

3.6 Population, Employment and Housing



3.6.1 Affected Environment

This section addresses population, employment and housing in the City of Seattle. A review of these aspects of the affected environment—on a citywide scale and for each of the city’s urban centers and urban villages—will serve as a baseline for analyzing the impacts of the four different alternative growth scenarios.

Population

CITY OF SEATTLE

Residents: The City of Seattle’s population is 640,500 as of 2014, an 8 percent increase between 2000 and 2010 (45,286 new residents) and a further 5 percent gain since 2010 (31,840 new residents). By comparison, growth during the 1990s brought a 9 percent increase in residents, totaling a population of 563,374 in 2000. Over the last twenty years (1990–2010), Seattle’s pace of growth (up 18 percent) was slower than King County’s 28 percent population gain and the Puget Sound region’s 34 percent gain.

Households: In 2010 Seattle had 283,510 households, with an average household size of 2.06. This compares to an average household size of 2.08 in 2000. The household size trends have been declining: 2.06 in 2010, 2.08 in 2000, 2.09 in 1990 and 2.15 in 1980.

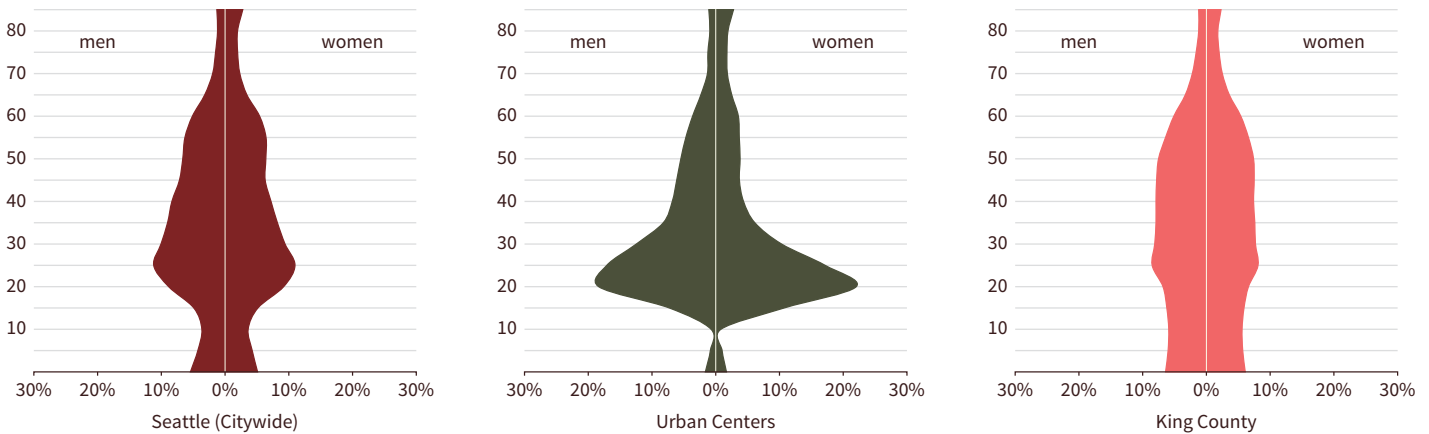
Age Profile: Seattle’s demographic age profile includes many young adults: nearly one-half of the population is in the 18 to 44 year old range per the 2010 Census (see Figure 3.6–1).

In-Migration Trend: There is a trend of relatively recent in-migration consistent with Seattle’s role as a regional employment and growth center. According to the Washington Office of Financial Management (OFM), King County experienced net in-migration of 34,607 people between 2010 and 2014, in addition to the County’s natural increase of 51,394 (net gain from births and deaths); a portion of this in-migration is taking place in Seattle, which includes both domestic and foreign populations. According to census data analyzed by the Martin Prosperity Institute, Seattle attracted between 10,000 and 20,000 international immigrants between 2012 and 2013 alone. As one of the country’s leading knowledge and technology hubs, during this same time period Seattle was one of the largest net gainers of domestic migration in the country (CityLab 2014).

<u>2000</u>
563,374
<u>2010</u>
608,660
<u>2014</u>
640,500

3.6 Population, Employment, Housing

Figure 3.6–1 Population profile of the City of Seattle, urban centers in Seattle and King County



Race and Ethnicity: Seattle’s population is more diverse than in 1990. The share of persons identifying as white declined from about 75 percent in 1990 to 69.5 percent in 2010; the share of Asian persons increased by 1 percent to 13 percent of the population in the same period, while the share of black or African American persons decreased from about 10 percent to 8 percent from 1990-2010. Persons that identified as Hispanic or Latino grew in population share from 3.6 percent to 6.6 percent in 2010 (persons in any race categories may be of Hispanic or Latino ethnicity). Persons that identified themselves as two or more races grew slightly to about 5 percent of the population in the last ten years. Persons in other race categories—such as American Indian, Alaska Native, Pacific Islander and other—held about the same share or declined slightly in their share of population between 1990 and 2010.¹

About 18 percent of Seattle’s residents were foreign born in 2010, an increase from the 13 percent share in 1990 (Seattle DPD 2014a). About 15 percent of the region’s residents were foreign born in 2010, an increase from the 7.6 percent share in 1990.

In 2010, while Seattle’s Asian/Pacific Islander and black or African American populations had slightly higher shares in Seattle than those measured for the Puget Sound region’s population as a whole, the region’s trends demonstrate a faster pace of growth for these populations than in Seattle. Persons of Hispanic/Latino ethnicity in the Puget Sound region are growing the most rapidly of any race/ethnic group within the region (+322 percent over the last 20 years) while Seattle’s population identifying as Hispanic/Latino has grown about 120 percent over twenty years.

The population of people of color is not evenly distributed in Seattle. Census data and maps show a substantial concentration of minority populations toward central and southeast Seattle; there is also a concentration of this population in south King County and Pierce County, as well as a notable growth trend in people of color in Snohomish County, the East-side communities of King County, Shoreline and North Seattle (PSRC 2014).

¹ Given differences in how the U.S. Census asked about these questions in 1990 versus later censuses, observation about relative shares of population, trends, and Hispanic/Latino ethnicities must be made carefully.

3.6 Population, Employment, Housing

A “dissimilarity index” has been calculated for the region to evaluate degrees of race/ethnicity concentrations and what they indicate about degrees of integration and segregation among the population. Based on guidelines from the U.S. Department of Housing and Urban Development (HUD), a dissimilarity index value of less than 0.40 indicates “low” levels of segregation, a value of 0.41–0.54 indicates “moderate” levels of segregation and a value of 0.55 or greater indicates “high” levels of segregation. In Seattle, index values that compare among differing groups show “low” levels of segregation, except for values measuring among white and black/African American populations. The dissimilarity index value of 0.50 for 2010 for these groups indicates a “moderate” degree of segregation. Comparisons nationally indicate that among 318 metro areas ranked for these indices, the Seattle-Bellevue-Everett area ranked 172nd for dissimilarity between whites and blacks (with a number 1 ranking indicating the highest levels of segregation). Among metro areas of similar size (between 2 and 3 million persons), Seattle-Bellevue-Everett ranked 11th lowest out of 12 in its dissimilarity index between white populations and black/African American populations (ranked most closely to San Diego; PSRC 2014).

Income: Seattle’s population has a higher per-capita income (approximately \$40,000) than residents of other communities in the Seattle metropolitan area, and the U.S. as a whole. However, due to Seattle’s concentration of single-person households including students and elderly, its median household income was slightly lower than the Seattle metro area’s median household income (approximately \$61,000 compared to about \$64,000).

Seattle’s poverty rate was 15 percent for the survey period of 2007-2011: this proportion of households earned less than the poverty threshold, which varies depending on number of people in a household. For example, the poverty threshold for a family of three with one child below age 18 was approximately \$18,000. (Seattle DPD 2011; U.S. Census Bureau 2011). Seattle’s 15 percent poverty rate was higher than the metropolitan area’s poverty rate of 12 percent. Poverty levels, compared to 2007, have trended upward, due in part to the recession that began in 2008. In addition, income data show disparity of poverty rates by race/ethnicity. Black/African American, Hispanic and Asian households earn less than white households in King County: compared to a median household income of approximately \$73,000 for white households, black/African American households had a median income of approximately \$35,000, Hispanic households had a median income of approximately \$48,000 and Asian households had a median income of approximately \$70,000 (PSRC 2014; U.S. Census Bureau 2011).

Geographically, the distribution of households with lower incomes occurs broadly throughout most of southeast Seattle, with elevated concentrations in other areas including the University District, Northgate, Bitter Lake, Lake City, South Park, High Point and Highland Park.

URBAN CENTERS

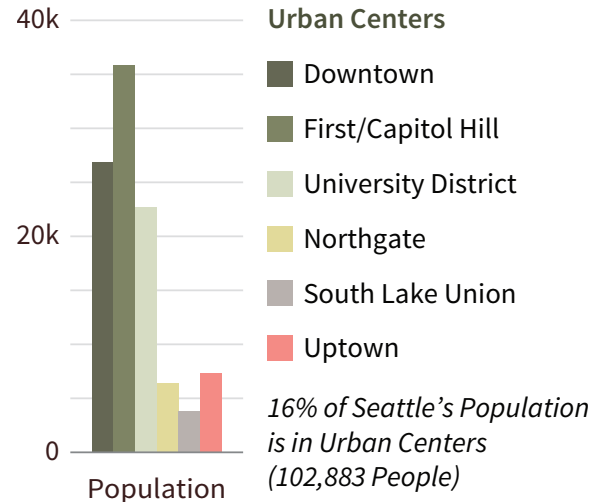
Approximately 102,883 people currently live in Seattle’s urban centers, accounting for 16 percent of the city’s total population. Figure 3.6–2 shows the distribution of population throughout the individual urban centers.

3.6 Population, Employment, Housing

Figure 3.6–2 Urban centers: population characteristics, 2010

Urban Center	Population
Downtown	26,844
First/Capitol Hill	35,892
University District	22,704
Northgate	6,369
South Lake Union	3,774
Uptown	7,300

Source: City of Seattle Department of Planning and Development, 2013.



Seattle's urban centers are characterized by racial diversity similar to that of Seattle overall, as shown in Figure 3.6–3. A detailed table of the demographic profile in urban centers can be found in Appendix A.3.

HUB URBAN VILLAGES

Total population in Seattle's hub urban villages is approximately 30,900, accounting for 5 percent of Seattle's total population. Figure 3.6–4 shows the distribution of population throughout the individual hub urban villages.

Figure 3.6–3 shows the racial and ethnic diversity of the hub urban villages as a whole. Individual urban villages vary widely in terms of diversity, with the proportion of white residents ranging from 27.9 percent to 84.8 percent of hub urban village population, and the black population share ranging from 2.2 percent to 26.1 percent of hub urban village population. A detailed table of the demographic profile in hub urban villages can be found in Appendix A.3.

RESIDENTIAL URBAN VILLAGES

Total population in Seattle's residential urban villages was approximately 72,200, accounting for 12 percent of Seattle's total population. Figure 3.6–5 shows the distribution of population for each of Seattle's residential urban villages.

Figure 3.6–3 shows the racial and ethnic diversity of the residential urban villages as a whole. As with the city's hub urban villages, the residential urban villages vary widely in terms of diversity, with white resident population shares ranging from 12.5 percent to 84.4 percent of residential urban village population, and the black population share ranging from 1.8 percent to 45.2 percent of residential urban village population. A detailed table of the demographic profile in residential urban villages can be found in Appendix A.3.

3.6 Population, Employment, Housing

Figure 3.6-3 Population by racial and ethnic categories, 2010

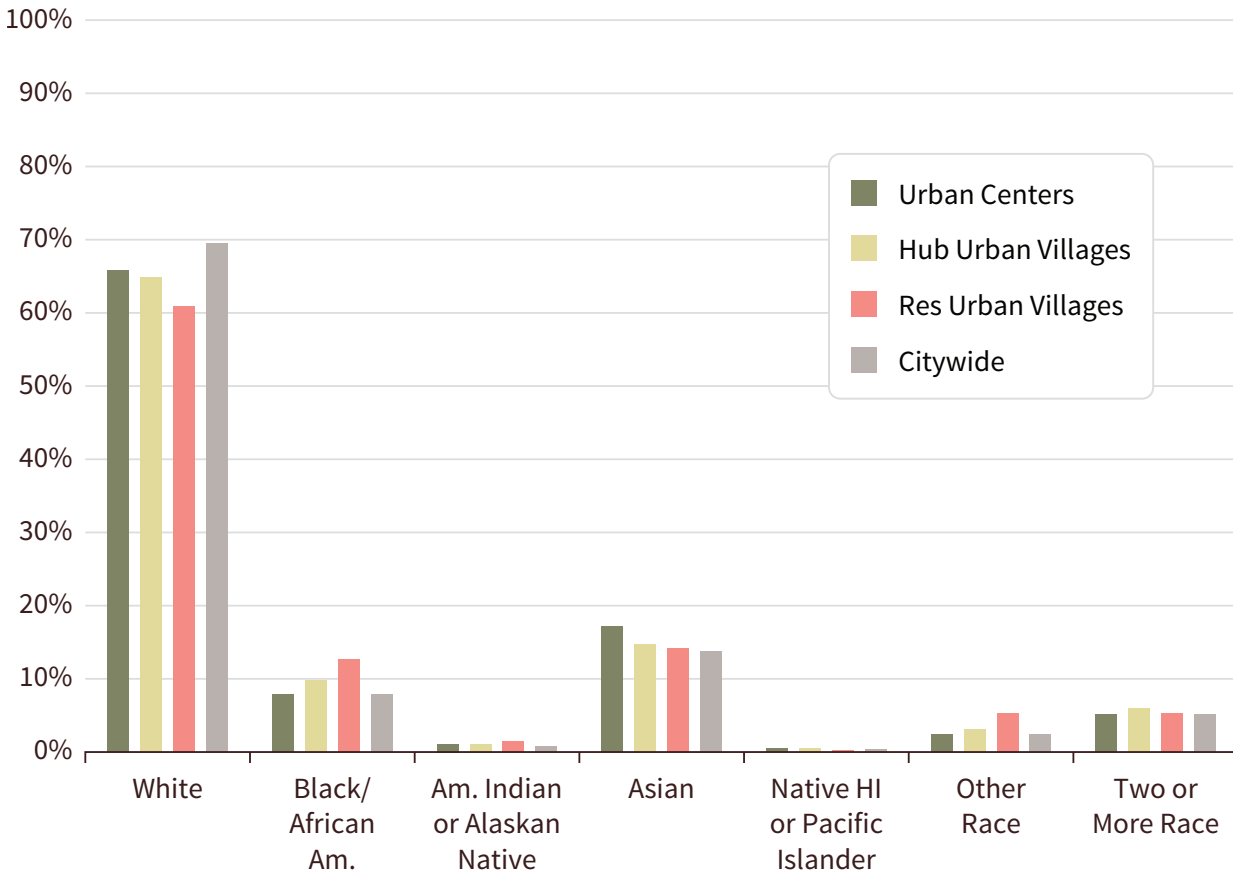
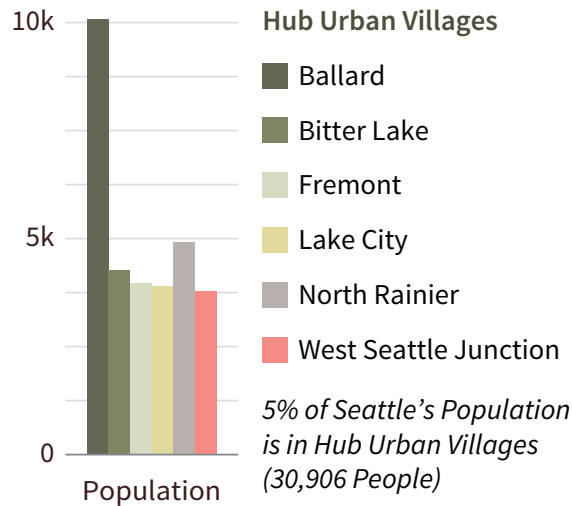


Figure 3.6-4 Hub urban villages: population characteristics, 2010

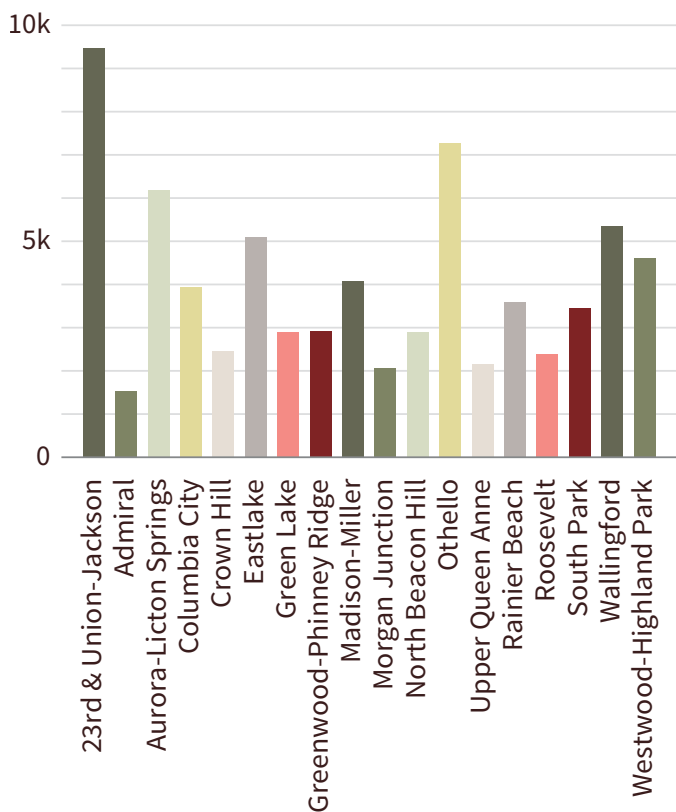
Hub Urban Village	Population
Ballard	10,078
Bitter Lake	4,273
Fremont	3,960
Lake City	3,899
Mount Baker	4,908
West Seattle Junction	3,788

Source: City of Seattle Department of Planning and Development, 2013.



3.6 Population, Employment, Housing

Figure 3.6-5 Residential urban villages: population characteristics, 2010



Residential Urban Village	Population
23rd & Union-Jackson	9,468
Admiral	1,528
Aurora-Licton Springs	6,179
Columbia City	3,937
Crown Hill	2,459
Eastlake	5,084
Green Lake	2,904
Greenwood-Phinney Ridge	2,927
Madison-Miller	4,066
Morgan Junction	2,046
North Beacon Hill	2,900
Othello	7,267
Upper Queen Anne	2,143
Rainier Beach	3,583
Roosevelt	2,384
South Park	3,448
Wallingford	5,350
Westwood-Highland Park	4,606

Source: City of Seattle Department of Planning and Development, 2013.

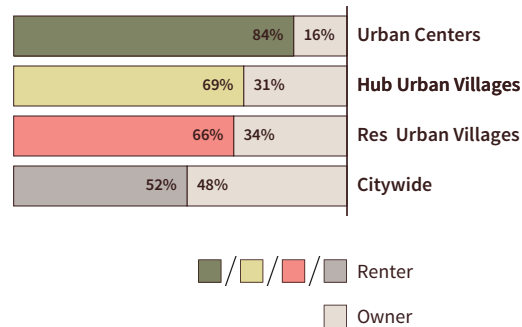
Housing

CITY OF SEATTLE

The City of Seattle had an estimated 317,600 housing units in 2013, of which approximately 48 percent are owner-occupied and 52 percent are renter-occupied (see Figure 3.6-6). A diverse citywide mix of housing ranges from downtown high rises to single-family detached units. Over 90 percent of newer units (numbering about 40,000 net new units built in 2005 and 2014) are in the form of multifamily and mixed-use units. Over 3/4 of the 40,000 net new units built in 2005-2014 are located in Seattle's urban villages.

Although approximately 55 percent of Seattle's housing stock consists of multifamily units, multifamily structures account for only approximately 16 percent of the residential struc-

Figure 3.6-6 Renter versus owner occupied housing, 2010



Source: City of Seattle, Census 2010.

tures in the City. Single family homes, by contrast, account for 84 percent of the residential structures, but supply only 45 percent of Seattle’s housing units. Seattle’s housing stock is more heavily represented by multifamily units than the regional average of 43 percent (Seattle DPD 2014b).

The City of Seattle Department of Planning and Development annual building permit summaries indicate that in the five years from 2010 to 2014, there were 24,432 residential units completed and 2,152 lost for a net gain of 22,280 units. The trends since 2005 show that housing unit gains in Seattle remained high even through the recession years, with average annual net gain in units between 2005 and 2014 at 4,287 units.

Just over 8 percent of the units completed during this time were single family homes and around 17 percent were multifamily. About 73 percent of the new units were mixed use residential, many of which were located in downtown neighborhoods or urban villages such as Ballard, Capitol Hill, Columbia City and West Seattle Junction. From 1995–2009, only 35 percent of units in completed projects were mixed-use. A sharp, upward trend in mixed use completions started in 2007, and by 2013 82 percent of units completed were in mixed-use projects.

According to Polaris Pacific’s May 2014 condominium and apartment market report, 1,343 condominiums and 9,522 apartment units were either under construction or permitted within the city (Polaris Pacific 2014) at that time.

Housing Affordability

Housing affordability is typically expressed in relation to household income, sometimes referred to as a rent-to-income ratio. According to HUD, housing that costs 30 percent or less of a household’s gross income is considered affordable. Households that pay more than 30 percent of their gross income for housing costs (rent and basic utilities; or mortgage, including principal interest taxes and insurance, homeowners dues and other costs directly related to ownership of a unit) are “cost-burdened” with respect to housing, and those households that pay more than 50 percent of their gross income for housing costs are “severely cost burdened.”

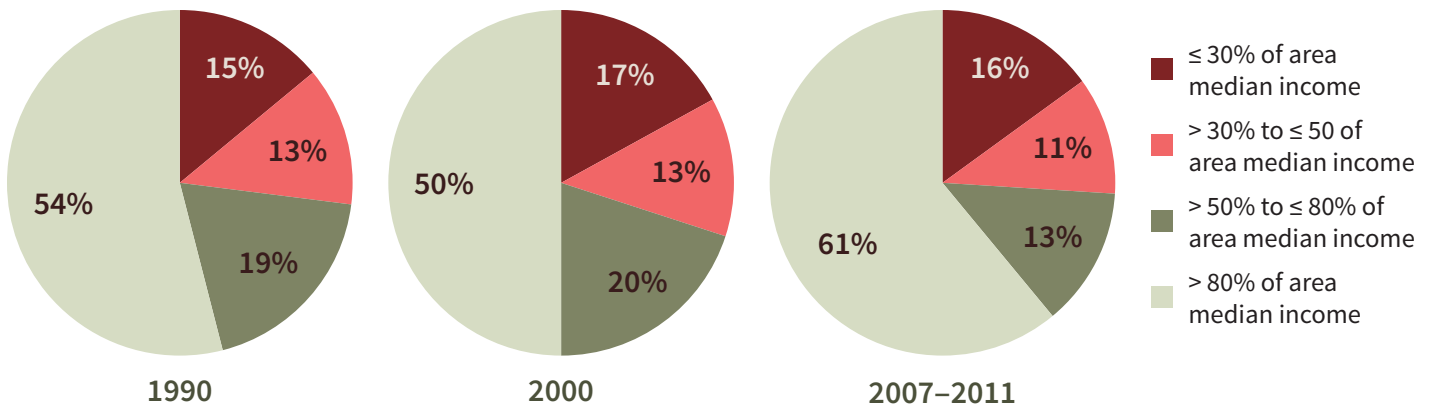
Our nation’s urgent housing challenges are well documented. In Seattle and other high-cost cities, housing affordability is of particular concern as income inequality increases. Figure 3.6–7 on the following page summarizes estimates by HUD of shares of households by income level.

As shown in Figure 3.6–7, most Seattle households (61 percent) earn at least 80 percent of the area median income (AMI); this group was the only of the four categories to grow over the decade between 2000 and 2011. The smallest share of households in Seattle has consistently been those within the 30 to 50 percent AMI category.

Demand for housing by a growing share of households with greater wealth and income has put upward pressure on housing costs, particularly rents. This has resulted in increasing

3.6 Population, Employment, Housing

Figure 3.6-7 Share of total households by household income level, 1990, 2000 and 2007-2011



Sources: U.S. Department of Housing and Urban Department (HUD), Consolidated Housing Affordability Strategy (CHAS) Datasets; U.S. Census Bureau, 1990 and 2000; 5-Year American Community Survey 2007-2011; City of Seattle.

housing cost burden for lower income households, as summarized in Table 3.6-1. Households that pay more than 30 percent of their household income for housing costs are defined by HUD as “housing cost burdened.”

Housing burden data shows the extreme burden that those Seattle residents in lower AMI categories experience. However, increases in the shares of households in the 50 to 80 percent AMI and the over 80 percent AMI categories experiencing housing cost burden illustrate an increasing affordability issue in Seattle across all income groups. There is a widening gap between housing costs and income across all income categories. Overall, the percentage of households spending 30 percent or more on housing costs is increasing.

Table 3.6-1 Share of total renter households with housing cost burden, 1990, 2000 and 2007-2011

Income Category	1990	2000	2007-2011
≤ 30% of area median income	75.6%	70.5%	76.2%
> 30% to ≤ 50% of area median income	74.1%	71.7%	79.0%
> 50% to ≤ 80% of area median income	33.8%	35.7%	46.4%
> 80% of area median income	Not available	5.9%	10.4%

Sources: U.S. Department of Housing and Urban Department (HUD), Consolidated Housing Affordability Strategy (CHAS) Datasets; U.S. Census Bureau, 1990 and 2000; 5-Year American Community Survey 2007-2011; City of Seattle.

Table 3.6–2 summarizes the shares of households in each income level defined by HUD as “severely cost burdened,” meaning they spend more than one-half of their income for housing costs.

Table 3.6–2 Share of total renter households with severe housing cost burden, 1990, 2000 and 2007–2011

Income Category	1990	2000	2007–2011
≤ 30% of area median income	54.8%	54.4%	61.0%
> 30% to ≤ 50 of area median income	20.5%	21.6%	27.8%
> 50% to ≤ 80% of area median income	3.1%	4.3%	7.8%
> 80% of area median income	Not available	0.7%	0.8%

Sources: U.S. Department of Housing and Urban Department (HUD), Consolidated Housing Affordability Strategy (CHAS) Datasets; U.S. Census Bureau, 1990 and 2000; 5-Year American Community Survey 2007-2011; City of Seattle.

The trends for those households experiencing severe housing cost burdens are similar to those spending over 30 percent of their income. Increases in the shares of households by income level experiencing severe housing cost burden were not as drastic in the decade between 1990 and 2000 as they were in the decade following 2000. Overall, the percentage of households spending 50 percent or more on housing costs is increasing. Average rents are highest in Downtown, South Lake Union and other urban centers and villages in or near the center city and by the Ship Canal (see Table 3.6–3).

Average rent for 1-bedroom units in Seattle increased 35 percent between 2005 and 2014, after adjusting for inflation. Table 3.6–4 on the following page summarizes the percent by which average rent for 1-bedroom apartments increased, in market areas defined by Dupre+Scott Apartment Advisors. The market areas are in order of rent increase, from greatest to least. The 2005 rents are adjusted for inflation.

Sales prices based on closed sales for all residential units, including condominiums, either stayed stable or declined during the 2005–2014 period by as much as 10 percent (in “Central Seattle SW, Beacon Hill”), after adjusting for inflation. The only Northwest Multiple Listing Service (NWMLS)

Table 3.6–3 Average rent for 1-bedroom unit by market area, 2014

Market Area	Avg. Rent/Unit
Belltown/Downtown/South Lake Union	\$1,841
Ballard	\$1,489
Queen Anne	\$1,469
Greenlake/Wallingford	\$1,444
Capitol Hill, Eastlake	\$1,430
First Hill	\$1,409
Central	\$1,380
Madison/Leschi	\$1,284
Magnolia	\$1,248
University	\$1,240
West Seattle	\$1,211
Beacon Hill	\$1,055
Rainier Valley	\$1,042
North Seattle	\$1,020

Source: Dupre+Scott Apartment Advisors, Apartment Vacancy Report, 20+ Unit Buildings, Fall 2014, 14 market areas.

3.6 Population, Employment, Housing

Table 3.6-4 Percent increase in average rent for 1-bedroom units, 2005 versus 2014

Market Area	Percent Increase
Ballard	63%
Rainier Valley	47%
Capitol Hill/Eastlake	42%
West Seattle	35%
First Hill	34%
Queen Anne	34%
Magnolia	33%
University	32%
Green Lake/Wallingford	32%
Beacon Hill	30%
Belltown/Downtown/South Lake Union	26%
Central	16%
Madison Leschi	15%

Source: Dupre+Scott Apartment Advisors, Apartment Vacancy Report, 20+ Unit Buildings, Fall 2014, 14 market areas.

market area in Seattle to experience an increase in home sale prices between 2005 and 2014, totaling 9 percent, was what NWMLS refers to as “Central Seattle, Madison Park, Capitol Hill.”

Areas with high rates of growth may experience greater upward pressure on housing costs relative to slower growing areas. Average rents for units built in 2012 through 2014 were 23 percent higher than those for all units citywide (Dupre+Scott Apartment Advisors 2014).

The City’s Office of Housing maintains a list of income and rent-restricted housing units based on best available information from Seattle’s Office of Housing, Washington State’s Housing Finance Commission, HUD and Seattle Housing Authority. In 2014, there were over 27,000 rent-restricted units in the City’s subsidized housing inventory.

The inventory does not include units produced on-site through the City’s incentive zoning program and the multi-family tax-exempt (MFTE) units that are voluntarily

rent-restricted for up to 12 years. As of 2014, 4,650 affordable units have been produced through the MFTE, and 111 affordable units have been produced on-site using incentive zoning (this does not include number of affordable units produced with nearly \$53 million of developer contributions through incentive zoning’s housing bonus payment option, which is part of the 27,000+ unit figure).

URBAN CENTERS

Housing in Seattle’s urban centers is provided at densities ranging from low/moderate to in some cases high densities, with an emphasis on multifamily units. The average density of the urban centers is 24.3 persons per acre, with an average household size of 1.51 (Seattle DPD 2011; City of Seattle 2014e; BERK 2014). The urban centers contain approximately 66,500 units, representing about 22 percent of Seattle’s total housing units. On average, about 84 percent of occupied units in the urban centers are rentals and 16 percent owner-occupied. Figure 3.6-6 and Figure 3.6-9 show tenure and housing characteristics for each of the six urban centers. Appendix A.3 contains a detailed table of the housing mix in urban centers.

HUB URBAN VILLAGES

Housing in Seattle’s hub urban villages is generally at low to moderate densities, with a variety of unit types. The average density of the hub urban villages is 18.2 persons per acre, with an average household size of 1.78. Certain hub urban villages such as Bitter Lake and Mount Baker are at lower densities given their traditionally commercially-dominated use

3.6 Population, Employment, Housing

Figure 3.6-9 Urban centers: housing characteristics, 2010

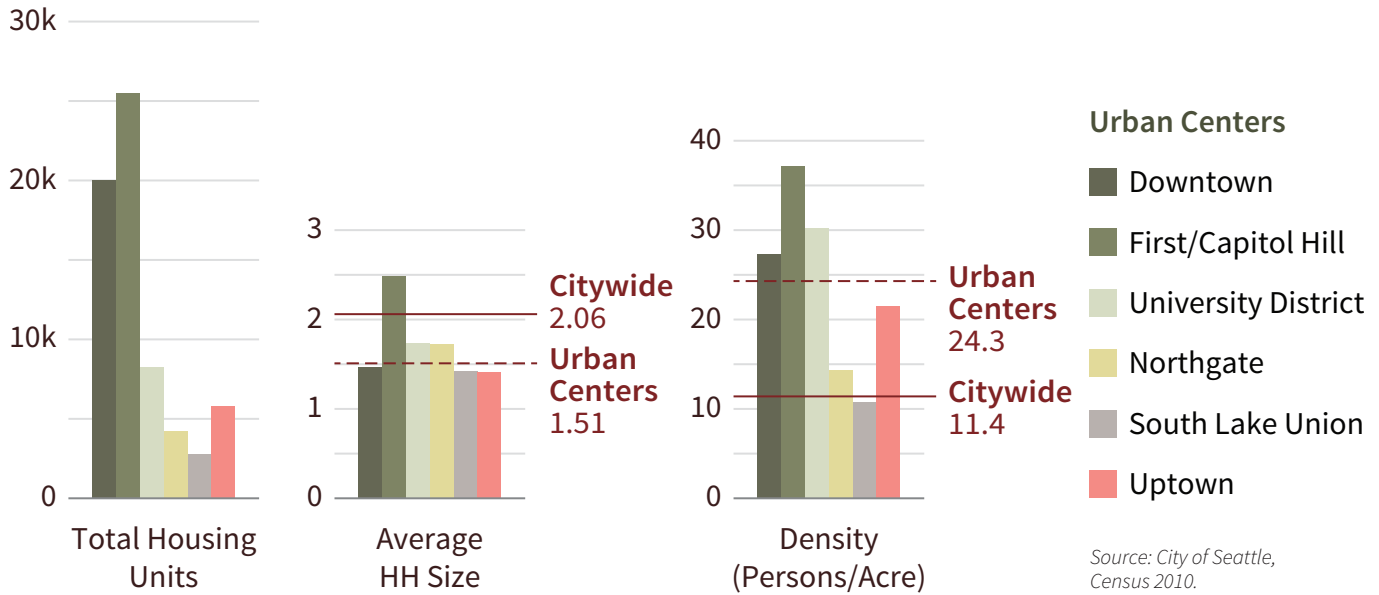
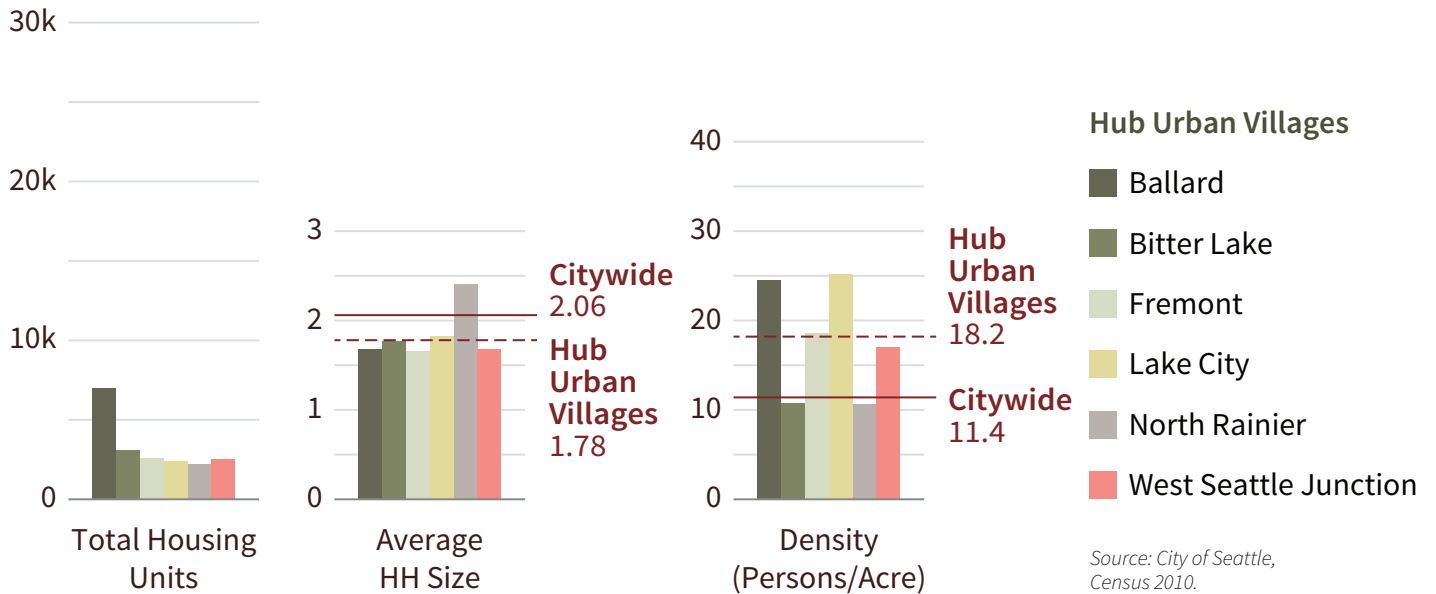


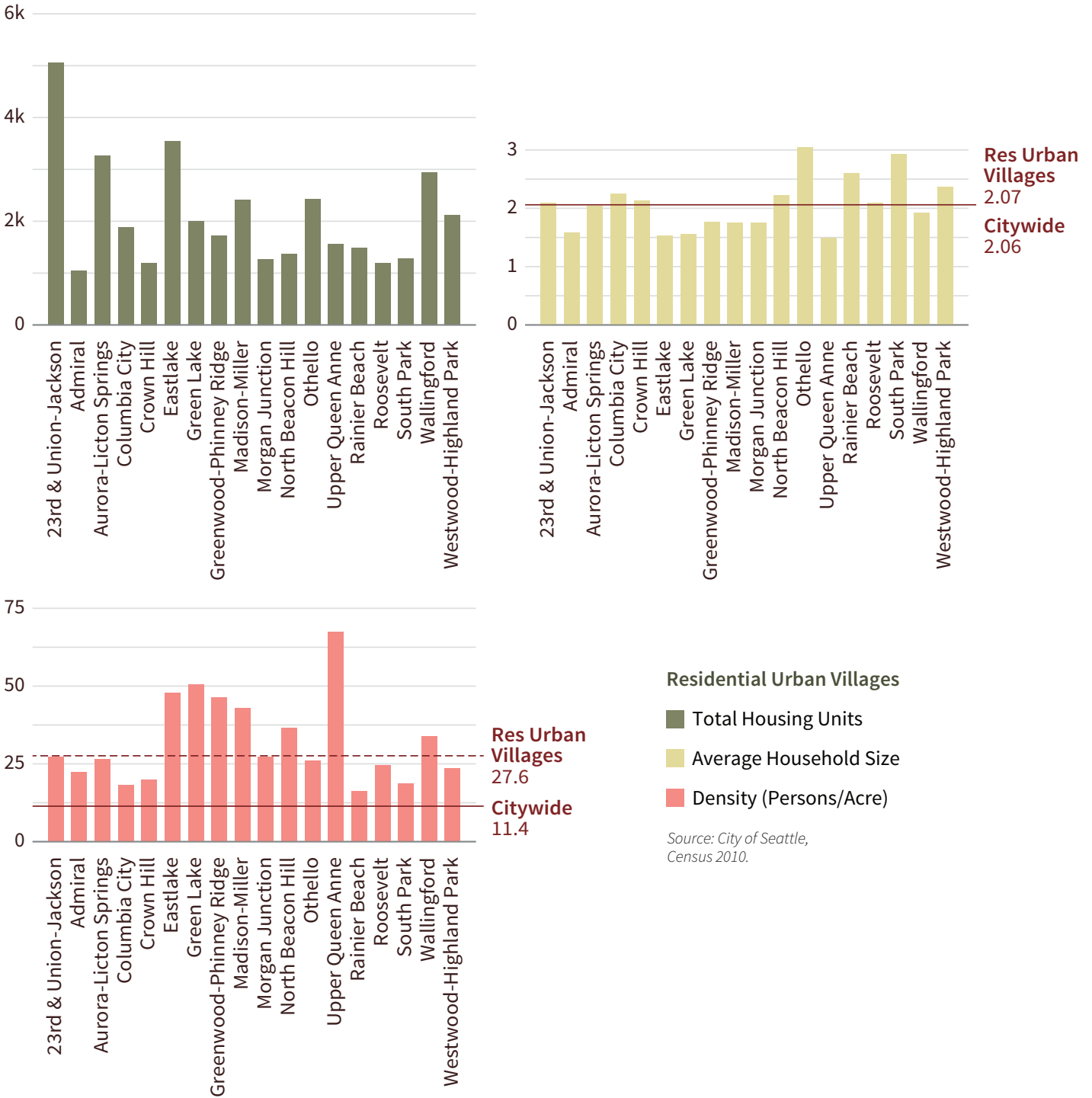
Figure 3.6-10 Hub urban villages: housing characteristics, 2010



patterns that still persist, while other hub urban villages such as Lake City are more compact. Hub urban villages contain approximately 19,759 units, representing about 6 percent of Seattle’s overall housing units. On average, 58 percent of these units are rentals, with 42 percent owner-occupied. Figure 3.6-6 and Figure 3.6-10 show tenure and housing characteristics for each of the six hub urban villages. Appendix A.3 contains a detailed table of the housing mix in hub urban villages.

3.6 Population, Employment, Housing

Figure 3.6-11 Residential urban villages: housing characteristics, 2010

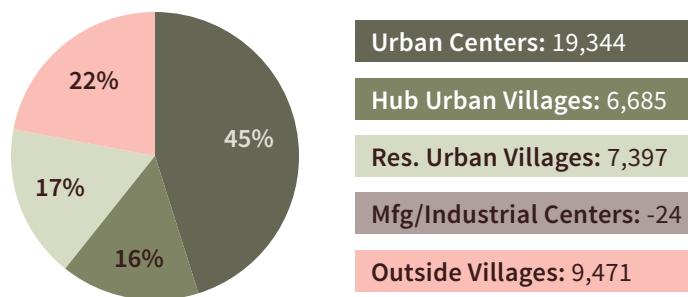


3.6 Population, Employment, Housing**RESIDENTIAL URBAN VILLAGES**

Housing development in Seattle’s residential urban villages generally consists of medium to high density development types. Residential urban villages have an average household size of 2.07 persons—essentially the same as the citywide average of 2.06 persons per household—and the actual density of development varies widely between villages. Population density averages 27.6 persons per acre, but varies from as low as 12.6 persons per acre to as high as 40.4 persons per acre. This reflects the differing past histories of the urban villages with varying degrees of established residential presence, and also reflects the tightness of defined urban village boundaries in some cases. Residential urban villages contain approximately 37,832 units, representing 12 percent of Seattle’s overall housing units. On average, 66 percent of these units are rentals and 34 percent are owner-occupied. Figure 3.6–6 and Figure 3.6–11 show tenure and housing characteristics for each of the residential urban villages. Appendix A.3 contains a detailed table of the housing mix in residential urban villages.

HOUSING DEVELOPMENT TRENDS

As shown in Figure 3.6–12, new housing development in Seattle since 2005 has occurred mostly in urban centers and in areas outside centers or villages, followed by residential urban villages and hub urban villages, respectively. The MICs experienced a net reduction in housing during this period, in keeping with their industrial, employment-related character.

Figure 3.6–12 Net new residential units, 2005–2014

Source: DPD Permit Warehouse, Building Construction Permits.

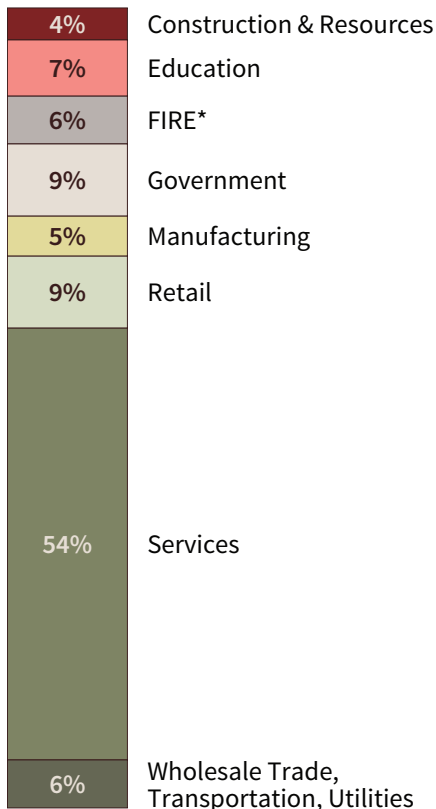
The total number of units built between 2005 and 2014 was 48,359. With 5,486 units demolished over this time, the net new amount of units built over that period was 42,873.

Employment**CITY OF SEATTLE**

The City of Seattle contained approximately 500,000 jobs in 2013, broken down into eight sectors identified in Figure 3.6–13. The sector with the greatest representation is the services

3.6 Population, Employment, Housing

Figure 3.6–13
 Seattle employment by sector

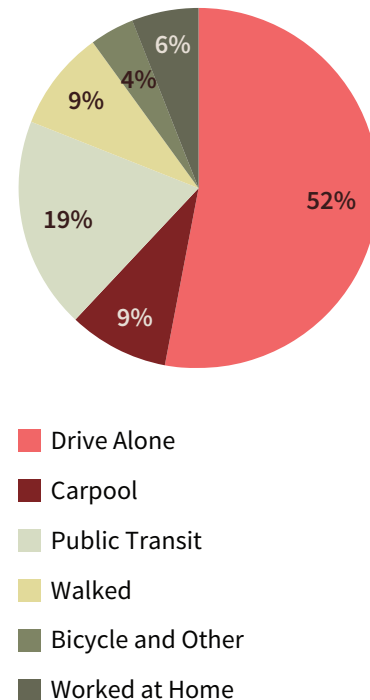


* Finance, insurance and real estate
 Source: PSRC, 2013.

Figure 3.6–14 Worker commute modes in Seattle

Mode	Quantity
Car, truck or van—drove alone	182,436
Car, truck or van—carpooled	32,693
Public Transportation	64,944
Walked	31,863
Bicycle	11,923
Other (incl. motorcycle, taxicab, etc.)	4,559
Worked at Home	22,265
Total	350,673

Source: US Census Bureau, 5-year ACS, 2012.



sector, which is responsible for around 54 percent of employment in the city. Employment in Seattle and the Puget Sound region is highly influenced by the presence of high-tech and biotech industries; this industry cluster in particular has drawn related businesses to Seattle and has contributed to in-migration and the growth in population of young professionals.



74% of Seattle residents live and work in the same place, a significantly greater share than the average across the country

About 74 percent of workers in Seattle both live and work within the city. According to Census data, the majority of Seattle’s residents commute to work, both inside and outside the city, by driving alone. Figure 3.6–14 shows 2012 American Community Survey results for Seattle worker commute modes. While single-occupant vehicle commuting is still the dominant mode, 19 percent of Seattle residents commute by public transit and an additional 13 percent commute by bicycle or on foot. Approximately 69 percent of Seattle’s 2012 employment was concentrated in the city’s urban centers and villages (Seattle DPD 2014b), which are the most accessible hubs for commuters of all modes, particularly those using public transit modes provided by King County Metro, Sound Transit, Washington State Ferries and Community Transit.

URBAN CENTERS

According to the 2012 Covered Employment Estimates from Washington State's Employment Security Department (ESD) as analyzed by the City, urban centers contain 57 percent of Seattle jobs, including 77 percent of finance, insurance and real estate (FIRE) industry jobs, 58 percent of retail jobs, 60 percent of service jobs, 68 percent of government jobs and 76 percent of education jobs (see Figure 3.6–15 on the following page). Appendix A.3 contains a detailed table of employment by sector in urban centers.

HUB URBAN VILLAGES

Seattle's hub urban villages contain 5 percent of Seattle's jobs, with the highest sector shares in retail (10 percent) and construction and resources (8 percent). See Figure 3.6–16 on the following page for a breakdown of employment by sector for each hub urban village.

RESIDENTIAL URBAN VILLAGES

Seattle's residential urban villages contain approximately 7 percent of Seattle's employment. The highest sector shares of Seattle's jobs in residential urban villages are retail (11.2 percent) and services (7.8 percent). See Figure 3.6–17 on the following page for a breakdown of employment by sector for each residential urban village.

MANUFACTURING/INDUSTRIAL CENTERS

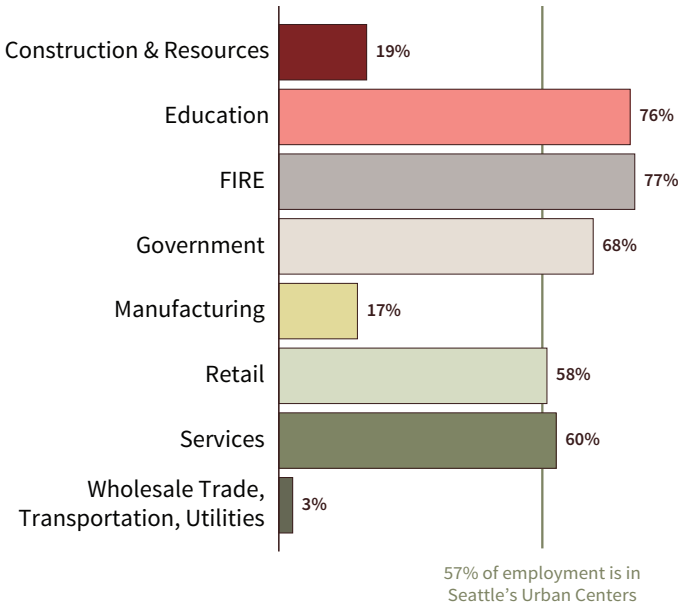
Seattle's Greater Duwamish and Ballard-Interbay-Northend manufacturing/industrial centers (MICs) are important regional centers and drivers of employment growth for the manufacturing and industrial sectors. According to the 2012 Covered Employment Estimates from Washington State's ESD as analyzed by the City, Seattle's manufacturing/industrial centers contain approximately 15 percent of Seattle's employment. The highest shares of each of the following job sectors are located in manufacturing/industrial centers: construction and resources (43.9 percent), manufacturing (62.5 percent), wholesale trade, transportation and utilities (52.7 percent). See Figure 3.6–18 on the following page for a breakdown of employment by sector for the two manufacturing/industrial centers.

The Ballard-Interbay-Northend MIC has an industrial character, with a significant presence of maritime industries located on the Ballard Ship Canal. It is anchored on the north by Port of Seattle's Fisherman's Terminal Marina on the canal and on the south by the Port of Seattle's Pier 91 Cruise Facility and the Terminal 86 Grain Facility on Puget Sound. Freight rail lines run through Ballard-Interbay-Northend MIC, connecting the land and sea shipping networks.

The Greater Duwamish Center contains Seattle's primary port terminal, which acts as an intermodal hub for marine, air, rail, land and water transportation networks. The Port of Seattle Seaport, located where the terminus of the Duwamish meets Elliott Bay, operates a range of cargo activities on the 1,500 acres of waterfront property. The Seaport was the 3rd largest load center in 2014, and creates a significant impact on Seattle's and the state's economies (Port of Seattle 2015b).

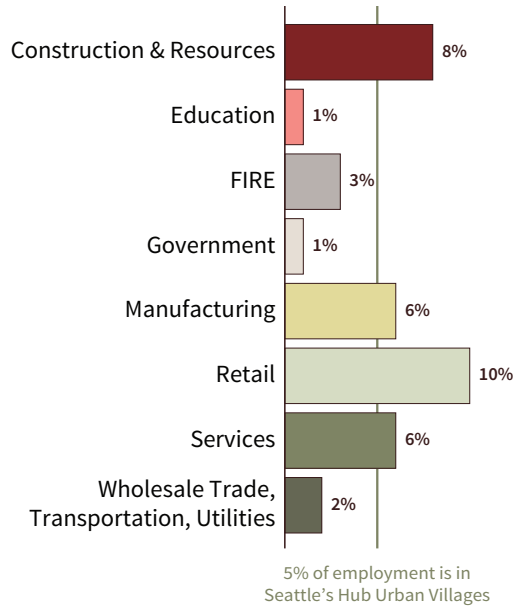
3.6 Population, Employment, Housing

Figure 3.6-15 Percent of Seattle employment sectors in urban centers



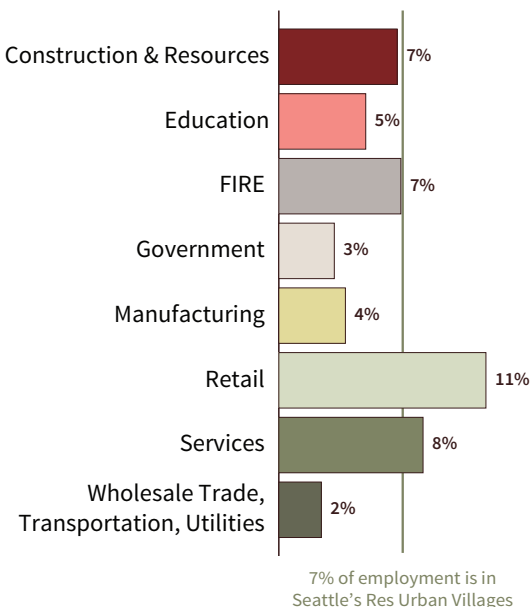
Source: Washington State Employment Security Department, 2012.

Figure 3.6-16 Percent of Seattle employment sectors in hub urban villages



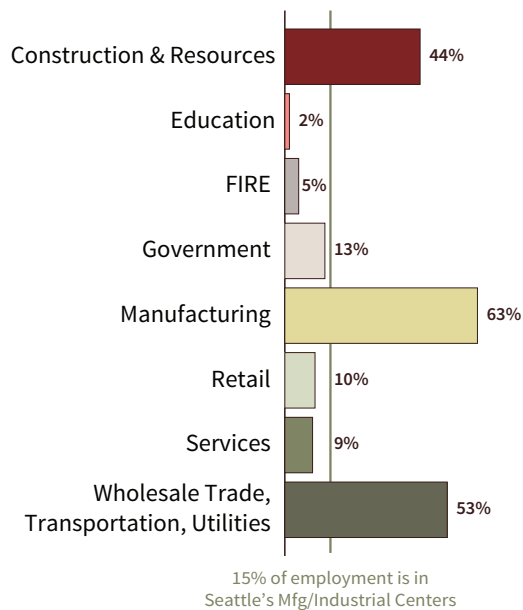
Source: Washington State Employment Security Department, 2012.

Figure 3.6-17 Percent of Seattle employment sectors in residential urban villages



Source: City of Seattle, 2012 Covered Employment Estimates (ESD)

Figure 3.6-18 Percent of Seattle employment sectors in manufacturing/industrial centers



Source: Washington State Employment Security Department, 2012.

The Port of Seattle has a large influence on Seattle's economy and drives economic activities in a variety of related sectors. With the exception of a few smaller properties, much of the Port of Seattle's activities are located on properties within Seattle's two manufacturing/industrial centers, and much of the economic growth directly related to the Port occurs in these areas. In 2013, the Port generated about 216,000 jobs, and businesses located on Port properties saw \$19.8 billion in revenues and generated \$894 million in state and local taxes (Port of Seattle 2015a).

3.6.2 Impacts

Impacts Common to All Alternatives

POPULATION AND HOUSING

The four alternatives are distinguished by the way growth is distributed across the city's urban centers, villages and other areas. As described in Chapter 2, the rationales for the alternatives' growth distributions range from Alternative 1's continuation of current growth policy preferences in the Urban Village strategy, to pursuing a higher concentration of growth in the urban centers (Alternative 2), to increasing the emphasis on locating growth in areas relatively close to transit service (alternatives 3 and 4).

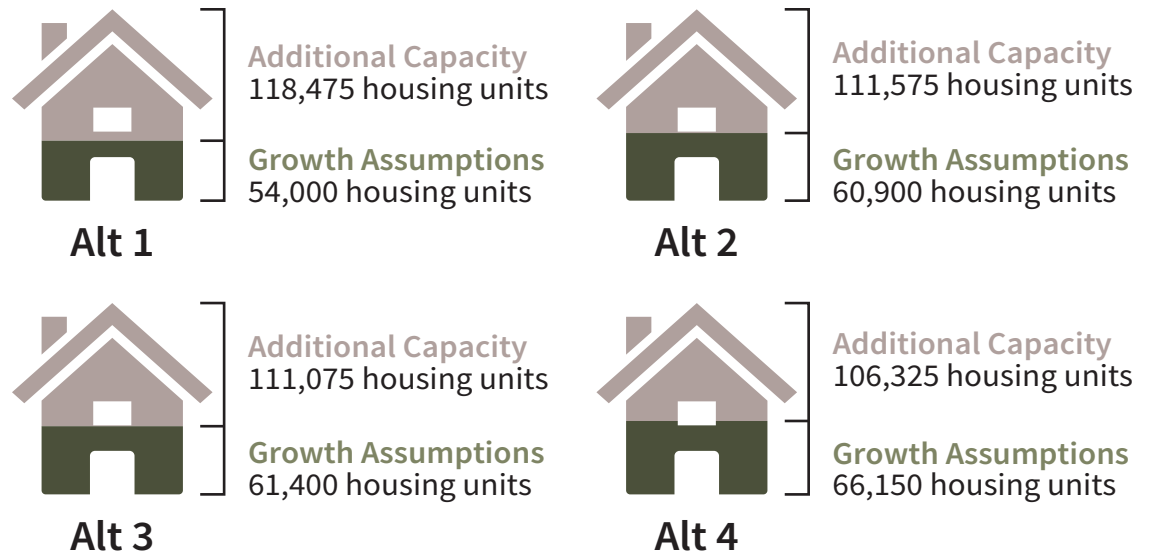
Under all four alternatives, the defined growth areas (including urban centers, hub urban villages and residential urban villages) have sufficient development capacity to accommodate planned levels of residential growth during the planning period (as shown in Figure 3.6-19), and none of the alternatives assume rezones are needed to increase allowed residential densities. However, alternatives 3 and 4 contemplate the possibility of FLUM mapping policy and designation changes that could affect future use-density possibilities. To the extent that future infill housing development occurs anywhere in the city, population density would increase and developable land would decrease over time. All four alternatives prioritize residential growth in urban centers and urban villages over other areas. Housing in urban villages is likely to be provided primarily in multifamily structures, which would continue Seattle's trend toward apartment and condominium units in the overall mix of available housing. It is likely that future housing will include a greater share of smaller-sized units, given current trends in housing development and the city's lower average household sizes of 2 persons or less in its urban centers and villages.

*FLUM: Future
Land Use Map*

Housing affordability will be an issue of concern under all four alternatives, including Alternative 1. As noted in the Affected Environment section, a significant portion of Seattle's households are burdened by housing costs and, over 60 percent of the lowest income renter households (≤ 30 percent of AMI) are estimated to pay more than one-half of their income for rent and basic utilities. Ultimately, housing prices are likely to be driven by demand generated as a result of Seattle's strong job market and attractive natural and cultural ame-

3.6 Population, Employment, Housing

Figure 3.6–19 Urban village housing capacity and growth assumptions*



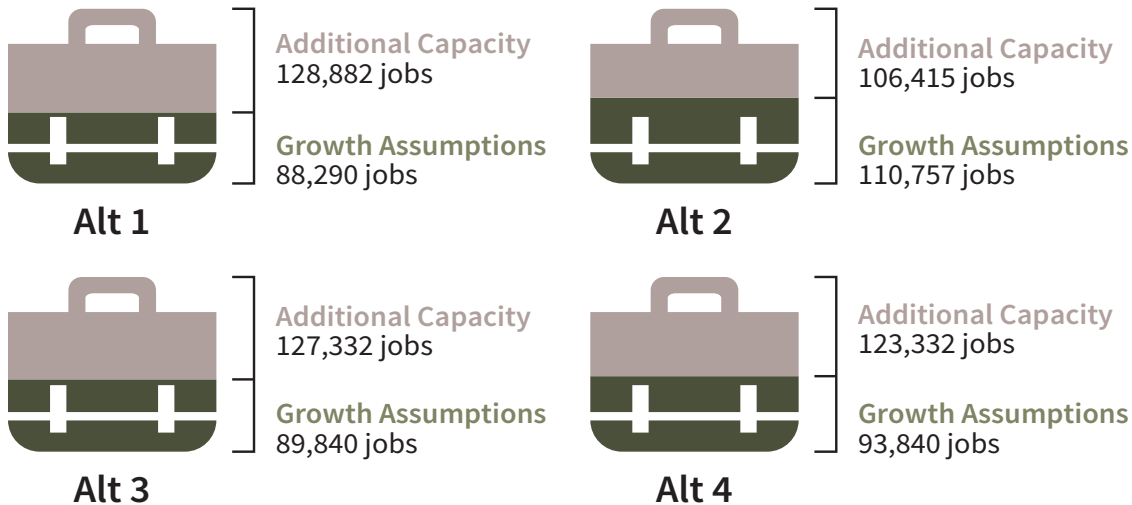
* Existing capacity within urban villages is 172,475 housing units (same for all four alternatives).

Source: City of Seattle, Department of Planning and Development.

nities. The city’s limited land base also will likely contribute to upward pressure on housing costs. Low vacancy rates and tight inventory also would likely contribute to higher rent trends, especially when demand is fueled by a comparatively highly educated, high-wage workforce.

Several other factors would be influenced by the distribution of development as outlined in the alternatives. Cost and affordability factors considered include:

- **Land Value.** The initial land cost for developers contributes to the total cost of each housing unit. Higher density developments with higher floor-area-ratios (FAR; see Figure 3.4–9 for an illustration of FAR) will have a smaller land cost per unit. Land values vary across the city, with the highest found downtown and generally decreasing outward.
- **Construction Costs.** The cost of housing construction also influences sale and rental prices. Building material costs will be roughly equal across the city, though the type of construction will not. Generally, taller buildings with steel framing are more expensive to build than shorter, wood framed structures. The alternatives that promote the most concentrated development patterns will result in construction of taller buildings to provide housing accommodating higher numbers of residents in a smaller geographic area. Taller buildings will generally be more expensive to construct than low-rise residential structures in areas not designated for growth.

Figure 3.6–20 Urban village employment capacity and growth assumptions*

* Existing capacity within urban villages is 217,172 jobs (same for all four alternatives).

Source: City of Seattle, Department of Planning and Development.

- Proximity to Transportation and Services.** Higher density areas with the greatest proximity to neighborhood amenities, jobs and transportation (urban centers and hub urban villages) will generally have higher land values and thus, higher housing costs. However, proximity to transit and services may also lead to more frequent commuting by transit and help decrease resident spending on transportation, which could help households to control cost-of-living burdens generated by rent and transportation costs..

EMPLOYMENT

The anticipated future employment growth of 115,000 new jobs over twenty years will occur predominantly in Seattle's urban centers, hub urban villages and manufacturing/industrial centers. This is likely to continue past trends, and follow the policy preferences of the Comprehensive Plan to focus employment primarily in these particular kinds of areas.

For all four alternatives, there is already sufficient capacity to accommodate assumed employment growth in the City's urban centers, urban villages and manufacturing/industrial centers, as shown in Figure 3.6–20. The recent buildable lands study found that 217,000 jobs could be accommodated within the existing and—for alternatives 3 and 4 potentially expanded—urban centers and hub urban villages. Transit access, demographic trends and various market factors will influence precisely which industry sectors locate in various locations. See the following discussion for alternative-specific analysis.

3.6 Population, Employment, Housing

DISPLACEMENT

As growth continues in Seattle and development accelerates to meet increasing demands for housing as well as commercial and retail space, some existing uses are likely to be redeveloped to accommodate new growth, creating a potential for displacement of existing homes and businesses. This displacement would occur where there is demolition and eviction, as well as where market forces would increase the cost of living or doing business to a level that is no longer affordable for certain groups. Displacement risk is likely to rise in those areas where populations are least able to absorb increasing housing costs, where desirable amenities (such as transit) are available and where development costs relative to projected rents are such that the potential for new development is high. Given the factors identified in this analysis, the risk of displacement of vulnerable resident populations and existing businesses is concluded to generate probable significant adverse impacts.

Older structures are sometimes demolished to make way for construction projects. In general, older residential units are less expensive than new construction; of apartment buildings with 20 or more units, those built in the 1970s and 1980s are Seattle's most affordable (Dupre+Scott Apartment Advisors). Older housing stock provides relatively more affordable options for lower-income households, and can play an important role in enabling vulnerable populations to remain in their communities. Housing costs for new units are often higher than those of the older structures that are replaced, and existing residential and business tenants are typically forced into seeking affordable options in another neighborhood or sometimes outside the city. This process often occurs when existing uses are replaced by higher-density residential development or more intense commercial uses, and it can create significant changes in the character of a neighborhood, destabilizing a community that may have been living or working in a particular neighborhood for decades and generations. In areas with high concentrations of vulnerable populations, displacement of businesses and cultural institutions on which local residents rely for services and employment and that provide community cohesion could result in adverse impacts on the community. If businesses that cater to immigrant communities or other vulnerable populations are displaced, the commercial uses that replace them may not offer the same services or may not be affordable to local residents. If vulnerable populations no longer have access to affordable housing and services in their existing neighborhoods, many residents could potentially be pressured to relocate.

Recognizing that socioeconomic and racial inequities are still present, neighborhoods with higher concentrations of vulnerable populations are identified so that the potential use of mitigation strategies to address unintended impacts of growth can be prioritized. This should include efforts toward prevention and mitigation of displacement of vulnerable populations from housing and businesses, particularly in areas identified as high risk.

Certain neighborhoods—urban villages in the central area, southeast Seattle and certain parts of north Seattle—are identified as more sensitive to change than others due to the greater presence of vulnerable populations. Vulnerable populations are defined by the City

as low-income populations, people of color and English language learners. Review of city-wide demographic data indicates that certain urban villages contain higher concentrations of vulnerable populations. As a result, future growth in these areas would have a greater potential to result in displacement of vulnerable populations than growth in other parts of the city. Urban villages identified as containing higher concentrations of vulnerable populations include the following:

North Seattle

- University District
- Northgate
- Bitter Lake
- Lake City
- Aurora-Licton Springs

South Seattle

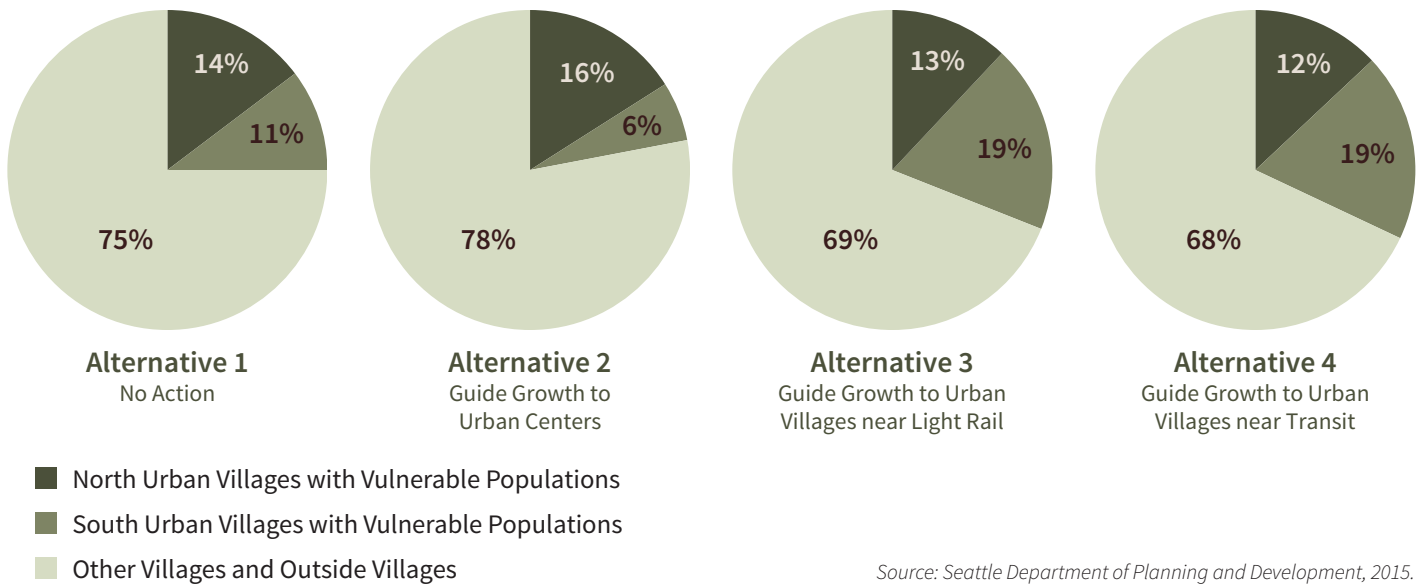
- Mount Baker
- 23rd & Union-Jackson
- Columbia City
- Othello
- North Beacon Hill
- Rainier Beach
- South Park
- Westwood-Highland Park

Figure 3.6–21 compares the amount of housing growth projected to occur in urban villages with vulnerable populations under each alternative. The share of growth projected for urban villages with vulnerable populations ranges from 22 percent of total growth (Alternative 2) to 32 percent of total growth (Alternative 3). Also, when comparing the difference between the shares of growth projected for north versus south end urban villages with vulnerable populations, Figure 3.6-22 illustrates that the south end villages of this kind are projected to accept a 6-7 percent greater share of residential growth than the north end villages with vulnerable populations (for alternatives 3 and 4), or as much as a 10 percent lesser share of projected growth under Alternative 2. The projected residential growth shares are somewhat more balanced under Alternative 1. These observations generally illustrate how residential growth pressures could be experienced differently across the city depending upon how preferred growth policies are chosen.

Focusing growth in urban centers (as in Alternative 2) appears as though it could lessen displacement risks in urban villages identified as having vulnerable populations. On the other hand, concentrating growth in areas zoned for highest density could result in significantly higher cost housing, taking land and related construction costs into account, and could further trends toward increasing income stratification in Seattle. Therefore, challenges with respect to equity, potential displacement and housing affordability are identified with any alternative studied in this EIS.

3.6 Population, Employment, Housing

Figure 3.6–21 Comparison of projected residential growth in areas with vulnerable populations, by alternative



Additional discussion of equity in the context of the Comprehensive Plan and future growth and development can be found in a separate document, the Equity Analysis, available at www.seattle.gov/dpd.

Alternative 1: Continue Current Trends (No Action)

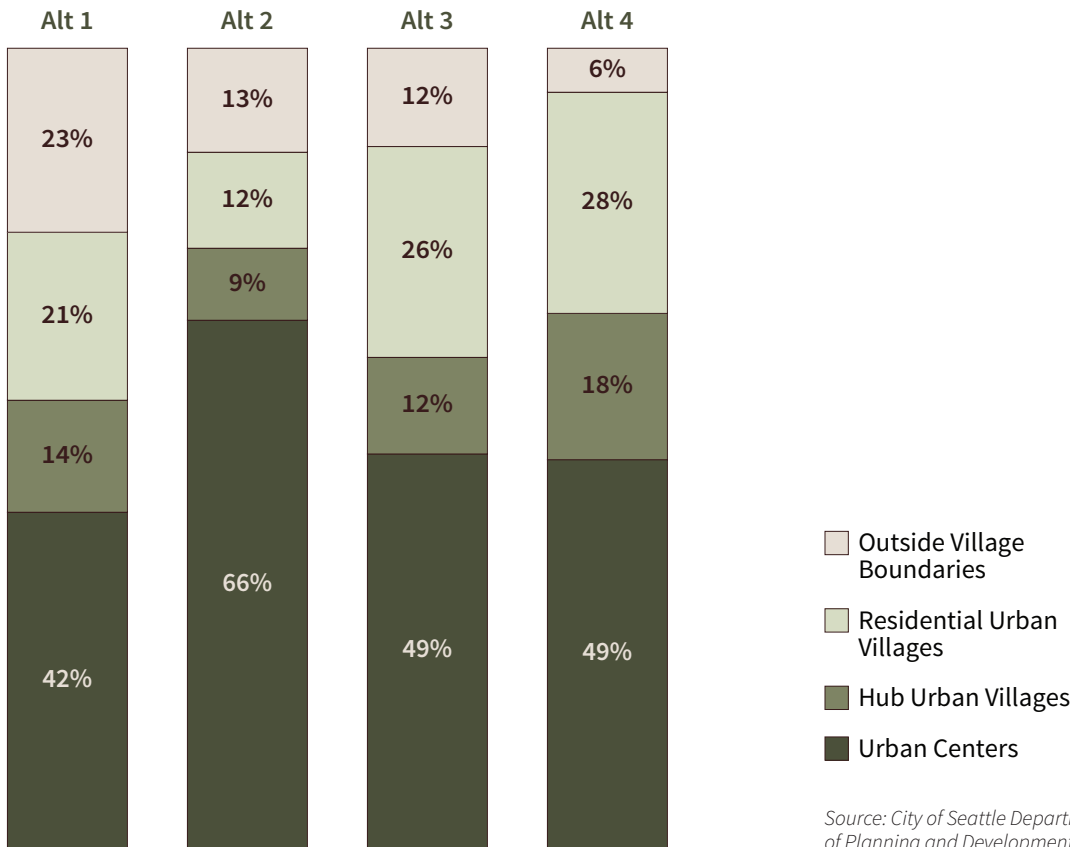
Alternative 1, Continue Current Trends (No Action), proposes a continuation of existing growth trends, resulting in a more distributed growth pattern than the three action alternatives. This alternative designates 77 percent of planned future housing growth and 77 percent of planned future employment growth to Seattle’s existing urban centers and urban villages. The remaining 23 percent of growth is allocated to areas outside of existing center and village boundaries.

POPULATION AND HOUSING

Under Alternative 1, approximately 42 percent of housing growth (29,500 units) would occur in the urban centers, 14 percent in hub urban villages and 21 percent in residential urban villages (see Figure 3.6–22). The areas outside centers and village boundaries would absorb more new units compared to the other alternatives. As shown in Figure 3.6–19, zoning capacity in urban villages and centers is more than sufficient to accommodate growth projected for those areas.

Alternative 1 would likely result in patterns of development relatively consistent with the current development pattern, which follows the scales of development defined by current land use/zoning rules. With this existing regulatory framework that is assumed to contin-

Figure 3.6–22 Distribution of housing growth under each alternative



Source: City of Seattle Department of Planning and Development, 2014.

ue, the future mix of new buildings in residential and hub urban villages are likely to occur within a range of heights and densities that would blend relatively closely with current development patterns. Downtown, First/Capitol Hill and South Lake Union would absorb a substantial portion of housing growth projected in urban centers, while Ballard and Bitter Lake would absorb a significant portion of the growth projected in hub urban villages. Among residential urban villages, 23rd & Union-Jackson, Aurora-Licton Springs, Columbia City, Madison-Miller and Othello would absorb the greatest levels of projected growth.

Due to the relatively compact nature of future housing development in urban centers and many urban villages, these areas are likely to remain most attractive to small households, such as smaller families or younger residents without children. Currently, only 6 percent of Seattle’s total housing units are in hub urban villages, in mid-density buildings, and these areas would likely see mild-to-moderate increases in population density. Urban centers are likely to continue growing in ways that reinforce and expand the extent of high-rise building forms (as in Downtown), or that gradually transform areas with more mid-rise and limited high-rise building development. Considerably more growth would occur outside urban villages under Alternative 1 than under other alternatives, with an expected range of lower-density housing types fitting within existing zoning allowances.

3.6 Population, Employment, Housing

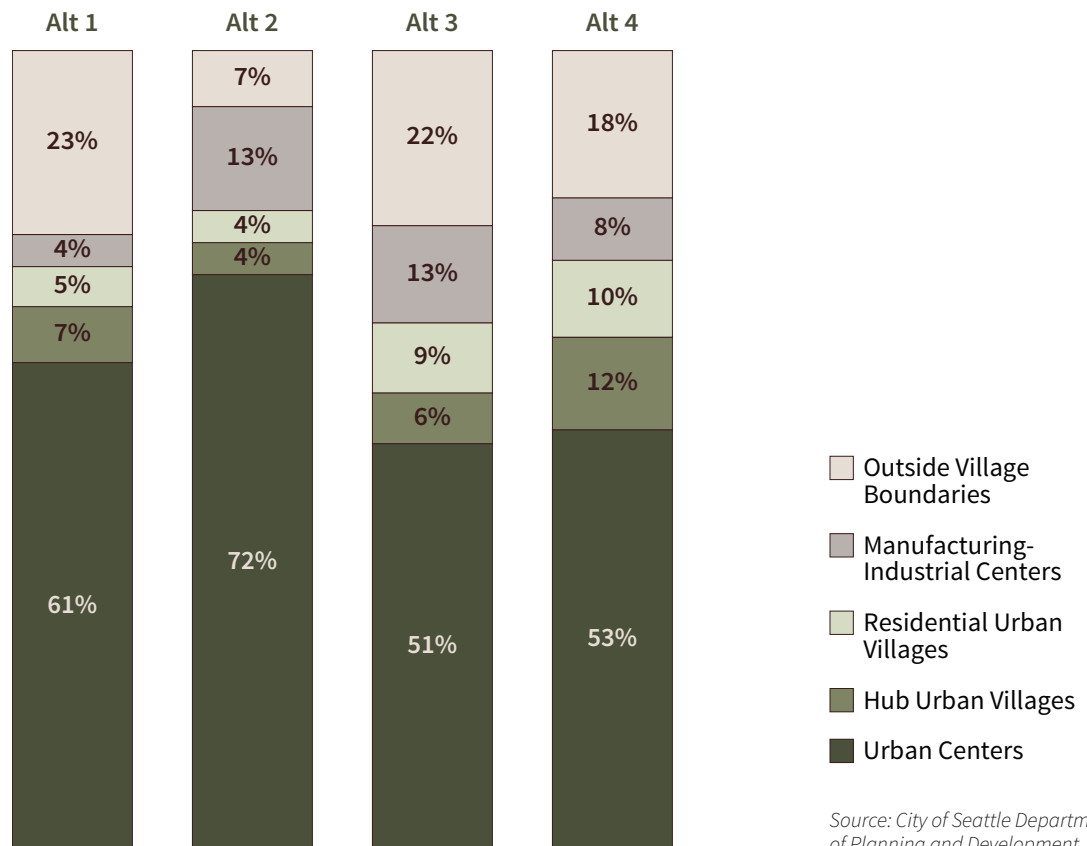
Displacement of existing residents: As shown in Figure 3.6–21, the projected growth under Alternative 1 would generate moderate potential for displacement in urban villages with the greatest amount of vulnerable populations, given the identified 25 percent share of total residential growth allocated to that kind of urban village. Future housing growth in these urban villages would be relatively evenly divided between North and South Seattle, resulting in moderate potential for displacement in each of these areas, relative to the other alternatives.

Housing affordability: Refer to the discussion under Impacts Common to All Alternatives.

EMPLOYMENT

Alternative 1 would result in employment patterns that are relatively consistent with existing patterns and trends, with slightly higher job growth than in the past and more jobs directed to urban village areas. Currently, only 5 percent of Seattle’s employment is located in the hub urban villages; under this alternative, about 7 percent of the projected job growth is allocated to hub urban villages, at densities that could range up to 25 jobs per acre (see Figure 3.6–23). Hub urban villages projected to receive the most employment growth would be Ballard, Bitter Lake and Lake City. About 61 percent of job growth is projected to occur

Figure 3.6–23 Distribution of job growth under each alternative



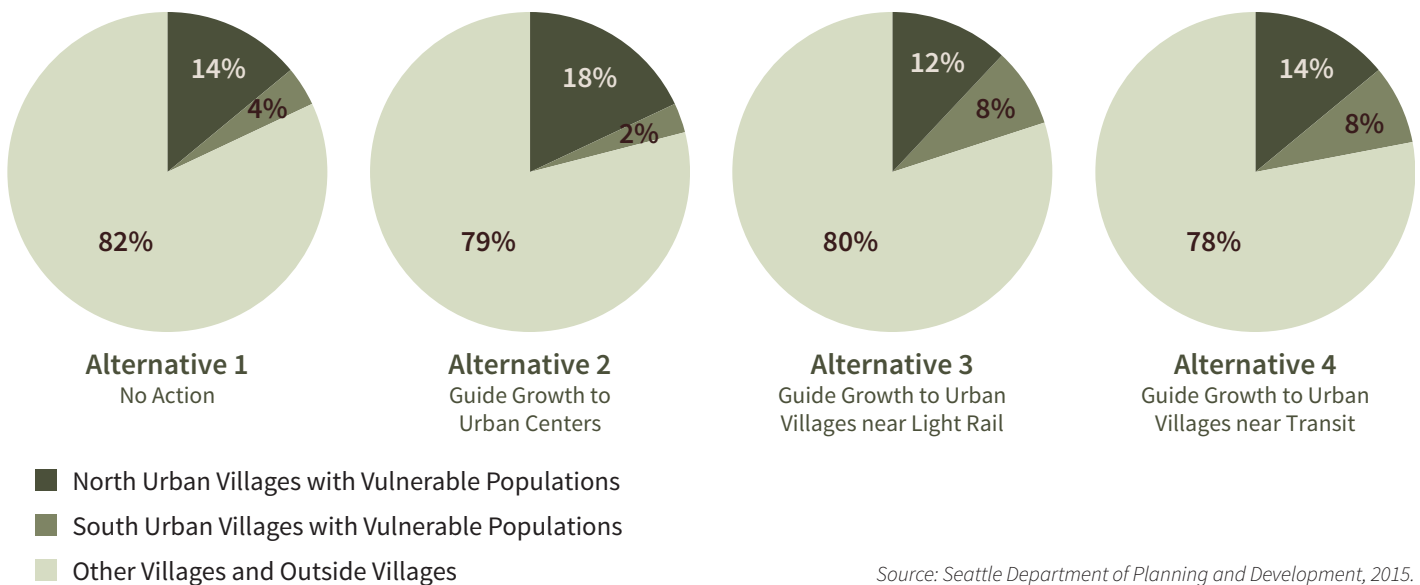
3.6 Population, Employment, Housing

in urban centers under Alternative 1. About 30,000 jobs would be added to the Downtown Urban Center, with 20,000 more in South Lake Union and 8,000 in the University District. Although only 5 percent of 20-year job growth is expected in residential urban villages, these areas would still play a role in employment growth, especially through jobs at neighborhood-serving businesses. Among the residential urban villages, Columbia City is projected to experience the greatest employment growth, adding around 1,400 jobs.

As shown in Figure 3.6–20, capacity for around 92,828 jobs would remain in urban villages and centers after projected growth has been fulfilled.

Displacement of existing businesses: Under Alternative 1, employment would grow in a pattern similar to recent trends, concentrating in the existing employment centers and areas with industry clusters, such as Downtown and South Lake Union, with some concentrated areas of employment spread throughout the city’s neighborhoods, in particular the hub urban villages. As described under Impacts Common to All Alternatives, displacement of businesses that provide services, jobs or community cohesion for vulnerable populations could potentially generate negative impacts on the community and make it difficult for residents to afford to remain in their neighborhoods. As shown in Figure 3.6–24, Alternative 1 would generate the lowest overall potential for displacement impacts in those urban villages with the highest amount of vulnerable populations, given the identified 18 percent share of total employment growth. Projected employment growth in urban villages with vulnerable populations would occur mostly in North Seattle; relative to other alternatives, Alternative 1 would have the lowest potential for displacement impacts in South Seattle urban villages given the identified 4 percent share of total employment growth, while it would have moderate potential for displacement impacts in urban villages in North Seattle.

Figure 3.6–24 Comparison of projected employment growth in areas with vulnerable populations, by alternative



Source: Seattle Department of Planning and Development, 2015.

3.6 Population, Employment, Housing

Alternative 2: Guide Growth to Urban Centers

Alternative 2, Guide Growth to Urban Centers, would result in the most concentrated growth pattern, with the Downtown and South Lake Union urban centers absorbing the most population, housing and employment growth. Growth in areas outside urban villages would be limited. Alternative 2 designates 87 percent of planned future housing growth and 93 percent of planned future employment growth within urban center and urban village boundaries. Compared to Alternative 1, development would occur primarily in the current urban centers, which would absorb around 66 percent of this growth. While urban villages would still serve as local housing and employment hubs, they would likely receive less growth under Alternative 2 than under Alternative 1.

POPULATION AND HOUSING

Under Alternative 2, 66 percent of future housing growth would occur in urban centers (46,500 units), 9 percent in hub urban villages, 12 percent in residential urban villages and 13 percent in neighborhoods outside of village boundaries (see Figure 3.6–22). As shown in Figure 3.6–19, zoning capacity in urban villages and centers is more than sufficient to accommodate growth designated for those areas.

If growth occurs as projected under Alternative 2, Downtown and South Lake Union would experience the greatest concentration of new housing units in urban centers, followed by First Hill/Capitol Hill. A significant portion of assumed housing growth would likely occur in Northgate and the University District, as well. Among hub urban villages, Ballard and West Seattle Junction would experience the most growth, followed by Bitter Lake and Lake City. With only 12 percent of growth going to residential urban villages, growth in most of these neighborhoods would be modest.

Currently, about 16 percent of the City’s population lives within urban centers, which have a mid- to high-density of 23.5 persons per acre and a household size of 1.7. As the primary focus of housing growth under Alternative 2, residential development in urban centers would likely continue to consist of high-density multifamily housing that would help accommodate the amount of growth forecast for these areas, such as the commercial core and South Lake Union, where developable land is limited and the centers are highly developed already. Dwelling units in these areas are likely to remain relatively small and to attract small households, such as young professionals, single individuals, seniors or households without children, adding to the current trend in Seattle—particularly in the urban centers—toward smaller household sizes.

Compared with Alternative 1, Alternative 2 would result in the creation of a more concentrated development pattern; development would be concentrated in areas where developable or redevelopable land is increasingly limited and where most new units would be in mid- to high-rise buildings. This type of development is typically more expensive per square-foot and these costs would be passed onto residents. However, concentrating

growth in a smaller geographic area may necessitate less demolition of residential units citywide than other alternatives and thus cause the least potential displacement of existing tenants from their residences or their communities in non-urban center parts of the city.

Displacement of existing residents: Among the alternatives, Alternative 2 would direct the least additional housing growth to those urban villages with the highest risk of displacement impacts on vulnerable populations, a 22 percent share of the total as shown in Figure 3.6–21. By concentrating new housing growth in city’s densest neighborhoods, Alternative 2 would likely help to relieve development pressure in areas with high potential for displacement. However, this growth potentially affecting vulnerable populations would be more concentrated in the northern areas of the city (16 percent share in northern neighborhoods versus a 6 percent share in the southern neighborhoods).

Housing affordability: Refer to the discussion under Impacts Common to All Alternatives.

EMPLOYMENT

Alternative 2 would direct 72 percent of future job growth to the urban centers, with 4 percent in hub urban villages and 4 percent in residential urban villages (see Figure 3.6–23). Another 13 percent of job growth would be allocated to the manufacturing/industrial centers of Greater Duwamish and Ballard-Interbay-Northend, leaving only 7 percent of future job growth allocated to areas outside urban villages.

As shown in Figure 3.6–20, the capacity for 74,703 additional jobs would remain in urban villages and centers after projected growth has been fulfilled. With 72 percent of job growth in urban centers, new employment would be heavily concentrated in Downtown, Northgate and South Lake Union. Ballard would accommodate the most job growth of the hub urban villages, while residential urban villages would experience only modest job growth. Compared with other alternatives, Alternative 2 would result in a more centralized employment pattern in Seattle, concentrating the majority of the city’s jobs into a relatively compact geographic area. Concentrating employment in this manner would reinforce the high-density, mixed-use character of urban centers and the larger hub urban villages; residential urban villages and areas outside urban villages would continue to be highly residential in character, with relatively modest employment emphasis.

Displacement of existing businesses: Overall, under Alternative 2, the potential displacement impact on those urban villages with the highest amount of vulnerable populations would be moderate, relative to the other alternatives, as shown in Figure 3.6–24. With respect to the urban villages with the highest amount of vulnerable populations in South Seattle, Alternative 2 would direct the least amount of future growth to these areas and would have the lowest potential for displacement impacts. With respect to vulnerable populations in North Seattle, however, Alternative 2 would direct the most employment growth to these areas and would have the highest potential for displacement among the four alternatives.

3.6 Population, Employment, Housing

These neighborhoods are likely to see notable increases in the density of development, with mixed use and commercial spaces likely to gradually replace older, low density buildings and push out some existing businesses. As described under Impacts Common to All Alternatives, displacement of businesses that provide services, jobs or community cohesion for vulnerable populations could potentially have negative impacts on the community and make it difficult for residents to afford to remain in their neighborhoods.

Alternative 3: Guide Growth to Urban Villages near Light Rail

Alternative 3, which would focus growth along light rail corridors, designates 88 percent of planned future housing growth and 78 percent of planned future employment growth to Seattle's urban centers and hub urban villages with emphasis on those served by light rail stations. Similar to Alternative 1, Alternative 3 spreads growth throughout the city, though increased growth would be allocated to areas around transit stations.

POPULATION AND HOUSING

Under Alternative 3, 49 percent of housing growth would be in urban centers (34,500), 12 percent in hub urban villages and 26 percent in residential urban villages (see Figure 3.6–22). The areas outside of village boundaries would absorb 12 percent of housing growth. As shown in Figure 3.6–19, capacity for 111,075 housing units would remain in urban villages and centers after projected growth has been fulfilled

Alternative 3 allocates the most housing growth to the Downtown, First/Capitol Hill and South Lake Union urban centers. Among hub urban villages the greatest growth is allocated to Mount Baker, which has an existing light rail station, as well as Ballard and West Seattle Junction. The greatest housing growth among residential urban villages is planned for those with existing or planned light rail stations—23rd & Union-Jackson, Columbia City, North Beacon Hill, Othello, Rainier Beach and Roosevelt.

Compared with Alternative 2 and Alternative 1, Alternative 3 would have greater effects on residential urban villages that currently have or are planned to have light rail stations, such as Othello, North Beacon Hill, Rainier Beach and Roosevelt. While these villages are allocated relatively little growth compared to areas such as Downtown or South Lake Union, Alternative 3 would direct a greater amount of housing and employment to these areas than in other alternatives, targeting them for future transit-oriented development. In addition, Alternative 3 would create new urban villages along proposed light rail corridors, forming new concentrations of housing and jobs in areas currently developed at relatively low intensities.

Location near frequent transit service is a significant amenity, and the availability of transit is likely to spur future development in these areas, resulting in high-cost, mid- to high-density residential development close to light rail stops. As existing low-density housing stock is redeveloped in these residential urban villages in favor of higher-density, higher-priced housing, some displacement of existing dwelling units is likely to occur. Overall, Alternative

3 concentrates development more than alternatives 1 and 4 and would result in comparatively less potential displacement. However, it would have a greater potential for displacement compared to Alternative 2 (Urban Centers Focus) by allocating a greater share of growth outside of urban centers and villages.

Displacement of existing residents: As shown on Figure 3.6–21, Alternative 3 would generate a relatively high potential for displacement of residents in urban villages with the greatest amount of vulnerable populations. With respect to south Seattle neighborhoods of this kind, Alternative 3 would have the greatest potential for displacement impacts (on par with Alternative 4). This would relate to the intent to emphasize growth in urban villages served by light rail stations.

Housing affordability: The discussion above suggests that under Alternative 3, the potential for growth-related impacts on housing affordability in light rail station areas is likely to be greater than Alternative 2, due to a greater amount of anticipated residential and employment growth in those areas, including several that have relatively higher presence of “vulnerable populations.” Also refer to the discussion under Impacts Common to All Alternatives.

EMPLOYMENT

Alternative 3 would place 51 percent of job growth in urban centers, 6 percent in hub urban villages and 9 percent in residential urban villages (see Figure 3.6–23). Another 13 percent of job growth would be allocated to the manufacturing/industrial centers of Greater Duwamish and Ballard-Interbay-Northend. About 22 percent of job growth would be located in areas outside of urban village boundaries. As shown in Figure 3.6–20, the capacity for 91,278 jobs would remain in urban villages and centers after projected growth has been achieved.

The urban centers with the most anticipated growth under Alternative 3 are Downtown, South Lake Union and Northgate, where a light rail station is planned. Of the hub urban villages, the greatest share of job growth is planned for Ballard and Mount Baker. Residential urban villages with light rail stations would be allocated the greatest employment growth under Alternative 3. As discussed above, the availability of frequent transit is anticipated to provide an incentive for employers to locate in these areas.

Currently, the largest share of Seattle commuters (52 percent) drive alone, and 19 percent use public transportation, as discussed above. A focus on transit-oriented development and light rail stations as employment centers could influence commuting trends away from single-occupancy vehicles and promote greater transit ridership among commuters.

Displacement of existing businesses: Under Alternative 3, approximately 20 percent of Seattle’s employment growth is projected to occur in neighborhoods with the highest amounts of vulnerable populations, as shown in Figure 3.6–24. As described under Impacts Common to All Alternatives, displacement of businesses that provide services, jobs or community cohesion for vulnerable populations could potentially have negative impacts on the community and make it difficult for residents to afford to remain in their neighborhoods.

3.6 Population, Employment, Housing

Relative to other alternatives, Alternative 3 would have a moderate potential for displacement impacts, similar overall to Alternative 2. However, Alternative 3 would distribute employment growth more evenly between the at-risk north-end and south-end neighborhoods, with the least impact of any alternative on the at-risk north-end neighborhoods.

Although Alternative 3 spreads employment growth throughout the City, it concentrates it in fewer centers than in other alternatives due to the particular focus on light rail transit connections. As a result, these transit station villages are more likely to experience displacement along the light rail corridor in the nodes around the transit stops. Those existing businesses in these areas of probable growth would likely experience higher rent, and many remaining buildable parcels could be identified for new development for employment and housing growth, displacing existing businesses.

Alternative 4: Guide Growth to Urban Villages near Transit

Alternative 4, which focuses growth along transit corridors, designates 95 percent of planned future housing growth and 82 percent of planned future employment growth within urban centers and urban villages, especially those served by light rail stations or frequent bus service. Similar to Alternative 1, Alternative 4 spreads growth over a large portion of the city, although the increased growth would be allocated with an emphasis on transit corridors.

POPULATION AND HOUSING

Under Alternative 4, 49 percent of housing growth would be in urban centers (34,500), 18 percent in hub urban villages and 28 percent in residential urban villages (see Figure 3.6–22). The areas outside of village boundaries would absorb 6 percent of housing growth. As shown in Figure 3.6–19, capacity for 106,325 housing units would remain in urban villages and centers after projected growth has been fulfilled.

Alternative 4 would yield considerable housing growth Downtown, with notable growth in the First Hill/Capitol Hill and South Lake Union urban centers. The greatest growth in hub urban villages would occur in Ballard, Fremont, Mount Baker and West Seattle Junction. The residential urban villages with the best transit access—23rd & Union-Jackson, Columbia City, North Beacon Hill, Othello, Rainier Beach and Roosevelt—would experience the greatest housing growth.

Similar to Alternative 3, Alternative 4 would have the greatest effects on residential urban villages with light rail or frequent bus service. In addition, Alternative 4 proposes to create one new urban village and expand several existing ones, forming new concentrations of housing in areas currently developed at comparatively low densities.

As noted under Alternative 3, locating near frequent transit service is a significant amenity. The availability of transit is likely to spur future development in these areas, resulting in more mid- to high-density residential development close to light rail stops with higher housing prices. As existing low-density housing stock is redeveloped in these residential urban

villages in favor of higher-density, higher-priced housing, some displacement of existing dwelling units is likely to occur. Overall, Alternative 4 concentrates development more than Alternative 1, but would produce a less concentrated development pattern than alternatives 2 or 3 and would have greater potential for displacement by allowing for more growth to be spread over a larger portion of the city and in areas currently developed at lower densities.

Displacement of existing residents: As shown in Figure 3.6–21, potential for displacement of existing residents in urban villages with the greatest amount of vulnerable populations under Alternative 4 would be relatively high, compared with alternatives 1 and 2, and would be similar to Alternative 3. Alternative 4 would generate the highest potential for displacement impacts both overall and in South Seattle urban villages with the greatest amount of vulnerable populations, although the potential for displacement impacts in similar urban villages in North Seattle would be moderate and only slightly higher than Alternative 3.

Housing affordability: The discussion above suggests that under Alternative 4, the potential for growth-related impacts on housing affordability in light rail station areas is likely to be greater than Alternative 2 and slightly greater than under Alternative 3, due to a greater amount of anticipated residential and employment growth in those areas, including several that have relatively higher presence of “vulnerable populations.” Also, refer to the discussion under Impacts Common to All Alternatives.

EMPLOYMENT

Alternative 4 would place 53 percent of job growth in the urban centers, with 12 percent in hub urban villages and 10 percent in residential urban villages (see Figure 3.6–23). Another 8 percent of job growth would be allocated to the manufacturing/industrial centers of Greater Duwamish and Ballard-Interbay-Northend. About 18 percent of job growth would be located in areas outside of urban center and village boundaries. As shown in Figure 3.6–20, capacity for 87,278 jobs would remain in urban villages and centers after projected growth has been fulfilled.

The urban centers with the most anticipated growth in Alternative 4 are Downtown, Northgate (where a light rail station is planned) and South Lake Union. Of the hub urban villages, Ballard, Bitter Lake, Mount Baker and West Seattle Junction would have the greatest job growth. Residential urban villages with the best access to transit (23rd & Union-Jackson, Aurora-Licton Springs, Columbia City, Othello and Roosevelt) would be allocated the greatest employment growth. As discussed above, the availability of frequent transit is anticipated to provide an incentive for employers to locate in these areas.

A focus on transit-oriented development and light rail stations as employment centers could influence commuting trends away from single-occupancy vehicles and promote greater transit ridership among commuters.

Displacement of existing businesses: As shown in Figure 3.6–24, the potential for displacement of existing businesses in urban villages with the greatest amount of vulnerable

3.6 Population, Employment, Housing

populations would be highest overall under Alternative 4. Alternative 4 would generate the highest potential for displacement impacts both overall and in South Seattle urban villages with the greatest amount of populations, although the potential for displacement impacts to similar urban villages in North Seattle would be moderate and on par with Alternative 1.

As described under Impacts Common to All Alternatives, displacement of businesses that provide services, jobs or community cohesion for vulnerable populations could potentially generate negative impacts on the community and make it difficult for residents to afford to remain in their neighborhoods. Overall, Alternative 4 spreads projected employment growth throughout the City, with an intent to focus development on light rail and other transit connection hubs. As a result, these villages would be more likely to experience displacement in particular along the light rail and along main transit corridors in nodes around transit stops and transit connection hubs. Those existing businesses in these areas could expect increasing rents, with many remaining buildable parcels likely identified for new developments and a likely effect of displacing existing businesses.

3.6.3 Mitigation Strategies

Under all alternatives, including the No Action Alternative, housing affordability and risk of displacement will continue to be a significant concern. As described previously, housing affordability and displacement are driven by demand generated as a result of Seattle's strong job market, land value, construction costs and other factors outside of the proposal and alternatives. Nevertheless, the City recognizes the critical importance of these issues and recommends consideration of the following mitigation strategies.

Housing affordability strategies should be tailored to meet specific objectives, for example:

- Creating an environment where the community retains the conditions that afford it good opportunities while providing for stability and economic mobility for people vulnerable to displacement;
- Expanding choices in areas that are currently unaffordable for lower income people who may want to live or operate a business there; and
- Stabilizing areas that are transitioning to higher levels of desirability due to amenities such as light rail service.

This should require a balanced approach that includes public and private funding incentives and regulations.

Efforts to preserve existing affordable housing will be crucial. The Federal low-income housing tax credit program is the primary source of funding for low-income housing development in Washington State. Locally, the City of Seattle uses voter-approved Seattle Housing Levy funds as well as contributions from developers through Seattle's incentive zoning program for production and preservation of low-income housing. This City of Seattle

has funded over 11,000 units since 1981 through its **Rental Production and Preservation Program**.

Other Seattle Housing Levy-funded programs include:

- **Acquisition & Opportunity Loans** for affordable rental and ownership units
- **Operating & Maintaining Program** for residents in the extremely low income category
- **Homebuyer Program** for first-time home buyers
- **Rental Assistance Program** for those at risk of homelessness

The City's incentive zoning, mentioned above, and Multifamily Property Tax Exemption (MFTE) programs encourage for-profit developers to include affordable units as part of new housing developments or, in the case of incentive zoning, make a cash contribution used to produce housing with long-term affordability restrictions.

- While voluntary, **Incentive zoning** provides mutual benefit to developers, the city and low- or moderate-income residents. Per provisions stipulated in SMC 23.58A, participating developers are able to achieve floor area beyond base density or height in their projects by either providing a modest number of affordable units on-site or by contributing to the City's housing development capital fund.
- The **MFTE Program** awards a tax exemption on the residential improvements for multifamily projects in which 20 percent of the units are reserved for moderate-income households. The affordable units are available for as long as the tax exemption is in place, for up to 12 years. This program is available in targeted residential areas throughout the City.

Seattle can mitigate projected impacts of growth by implementing a robust housing agenda that includes low-income housing preservation and tenant protection strategies. The **Housing Affordability and Livability Agenda (HALA)** is an initiative that was launched in late 2014 and is ongoing. Mayor Murray and members of City Council called together 28 community leaders together to develop an agenda for increasing the affordability and availability of housing in Seattle. This agenda will chart a course for the next 10 years to ensure the development and preservation of a diversity of housing for people across the income spectrum. The HALA Advisory Committee is charged with evaluating potential housing strategies and delivering a set of recommendations to the Mayor and City Council in 2015 that span financing, affordable housing resources, zoning and housing types, construction costs and timelines, tenant protections, preservation and homeownership. The City is currently evaluating the impacts to affordable housing through the development of a needs assessment that will inform HALA's work.

Efforts to address potential business displacement with future growth should continue to implement tools and programs that the City already offers to help stabilize and grow small businesses that are vulnerable to displacement, including:

3.6 Population, Employment, Housing

- **Community Development Block Grants**
- **New Market Tax Credits**
- **Section 108 loans**
- **Contracts with community organizations such as Washington CASH and Community Capital Development**

To address interests relating to racial and socioeconomic equity in helping to mitigate the impacts of the Comprehensive Plan, as well as the adverse impacts relating to housing affordability, and risk of displacement of residents and businesses, consider implementing a combination of strategies that are identified in the **City's Equity Analysis** that is a parallel effort to this EIS. Identified strategies in the Equity Analysis are broadly organized around the place-based typology of "Improve Access", "Protect and Grow", "Stabilize and Enhance Community", and "Leverage Demand and Expand Choice." These strategic themes and the accompanying recommendations are oriented toward pursuing actions differently in different neighborhoods, in ways that will lead to optimal enhancements to neighborhood quality, accessibility to key determinants of well-being for marginalized populations, and a reinforced ability for people of all means and identities to be able to find places to live and thrive throughout Seattle.

Seattle's **Race and Social Justice Initiative (RSJI)** provides a platform for continuing to work towards equity in the City by engaging city government and leaders in the community by achieving racial equity in city services, operations and the broader community. RSJI promotes inclusive outreach, which will be important in communities with vulnerable populations of residents and business owners, and builds relationships with communities of color as planning and other activities within city government are conducted. These efforts will help mitigate the risk of certain communities being left out of conversations as growth occurs in Seattle's neighborhoods.

These land use regulations and financial incentives will continue to help the City address affordability issues for residents and businesses as Seattle experiences 20 years of growth.

3.6.4 Significant Unavoidable Adverse Impacts

Seattle will face housing affordability challenges due to increasing demand (both as a result of growth in the number of households and in the economic profile of households, which are becoming more economically stratified). Seattle's fixed land supply and the premium in terms of housing cost and commercial space that are placed on higher density development close to transit and other amenities would likely exacerbate this issue in those locations. Rental costs can be expected to be highest in urban centers and some hub urban villages—especially Downtown, First/Capitol Hill, South Lake Union, Ballard, Fremont and West Seattle Junction—and to rise the most in neighborhoods where existing rents are relatively low.