

# Issaquah Housing Report Card 2018



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Cities have the capability of providing something for everybody, only because, and only when, they are created by everybody.

— Jane Jacobs —

# Introduction

Each year, the City provides a Housing Report Card to show the City’s progress toward achieving the type of housing growth and development patterns that support and help define the community’s quality of life. This Report Card is a snapshot of where the City’s housing and its residents are now, and what has changed over the past year. The Report Card follows the format of the 2017 Housing Action Strategy and discusses residential growth and development in terms of the four Key Challenges: **Evolving Housing Market, Growth, Affordability** and **Vulnerable Residents**.

## Housing Strategy Action Plan

The 2017 Housing Strategy Action Plan includes nine Action Strategies. In 2018, the City implemented the following three strategies.

### **Strategy 1: Remove barriers to facilitate the construction of Accessory Dwelling Units**

The City amended City Code to reduce the regulatory costs for the construction of ADUs, improve the permitting process, and simplify/clarify ADUs and their size calculations. The City is working with other A Regional Coalition for Housing (ARCH) jurisdictions to improve marketing and outreach to potential ADU owners. Issaquah was the first of the ARCH member jurisdictions to amend ADU regulations to make process easier and more affordable.



ADU on SE Andrews

### **Strategy 5: Facilitate the development of Transit-Oriented Development**

The City Council approved a project-based Multifamily Tax Exemption for the Trailhead Transit Oriented Development project.

### **Strategy 6: Increase the developer-provided affordable housing in Central Issaquah**

The City amended the Central Issaquah Development and Design Standards to require affordable housing in residential developments in the Urban Core and Mixed Use Zones. To date, the City does not have any projects in the pipeline requiring affordable housing through the inclusionary zoning regulations.

The 2019 implementation of the Housing Strategy Action Plan includes:

**Strategy 1:** Continuing efforts with ARCH and its member jurisdictions to improve marketing and outreach regarding ADUs;

**Strategy 3:** Seek out affordable multifamily projects for retention as affordable housing choices for the community;

**Strategy 5:** Continuing work on the Trailhead development (TOD);

**Strategy 8:** Incorporate code provisions to increase the potential diversity of housing types built in the City; and

**Strategy 9:** Support housing options and services to assist those people experiencing housing insecurity and those with barriers to independent living (e.g. seniors aging in place and adults with disabilities)

## Key Challenge 1: Evolving Housing Market

*Issaquah has grown as an affluent suburb of Seattle. A great portion of the housing stock (63%, 2010-2014 US Census) is currently single-family housing and these single-family neighborhoods greatly define the character of this community. As Issaquah looks to the future, the large tracts of land that have been subdivided to create new single-family neighborhoods are mostly gone. Although there will likely continue to be some single-family detached housing built in the City, a majority of the housing will be higher-density, single-family and multifamily housing.*

*Housing Strategy Action Plan*

### Summary

Housing in the City is densifying, increasing from 2.89 units per acre in 2010 to 3.71 units per acre in 2017. In addition to increased density, rental housing increased by 5% of the total housing stock in the City over this period. Although the City will continue to densify, the City has taken steps to mitigate this impact and has provided or proposed legislation aimed at preserving existing single-family neighborhoods including adoption of the replacement regulations for Issaquah Highlands and Talus; adoption of the Olde Town Plan Update; and, currently-proposed Code changes for Single Family - Suburban zone.

Renter v Owner Occupied		
	2010	2017
Owner occupied	66%	61%
Renter occupied	34%	39%

Sources: 2010 US Census and 2017 ACS (American Community Survey) 5-year Estimates

Household Types		
	2010	2017
Living Alone	30%	30%
Married, Children	26%	27%
Married, No Children at Home	26%	24%
Single Parent, Children	6%	7%
Other Households	12%	11%

Sources: 2006-2010 and 2013-2017 ACS 5-Year Estimates

Household Sizes							
	1-person	2-person	3-person	4-person	5-person	6-person	7-or-more-person
2010	30%	34%	16%	14%	4%	1%	0%
2017	30%	31%	17%	16%	5%	2%	0%
<b>% Change</b>	0.0%	-8.8%	6.3%	14.3%	25%	100%	0.0%

Sources: 2010 US Census and 2017 ACS 5-year Estimates

Household Incomes						
Jurisdiction	30% AMI or less	31% to 50% AMI	51% to 80% AMI	81% to 100% AMI	101% to 120% AMI	Greater than 120% AMI
Issaquah	10%	9%	10%	7%	11%	52%
King County	14%	11%	12%	10%	9%	44%

King County Area Median Income (AMI), 2015 = \$89,600 for a family of 4. (The 2018 AMI is \$103,400, however, income distribution is only available through 2015. This will be updated again in 2020.)  
Source: 2011-2015 CHAS (Comprehensive Affordability Housing Strategy) 5-Year Estimates

Earnings for Jobs in Issaquah			
	2010	2017	% change
\$1 to \$9,999 or less	13%	12%	-7.7%
\$10,000 to \$14,999	6%	5%	-16.7%
\$15,000 to \$24,999	10%	10%	0.0%
\$25,000 to \$34,999	10%	12%	20.0%
\$35,000 to \$49,999	15%	13%	-13.3%
\$50,000 to \$64,999	16%	14%	-12.5%
\$65,000 to \$74,999	6%	6%	0.0%
\$75,000 or more	24%	28%	16.7%

Sources: 2006-2010 and 2013-2017 ACS 5-Year Estimates

# Key Challenge 2: Growth

*The City has seen significant growth in its housing over the past 20 years and expects an equivalent amount of residential growth over the next 20 years. Issaquah has grown to its geographic limits; although there remains a portion of a potential annexation area on Cougar Mountain, this land, if annexed, would not yield many homes. A majority of the 5,000+ housing units that are expected to locate in our community over the next planning cycle will likely take the form of multi-story, stacked flats. If Issaquah is to remain a vibrant and desirable city, the new neighborhoods that are coming will need schools, employment opportunities, municipal services and parks and recreational spaces.*

*Housing Strategy Action Plan*

### Summary

The City is forecast to reach its 2030 housing target by 2020. Housing has grown faster than anticipated. This rapid growth has been a function of zoning changes from Central Issaquah, robust population growth of the Puget Sound region, and larger properties – such as those along Newport Way – commencing with residential redevelopment. Aside from a peak growth in 2017 of over 1,000 units, the City’s average annual growth rate since 2006 is 360 units per year; and, it is expected the City will grow by 300-400 units per year with a majority of the new housing taking the form of multi-family projects in Central Issaquah.

Year	New Units (Permitted)	Total Units (Citywide) <sup>1</sup>	% Increase Over 2017
2006	581	9,418	
2017	1,016 <sup>2</sup>	16,202	
2018	603 <sup>3</sup>	16,805	4%

<sup>1</sup>Source: Office of Financial Management *Postcensal Estimates of April 1 Housing Units 1980, 1990 to Present*

<sup>2</sup>This number includes units that were issued building permits between April 2, 2016 and April 1, 2017.

<sup>3</sup>Units issued building permits from April 2, 2017 and December 31, 2018

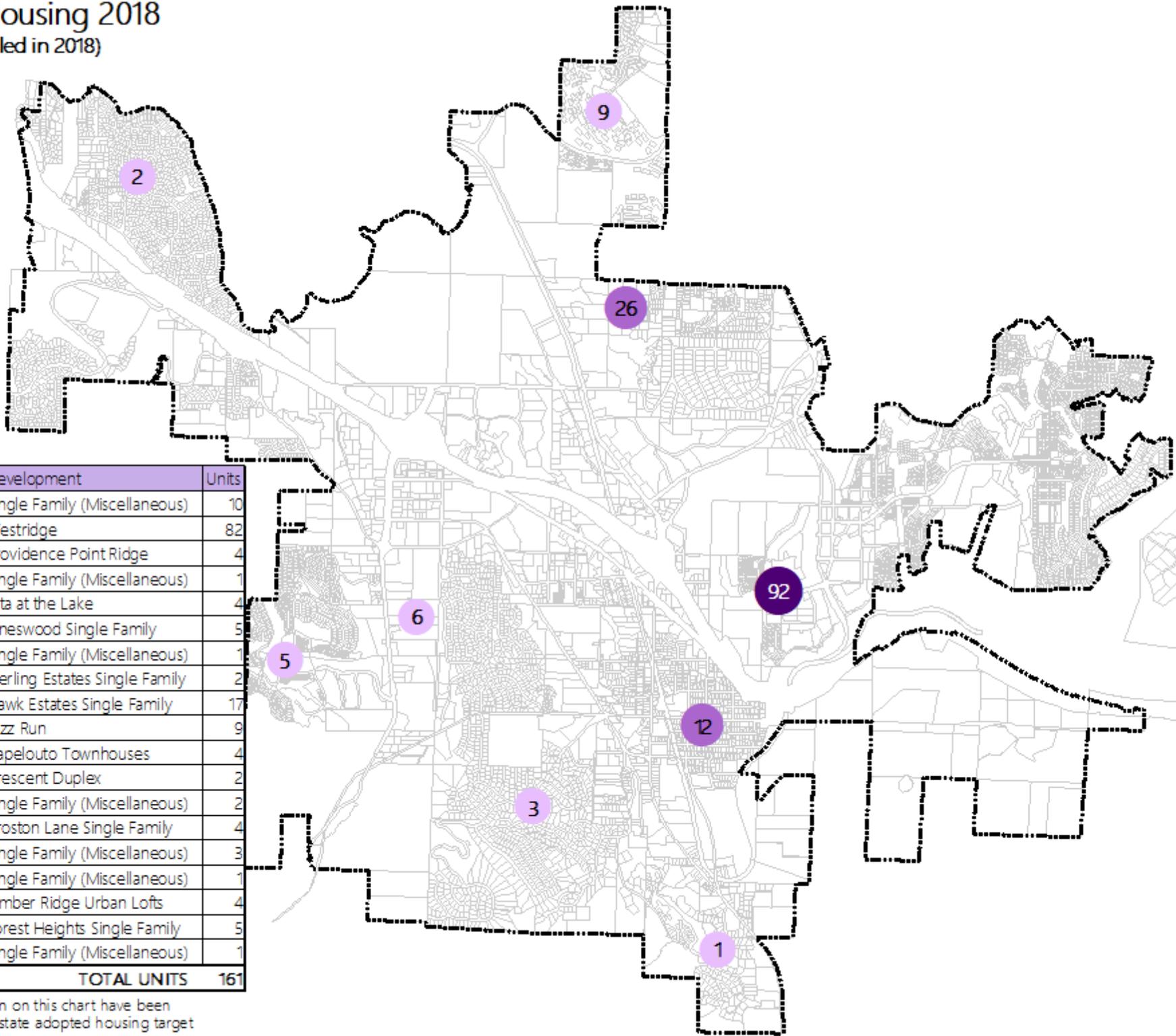
Numbers as Related to the State Adopted Growth Targets	
2006-2031 Housing Target	5,750
New Units Permitted Since 2006	5,061
Units Needed to meet Target	689
% of Target Met	88%

# Location of Housing 2018

(Units that were finalized in 2018)



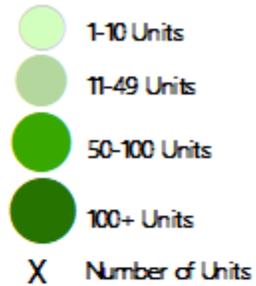
- 1-10 Units
- 11-49 Units
- 50-100 Units
- X Number of Units



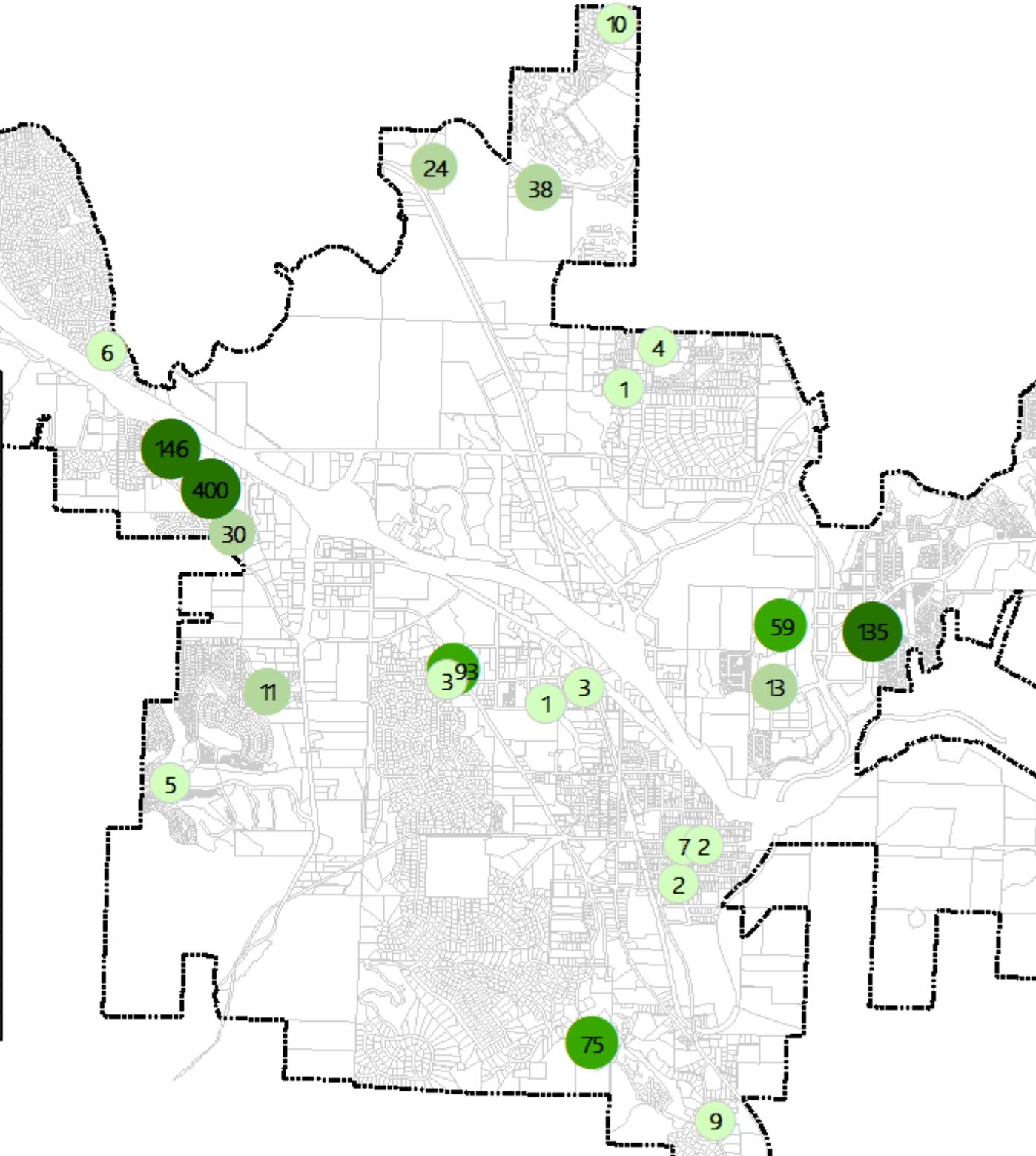
Subarea	Development	Units
Issaquah Highlands	Single Family (Miscellaneous)	10
	Westridge	82
Providence Point	Providence Point Ridge	4
	Single Family (Miscellaneous)	1
Central Issaquah	Alta at the Lake	4
	Inneswood Single Family	5
Greenwood Point	Single Family (Miscellaneous)	1
	Sterling Estates Single Family	2
North Issaquah	Hawk Estates Single Family	17
	Jazz Run	9
Olde Town	Capelouto Townhouses	4
	Crescent Duplex	2
	Single Family (Miscellaneous)	2
	Croston Lane Single Family	4
Squak Mountain	Single Family (Miscellaneous)	3
Sycamore	Single Family (Miscellaneous)	1
Talus	Timber Ridge Urban Lofts	4
	Forest Heights Single Family	5
Tibbetts Creek Valley	Single Family (Miscellaneous)	1
	Single Family (Miscellaneous)	1
<b>TOTAL UNITS</b>		<b>161</b>

All 161 housing units shown on this chart have been counted toward our 2031 state adopted housing target of 5,750 units.

# Potential Housing 2019\*



Subarea	Development	Units <sup>1, 2</sup>
Central Issaquah	Revel	146
	Gateway	400
	Inneswood Apartments	93
	Inneswood Single Family	3
	Riva Townhomes	30
	Single Family (Miscellaneous)	1
	Multifamily Detached	3
Greenwood Point	Sammanish 6 Single Family	6
Issaquah Highlands	Westridge North	59
	Westridge South	13
	Block 19 Apartments	135
North Issaquah	Hawk Estates	4
	Single Family (Miscellaneous)	1
Olde Town	McClain Duplex	2
	Croston Lane Duplex	2
	Sunset 7	7
Providence Point	Providence Ridge	38
	Mallard Bay III	24
	Spiritwood Cottages	10
Squak Mountain	Kelkari Phase 2	75
Sycamore	Goreishi Cluster Housing	4
Talus	Talus 7 & 8	5
Tibbetts Creek Valley	Forest Heights	11
<b>TOTAL UNITS</b>		<b>1072</b>



<sup>1</sup> Units were pulled from the 2019 unit projections for the 2019 budget projections, except Revel and Gateway which were included in the 2018 budget projections.  
<sup>2</sup> 707 of the above 1072 units have been counted toward the 2031 housing target of 5,750 units.

# Key Challenge 3: Affordability

*A 24 March 2016 story by CNBC titled “US homes becoming less affordable” reported that the number of counties across the United States that are considered “unaffordable” rose by 2% last year. The rising cost of living coupled with stagnant household incomes, cuts to worker benefits, limitations in public services, and a shortage of affordable housing have contributed to an increase in both absolute and relative poverty for many across the country as well as in our community.*

- 1. Based on a 2011 study of East King County, nearly 54,000 households (34 percent) are cost-burdened; i.e., paying more than 30 percent of their incomes for housing. Nearly 22,000 of these households pay more than half their income for housing, making them severely cost-burdened (ARCH).*
- 2. The 2014 American Community Survey estimated that 5.2% (1,770) of our City’s population live below the poverty level (2010-2014 US Census).*
- 3. The Seattle/King County Coalition on Homelessness reports that in 2016 there are 245 unsheltered in East King County.*

*Housing Strategy Action Plan*

## Summary

King County and Issaquah consider affordable housing to be those housing units which are available financially to those households which make incomes at 80% or below the Area Median Income (AMI) as defined by King County.<sup>1</sup> Issaquah expanded this to make workforce housing in Issaquah Highlands and as part of the Rowley Development Agreement (as ownership housing only). Workforce housing is considered to be housing that is available to those households that make up to 100% of the AMI<sup>2</sup> in Issaquah Highlands through the development agreement.



Lauren Heights

Issaquah currently has **846** units (rental, ownership and accessory dwelling units) available at 80% or below the AMI, **192** units available from 81% to 120% AMI, and **52** accessory dwelling units which are counted as 80% AMI units. The charts included on the maps below highlight ownership versus rental units, percent of AMI and location of units. Between 2010 and 2017, 57 new units were constructed in Issaquah Highlands and two new units were constructed on the valley floor. Additionally, in 2014, the King County Housing Authority purchased the Gilman Square Apartments (125 Section 8 units) and converted it back to affordable housing as was originally intended. Twelve units are under construction. Eleven units are being constructed in the Vale Apartments in Central Issaquah through the Density Bonus program; and, one unit was

<sup>1</sup> 36% of households in Issaquah have an income below the Area Median Income for King County.

<sup>2</sup> Workforce housing is defined by the Urban Land Institute as a subset of rental affordable housing available to those households earning 60%-100% of the area median income.



Hutchison House

approved as part of a clustered plat (Forest Heights). An additional 49 ownership units are currently under review in the Issaquah Highlands Westridge development.

In 2018, the City approved more-aggressive inclusionary requirements in Central Issaquah to increase the new units to be built as the City redevelops. In addition, the City has been actively involved in the Transit Oriented Development project (Trailhead) to provide a significant number

of new affordable units in Central Issaquah. These units are expected to be built in 2021. The City also amended its accessory dwelling unit (ADU) regulations in an attempt to foster the construction of new ADUs. Finally, the Council provided resources in 2019 for the implementation of Housing Strategies 3 and 9, which are aimed at creating an inventory of existing affordable projects in the City – such as the 2014 purchase of Gilman Square Townhomes.

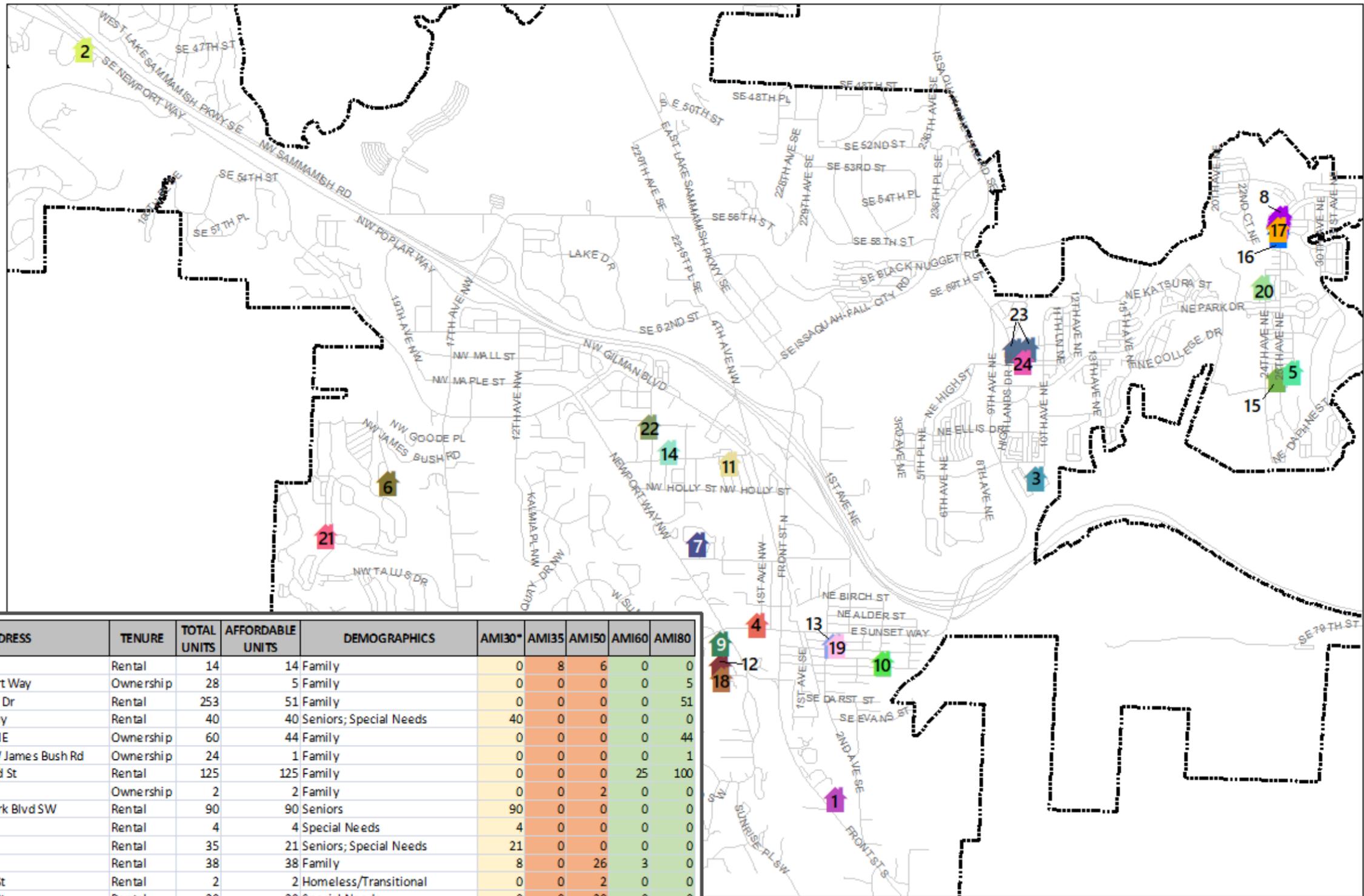
***Cost Burdened Housing***

Cost-burdened households are those that pay more than 30% of their incomes for housing. Households that pay more than 50% of their incomes for housing are considered severely cost burdened. The number of cost burdened households decreased slightly in 2015 from 2010 when approximately 40% of Issaquah’s households were cost burdened.

Cost Burdened Households <sup>1</sup>		
Not cost burdened	Cost burdened (30-49%)	Severely cost burdened (50%+)
67%	18%	15%
Source: 2011-2015 CHAS 5-Year Estimates		

<sup>1</sup> Cost Burdened Household information is provided every five years only so this table will not be updated again until 2020.

# Affordable Housing Since 1980 80% and Below, with Covenants

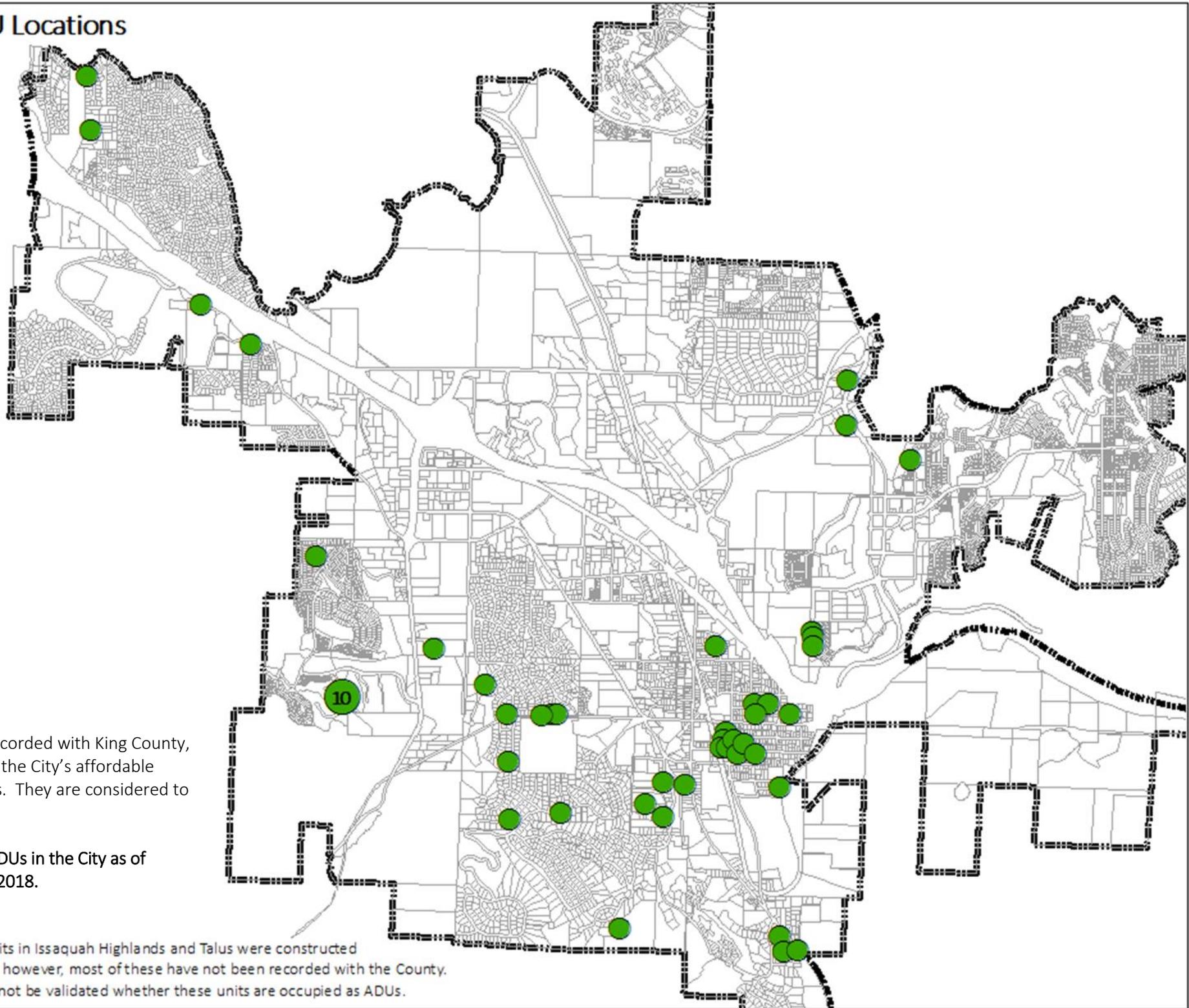


MAP ID	NAME	DATE	ADDRESS	TENURE	TOTAL UNITS	AFFORDABLE UNITS	DEMOGRAPHICS	AMI30*	AMI35	AMI50	AMI60	AMI80
1	Andrew's Arms	1990	820 Front St S	Rental	14	14	Family	0	8	6	0	0
2	Copper Leaf	2005	18609 SE Newport Way	Ownership	28	5	Family	0	0	0	0	5
3	Discovery Heights	2010	989 NE Discovery Dr	Rental	253	51	Family	0	0	0	0	51
4	Eastridge House apartments	1972	120 W Sunset Way	Rental	40	40	Seniors; Special Needs	40	0	0	0	0
5	Endave at Issaquah Highlands	2003	1696 25th Place NE	Ownership	60	44	Family	0	0	0	0	44
6	Forest Heights**	2016	1800 block of NW James Bush Rd	Ownership	24	1	Family	0	0	0	0	1
7	Gilman Square Apartments	2014	360 NW Dogwood St	Rental	125	125	Family	0	0	0	25	100
8	Habitat for Humanity Issaquah	1993	930-940 Front St	Ownership	2	2	Family	0	0	2	0	0
9	Hutchison House	1982	105 Mountain Park Blvd SW	Rental	90	90	Seniors	90	0	0	0	0
10	Inland Empire 520 Bush (Mountain House)	2001	520 SE Bush St	Rental	4	4	Special Needs	4	0	0	0	0
11	Issaquah Gardens Apartments	1980	885 2nd Ave NW	Rental	35	21	Seniors; Special Needs	21	0	0	0	0
12	Johnson Hill Apartments	2006	280 SW Clark St	Rental	38	38	Family	8	0	26	3	0
13	Julia L Pritt House (Compassion House II)	2010	260 SE Andrews St	Rental	2	2	Homeless/Transitional	0	0	2	0	0
14	Juniperwood Apartments	1992	650 NW Juniper St	Rental	20	20	Special Needs	0	0	20	0	0
15	Lauren Heights	2003	1657 25TH Ave NE	Rental	51	50	Family; Homeless/Transitional	20	0	25	5	0
16	LEO House III	2010	2495 25th Ave NE	Rental	5	5	Special Needs	0	0	0	0	5
17	Magnolia Village	2007	2500 NE Magnolia St	Ownership	10	10	Family	0	0	10	0	0
18	Mine Hill Apartments	2005	245 SW Clark St	Rental	28	27	Family	14	0	9	5	0
19	Monti House (Compassion House I)	2005	250 SE Andrews St	Rental	1	1	Homeless/Transitional	0	0	1	0	0
20	Outlook at Issaquah Highlands	2004	1957 23rd Place NE	Ownership	40	38	Family	0	0	0	0	38
21	Rose Crest	2006	341 Shangri-la Way NW	Rental	50	50	Family; Homeless/Transitional	25	0	15	10	0
22	Vale**	2019	995 7th Ave NW	Rental	110	11	Family	0	0	11	0	0
23	YWCA Family Village Issaquah Phase I	2008	930 NE High St	Rental	98	98	Family; Homeless/Transitional	39	0	50	8	0
23	YWCA Family Village Issaquah Phase II	2009	920 NE High St (949NE Ingram Way)	Rental	47	47	Family	0	0	36	11	0
24	Z Home	2016	1715 9th Pl NE	Ownership	10	1	Family	0	0	0	1	0
								<b>261</b>	<b>8</b>	<b>213</b>	<b>68</b>	<b>244</b>

Note that covenants are, more often than not, lost if a property goes through foreclosure. Twenty-six (26) affordable ownership units of 260 have been lost to foreclosure in Issaquah; all in Issaquah Highlands. Eight of the units were at or below 80% AMI. The remaining 18 units were available at 100% and 120% AMI.

\* % of Area Median Income (AMI)  
\*\*These units are under construction

# 2018 ADU Locations



ADUs, when recorded with King County, count towards the City's affordable housing counts. They are considered to be 80% units.

There are 52 ADUs in the City as of December 31, 2018.

Note: Several units in Issaquah Highlands and Talus were constructed to include ADUs, however, most of these have not been recorded with the County. Therefore, it cannot be validated whether these units are occupied as ADUs.



# Key Challenge 4: Vulnerable Residents

*As the City’s population grows, the housing needs of certain groups are becoming more scarce or complex. With the aging of the Baby Boomers, the population of seniors is today growing and diversifying. A smaller percentage of seniors are disabled; and, more of them are financially independent. However, the sheer size of the Baby Boom generation means there is a large increase in the absolute number of seniors facing housing affordability and independent living challenges.*

*As reported by the American Community Survey in 2009, over half (54 percent) of Americans 75 years or older have some difficulty with vision, hearing, mobility or activities related to personal care or independent living; a quarter of those between the ages of 65 and 74 also report experiencing these types of difficulties. About a third of seniors over 85, and 16 percent of those between the ages of 75 and 84, have moderate or severe memory impairment (Federal Interagency Forum on Aging Related Statistics, 2006).*

*Being part of the community and living as independently as possible are among the most important values and goals shared by people with disabilities, their families, and advocates. As our community continues to grow, it will be comprised of a growing number of residents with disabilities. These residents require specific accommodations ranging from assisted living, to wheelchair accessible structures, to single-story construction or elevators.*



Mountain House

*Further, in 2015-2016 school year, 117 homeless kids were enrolled in the Issaquah School District. Over 50% being K-6th graders.*

*Housing Strategy Action Plan*

## Summary

The City has seen a number of new assisted living facilities constructed between 2010 and 2017 including Fieldstone Memory Care and Timber Ridge Phase 2. In 2018, special needs and senior (nursing) housing accommodated approximately 360 residents. Two new LEO homes are in permitting to provide additional accommodations for adults with disabilities.

There have been no new housing opportunities provided for the homeless since 2010. Each year King County jurisdictions and the County spend one night counting the homeless population. Below are the totals for 2017 and 2018. One hundred seventy-two (172) of the homeless are students in the Issaquah School District.

### Point-In-Time Count of Persons Experiencing Homelessness in King County

	Seattle	N County	E County	SW County	SE County	NE County	Total	% of Total
Streets, outside	1,120	26	30	259	12	18	1,465	23%
Tents	1,034	33	36	129	25	80	1,337	21%
Buildings	55	8	25	42	15	1	146	2%
Car, RV, Van	2,279	184	302	544	25	38	3,372	53%
Total, 2017	3,841	58	319	1,113	70	84	5,485	
Total, 2018	4,488	251	393	974	77	137	6,320	

Note: In 2017, Issaquah and Sammamish were assigned to the NE County area. In 2018, they were counted as part of the East County area.

Sources: 2017 and 2018 Count Us In reports, King County

