8 percent for rental housing.²¹ Communities with low vacancy rates may experience a limited housing supply with inadequate housing production to satisfy demand while in contrast, high vacancy rates imply an over-supply of housing, reduced desirability of an area, or low demand.

From 2010 to 2020, Bellevue's rental vacancy rate has fluctuated between 3.8% and 5.0%, with its 2020 vacancy rate resting at 4.7%. Over the same period of 2010 to 2020, Bellevue's rents steadily increased to a median rent of nearly \$2,000 in 2020, an increase over ten years of \$830 and 74% (**Exhibit 51**). Ownership vacancy rates have seen a decline during this period, from 2.3% in 2010 to 1% in 2020. These low ownership vacancy rates correlate

²¹ Lincoln Land Institute, 2018 "The Empty House Next Door", page 12.

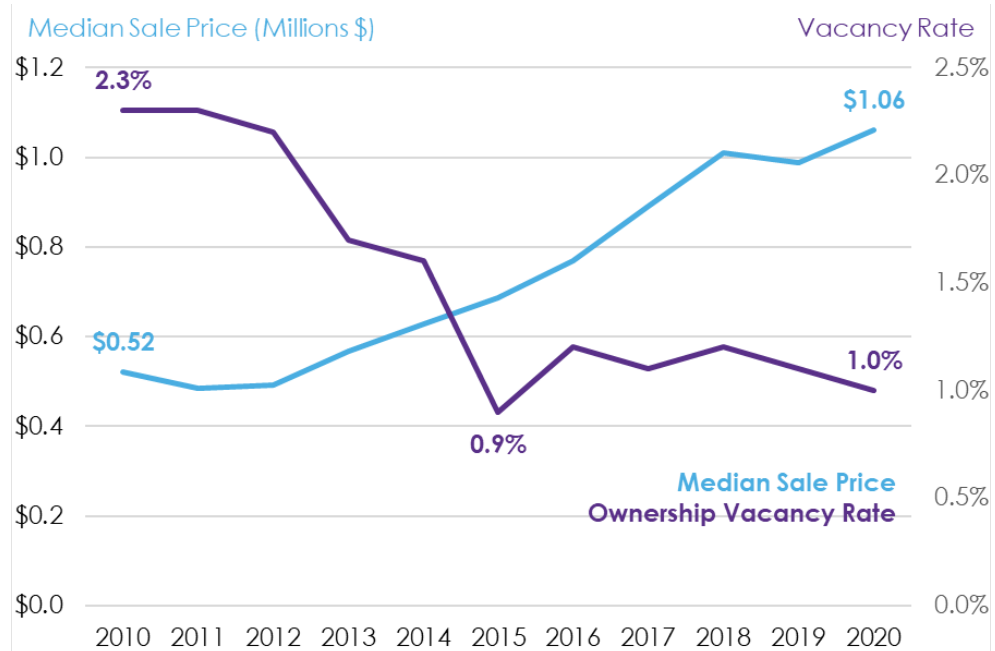
with rising home prices, indicating an undersupply of housing units for sale. (Exhibit 52)

Exhibit 51. Rental Vacancy Rate and Median Rent, Bellevue, 2010 to 2020



Source: ACS, 2020; CAI, 2022

Exhibit 52. Ownership Vacancy Rate and Median Sale Price, Bellevue, 2010 to 2020



Source: ACS, 2020; Zillow Home Value Index, 2022; CAI, 2022.

Housing Affordability

Affordability Metrics

The term affordable housing refers to a household's ability to find housing within its financial means. Area median income (AMI) is the widespread metric used for assessing housing affordability and developed by the US Housing and Urban Development (HUD) for determining eligibility for subsidized housing. HUD establishes extremely low, very low-, low-, and median-income thresholds for households between one and eight people in size. The income levels produced by HUD are only available for certain metropolitan areas.

The City of Bellevue falls within the Seattle-Bellevue HUD Metro Fair Market Rent (FMR) Area, which extends over King and Snohomish counties.

Exhibit 53 shows the household income limits by household size for the Seattle-Bellevue Metro FMR in 2022.

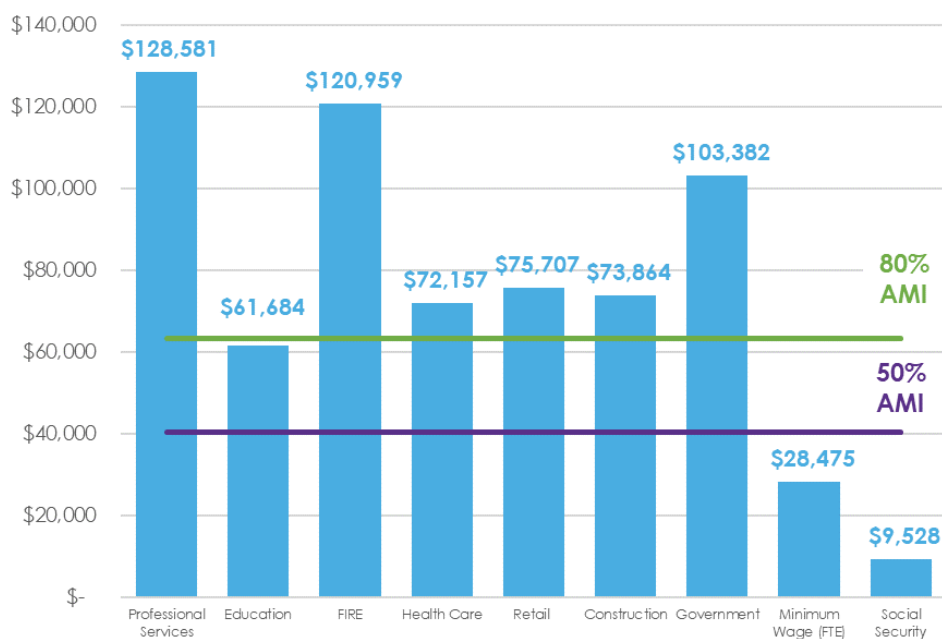
Exhibit 53. HUD Household Income Limits, Seattle-Bellevue HUD Metro FMR Area, 2021

Income Level	Household Size (Persons in Family)							
	1	2	3	4	5	6	7	8
Extremely Low Income (30% AMI)	\$24,300	\$27,800	\$31,250	\$34,700	\$37,500	\$40,300	\$43,050	\$45,850
Very Low Income (50% AMI)	\$40,500	\$46,300	\$52,100	\$57,850	\$62,500	\$67,150	\$71,750	\$76,400
Low Income (80% AMI)	\$63,350	\$72,400	\$81,450	\$90,500	\$97,750	\$105,000	\$112,250	\$119,500
Median Income	\$81,000	\$92,600	\$104,200	\$115,700	\$125,000	\$134,300	\$143,500	\$152,800

Sources: HUD, 2021; Community Attributes Inc., 2022.

Exhibit 54 shows the median income of Bellevue's employed residents for select industries, as well as the income for individuals earning minimum wage or relying on Social Security in 2021. Households reliant on minimum wage or Social Security for income are likely to be very low-income households earning below the 50% AMI income limit for a 1-person household (\$40,500). Several industries in which a large share of Bellevue residents work have a median wage above 80% AMI (\$63,350). Professional services, finance, insurance, and real estate (FIRE), and government jobs are high earning. The other selected industries have a median income close to the 80% AMI level.

Exhibit 54. Median Income by Industry for Employed Residents vs HUD Income Limits (1-Person Household), Bellevue, 2021

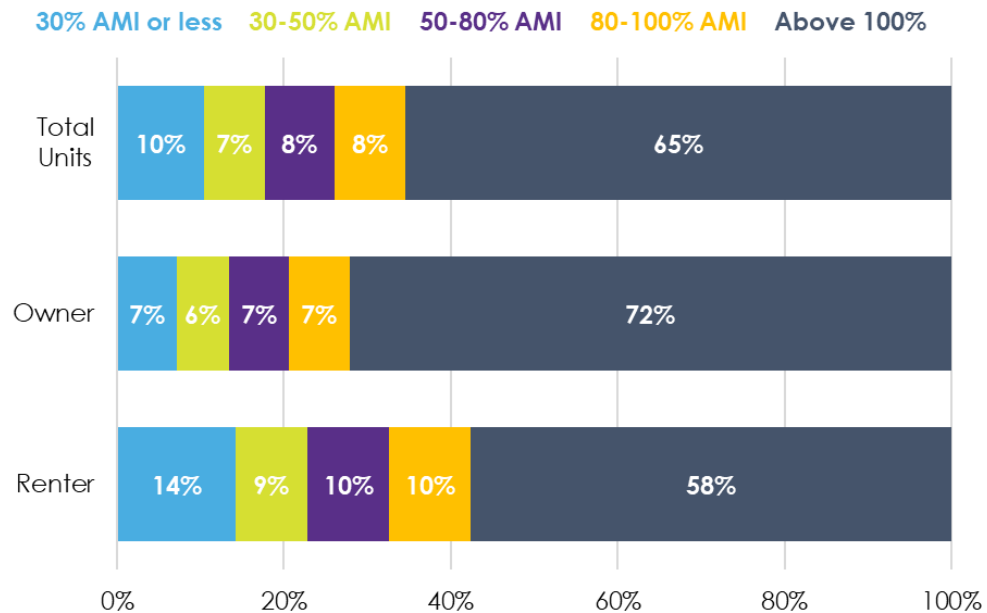


Sources: HUD, 2021; US Census Bureau 1-year Estimates ACS, 2021; Social Security Administration, 2021; Washington State Department of Labor & Industries, 2021; Community Attributes Inc., 2022.

Around 25% of households in Bellevue earn less than 80% AMI, compared to 36% of households in King County. A high share (65%) of Bellevue households earns more than 100% AMI (**Exhibit 55**), which is higher than the county's 54% of households earning more than 100% AMI.

Although homeownership households in Bellevue tend to be at a higher income level, nearly 60% of renting households are above 100% AMI as well. The remainder of renters are more likely to be low income than homeowners. One-quarter of all renting households earn below 50% AMI, compared to 13% of homeownership households. Renting households also have a higher share of middle-income households. 20% of rented households earn between 50% to 100% AMI, compared to 14% of homeowners.

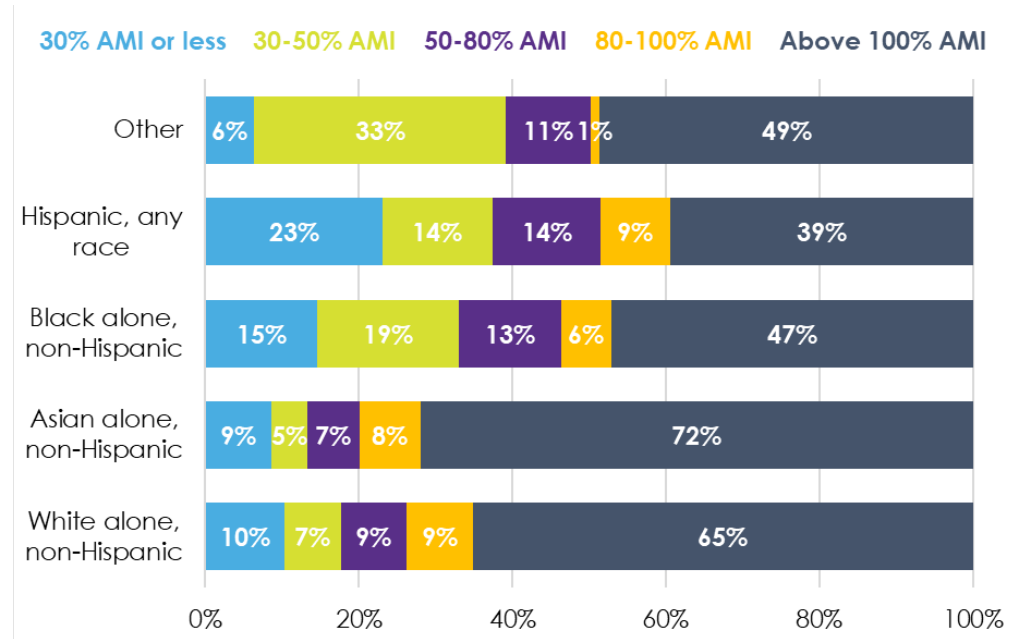
Exhibit 55. Percentage of Households by AMI and Tenure, Bellevue, 2019



Source: HUD CHAS, 2015-2019; CAI, 2022.

Race and ethnicity can impact Bellevue households' income level, as shown in **Exhibit 56**. White and Asian households are more likely to be in higher income brackets than Black or Hispanic households. Roughly 47% of Black households and 39% of Hispanic households earn above 100% AMI. A higher share of these groups is low- and moderate income. Nearly the same share of Hispanic households earns below 50% AMI as above 100% AMI, and about one-third of all Black households earn below 50% AMI. Households who identify as another race or ethnicity than included here follow the same trend, with 39% of household earning less than 50% AMI and 49% earning more than 100% AMI.

Exhibit 56. Percentage of Households by AMI and Race, Bellevue, 2018



Source: HUD CHAS, 2014-2018; CAI, 2022.

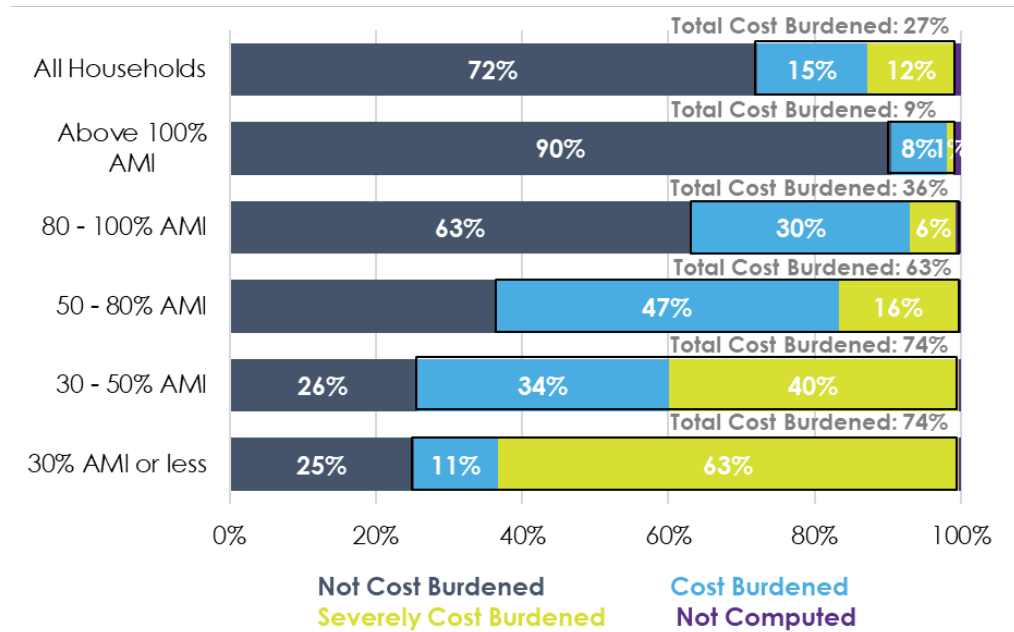
Cost Burdened Households

The number of households that are "cost-burdened" or spending too much of their income on housing is an indicator of affordable housing needs. HUD defines a household as cost burdened if they pay between 30% and 50% of their gross household income for housing, and severely cost burdened if they pay more than 50% of their gross household income on housing.

Cost Burden by Income

Income level is a clear indicator of the likelihood that a household is cost burdened. Across Bellevue and all income levels, 27% of households are cost burdened (**Exhibit 57**). The least cost burdened income level is above 100% AMI, of whom only 9% are cost burdened. Across all other income groups, at least one-third of households are cost burdened, including moderate income groups of 50% to 80% and 80% to 100% AMI. Low- and very low-income households are equally cost burdened (both at 74%), but very low-income groups are more likely to be severely cost burdened. Nearly two-thirds of all very low-income households are severely cost burdened, compared to 40% of households earning 30% to 50% AMI.

Exhibit 57. Cost Burden by Income Range, Percent of Households, Bellevue, 2019

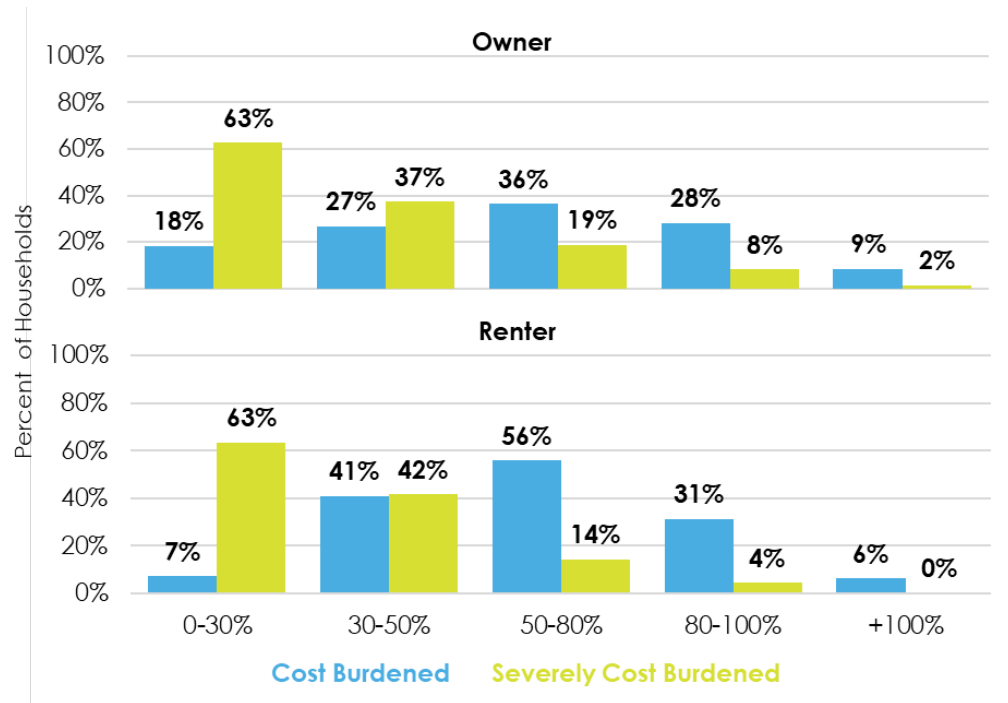


Sources: HUD CHAS, 2015-2019; Community Attributes Inc., 2022.

Cost Burden by Tenure

In addition, tenure can indicate the likelihood that a household is cost burdened, as shown in **Exhibit 58**. Renter- and owner-occupied units follow the same bell curve shape for both cost burdened and severely cost burdened households. The share of severe cost burden for rented and homeownership households decreases as income levels increase. In contrast, low-to-moderate income groupings (those earning between 30% and 100% AMI) are more likely to be cost burdened than very low-income households earning less than 30% AMI.

Exhibit 58. Distribution of Cost Burdened Status (Households) by AMI and Tenure, Bellevue, 2019



Sources: HUD CHAS, 2015-2019; Community Attributes Inc., 2022.

Exhibit 59 compares Bellevue’s cost burdened and severely cost burdened households with select cities across the region, as well as King County. Bellevue’s homeownership households are nearly even with King County’s rate of cost burdened and severely cost burdened households. A smaller share of Bellevue renting households is cost burdened and severely cost burdened compared to King County as a whole. For the most part, the share of cost burdened households is relatively consistent across comparison jurisdictions Redmond, Kirkland, Renton, and Seattle.

Exhibit 59. Share of Households with Cost Burdens by Tenure, Bellevue and Comparison Jurisdictions, 2019

	Cost Burdened		Severely cost burdened	
	Owner	Renter	Owner	Renter
Bellevue	14%	17%	10%	15%
Redmond	11%	12%	7%	15%
Kirkland	13%	18%	9%	17%
Renton	17%	23%	10%	21%
Seattle	13%	21%	10%	19%
King County	14%	22%	9%	19%

Sources: HUD CHAS, 2015-2019; Community Attributes Inc., 2022.

Cost Burden by Household Type

Most Bellevue households with families are not cost burdened (**Exhibit 60**). Less than half of all older adults living alone are not cost burdened, but they have the highest likelihood of severe cost burden (28%). Strictly related to housing as a portion of household expenses, family size does not seem to indicate the likelihood of cost burden, as large families are less cost burdened than small families.

Exhibit 60. Cost Burdened Status by Household Type, Bellevue, 2019

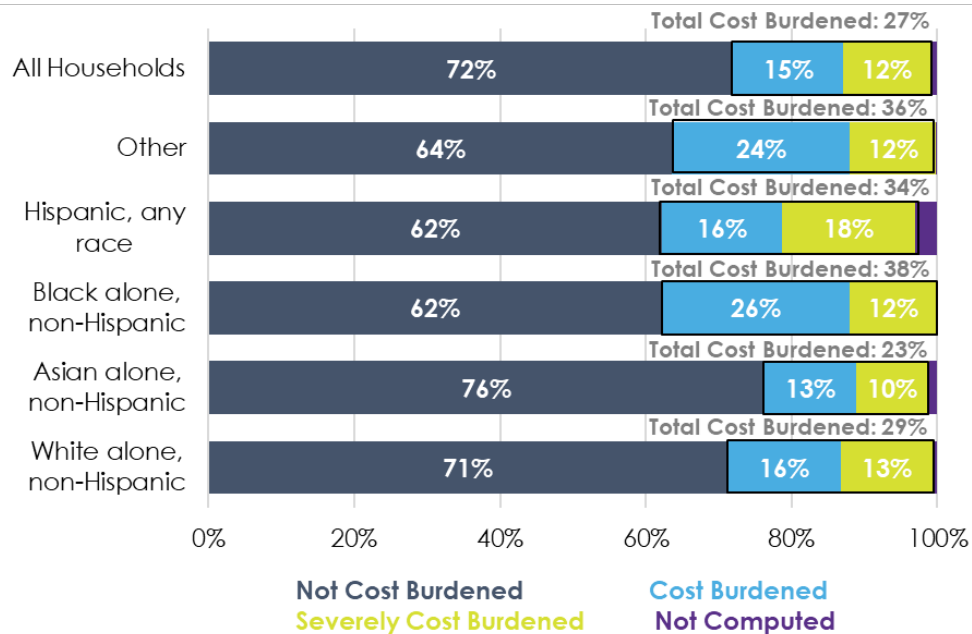
	Not Cost Burdened	Cost Burdened	Severely Cost Burdened	Cost burden not available
Older Adult Family	76%	12%	11%	0%
Older Adult Living Alone	49%	22%	28%	1%
Small Family	78%	14%	8%	0%
Large Family	80%	15%	5%	0%
Other	41%	30%	28%	1%

Sources: HUD CHAS, 2015-2019; Community Attributes Inc., 2022.

Cost Burden by Race

White and Asian households are the least cost burdened in Bellevue, at 29% and 23% cost burdened (**Exhibit 61**). Other households of color have a higher rate of cost burden. Black households are the most cost burdened (38%) and Hispanic households are 34% cost burdened. Hispanic households are also more likely to be severely cost burdened.

Exhibit 61. Cost Burdened Status by Householder Race, Bellevue, 2019



Sources: HUD CHAS, 2015-2019; Community Attributes Inc., 2022.

Affordable Housing Production

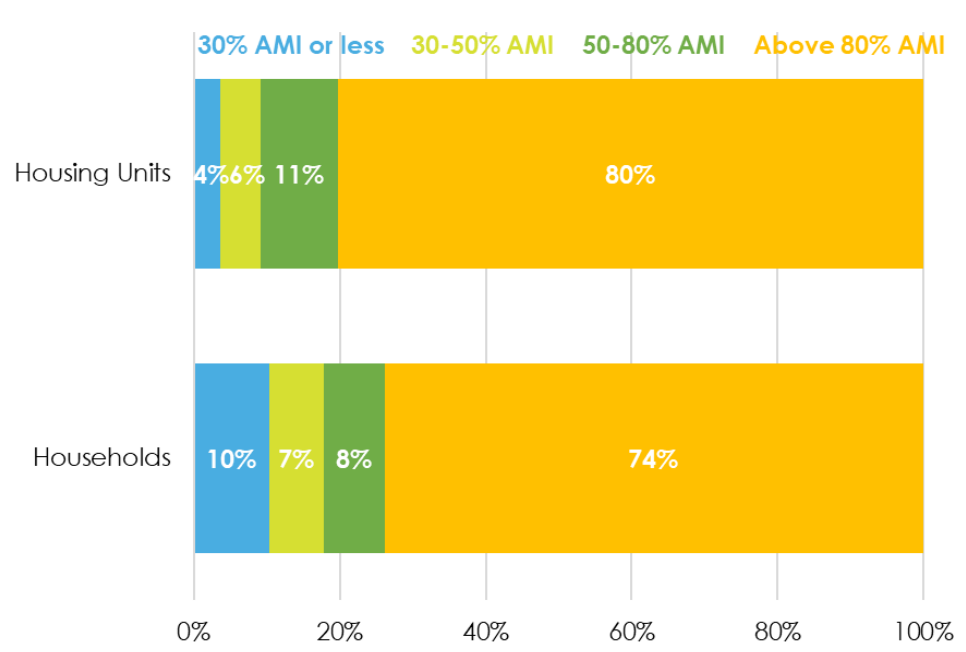
Another key factor for understanding housing needs is the rate of production of housing affordable to different income levels. This section offers a current snapshot of Bellevue's affordable housing landscape including analysis on the rates of affordable homes owned and rented and being produced. This includes both market-rate and public-supported housing.

Gaps in Housing Availability by Affordability Level

Overall, the number of housing units affordable at any income level does not match the number of households with said income.

Exhibit 62 provides estimates for the number of households in Bellevue with incomes below four different thresholds, as well as the number of housing units that would be affordable to these households. It shows a clear gap of affordable units available for those with incomes below 30% AMI or 50% AMI. The data also shows Bellevue has a higher share of households making 50-80% AMI or above 80% of AMI than housing units affordable to those households.

Exhibit 62. Affordability of Housing Units Compared to Household Incomes, Bellevue, 2019



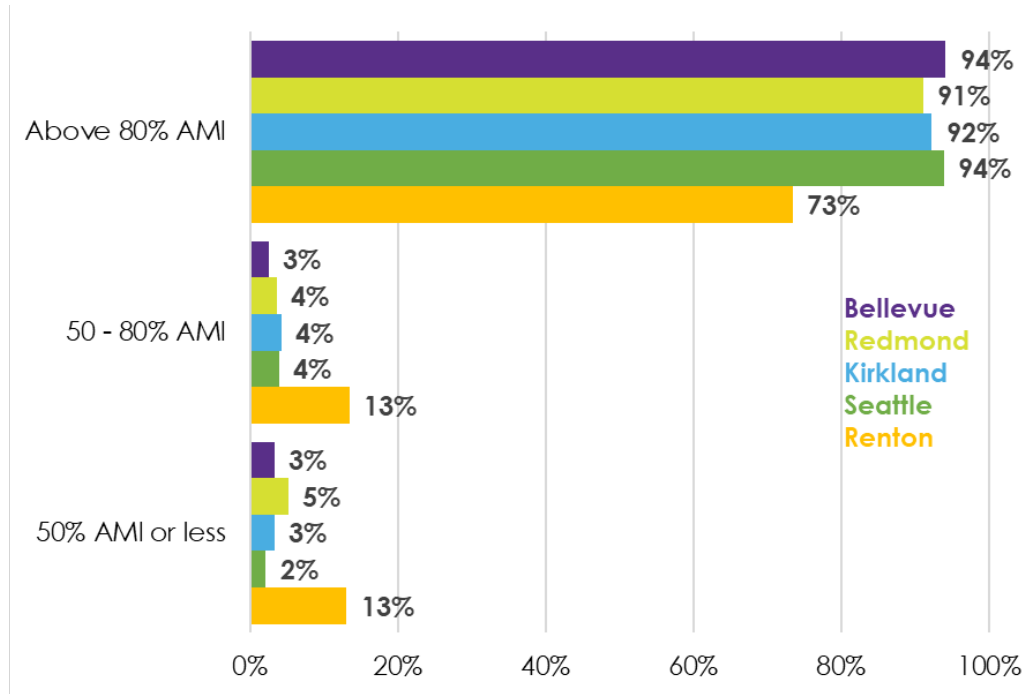
Source: CHAS 5-year 2015-2019; Community Attributes Inc., 2022.

For owner occupied units, Bellevue has similar units affordable to various income levels to Redmond, Kirkland, and Seattle, but much fewer than Renton. There are 29,880 owner-occupied units (94%) affordable to Bellevue's higher income population (above 80% AMI), but only 1,870 units (6%) available to its moderate and low-income population. **(Exhibit 63)**

For rental units, Bellevue has more affordable rental units at different income levels than Redmond, but fewer units than the other comparison jurisdictions, especially when compared to Seattle and Renton. While Bellevue has over 23,300 affordable rental units to its middle (50 to 80% AMI) and higher-income (above 80% AMI) populations, fewer than 4,500 affordable rental units are available for its lower income population. **(Exhibit 64)**

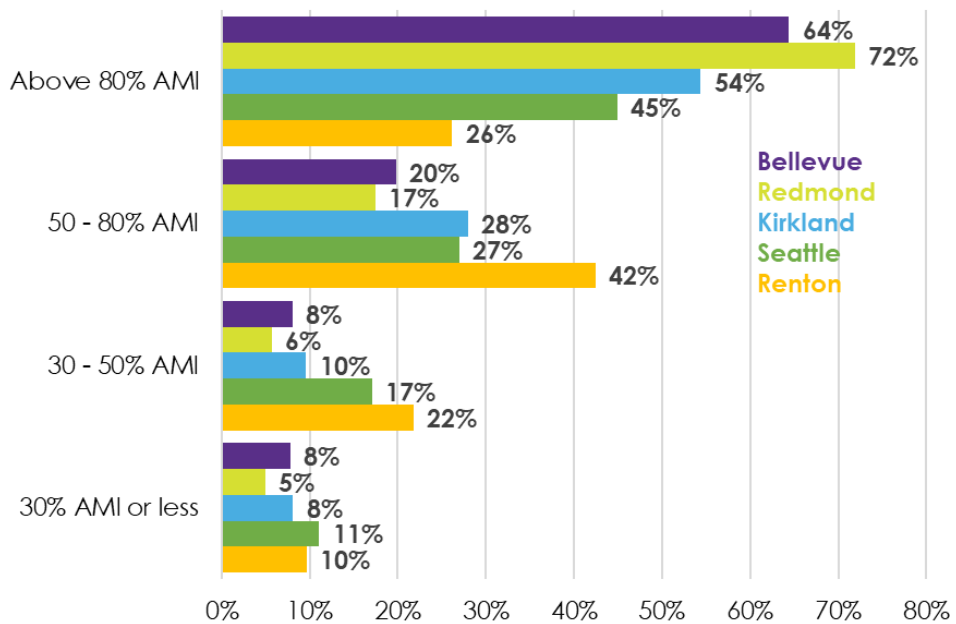
Bellevue's affordable housing units at 80% AMI or less are mostly located on the Eastside of the Bridle Trails neighborhood, in Crossroads and Lake Hills between 164 Ave NE and 156 Ave NE and in the central part of the city, including Wilburton, West Bellevue, and parts of Eastgate/Factoria. **(Exhibit 65)**

Exhibit 63. Number Owner-Occupied Units Affordable to Each Income Level, Bellevue



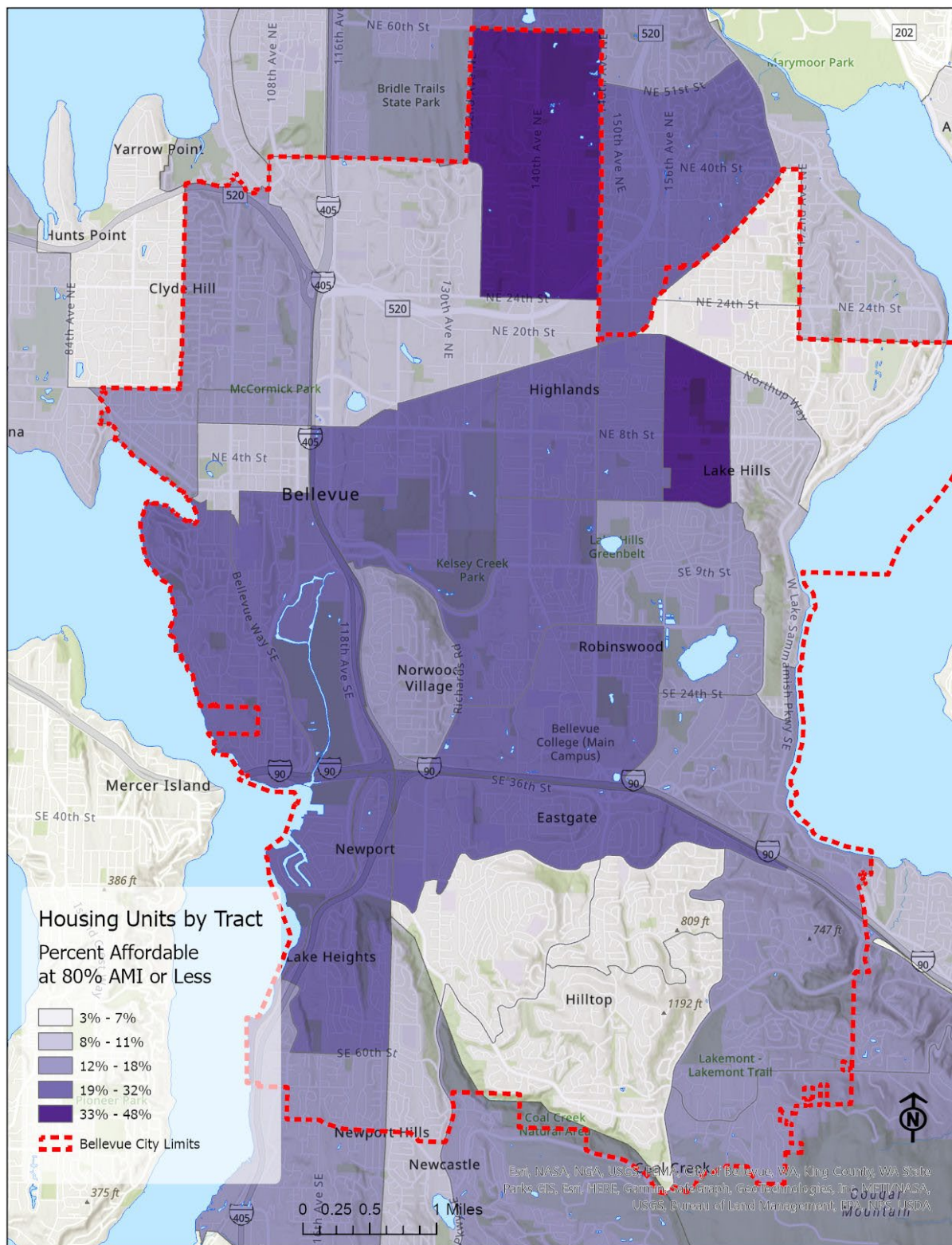
Source: CHAS 5-year 2015-2019; Community Attributes Inc., 2022.

Exhibit 64. Number Rental Units Affordable to Each Income Level, Bellevue



Source: CHAS 5-year 2015-2019; Community Attributes Inc., 2022.

Exhibit 65. Share of Housing Units Affordable at 80% AMI or less, Bellevue, 2019



Source: CHAS 5-year 2015-2019; Community Attributes Inc., 2022.

Naturally Occurring Affordable Housing (NOAH)

This section evaluates the affordability level of market rental units to provide an assessment of naturally occurring affordable housing in Bellevue. Due to data availability, this analysis only captures existing multifamily rental properties that are affordable without public subsidy to households earning 80% AMI or below. Understanding and identifying NOAH in Bellevue is important for maintaining affordable-housing options in the city.

Nationwide research²² found that NOAH constitutes the largest supply of affordable units and a key source of wealth in low-income communities, yet it is not well defined, tracked or understood. NOAH properties are often financially fragile and more sensitive to economic shocks, and the lack of covenants and subsidies make NOAH assets more vulnerable to redevelopment, disrepair, and ownership turnover. NOAH ownership turnover often results in renter displacement and can create instability within communities. NOAH assets are also typically older and more likely to be redeveloped when sold, increasing the rate at which NOAH units are being lost and further shrinking the supply of affordable housing²³.

This analysis uses the 2022 Area Median Income (AMI) for the Seattle-Bellevue HUD Metro Fair Market Rent Area as published by the U.S. Department of Housing and Urban Development (HUD) and adjusted by household size. When evaluating the affordability of a unit, the following average household sizes are assumed to factor in the number of bedrooms: 1 person for studios and 1.5 persons per bedroom for units containing one bedroom or more. These are based on standard ratio that King County and HUD use for similar analyses of affordability²⁴. The maximum affordable monthly rent is calculated using the commonly employed standard for affordability – the cost of rent is no more than 30% of household income. **Exhibit 66** shows maximum monthly rents considered affordable by unit size and for corresponding household sizes at various AMI levels.

CoStar data for multifamily rental units in Bellevue is the main source of data for market rents in occupied units. The data does not cover all rental housing units in the city but provides a sample of roughly 16,700 market rental units for this analysis²⁵, which represents just over half (54%) of all

²² Preserving the largest and most at-risk supply of affordable housing, McKinsey & Company, February 23, 2021.

²³ Ibid.

²⁴ King County King uses 1.5 persons per bedroom to determine the household size and corresponding rent limits.

²⁵ Income-restricted units are not included since this analysis is focused on market rent units only.

rental units in Bellevue²⁶. Of this sample, 5,470 housing units are NOAH or affordable to households earning 80% of AMI or less. (**Exhibit 62**).

Exhibit 66. HUD AMI-based Income Levels and Corresponding Maximum Affordable Gross Rent, Bellevue, 2022

Unit Size	50% AMI		80% AMI		120% AMI	
	Annual Income	Max Affordable Monthly Rent	Annual Income	Max Affordable Monthly Rent	Annual Income	Max Affordable Monthly Rent
Studio	\$45,400	\$1,135	\$72,600	\$1,815	\$108,800	\$2,720
1 Bedroom	\$48,600	\$1,215	\$77,700	\$1,943	\$116,500	\$2,913
2 Bedroom	\$58,300	\$1,458	\$93,200	\$2,330	\$139,800	\$3,495
3 Bedroom	\$67,300	\$1,683	\$107,600	\$2,690	\$161,500	\$4,038
4 Bedroom	\$75,100	\$1,878	\$120,200	\$3,005	\$180,200	\$4,505

Source: HUD CHAS Income Limits, 2022; Community Attributes Inc., 2022.

Exhibit 67. Naturally Occurring Affordable Housing by Unit Size, Bellevue, 2022

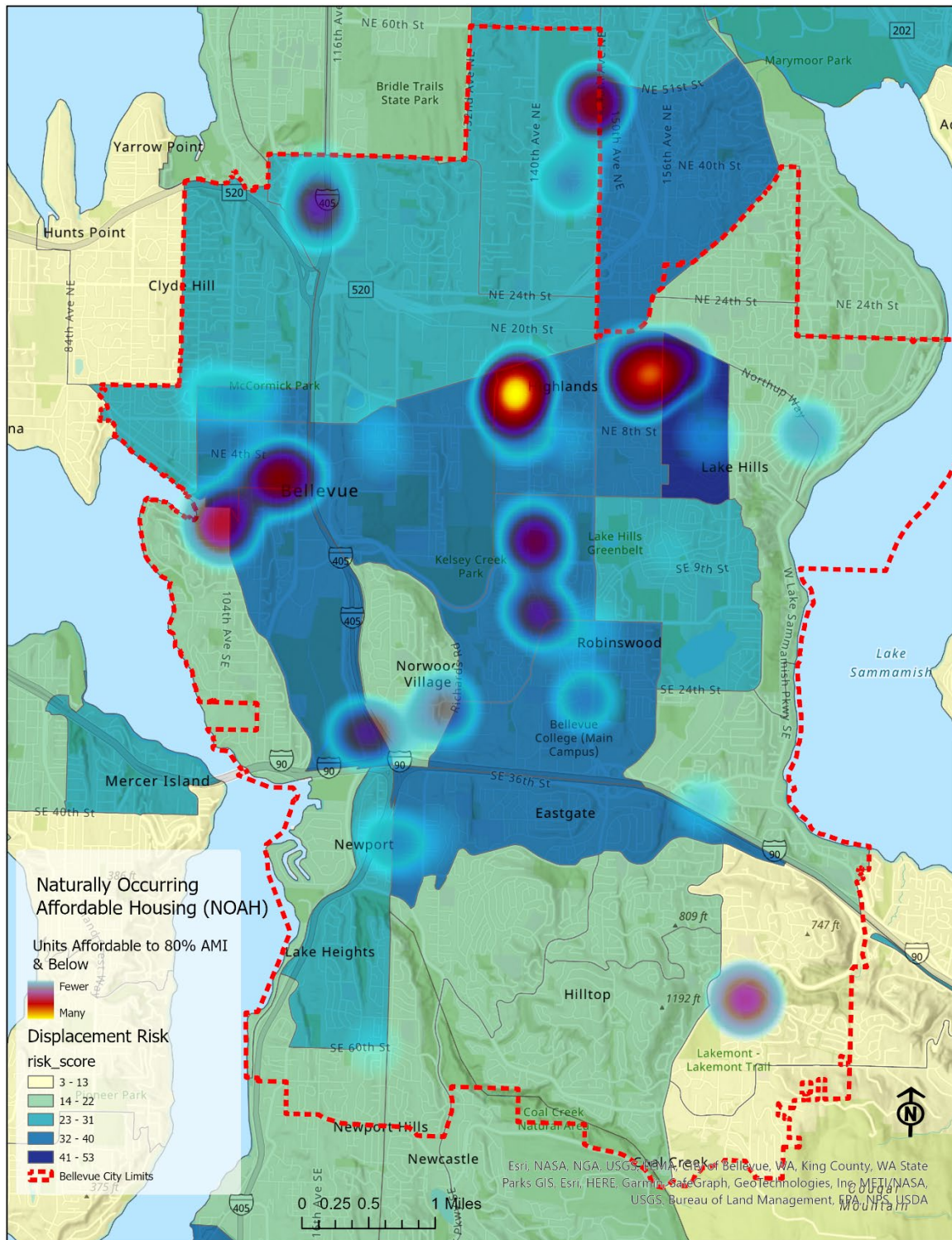
Units Affordable at:	50% AMI or less	80% of AMI or less
Studio units	33	643
1-bedroom units	18	2,157
2-bedroom units	88	2,416
3-bedroom units	11	254
4-bedroom units	-	-
Total	150	5,470

Source: CoStar, 2022; HUD CHAS Income Limits, 2022; Community Attributes Inc., 2022.

Exhibit 68 shows the location of NOAH properties in Bellevue. It also shows displacement risk based on the Regional Displacement Risk Index, created by the Puget Sound Regional Council as part of the VISION 2050 long-range regional growth strategy effort. This index combines data at the census tract level about socio-demographics, transportation, neighborhood characteristics, housing, and civic engagement to determine areas which are likely to be the most vulnerable to displacement in the region. Overall, there is some overlap in Bellevue between areas with high NOAH density and higher displacement risk. If there is a loss of affordable housing in the community, some households may need to leave the city and move to other locations to find appropriate and affordable housing. Understanding where there is the potential for displacement can be important in crafting policies to mitigate these effects.

²⁶ This is estimated based on total housing stock in 2022 from OFM and the share of rental units based on the 2016-2020 5-year average ACS data.

Exhibit 68. NOAH and Displacement Risk in Bellevue



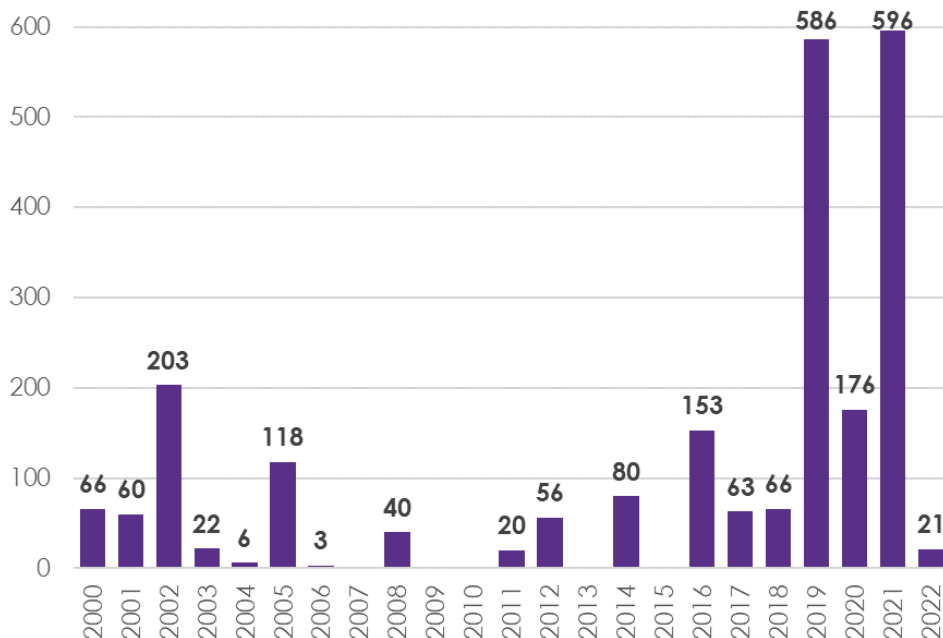
Source: CoStar, 2022; HUD CHAS Income Limits, 2022; PSRC Displacement Risk Index, Data collected from American Community Survey (ACS), U.S. Census Bureau; Consolidated Housing Affordability Strategy (CHAS), U.S. Department of Housing & Urban Development (HUD); Google; County elections data, 2011 to 2018; Community Attributes Inc., 2022.

Impact of Existing Programs

Bellevue has a variety of its own programs and partnerships through which it can fund the development of affordable and special needs housing. This section provides an overview of those programs, as well as the number and types of units each program has created in Bellevue.

Of the 5,018 income-restricted affordable units produced in Bellevue since 1981, 47% have come into service since 2000. The timeline of these units is shown in **Exhibit 69**. During this time, the years of 2019 and 2021 saw the largest numbers of affordable units come into service (a total of 1,182 units comprising 24% of all the city's affordable housing stock). This recent affordable unit production is primarily a result of enactment of the 2017 Affordable Housing Strategy, which prioritizes establishing a high-level and sustainable level of funding for affordable housing production and preservation from state, county, and local funding sources, and KCHA's purchase of several properties in Bellevue in recent years.

Exhibit 69. Number of Affordable Housing Units in Service by Year, 2000 to 2022



Source: City of Bellevue, 2022; CAI, 2022.

Exhibit 70 provides a high-level summary of the production of each program by type of housing. Each program and type of unit (including MFTE and KCHA units) are described in more detail below.

Exhibit 70. Summary of Existing Housing Development Programs Production to 2022

Bellevue / ARCH Funded				
<i>Housing Type</i>	<i>Total Units</i>	<i>KCHA Units</i>	<i>MFTE Units</i>	<i>Section 8</i>
Homeless/Transitional Housing/Special Needs Housing	297	0	0	51
Families and Individuals	3,162	2,329	0	435
Senior	358	65	0	65
Other	2	0	0	0
Subtotal	3,819	2,394	-	551
Development Incentive				
<i>Housing Type</i>	<i>Total Units</i>	<i>KCHA Units</i>	<i>MFTE Units</i>	<i>Section 8</i>
15% Bonus	95	0	32	0
IZ	170	0	0	0
Bel-Red FAR	89	0	0	0
MFTE	52	0	52	0
Other	14	0	0	0
Subtotal	420	0	84	0
Other Programming				
<i>Housing Type</i>	<i>Total Units</i>	<i>KCHA Units</i>	<i>MFTE Units</i>	<i>Section 8</i>
Homeless/Transitional Housing/Special Needs Housing	734	570	0	8
Families and Individuals	44	0	0	0
Other	1	0	0	0
Subtotal	779	570	0	8
Total	5,018	2,964	84	559

Source: City of Bellevue, 2022; CAI, 2022.

Note: There may be overlap between the different programs shown in this table (e.g. Section 8 units are generally also KCHA units).

City of Bellevue Programs

The City of Bellevue utilizes several programs and incentives to construct affordable housing. The City offers development incentives for homeowners who decide to build smaller units on their property, like an accessory dwelling unit (ADU). Development incentives are primarily utilized for creating multi-family projects, including density bonuses, minimum parking reductions, and property tax exemptions. Some additional incentives are offered for development in certain neighborhoods.

Location-Specific Density Bonuses

Bellevue offers density bonuses in specific neighborhoods, which include the following three neighborhoods, affordability requirement, and the share of affordability of a development if the density bonus is maximized.

- **Downtown.** Requires 1 square foot of affordable housing for every 2.5 square feet of market-rate units (28.6% affordable).

- BelRed. Requires one square foot of affordable housing for either every 4.6 square feet of market-rate rentals (17.85% affordable) or 7.2 square feet of market-rate owner-occupied units (12.2% affordable).
- Eastgate Transit Oriented Development District and Neighborhood Mixed Use Districts. At least one affordable unit for every 2.5 market-rate units (28.6% affordable).
- East Main Transit Oriented District. Amenity incentive systems requires development to earn 80% of incentive bonus through affordable housing (75% for nonresidential development). Provision of affordable housing earns development 3.2 bonus square feet per 1 square foot of affordable housing.

Density Bonus (15% Program)

In addition to neighborhood-specific bonuses, the city offers a density bonus of up to 15% above existing density limits with the inclusion of affordable units. For each affordable unit proposed, one additional market-rate unit is allowed up to the 15% of existing density threshold. Since 1996, this program has resulted in 95 units affordable at 80% AMI.

C-1 Affordable Housing Density Bonus

In 2021, the City Council adopted a land use code amendment, C-1 Affordable Housing Density Bonus, that establishes up to 50% density bonus for permanent affordable housing on certain land owned by religious organizations, nonprofit organizations, or public entities. A second phase of the C-1 strategy will commence work on a comprehensive plan amendment including rezoning for certain faith-owned properties in single family land use districts with characteristics to support additional housing beyond what could be generated with the density bonus alone.

Multifamily Tax Exemption (MFTE)

The Multifamily Tax Exemption (MFTE) Program is a voluntary affordable housing incentive for new multi-family rental developments. MFTE projects receive a 12-year exemption from property taxes in exchange for setting aside 20 percent of the units for income-eligible households for that time. The original version of this program was implemented in 2015 in limited areas in Bellevue and did not result in significant utilization. It was expanded citywide in 2021. Today, 84 MFTE units are available at 60-80% AMI in Bellevue have been created, set to expire between 2031 and 2034.

Housing Stability Program

In October of 2020, the city enacted Resolution No. 9826 to collect a 10th of a percent sales tax to support affordable housing and related services. The tax became effective January 1, 2021, collecting more than \$9.7 million in 2021 and estimated to collect \$10.3 million in 2022. Program priorities for use of these funds include provide housing for households earning less than 30%

AMI; address and prevent homelessness and housing instability; focus on underserved and vulnerable residents in Bellevue. Funding is provided to support land acquisition, building acquisition, construction as well as operations and maintenance costs that serve program priorities.

A Regional Coalition for Housing (ARCH) Housing Trust Fund

Bellevue is a member of A Regional Coalition for Housing (ARCH) and has developed several affordable developments with ARCH support. In partnership with ARCH, the City of Bellevue has developed 3,819 units citywide. The majority of these were completed using funds from the ARCH Housing Trust Fund. Most homes built with Housing Trust Funds are affordable to households earning less than 50% of median income and often support projects for special needs groups. In Bellevue, ARCH funds have supported over 3,800 affordable housing units - 3,162 units for families and individuals, 297 units for those currently experiencing homelessness, and 358 units for seniors.

Other Programs

Affordable housing creation is not limited to the programs described here, and 779 units in Bellevue have been created through other private or private-public partnerships. One of the partnerships that falls under this classification is the City's partnership with major employers such as Amazon, Microsoft, and Sound Transit in their efforts to create and preserve affordable housing.

King County Housing Authority

The King County Housing Authority (KCHA) partners with jurisdictions to create affordable housing and distributes funding and subsidies to eligible families and individuals. KCHA funds can further support individual units created through the programs and partnerships listed above. Nearly 60% of those living in units created through the City of Bellevue's partnership with ARCH also utilize KCHA assistance. Two of the most-utilized programs in King County are described below, although KCHA facilitates several other targeted housing support programs.

Section 8 Vouchers

Tenant-based Section 8 vouchers are funded by the U.S. Department of Housing and Urban Development and managed by KCHA. They help nearly 12,000 King County households with low incomes rent homes on the private market, including 559 in Bellevue. With a voucher, a tenant pays between 28% and 50% of their household income on rent and utilities, with KCHA paying the difference.

KCHA Subsidized Housing

KCHA also owns and manages multi-family rental units in which KCHA subsidizes housing for those with the most limited incomes, including seniors, people with disabilities, and single-parent families.

GAP ANALYSIS BY AFFORDABILITY LEVELS

This section of the Housing Needs Assessment compares needs and supply citywide to identify baseline and future gaps by affordability levels. There is no single answer to how much and what type of housing the City of Bellevue needs in the future. An assessment of future need should be informed by data and technical assumptions, but also by the city's goals and policy.

This gap analysis by affordability levels is a nuanced local look at existing and future need in Bellevue based on people who live in the city today and people who are likely to want to move to Bellevue in the next twenty years. This approach varies from the allocation approach adopted by the Department of Commerce and King County which looks at countywide needs and then distributes across jurisdictions without considering local existing gaps.

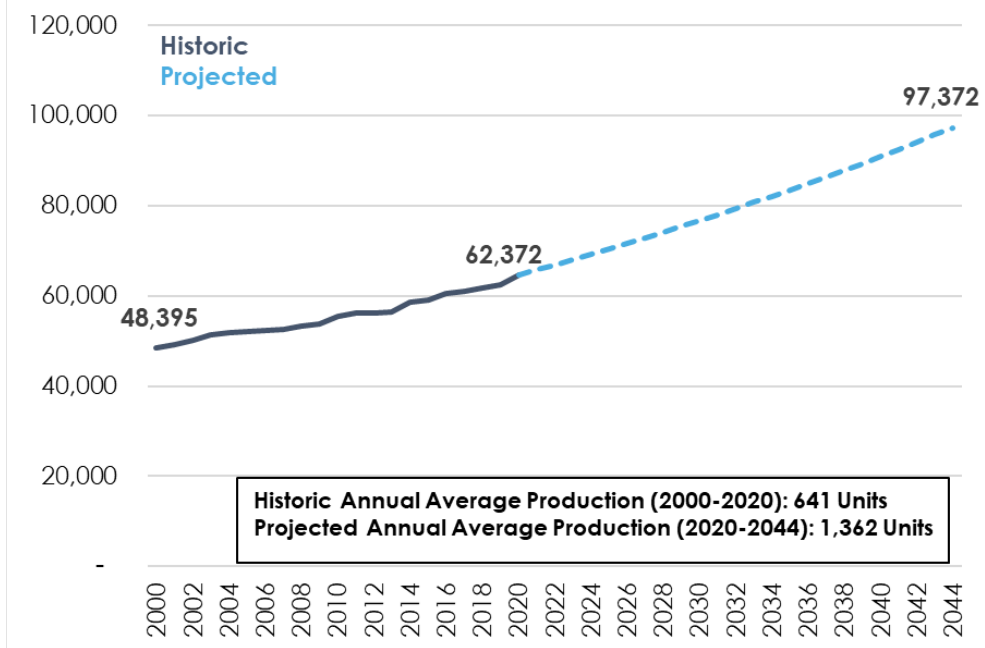
Bellevue's Projected Housing Needs by Income Level

Total Projected Housing Need

This analysis aligns the total projected housing need for Bellevue for 2044 with GMA targets for housing growth in Bellevue. As defined in the GMA, the housing target, which is based on regional forecasts and allocations in VISION 2050, sets the minimum expectation for the amount of housing that Bellevue will need to plan for in its next periodic comprehensive plan update in 2024.

The City of Bellevue has a 2019-2044 housing unit target of 35,000 units as adopted in the Countywide Planning Policies and ratified by the Bellevue City Council. This growth assumption is closer to the speed the city has added housing since 2015 – at an average annual growth rate of 1.6% or 978 units per year between 2015 and 2022 compared to 2.0% or 1,431 units per year over the period from 2022 to 2044.

Exhibit 71. Historical and Projected Housing Production in Bellevue



Source: Washington State Office of Financial Management, 2022; City of Bellevue, 2022; Community Attributes, 2022.

Allocation by Affordability Level

This gap analysis assumes that the number of people who live in Bellevue today will continue to live in Bellevue, and that several other people will move to Bellevue over the next two decades. While this assessment of affordability does not comply with GMA planning requirements, it provides an estimate of housing production in Bellevue that would be affordable to income levels across several populations: 1) people who live in Bellevue today; 2) people who work in Bellevue; and 3) people who live across King County and may want to live in Bellevue. **Exhibit 72** shows the breakdown of total projected housing units by income level for these three populations.

The allocation by affordability level starts by identifying the baseline gaps by affordability levels and then considers how housing needs might change in the next 20 years based on who is likely to want to move to Bellevue during this time.

Current Need

This Housing Needs Assessment found that Bellevue has an existing deficit in the number of units available in the 30-50% AMI and <30% AMI income groups by comparing housing supply to Bellevue's current housed population (

Exhibit 62). As shown in **Exhibit 72**, there is a current shortage of roughly 5,000 units affordable at 50% AMI or less.

Exhibit 72. Projected Housing Units by Income Level, Bellevue, 2044

Income Level	Current Need (Resident HH)	Future Allocation (Bellevue Worker 3-person HH)	Future Allocation (KC Residents)	Total Housing Need, 2044	% of Net Housing Need
0-30% AMI	4,070	682	2,068	6,820	19%
31-50% AMI	935	994	1,717	3,646	10%
51-80% AMI	-	2,238	1,648	3,887	11%
81-100% AMI	-	1,579	1,456	3,035	9%
101-120% AMI	-	1,536	1,649	3,185	9%
Above 120% AMI	-	7,969	6,459	14,428	41%
	5,005	14,998	14,998	35,000	100%

Source: HUD CHAS 5-year 2015-2019; AASHTO, CTPP Data, 2016; City of Bellevue, 2022; Community Attributes, 2022.

Future Need

Beyond the current need, this gap analysis considers additional housing that would be needed to accommodate demand from people that would like to live in the city but cannot find adequate or affordable housing. Analyzing housing demand from potential future Bellevue residents is complex because it represents a bundle of services that people are willing to or able to pay for, including shelter and proximity to other attractions (e.g., jobs, shopping, recreation), amenities (e.g., type and quality of home fixtures and appliances, landscaping, views), access to public services (e.g., quality of schools, parks), and others. Because it is difficult to maximize all these services while minimizing costs, households must make decisions about trade-offs between needed services and what they can afford.

There isn't sufficient data to accurately estimate the total demand from people who would like to live in Bellevue, but there are several useful indicators that can inform assumptions around latent housing needs that are not being met by the current housing supply. One such indicator in this Housing Needs Assessment is underproduction of housing compared to job growth. As noted in the Employment and Commuters subsection, Bellevue has experienced periods of rapid job growth during the past couple of decades. Housing production during this period did not keep pace, adding one unit per 1.6 jobs. The mismatch between job growth and housing production was even more pronounced after the recession. Between 2011 and 2020, the ratio of net new jobs to net new housing was even higher at 2.7.

Additionally, Bellevue's commuting trends suggest that many of the city's workers either may not be able to afford suitable housing inside the

community or the available housing may not meet their needs or preferences. Bellevue has high rates of commuting both to and from the city and the city's workforce largely lives outside of Bellevue (89 percent). Roughly 42% of people who work in Bellevue commute between 30 and 59 minutes to their workplace in the city.

By considering the future housing needs of Bellevue's workers, this gap analysis aligns with several VISION 2050 policies and actions, specifically:

- Plan for Jobs-Housing Balance: Metropolitan and Core cities experiencing high job growth will take measures to provide additional housing capacity for a range of housing types and affordability levels to meet the needs of those workers.
- Provide additional housing capacity in Metropolitan Cities in response to rapid employment growth, particularly through increased zoning for middle density housing.
- Develop and provide a range of housing choices for workers at all income levels throughout the region that is accessible to job centers and attainable to workers at anticipated wages.

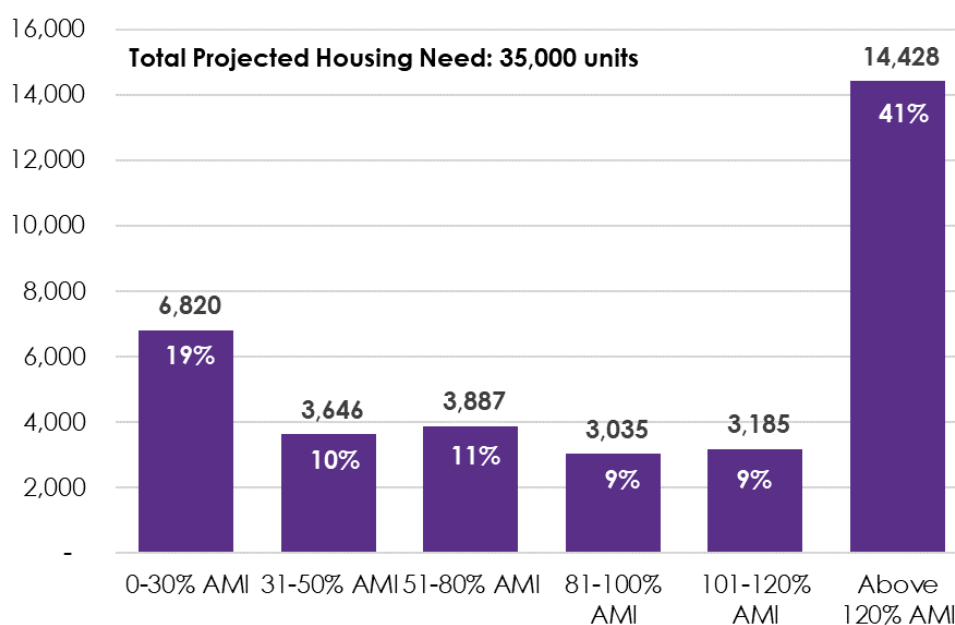
This gap analysis allocates half of the total projected housing units after deducting the current need (half of 35,000 units minus 5,000 units) to Bellevue workers that live outside the city and the other half to people who live throughout King County but may want to live in the city.

The roughly 15,000 housing units for Bellevue workers are distributed by AMI based on the 2016 distribution of Bellevue workers by income level, which is the latest data available on worker distribution by income that can be mapped to AMI levels. Based on this distribution, most of the new growth is projected to be among worker households with incomes greater than 120% of AMI. The projections also include 15% of the housing units for worker households with incomes between 51 and 80% AMI.

The other 15,000 units for people who live throughout the county but may move to Bellevue in the next twenty years are distributed by AMI based on the existing (2019) distribution of household incomes in King County. This method projects a more equitable distribution across income groups and considers a future scenario where the city increasingly reflects broader housing needs across the wider metropolitan area. This allocates a quarter of housing units (roughly 10,500 units) to current King County households with incomes below 50% AMI. On the other end of the spectrum, 43% of housing units (14,400 units) are distributed to current King County households with incomes above 120% AMI.

Exhibit 73 brings together the current and future need and estimates the total number of projected housing units by affordability level, with housing needs seen across the income spectrum. Almost one-fifth of new housing units in Bellevue would need to be priced for households with incomes below 30% of AMI, and another 10% priced for households with incomes between 30% and 50% of AMI. The largest share of housing units (more than 14,000 or 41%) would be available at prices affordable to households with incomes above 120% AMI.

Exhibit 73. Allocation of Projected Housing Units by Income Level, Bellevue, 2044



Source: HUD CHAS 5-year 2015-2019; AASHTO, CTPP Data, 2016; City of Bellevue, 2022; Community Attributes, 2022.

Comparison to King County Affordable Housing Needs Allocation

King County Growth Management Planning Council's (GMPC) draft housing need projection methodology includes three allocation options:

- **Option 1. Focus on new growth:** Same percent shares of countywide net new housing growth are affordable in every jurisdiction.
- **Option 2. Focus on 2044:** Same percent shares of countywide total housing stock in 2044 are affordable in every jurisdiction.
- **Option 3. Focus on new growth adjusted for local factors:** Same percent shares of new housing growth are affordable in every

jurisdiction and adjusts outputs within each income band by the following factors:

- Percent share of housing that's currently affordable at 0-80 percent AMI
- Percent share of housing that's currently income restricted at 0-80 percent AMI
- Subregional ratio of low-wage jobs to low-wage workers

Options 1 and 2 are based on a recommended allocation tool prepared by the Department of Commerce. Option 3 has been developed by King County staff as an alternative to Option 1 and Option 2 that focuses on new growth while adjusting for local factors. Based on an assessment of each option by the GMPC, AHC and other stakeholders involved in the process, Options 3 has so far emerged as the most aligned with the three key principles AHC staff socialized to facilitate decision-making on by income level allocation methods:

1. Increase housing choices for low- and moderate-income households in areas with fewer affordable options currently.
2. Promote a more equitable distribution of housing choices across all jurisdictions.
3. Align with the Growth Management Act (GMA), Regional Growth Strategy, CPPs, and Commerce's minimum countywide need allocation standards.

Some additional considerations for the King County approach across the three options under consideration include:

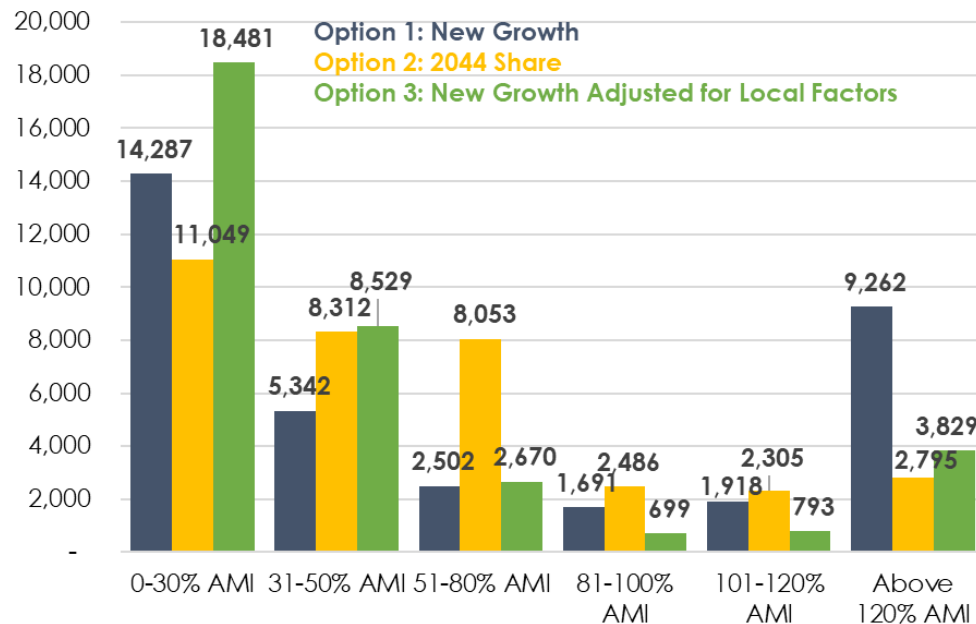
- Allocations of need are based in part on the estimated 2020 housing supply by affordability level. Jurisdictions with less low-income housing are thus allocated higher amounts in lower AMI bands.
- Can result in "surplus/negative" units where a jurisdiction's baseline supply is greater than its own share of projected need. When there is a negative allocation a jurisdiction may need to consider strategies that make that existing housing stock affordable to lower-income households.
- Can result in significantly more additional units needed than implied in growth target, leading to challenging planning requirements for jurisdictions with high land costs and less affordable housing.

Bellevue Draft Affordable Housing Needs Allocation

Exhibit 74 shows a preliminary look at draft housing need projections for Bellevue by income band developed by the Washington State Department of Commerce and King County Affordable Housing Committee staff. Bellevue's

draft allocation is 35,000 units which matches the adopted housing growth target in the UGC report. These numbers are as published on King County’s Draft Jurisdictional Housing Need Options Dashboard per the latest updates from Commerce at the time of this report and are likely subject to change.

Exhibit 74. Bellevue Draft Net New Units Allocation, 2044



Source: King County Draft Jurisdictional Housing Need Options Dashboard (by Income Level), 2022; Community Attributes, 2022

According to the King County approach, the City of Bellevue is mostly allocated housing for extremely low income (0-30% AMI) and low income (30-50% AMI) households. The 0-30% AMI housing needs include permanent supportive housing (PSH) as all PSH needs are expected to be among extremely low-income households. Of the three allocation methods proposed by Commerce, Option 3 (Focus on new growth adjusted for local factors) allocates the highest share of housing units to very low- and low-income bands – 53% to less than 30% AMI and another 24% to 31 to 50% AMI. Option 1 (Focus on new growth) allocates almost a third of housing units to the over 81% AMI income band.

These projections are largely at odds with residential demand and market factors under which housing is developed. Housing developments are usually financed based on high market rents or sale prices that will guarantee the repayment of construction loans and result in a return for developers to take on the many risks of development. As a result, most housing is constructed for residents at or above median income levels. Local governments must use certain public funding sources to encourage the construction of affordable housing for extremely low income (0-30% AMI) and very low-income (31%-

50% AMI) populations. These funding sources include local taxes, tax incentive programs for developers, and state or federal grant programs.

CONCLUSION

The information presented in this housing needs assessment informs housing policy considerations for the city. The findings can inform the development of strategies to encourage housing production that is more closely aligned with the housing needs of current and potential future Bellevue residents.

Bellevue is facing declining housing affordability with a notable deficit in housing stock to meet the needs of households with under 50% of Area Median Income. Results from the assessment also indicate that unit sizes are not aligned with current demographics and growth trends. Bellevue's housing prices have risen alongside regional increases, and this has resulted in more cost-burdened households and many workers forced to commute outside of the city to access housing that meets their needs. Bellevue has almost exclusively produced multi-family housing intended to support renters, while homeownership is increasingly unattainable for many residents, with more pronounced challenges for Black or African American and Hispanic or Latino households.

The risk of involuntary displacement appears to be more pronounced in areas with naturally occurring affordable housing. A set of locations faced heightened displacement risk and housing preservation needs such as the Crossroads, Lake Hills, and Highlands neighborhoods, areas in and around the downtown center, select locations near the highway system, and other areas identified in mapping that was conducted as part of the assessment. These areas of need can frame a policy focus for the city to advance key housing preservation efforts that can ensure households do not have to leave the city and move to other locations to find appropriate housing options.

The gap analysis conducted for this report estimates housing units by affordability level to serve three specific populations: 1) people who live in Bellevue today; 2) people who work in Bellevue; and 3) people who live across King County and may want to live in Bellevue. Almost one-fifth of new housing units in Bellevue would need to be priced for households with incomes below 30% of AMI, and another 10% priced for households with incomes between 30% and 50% of AMI.