

Appendix: Background Information

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Glossary

Accessory dwelling unit: Accessory dwelling units (ADU), which are often called “mother-in-law units,” are extra living units created on the property of a single family home. An ADU has a kitchen, bathroom and sleeping facilities. Subject to local regulations, ADUs may be located either inside, attached to, or detached from the primary home.

Affordable housing: The U.S. Department of Housing & Urban Development (HUD) defines housing as affordable if its occupants pay **no more than 30% of their income** for rent and utilities or for mortgage, taxes, and insurance. *(This guidebook focuses in on a subset of housing, defining affordable housing as housing that is affordable to households that earn 80% of median income or less.)*

Attached housing: Attached housing is a residential structure that consists of two or more units. Attached housing units can be either rental or ownership housing.

Condominium: A condominium is a residential structure that consists of two or more attached units. The interior units within the building are owned by individual homeowners; the remainder of the property is owned in common by the owners of the individual units. *(In this guidebook, condominiums and townhomes are referred to as attached housing.)*

Cost-burdened: Households that pay more than 30% of their income for housing.

Down payment: The amount of a home’s price that a purchaser pays, with the remaining amount of the home’s price being covered by a home loan (mortgage). Some lenders and mortgage programs offer mortgages with less than 10% down; however, a 10% down payment is considered standard by most lenders. For any down payment amount less than 20%, however, buyers are generally required to purchase private mortgage insurance to protect the lender.

Fair market rent: The fair market rent is an amount defined by the U.S. Department of Housing & Urban Development (HUD) for a particular geographic community that constitutes what it considers a reasonable rent for that area. HUD's Section 8 rental vouchers for low income tenants are limited to this Fair Market Rent. The voucher will cover the difference between 30% of the tenant's income and the Fair Market Rent. If a Section 8 tenant rents an apartment that rents for higher than the Fair Market Rent, the tenant must make up the difference from his or her own funds.

The chart below summarizes the Fair Market rent levels for East King County. These represent the limit for the King County Housing Authority-sponsored Section 8 Housing Choice rental voucher program.

King County Housing Authority Section 8 Fair Market Rent – East King County			
Studio	1 BR	2 BR	3 BR
\$734	\$838	\$1,008	\$1,424

Source: King County Housing Authority, rent limits valid June 2006

Land use incentives: Land use incentives are defined in this guidebook as initiatives of local government that aim to spur the development of lower-cost housing opportunities. These incentives may include:

- Offering increased height or density in return for including units affordable to low or moderate income households in a development;
- Zoning to allow smaller lot sizes, smaller unit sizes, or alternative housing types, such as accessory dwelling units; or
- Waiving or reducing other development regulations, such as parking requirements.

Low income: For the purposes of affordable housing programs, low income is generally defined to be a household earning up to 50% of median income.

Low Income (50% of Median Income), King County 2006			
1 Person	2 People	3 People	4 People
\$27,615	\$31,560	\$35,505	\$39,450

Source: ARCH, King County Consortium Consolidated Plan

Median income: Median income is defined as the annual income at which half the households in a geographic area earn more and half earn less. Median income is calculated based on household size.

Median Income, King County 2006			
1 Person	2 People	3 People	4 People
\$55,230	\$63,120	\$71,010	\$77,900

Source: ARCH, King County Consortium Consolidated Plan

Minimum wage: The minimum wage is the lowest amount an employer can legally pay a worker in the United States. The minimum wage is usually expressed as an hourly wage. The U.S. minimum wage is currently \$5.85/hour. The minimum wage in Washington State is currently \$7.93/hour.

Moderate income: For the purposes of affordable housing programs, moderate income is generally defined to be a household earning up to 80% of median income.

Moderate Income (80% of Median), King County 2006			
1 Person	2 People	3 People	4 People
\$44,184	\$50,496	\$56,808	\$63,120

Source: ARCH, King County Consortium Consolidated Plan

Severely cost-burdened: Households that pay more than 50% of their income for housing.

Single family home: A single family home is a stand-alone, detached residential structure that is typically owned by an individual household. Single family homes generally include property surrounding the structure, often including a garage, driveway, and yard.

Very low income: For the purposes of affordable housing programs, very low income is generally defined to be a household earning 30% of median income or less.

Very Low Income (30% of Median Income), King County 2006			
1 Person	2 People	3 People	4 People
\$15,659	\$18,936	\$21,303	\$23,670

Source: ARCH, King County Consortium Consolidated Plan

Exhibit 1 – 2006 Sample Salaries

Median Income (Family of four): \$77,900 = \$37.45/hr

Median Income (Family of one): \$54,530 = \$26.22/hr

	FAMILY OF FOUR	ONE PERSON
80% Median Income	\$62,320 = \$29.96/hour	\$43,624 = \$20.97/hour
50% Median Income	\$38,950 = \$18.73/hour	\$27,265 = \$13.11/hour
30% Median Income	\$23,370 = \$11.24/hour	\$16,359 = \$7.86/hour

Job Category	Hourly Wages ¹	Annual Wages (rounded) ²
GENERAL		
Minimum Wage	\$7.93	\$16,000
SSI Recipient ³ (disability)	N/A	\$17,500
SSI Recipient (retirement)	N/A	\$14,616
SERVICES		
Teller	\$11.60	\$24,000
Butcher and Meat Cutter	\$16.88	\$35,000
Hairstylist	\$14.39	\$30,000
Food Prep/Cooks	\$10.55	\$22,000
Maids and Housekeeping	\$9.78	\$20,000
RETAIL		
Retail Clerk	\$12.38	\$26,000
Retail Manager	\$22.92	\$48,000
Grocery Clerk	\$11.14	\$23,000
EDUCATION (Data current to 2004)		
Teacher (entry level)	\$14.00	\$28,000
Teacher (top)	\$26.00	\$55,000
CITY⁴		
Firefighter (entry level)	\$25.40	\$53,000
Police (entry level)	\$23.66	\$49,000
Administrative Assist. (entry level)	\$20.01	\$42,000
TRADES		
Electrician	\$26.76	\$56,000
Carpenter	\$23.18	\$48,000
Equipment Operators	\$23.07	\$48,000
Mechanic (auto)	\$19.85	\$41,000
OFFICE		
Office Manager	\$25.91	\$54,000
Bookkeeping, Accounting	\$16.03	\$33,000
Accountant (advanced)	\$30.57	\$64,000
File Clerk	\$15.20	\$31,000
Customer Service Representative	\$17.88	\$37,000
Office Machine Repairer	\$18.76	\$39,000
HEALTH CARE		
Medical Assistant	\$15.62	\$33,000
RN	\$30.61	\$64,000
Physical Therapist	\$29.22	\$61,000
Dental Assistant	\$16.85	\$35,000

¹ Source: Seattle-Bellevue-Everett MSA Wage Estimates for March 2005.

² Annual salary = 2,080 hours ³ SSI Information current to 2005 ⁴ Source: 2007 City of Bellevue Pay Plan

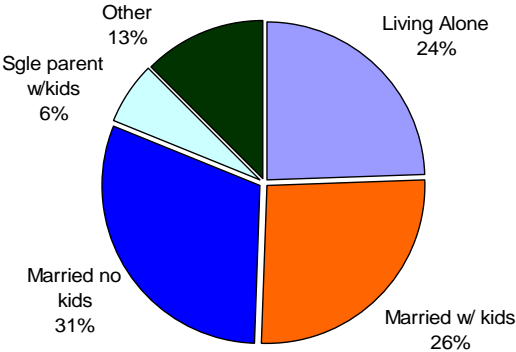
Exhibit 2 – Average Rents and Vacancies: 1990-2006

Average Rents and Vacancies – East King County										
Market Area	1990		2000		2002		2004		2006	
	Avg. Rent	Vacancy	Avg. Rent	Vacancy	Avg. Rent	Vacancy	Avg. Rent	Vacancy	Avg. Rent	Vacancy
Mercer Island	\$539	0.8%	\$941	2.4%	\$1,186	6.2%	\$1,161	4.5%	\$1,130	12.8%
Issaquah	\$635	5.6%	\$1,141	5.6%	\$1,154	11.4%	\$1,101	11.3%	\$1,186	6.9%
Bellevue- West	\$640	2.8%	\$1,114	4.3%	\$1,200	9.4%	\$1,057	5.0%	\$1,107	3.2%
Bellevue- East	\$535	3.0%	\$845	3.6%	\$901	9.4%	\$834	6.4%	\$873	2.6%
Factoria	\$595	3.2%	\$948	4.0%	\$1,025	6.7%	\$963	8.0%	\$986	2.5%
Redmond	\$589	5.2%	\$1,010	4.1%	\$1,056	7.9%	\$994	5.2%	\$1,055	4.0%
Kirkland	\$624	5.2%	\$1,122	6.3%	\$1,231	8.4%	\$1,131	6.5%	\$1,287	4.2%
Juanita	\$571	3.2%	\$934	4.3%	\$946	8.2%	\$919	7.8%	\$972	4.3%
Woodinville-TL	\$546	5.1%	\$866	4.5%	\$851	6.9%	\$785	7.2%	\$855	2.8%
Bothell	\$532	3.4%	\$826	3.1%	\$854	7.4%	\$817	5.1%	\$863	3.6%
King County Total	\$501	4.4%	\$792	3.7%	\$869	8.0%	\$840	7.1%	\$875	4.7%
KC Median Income	\$41,500		\$65,800		\$77,900		\$77,900		\$77,900	

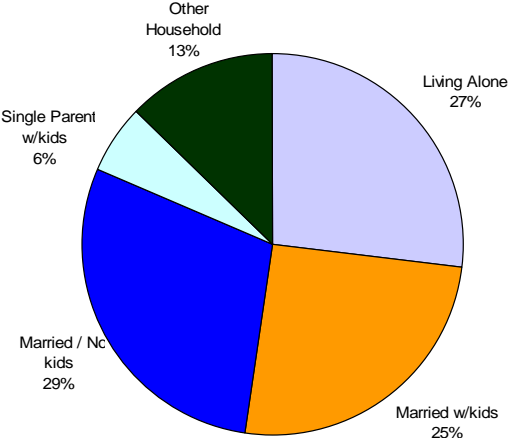
Source for Rents and vacancy: Seattle-Everett Real Estate Report, Spring editions

Exhibit 3 – Household Types 1990 and 2000, East King County

1990

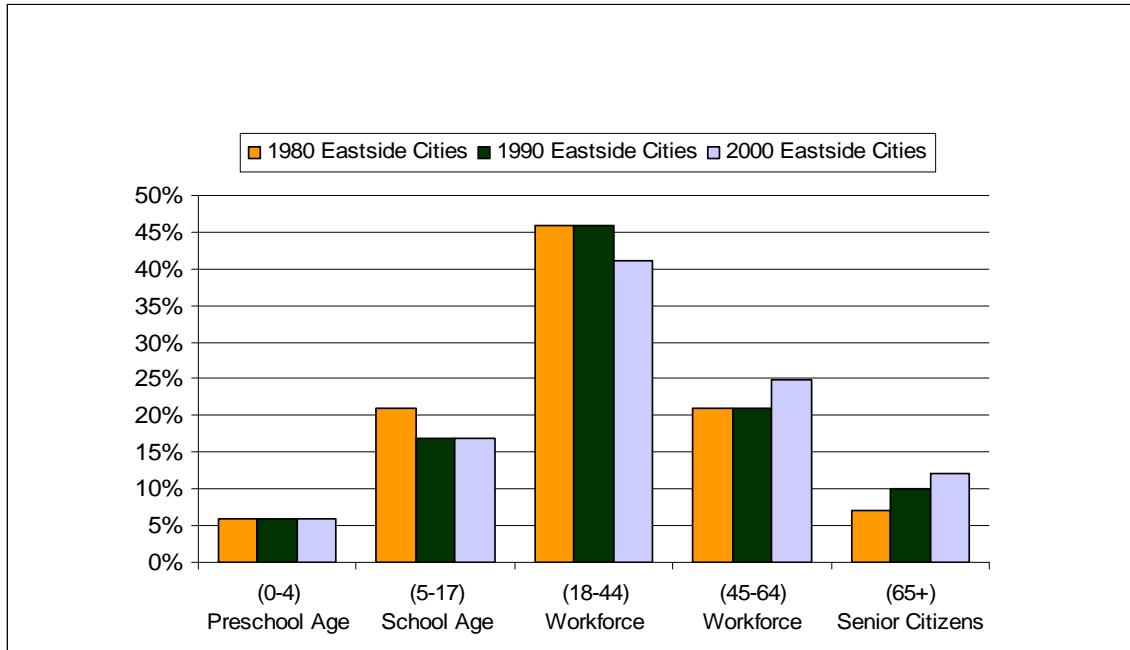


2000



Source: U.S. Census

Exhibit 4 – Eastside Cities’ Age Distribution



2000 PERCENT POPULATION BY AGE

	< 5	5 - 19	20 - 35	35 - 45	45 - 65	65+	75+
Beaux Arts Village	3.6%	19.5%	9.8%	12.1%	35.5%	19.5%	8.5%
Bellevue	5.6%	17.5%	21.8%	16.6%	25.0%	13.4%	6.4%
Bothell	6.0%	21.9%	20.2%	18.4%	24.0%	9.5%	5.0%
Clyde Hill	5.8%	21.7%	7.0%	15.6%	30.8%	19.0%	7.9%
Hunts Point	5.9%	22.8%	7.9%	13.5%	34.1%	15.8%	9.7%
Issaquah	6.1%	18.1%	22.1%	19.7%	24.0%	10.0%	5.4%
Kenmore	5.7%	21.0%	19.0%	18.2%	25.8%	10.3%	4.6%
Kirkland	5.5%	15.2%	27.0%	18.2%	23.9%	10.2%	5.2%
Medina	6.8%	22.2%	8.6%	16.6%	29.6%	16.2%	7.6%
Mercer Island	4.5%	23.2%	8.7%	15.0%	29.9%	18.7%	9.8%
Newcastle	7.8%	17.2%	22.1%	21.3%	24.9%	6.6%	2.1%
Redmond	6.4%	17.2%	28.1%	17.1%	21.9%	9.3%	5.4%
Sammamish	8.4%	27.1%	13.9%	22.0%	24.6%	4.0%	1.6%
Woodinville	6.5%	22.4%	19.8%	18.6%	24.1%	8.7%	5.5%
Yarrow Point	5.0%	22.2%	7.7%	15.6%	30.9%	18.7%	8.1%
Inc. East King County	6.0%	19.0%	20.8%	17.6%	24.4%	12.3%	6.8%
Seattle	4.7%	13.8%	30.8%	16.9%	21.9%	12.0%	6.8%
King County	6.1%	19.0%	23.7%	17.8%	23.1%	10.5%	5.3%

Source: U.S. Census

Exhibit 5 – Place of Birth of Eastside Cities’ Foreign-born Residents (2000)

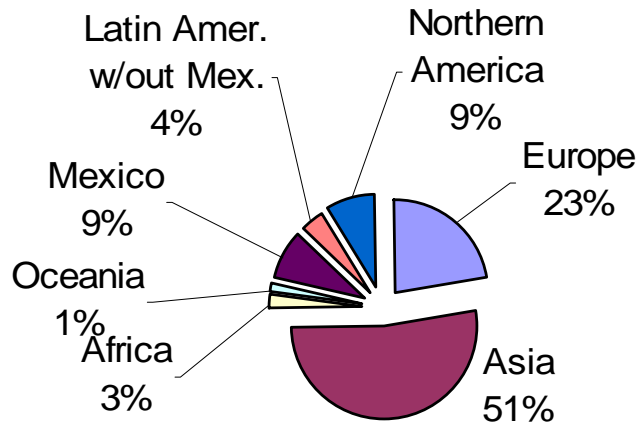
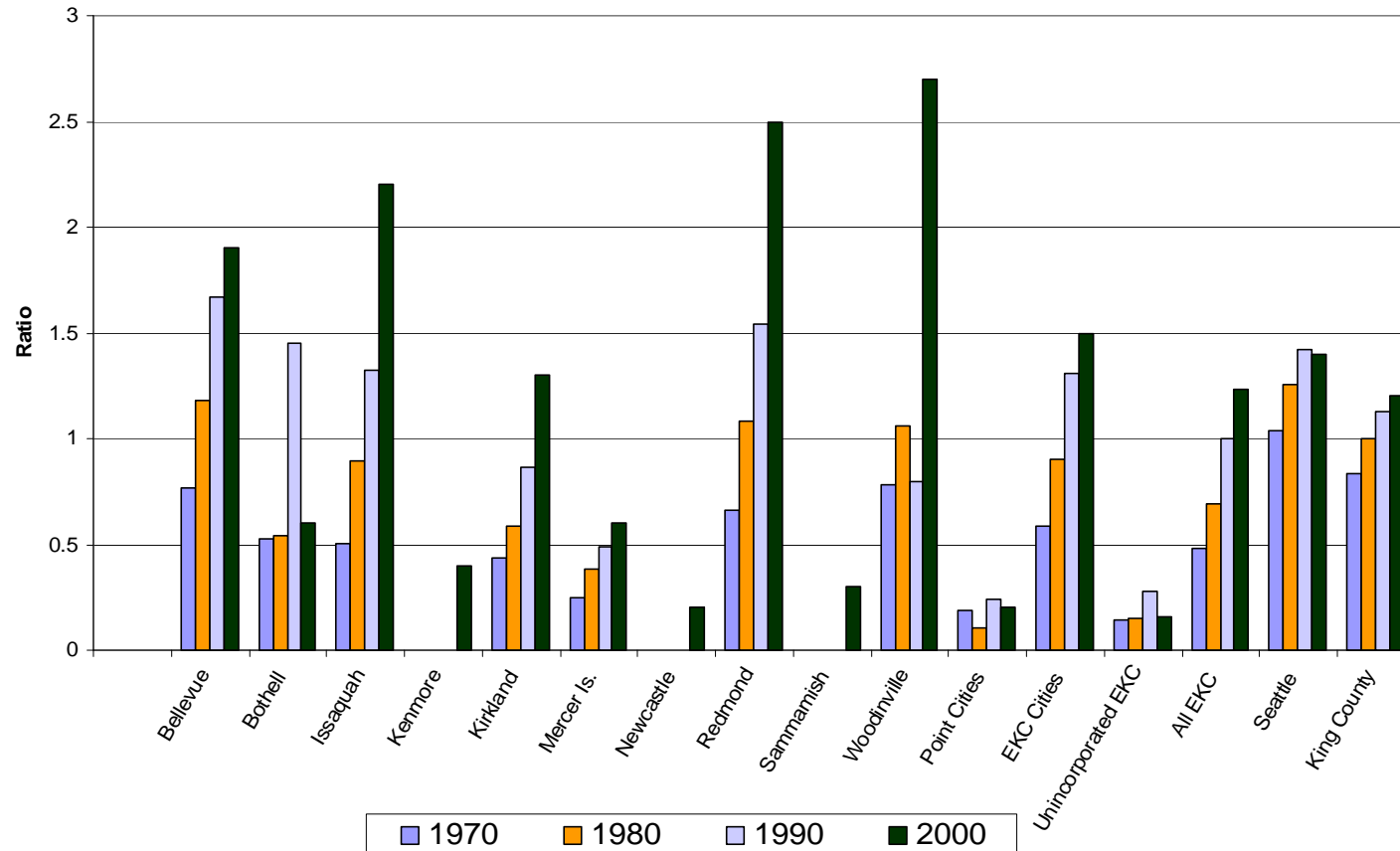


Exhibit 6 – Eastside Cities’ Immigration Levels 2000

	Total population	Foreign born		Entered 1990 to March 2000		Naturalized Citizen	
	Number	Number	%	Number	%	Number	%
Beaux Arts	312	28	9%	2	1%	28	9%
Bellevue	109,189	26,782	25%	14,308	13%	11,034	10%
Bothell	29,869	3,346	11%	1,470	5%	1,494	5%
Clyde Hill	2,890	357	12%	45	2%	222	8%
Hunts Pt.	444	37	8%	6	1%	18	4%
Issaquah	11,205	1,372	12%	740	7%	645	6%
Kenmore	18,540	1,928	10%	501	3%	1,128	6%
Kirkland	44,986	6,466	14%	2,911	6%	2,747	6%
Medina	3,001	257	9%	108	4%	106	4%
Mercer Is.	22,036	3,046	14%	816	4%	1,943	9%
Newcastle	8,038	1,703	21%	820	10%	830	10%
Redmond	45,389	9,368	21%	5,990	13%	2,900	6%
Sammamish	34,119	3,370	10%	1,658	5%	1,511	4%
Woodinville	9,445	1,286	14%	561	6%	494	5%
Yarrow Pt.	1,007	65	6%	10	1%	43	4%
Eastside Cities	340,470	59,411	17%	29,946	9%	25,143	7%
Seattle	563,375	94,952	17%	44,145	8%	44,334	8%
King Co.	1,737,034	268,285	15%	131,848	8%	118,436	7%
Washington State	5,894,121	614,457	10%	286,439	5%	257,648	4%

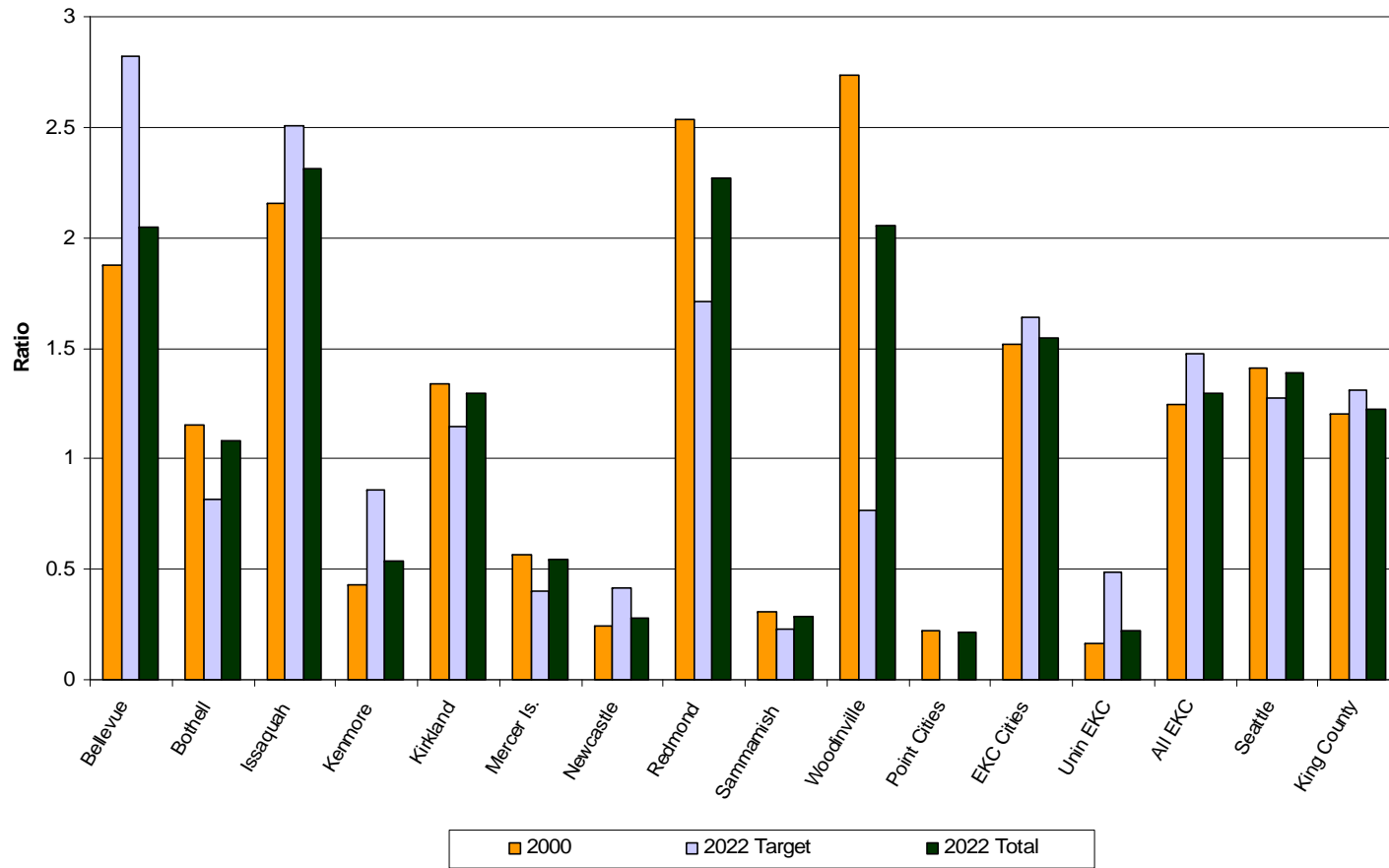
Source: U.S. Census

Exhibit 7 – Jobs-Housing Balance
Ratio: Demand to Supply of Housing 1970 - 2000



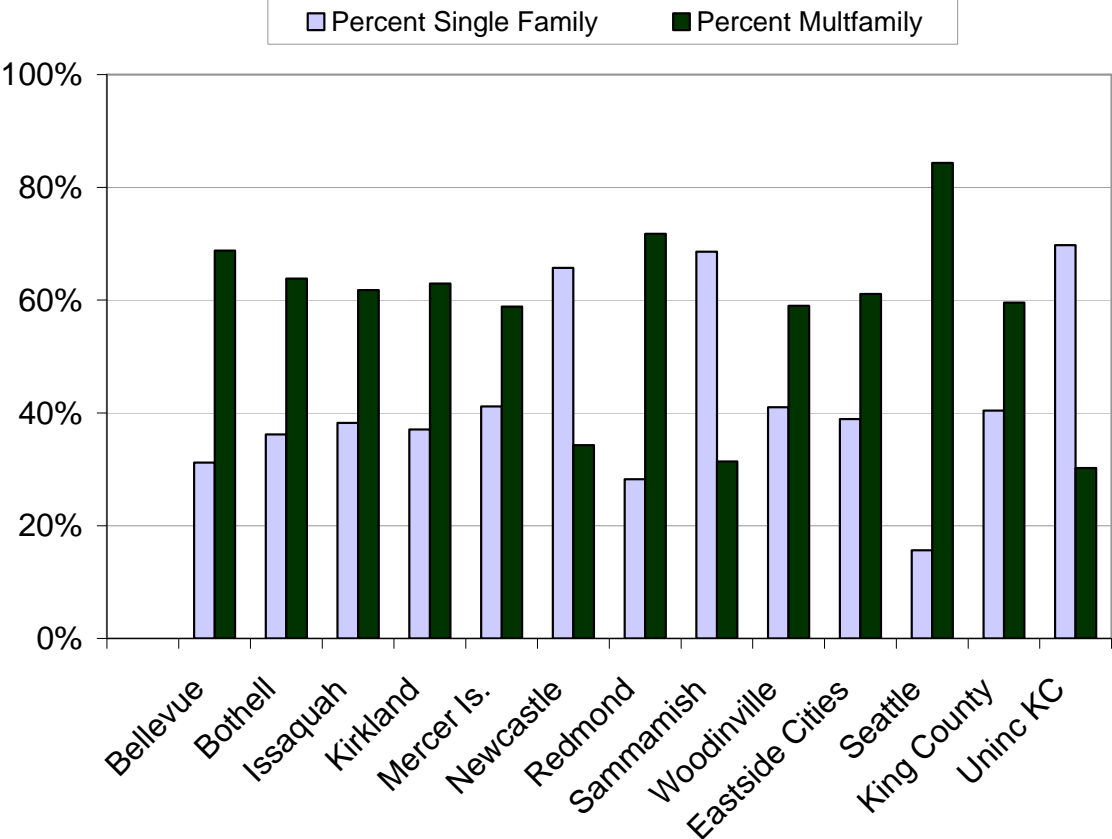
*NOTE: In this figure, a ratio greater than 1.0 means that local employment generates a demand for housing greater than the number of housing units.
 Source: ARCH, 2007.*

Exhibit 8 – Jobs-Housing Balance
Ratio: Demand to Supply of Housing 2000-2022



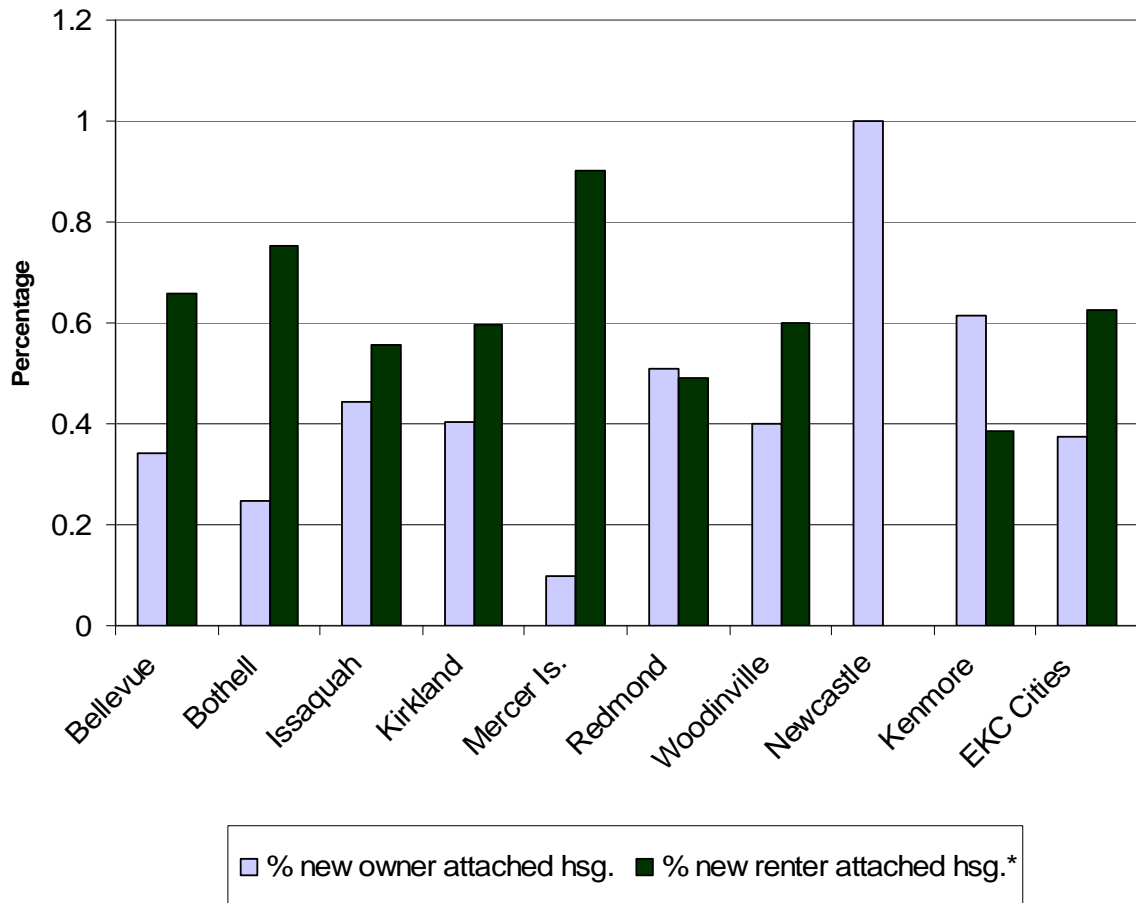
'2022 Target' is based on 2002-2022 Housing and Employment Targets. '2022 Total' is based on combining 2000 and 2022 figures.
 NOTE: In this figure, a ratio greater than 1.0 means that local employment generates a demand for housing greater than the number of housing units.
 Source: ARCH, 2007.

Exhibit 9 – Residential Permit Activity: 1992-2005



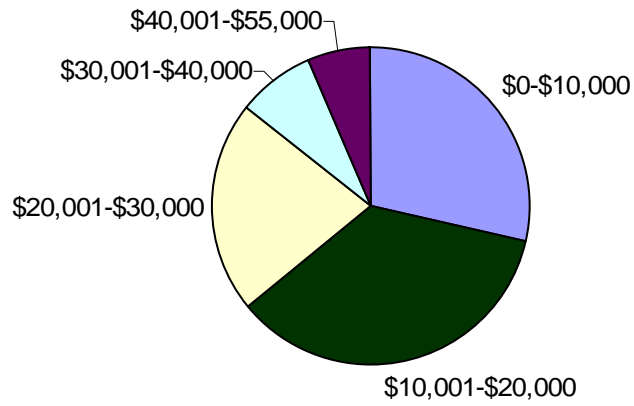
Source: ARCH, 2007

Exhibit 10 – New Attached Housing by Tenure (1994-2005)



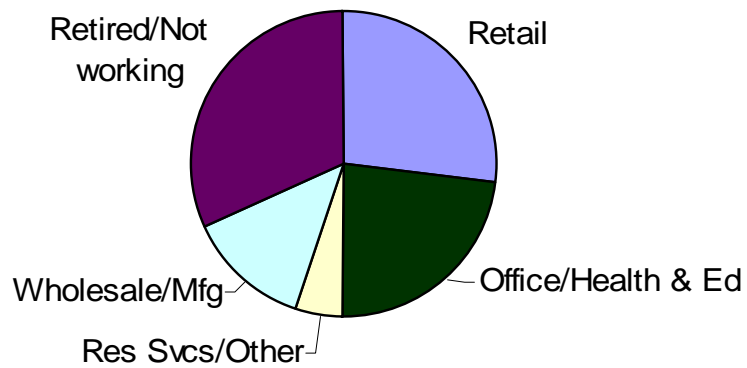
Includes senior housing
 Source: ARCH, 2007

Exhibit 11 – Annual Income of DASH Tenants



Source: DASH, 2004

Exhibit 12 – Occupations of DASH Tenants



Source: DASH, 2004

Exhibit 13 – King County Housing Authority Programs and Properties

Program	Countywide		Eastside	
	Properties	Total Units	Properties	Total Units
Public Housing	53	3,372	20	468
Section 8 New Construction	3	174	2	72
Preservation	4	271	4	271
Tax Credit	19	2,516	6	871
Bond	13	2,113	5	913
Manufactured Housing	3	321	0	0
Local Programs	16	161	5	51
TOTAL	111	8,928	42	2,646
Section 8 Vouchers		8,400		1,400

Source: King County Housing Authority 2004 Report to the Community and information provided to ARCH, September 2007.

Exhibit 14 – ARCH Parity Program

Updated Feb 2007

ANNUAL HSG ASSISTANCE GOALS*			ANNUALIZED AVERAGE (1999-2007)	ANNUAL COMMITMENTS								
CITY	LOW (Baseline)	HIGH		1999	2000	2001	2002	2003	2004	2005	2006	2007
Bellevue**	\$395,000	\$605,000	\$778,067	\$1,161,100	\$1,047,776	\$1,035,911	\$635,484	\$320,105	\$570,480	\$1,237,744	\$492,000	\$502,000
Kirkland	\$159,000	\$269,000	\$226,995	\$214,628	\$253,525	\$235,446	\$213,109	\$237,913	\$217,413	\$194,824	\$252,892	\$223,207
Redmond***	\$244,000	\$552,000	\$393,283	\$290,000	\$999,407	\$404,606	\$741,881	\$278,756	\$324,948	\$150,888	\$197,587	\$151,470
Bothell	\$78,000	\$152,000	\$79,972	\$106,977	\$80,758	\$77,101	\$81,160	\$115,503	\$148,889	\$23,330	\$41,327	\$44,699
Mercer Is.	\$32,000	\$124,000	\$95,173	\$225,165	\$81,224	\$81,095	\$136,767	\$85,851	\$98,050	\$79,510	\$32,271	\$36,626
Issaquah	\$55,000	\$135,000	\$97,752	\$20,000	\$96,200	\$92,692	\$83,469	\$65,907	\$251,750	\$39,939	\$99,298	\$130,516
Woodinville	\$37,000	\$83,000	\$29,976	\$1,722	\$48,029	\$83,166	\$20,710	\$39,813	\$16,028	\$14,813	\$22,348	\$23,152
Newcastle	\$47,000	\$75,000	\$56,348	\$47,698	\$73,255	\$79,632	\$51,775	\$48,591	\$48,573	\$48,031	\$56,281	\$53,293
Sammamish	~\$25,000	\$196,000	\$20,984				\$16,511				\$4,515	\$104,882
Kenmore	\$50,000	\$108,000	\$90,426				\$100,326	\$80,469	\$83,342	\$80,469	\$98,036	\$99,916
Medina	\$0	\$17,780	\$10,457		\$16,075	\$14,805	\$10,273	\$10,000	\$10,000	\$10,000	\$10,000	\$2,500
Clyde Hill	\$0	\$17,420	\$11,534		\$10,980	\$11,038	\$11,106	\$10,239	\$10,239	\$10,364	\$11,590	\$16,720
Yarrow Pt.	\$0	\$5,880	\$1,485		\$2,298	\$2,314	\$2,345	\$74	\$113	\$74	\$509	\$4,154
Hunts Point	\$0	\$3,020	\$472		\$224	\$238	\$243	\$52	\$80	\$52	\$185	\$2,700
Beaux Arts	\$0	\$1,660	\$107		\$117	\$132	\$152	\$33	\$50	\$33	\$164	\$177
TOTAL	\$1,097,000	\$2,344,760	\$1,893,031	\$2,067,290	\$2,709,868	\$2,118,175	\$2,105,309	\$1,293,306	\$1,780,080	\$1,889,946	\$1,319,002	\$1,396,012

Source: ARCH, February 2007

* Housing Assistance Goals are annualized average goals to be achieved over a five-year period. The housing goal's range for each city is based on one of several factors, including: current population, projected housing growth, and projected increase in demand for housing resulting from projected job growth.

** Bellevue's 1999 figure includes a special allocation by the Bellevue City Council in July 1998.

*** Redmond's 2000 figure includes fee waivers for the Overlake TOD project.

Exhibit 14 – ARCH Parity Program, Cont'd.

Updated Feb 2007

CITY	SOURCE OF 1999 COMMITMENTS				SOURCE OF 2000 COMMITMENTS				SOURCE OF 2001 COMMITMENTS			
	CDBG	Gen Fund	Other	TOTAL	CDBG	Gen Fund	Other	TOTAL	CDBG	Gen Fund	Other	TOTAL
Bellevue	\$128,900	\$412,000	\$620,200	\$1,161,100	\$150,000	\$412,000	\$485,776	\$1,047,776	\$50,000	\$412,000	\$573,911	\$1,035,911
Kirkland	\$137,628	\$77,000		\$214,628	\$193,525	\$60,000		\$253,525	\$164,465	\$63,852	\$7,129	\$235,446
Redmond	\$90,000	\$200,000		\$290,000	\$99,141	\$200,000	\$700,266	\$999,407	\$182,025	\$221,277	\$1,304	\$404,606
Bothell	\$106,977			\$106,977	\$80,758			\$80,758	\$77,101			\$77,101
Mercer Is.	\$60,165	\$165,000		\$225,165	\$70,270	\$10,954		\$81,224	\$61,217	\$19,878		\$81,095
Issaquah	\$20,000			\$20,000	\$41,200	\$55,000		\$96,200	\$43,161	\$49,531		\$92,692
Woodinville	\$1,722			\$1,722	\$10,622	\$5,485	\$31,922	\$48,029	\$11,274	\$10,000	\$61,892	\$83,166
Newcastle	\$698	\$47,000		\$47,698	\$4,255	\$47,000	\$22,000	\$73,255	\$4,503	\$47,000	\$28,129	\$79,632
Sammamish												
Kenmore					\$20,622							
Medina	\$218				\$1,270	\$14,805		\$16,075		\$14,805		\$14,805
Clyde Hill	\$167				\$980	\$10,000		\$10,980	\$1,038	\$10,000		\$11,038
Yarrow Pt.	\$51				\$298	\$2,000		\$2,298	\$314	\$2,000		\$2,314
Hunts Point	\$41				\$224			\$224	\$238			\$238
Beaux Arts	\$21				\$117			\$117	\$132			\$132
TOTAL	\$546,587	\$901,000	\$620,200	\$2,067,290	\$673,282	\$817,244	\$1,239,964	\$2,709,868	\$595,467	\$850,343	\$672,365	\$2,118,175

Source: ARCH, February 2007

Small cities' CDBG to housing: 1999 \$78,967, 2000 \$480,407, 2001 \$512,500, 2002 \$546,450

Notes for "Other" sources of funding for 2000:

For Bellevue includes payments made by developers in lieu of building affordable units, loan repayments, and interest.

For Redmond includes fee waiver and Coast Guard transfer for Overlake TOD.

For Woodinville includes Greenbrier Senior fees.

For Newcastle includes Habitat waived fees.

Exhibit 14 – ARCH Parity Program, Cont'd.

Updated Feb 2007

CITY	SOURCE OF 2002 COMMITMENTS				SOURCE OF 2003 COMMITMENTS				SOURCE OF 2004 COMMITMENTS			
	CDBG	Gen Fund	Other	TOTAL	CDBG	Gen Fund	Other	TOTAL	CDBG	Gen Fund	Other	TOTAL
Bellevue	\$100,000	\$412,000	\$123,484	\$635,484	\$100,000	\$149,333	\$70,772	\$320,105	\$90,000	\$412,000	\$68,480	\$570,480
Kirkland	\$187,109	\$26,000		\$213,109	\$204,048	\$27,000	\$6,865	\$237,913	\$94,242	\$117,000	\$6,171	\$217,413
Redmond	\$114,391	\$416,637	\$210,853	\$741,881		\$271,277	\$7,479	\$278,756	\$50,000	\$271,277	\$3,671	\$324,948
Bothell	\$81,160			\$81,160	\$115,503			\$115,503	\$148,889			\$148,889
Mercer Is.	\$116,767	\$20,000		\$136,767	\$61,919	\$21,966	\$1,966	\$85,851	\$78,699	\$19,351		\$98,050
Issaquah*	\$20,000	\$63,469		\$83,469	\$65,907			\$65,907	\$55,833		\$195,917	\$251,750
Woodinville	\$10,710	\$10,000		\$20,710	\$2,313	\$37,500		\$39,813	\$3,528	\$12,500		\$16,028
Newcastle	\$4,775	\$47,000		\$51,775	\$1,031	\$47,000	\$560	\$48,591	\$1,573	\$47,000		\$48,573
Sammamish	\$16,511			\$16,511								
Kenmore	\$25,326	\$75,000		\$100,326	\$5,469	\$75,000		\$80,469	\$8,342	\$75,000		\$83,342
Medina		\$10,273		\$10,273		\$10,000		\$10,000		\$10,000		\$10,000
Clyde Hill	\$1,106	\$10,000		\$11,106	\$239	\$10,000		\$10,239	\$364	\$10,000		\$10,364
Yarrow Pt.	\$345	\$2,000		\$2,345	\$74			\$74	\$113			\$113
Hunts Point	\$243			\$243	\$52			\$52	\$80			\$80
Beaux Arts	\$152			\$152	\$33			\$33	\$50			\$50
TOTAL	\$678,593	\$1,092,379	\$334,337	\$2,105,309	\$556,588	\$649,076	\$87,642	\$1,293,306	\$531,713	\$974,128	\$274,239	\$1,780,080

Source: ARCH, February 2007

* Issaquah City Council adopted an ordinance in 2002 to waive fees for affordable units in MPDs. Estimated value is over \$1 million over 5+ years.

Notes on "Other" sources of funding:

For Redmond, 2002: EHA/Habitat fee waivers

For Issaquah, 2004, MPD fee waivers

Exhibit 14 – ARCH Parity Program, Cont'd.

Updated Feb 2007

CITY	SOURCE OF 2002 COMMITMENTS				SOURCE OF 2003 COMMITMENTS				SOURCE OF 2004 COMMITMENTS			
	CDBG	Gen Fund	Other	TOTAL	CDBG	Gen Fund	Other	TOTAL	CDBG	Gen Fund	Other	TOTAL
Bellevue	\$90,000	\$412,000	\$735,744	\$1,237,744	\$80,000	\$412,000		\$492,000	\$90,000	\$412,000		\$502,000
Kirkland	\$5,967	\$184,000	\$4,857	\$194,824	\$52,892	\$200,000		\$252,892	\$57,207	\$166,000		\$223,207
Redmond		\$150,000	\$888	\$150,888	\$47,587	\$150,000		\$197,587	\$51,470	\$100,000		\$151,470
Bothell	\$23,330			\$23,330	\$41,327			\$41,327	\$44,699			\$44,699
Mercer Is.	\$61,411	\$18,099		\$79,510	\$15,372	\$16,899		\$32,271	\$16,625	\$20,000		\$36,625
Issaquah	\$39,939		TBD	\$39,939	\$14,345	\$84,953		\$99,298	\$15,516	\$115,000		\$130,516
Woodinville	\$2,313	\$12,500		\$14,813	\$9,848	\$12,500		\$22,348	\$10,652	\$12,500		\$23,152
Newcastle	\$1,031	\$47,000		\$48,031	\$6,281	\$50,000		\$56,281	\$6,793	\$46,500		\$53,293
Sammamish					\$4,514			\$4,514	\$4,882	\$100,000		\$104,882
Kenmore	\$5,469	\$75,000		\$80,469	\$23,036	\$75,000		\$98,036	\$24,916	\$75,000		\$99,916
Medina		\$10,000		\$10,000		\$10,000		\$10,000		\$25,000		\$2,500
Clyde Hill	\$239	\$10,000		\$10,239	\$1,590	\$10,000		\$11,590	\$1,720	\$15,000		\$16,720
Yarrow Pt.	\$74			\$74	\$509			\$509	\$551	\$3,603		\$4,154
Hunts Point	\$52			\$52	\$185			\$185	\$200	\$2,500		\$2,700
Beaux Arts	\$33			\$33	\$164			\$164	\$177			\$177
TOTAL	\$229,858	\$918,599	\$741,489	\$1,889,946	\$297,650	\$1,021,352		\$1,319,002	\$325,409	\$1,070,603		\$1,396,012

Source: ARCH, February 2007

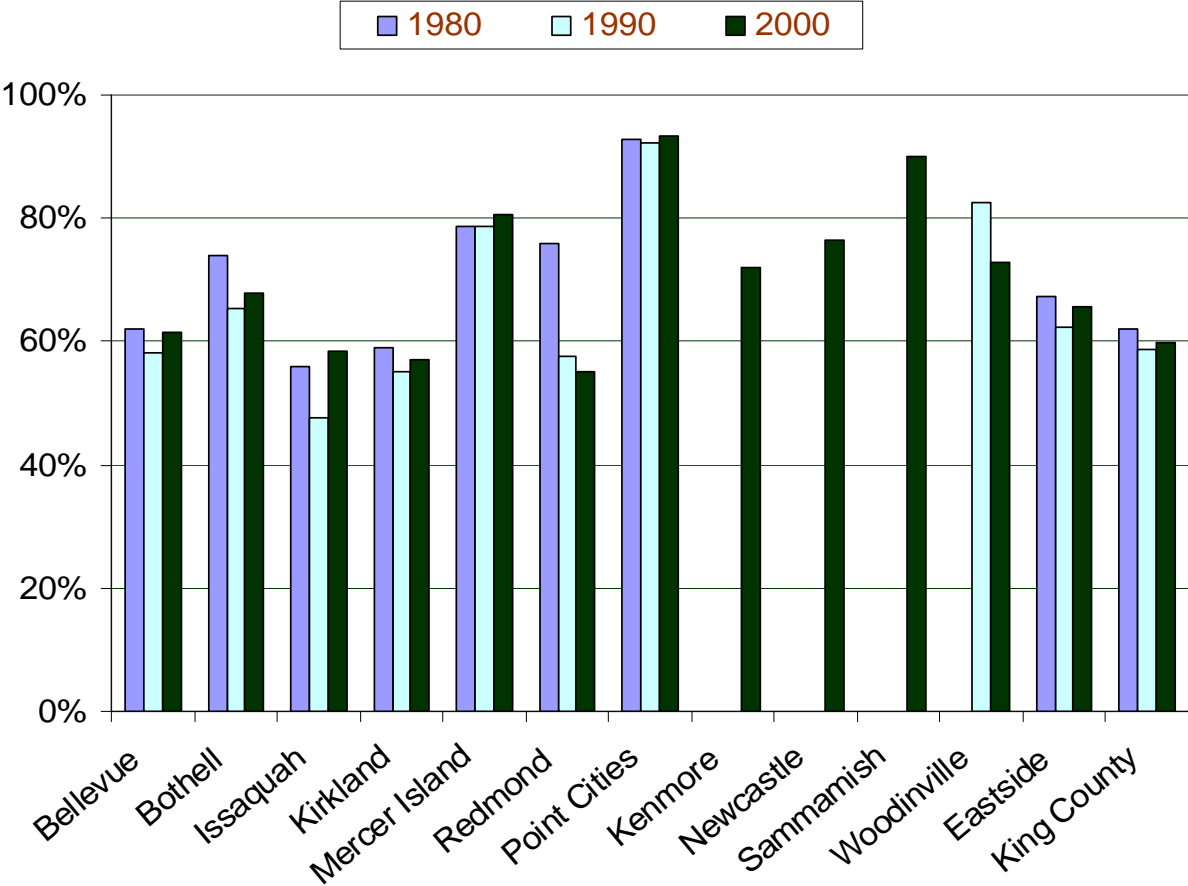
Exhibit 15 – Average Home Prices: 1996-2006

City	% Increase 2000 - 2006	1st Qtr. 1996	1st Qtr. 2000	1st Qtr. 2002	1st Qtr. 2004			1st Qtr. 2006		
					Attached	Detached	Total	Attached	Detached	Total
Bellevue	127%	\$202,249	\$317,608	\$418,658	\$190,752	\$482,959	\$401,470	\$776,595	\$631,686	\$719,736
Bothell	17%	\$173,699	\$231,690	\$272,743	\$173,962	\$319,217	\$295,404	\$195,234	\$329,261	\$271,821
Issaquah	75%	\$243,241	\$313,082	\$355,076	\$249,980	\$453,462	\$388,832	\$366,129	\$651,875	\$546,952
Kenmore	108%	\$149,467	\$234,437	\$271,584	\$245,991	\$326,256	\$314,484	\$247,245	\$519,980	\$486,583
Kirkland	32%	\$172,196	\$267,508	\$343,444	\$226,618	\$451,424	\$367,997	\$266,649	\$545,306	\$353,106
Medina		---	---	\$927,444		\$1,234,923	\$1,234,923	\$0	\$1,188,000	\$1,188,000
Mercer Island	27%	\$312,161	\$562,330	\$833,928	\$301,929	\$731,284	\$614,187	\$321,118	\$1,013,670	\$715,488
Redmond	64%	\$223,183	\$298,736	\$356,161	\$217,972	\$439,325	\$385,780	\$278,261	\$633,796	\$489,521
Sammamish				\$437,155	\$229,366	\$499,425	\$482,736	\$257,366	\$624,045	\$519,731
Woodinville	-5%	\$237,662	\$356,281	\$409,612	\$182,950	\$409,019	\$399,915	\$181,109	\$607,767	\$336,932
EKC Cities	71%	\$206,296	\$300,230	\$389,301	\$227,969	\$455,926	\$404,035	\$396,275	\$623,934	\$512,673
Seattle	55%	\$167,058	\$266,182	\$308,224	\$302,492	\$365,429	\$344,545	\$372,497	\$461,541	\$412,826
King County	60%	\$177,128	\$253,241	\$293,708	\$244,566	\$364,356	\$336,446	\$294,793	\$477,866	\$404,170

Source: Central Puget Sound Real Estate Research Report, Home New Trends

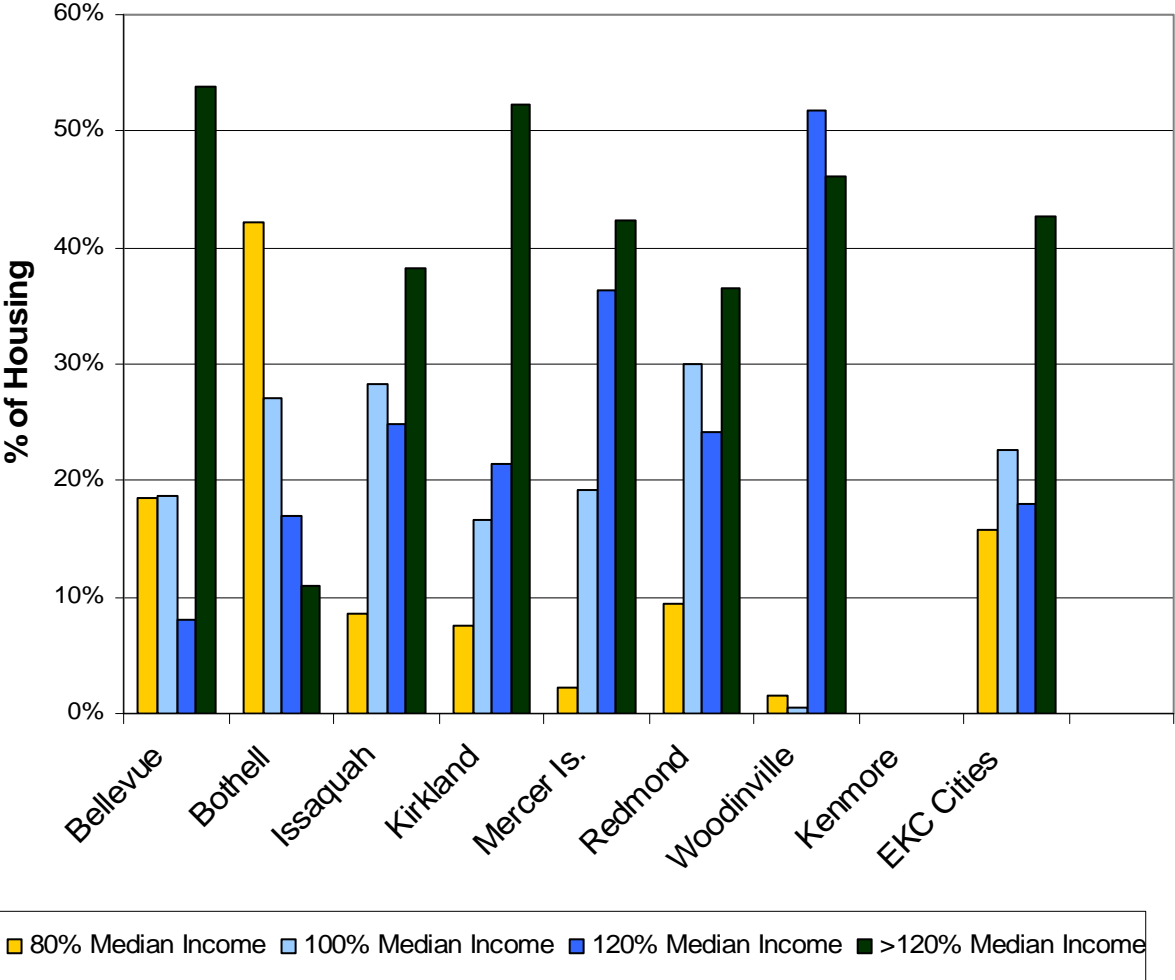
Note: Data for Kenmore prior to 1997 is based upon a very limited number of sales reported.
Figures represent combined averages for homes and condominiums.

Exhibit 16 – Homeownership Rate (1980-2000)



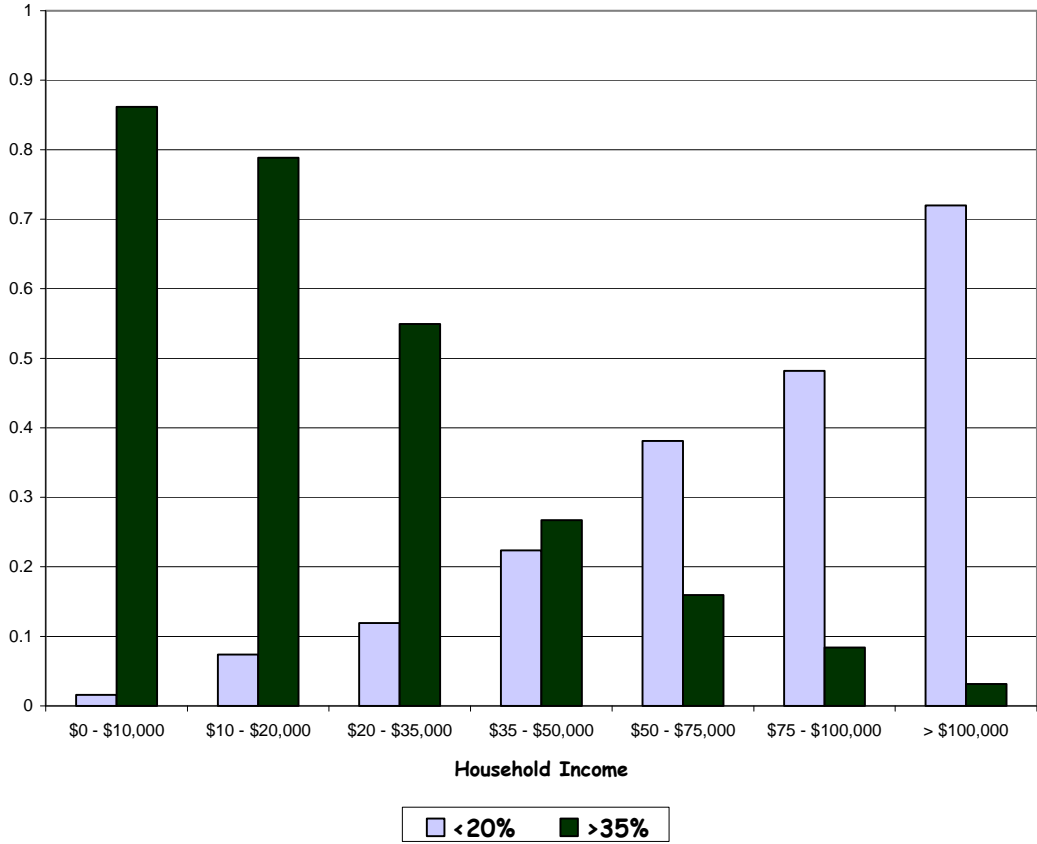
Source: U.S. Census

Exhibit 17 – Affordability of New Attached Housing (1994-2005)



Source: ARCH, 2007

Exhibit 18 – Housing Cost as Percent of Income, East King County 2000



Source: U.S. Census

Countywide Planning Policies

Land Use Patterns

- FW-11 The land use pattern for King County shall protect the natural environment by reducing the consumption of land and concentrating development. An Urban Growth Area, Rural Areas, and resource lands shall be designated and the necessary implementing regulations adopted. This includes Countywide establishment of a boundary for the Urban Growth Area. Local jurisdictions shall make land use decisions based on the Countywide Planning Policies.
- FW-12 The Urban Growth Area shall provide enough land to accommodate future urban development. Policies to phase the provision of urban services and to ensure efficient use of the growth capacity within the Urban Growth Area shall be instituted.
- LU-26 The lands within Urban Growth Areas shall be characterized by urban development. The Urban Growth Area shall accommodate the 20-year projection of household and employment growth with a full range of phased urban governmental services. The Countywide Planning Policies shall establish the Urban Growth Area.
- LU-66 In order to ensure efficient use of the land within the Urban Growth Area, provide for housing opportunities, and to support efficient use of infrastructure, each jurisdiction shall:
- a. Establish in its comprehensive plan a target minimum number of net new households the jurisdiction will accommodate in the next 20 years. Jurisdictions shall adopt regulations to and commit to fund infrastructure sufficient to achieve the target number;
 - b. Establish a minimum density (not including critical areas) for new construction in each residential zone; and
 - c. Establish in the comprehensive plan a target mix of housing types for new development and adopt regulations to achieve the target mix.

Affordable Housing

Adequate housing, for all economic segments of the population, is a basic need of King County's residents and an issue of Countywide concern. Affordable housing needs must be addressed by local governments working in cooperation with the private sector and nonprofit housing agencies.

The Growth Management Act requires Countywide Policies to address parameters for the distribution of affordable housing, including housing for all income groups. This complex issue requires adequate information regarding current housing resources and housing needs, which is being developed for comprehensive plan housing elements, as well as in-depth discussion of values and priorities for housing development.

Providing sufficient land for housing development is an essential step in promoting affordable housing. Affordable housing can be encouraged by zoning additional land for higher residential densities, which helps provide needed capacity for growth, reduces land development cost per unit, and allows for lower cost construction types such as attached dwellings. Higher density housing includes a range of housing types: small-lot single family, attached single family, mobile home parks, apartments and condominiums. In addition, zoning changes that permit additional housing in established areas, such as accessory units, carriage houses, and residences built above commercial uses, increase affordable housing opportunities.

FW-28 All jurisdictions shall provide for a diversity of housing types to meet a variety of needs and provide for housing opportunities for all economic segments of the population. All jurisdictions shall cooperatively establish a process to ensure an equitable and rational distribution of low income and affordable housing throughout the County in accordance with land use policies, transportation, and employment locations.

AH-1 All jurisdictions shall plan for housing to meet the needs of all economic segments of the population. Each jurisdiction shall specify, based on the projected number of net new housing units anticipated in its comprehensive plan, the estimated number of units which will be affordable for the following income segments: Zero to 50 percent of the Countywide median household income, 50 to 80 percent of median, 80 to 120 percent of median, and above 120 percent median. The estimates for housing affordable to households below 80 percent of median-income shall be consistent with Countywide objectives for low and moderate income housing in policy AH-2. The estimated number of units for each income segment shall be reported to the Growth Management Planning Council following adoption of the comprehensive plan, for the purpose of Countywide monitoring of capacity for housing development. Within the Urban Growth Area, each jurisdiction shall demonstrate its ability to accommodate sufficient, affordable housing for all economic segments of the population. Local actions may include zoning land for development of sufficient densities, revising development standards and permitting procedures as needed to encourage affordable housing, reviewing codes for redundancies and inconsistencies, and providing opportunities for a range of housing types, such as accessory dwelling units, manufactured homes, group homes and foster care facilities, apartments, townhouses and attached single family housing.

AH-2 All jurisdictions shall share the responsibility for achieving a rational and equitable distribution of affordable housing to meet the housing needs of low and moderate-income residents in King County. The distribution of housing

affordable to low and moderate-income households shall take into consideration the need for proximity to lower wage employment, access to transportation and human services, and the adequacy of infrastructure to support housing development; recognize each jurisdiction's past and current efforts to provide housing affordable to low and moderate-income households; avoid over-concentration of assisted housing; and increase housing opportunities and choices for low and moderate-income households in communities throughout King County. Each jurisdiction shall give equal consideration to local and Countywide housing needs.

A. Existing Needs for Affordable Housing

Each jurisdiction shall participate in developing Countywide housing resources and programs to assist the large number of low and moderate-income households who currently do not have affordable, appropriate housing. These Countywide efforts will help reverse current trends which concentrate low-income housing opportunities in certain communities, and achieve a more equitable participation by local jurisdictions in low income housing development and services. Countywide efforts should give priority to assisting households below 50 percent of median-income that are in greatest need and communities with high proportions of low and moderate income residents.

By October 1994, the Growth Management Planning Council or its successor shall appoint elected and community representatives to develop recommendations for providing low and moderate-income housing and related services. Within one year the committee shall recommend to the Growth Management Planning Council or its successor:

1. New Countywide funding source(s) for housing production and services, and a plan to establish this funding within three years;
2. Participation by local governments, including appropriate public and private financing, such that each jurisdiction contributes on fair share basis; and
3. Objectives for housing and related services, including measurable levels of housing production and costs to provide necessary related service.

Countywide programs should provide the following types of housing and related services:

1. Low-income housing development, including new construction, acquisition, and rehabilitation;
2. Housing assistance, such as rental vouchers and supportive services;
3. Assistance to expand the capacity of nonprofit organizations to develop housing and provide housing related services;
4. Programs to assist homeless individuals and families;
5. Programs to prevent homelessness; and

6. Assistance to low and moderate-income home buyers.

B. Future Needs for Affordable Housing

Each jurisdiction shall specify the range and amount of housing affordable to low and moderate-income households to be accommodated in its comprehensive plan. Each jurisdiction shall plan for a number of housing units affordable to households with incomes between 50 and 80 percent of the County median household income that is equal to 17 percent of its projected net household growth. In addition, each jurisdiction shall plan for a number of housing units affordable to households with incomes below 50 percent of median income that is either 20 percent or 24 percent of its projected net household growth. For this housing, the target percentage shall be determined using the Affordable Housing Job/Housing Index developed using Census-based information, which is contained in Appendix 3.

Each jurisdiction shall show in its comprehensive plan how it will use policies, incentives, regulations and programs to provide its share of housing affordable to low and moderate income households. Each jurisdiction should apply strategies which it determines to be most appropriate to the local housing market. For example, units affordable to low and moderate income households may be developed through new construction, projects that assure long term affordability of existing housing, or accessory housing units added to existing structures. Local actions may include:

1. Identifying the costs to develop and preserve subsidized housing and other low-cost housing not provided by private development in the local housing market, and identifying sources of funding;
2. Revising land use regulations as needed to remove any unreasonable requirements that may create barriers to siting and operating housing for special needs groups. Special needs housing serves persons, who, by virtue of disability or other circumstances, face difficulty living independently and require supportive services on a transitional or long term basis; and
3. Adopting land use incentives programs or other regulatory measures to encourage private and nonprofit development. Small, fully built cities and towns that are not planned to grow substantially under Growth Management Act may work cooperatively with other jurisdictions and/or subregional housing agencies to meet their housing targets. In areas identified as city expansion areas, King County and cities should plan cooperatively for affordable housing development and preservation.

AH-3 Each jurisdiction shall evaluate its existing resources of subsidized and low-cost non-subsidized housing and identify housing that may be lost due to

redevelopment, deteriorating housing conditions, or public policies or actions. Where feasible, each jurisdiction shall develop strategies to preserve existing low-income housing and provide relocation assistance to low-income residents who may be displaced.

- AH-4 The Growth Management Planning Council or its successor shall identify ways to expand technical assistance to local jurisdictions in affordable housing techniques. Technical assistance should include project case studies and model ordinances covering such topics as development and financing of nonprofit housing, provision of housing-related services, incentives programs for affordable housing, regulations that encourage well-designed higher density housing, improvements to development permit processing and standards to reduce development costs, and public education and involvement. The Affordable Housing Task Force Report, dated March 1994 contains a summary of actions that local governments may use to encourage affordable housing.
- AH-5 All jurisdictions shall monitor residential development within their jurisdiction and determine annually the total number of new and redeveloped units receiving permits and units constructed, housing types, developed densities and remaining capacity for residential growth. Housing prices and rents also should be reported, based on affordability to four income categories: Zero to 50 percent of median income, 50 to 80 percent of median, 80 to 120 percent of median, and above 120 percent of median. King County shall report annually on housing development, the rate of housing cost and price increases and available residential capacity Countywide in its annual growth reporting.

The Affordable Housing and Data Technical Forums, which are comprised of city and County staff and private housing industry representatives, shall develop a uniform approach for monitoring housing permit activity, construction, and affordability. Where feasible, the Affordable Housing and Data Technical Forums shall consider collecting statistics such as: housing units receiving building permits by income category, total units constructed by income category, low and moderate-income housing acquired or preserved, households receiving rental assistance, and other local housing activities. In addition where feasible, planning and monitoring for affordable housing should use the median household income for King County indexed by household size, published annually by the U.S. Department of Housing and Urban Development. Calculations of affordable house prices should assume standard Federal Housing Administration lending criteria and minimum down payments.

- AH-6 Beginning in 1999, and subsequently in coordination with evaluation and reporting requirements of state law, the Growth Management Planning Council or its successor organization responsible for monitoring growth management implementation shall evaluate achievement of Countywide and local goals for housing for all economic segments of the population. The Growth Management Planning Council or its successor shall consider annual reports prepared under

policy AH-5 as well as market conditions and other factors affecting housing development. If the Growth Management Planning Council or its successor determines that housing planned for any economic segment falls short of the need for such housing, the Growth Management Planning Council or its successor may recommend additional actions.

As part of its evaluation, the Growth Management Planning Council or its successor shall review local performance in meeting low and moderate income housing needs. The basis for determining local performance shall be a jurisdiction's participation in Countywide or subregional efforts to address existing housing needs and actual development of the target percentage of low and moderate-income housing units as adopted in its comprehensive plan. In establishing planning targets to address future affordable housing needs, it is recognized that success will be dependent in part upon regional factors beyond the control of any single jurisdiction. Any one jurisdiction acting alone, or even in concert with other local governments, may or may not be able to achieve its targets in these policies, despite its best efforts. Success will require cooperation and support for affordable housing from the state, federal and local governments, as well as the private sector. The significant role of the market must also be recognized. In determining performance the Growth Management Planning Council or its successor shall therefore use reasonable judgment, and also shall consider these market and other factors, as well as action taken to encourage development and preservation of low and moderate-income housing, such as local funding, development code changes, and creation of new programs.