

I. Executive Summary

This research addresses and confirms anecdotal concerns regarding the shifting character of the Delridge neighborhood. The current housing situation is in a state of rapid transition; older single-family homes and apartment buildings are being bought, demolished and townhouses and four-plexes are being constructed in their place at an accelerated rate. The first threat this creates is the reduction in available rental housing, which will result in a price increase due to limited supply. The second threat is that statistics show that the new housing is not within the price range of the average Delridge resident, given the statistical census mean for income. Displacement is the primary concern for Delridge residents and without immediate action to preserve affordable rental and for-sale housing, displacement is on the horizon. We recommend that affordable 2 and 3 bedroom apartments be constructed and efforts are made to provide subsidies and eliminate barriers to homeownership.

1. Introduction

Visual surveys and conversations with community members initially suggest that the housing situation in Delridge is rapidly changing. Proposed land use information bulletins are posted frequently along Delridge Way SW and nearly one dozen townhouse projects were in the process of being built at the time this report was written. There is a general concern among some who live and work in the community that increased development is shifting the housing stock from affordable single family homes that meet the needs of current Delridge residents to smaller town houses on subdivided lots that are less affordable and will not comfortably serve the families that live in Delridge.

Delridge's median household income has historically been classified as middle income, according to the U.S. Census. It should be noted that the use of 'average' or 'traditional' resident in this report reflects characteristics of the statistical median household looking at income and family size. This generalization, while not addressing the diversity of the neighborhood, is the best and most reliable means of capturing the entire population. With this in mind, an average Delridge household, according to the 2000 U.S. Census is comprised of 2.6 people and brings in an annual income of approximately \$51,000. We

interpret this to suggest that the average household requires 2-3 bedrooms to meet its housing needs.

The changing housing stock and decreasing affordability ultimately means that the traditional Delridge resident will no longer consider Delridge a community that meets his or her housing need. Consequently, there is concern that the character of the Delridge neighborhood is changing as current residents are displaced. It is evident in comments made by residents during the *Visualize Delridge* Community Meeting (March 2006) and in the 1999 *Delridge Neighborhood Plan* that this likely shift in the make up and character of the community is unwelcome.

Although it is difficult to influence the rate and way the neighborhood is evolving, preserving some affordable housing is still feasible. Research shows that while housing prices are increasing beyond the reach of the average Delridge resident, rental housing is still relatively affordable. Currently there is a window of opportunity in Delridge for community based organizations like the Delridge Neighborhood Association (DNDA) to make a significant impact on the availability of affordable rental housing for Delridge residents in the future.

This section provides factual evidence of change in the neighborhood housing situation and addresses the anecdotal concerns of displacement. First, the section provides an evaluation of the existing housing condition in Delridge and addresses the current rental and housing markets. Next, this section provides insight into the future housing situation in Delridge based on development permits posted by the City of Seattle. Then, an affordability evaluation examines the gap between what is affordable and what the actual prices are in Delridge. Finally, based on the analysis presented in the report, we draw conclusions about the effect of the housing changes on Delridge residents and make recommendations of how to preserve affordability.

2. Existing Conditions

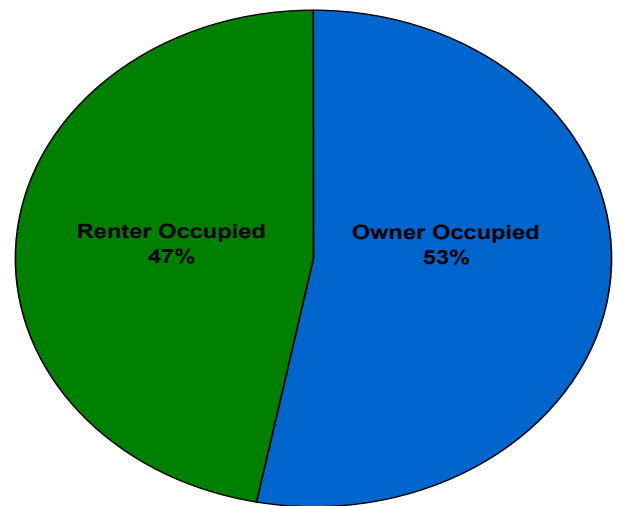
The Delridge neighborhood discussed in relation to the existing conditions portion refers to the half mile radius surrounding the intersection of SW Brandon St. and Delridge Way SW, otherwise referred to as the Brandon Node.

Delridge is primarily composed of single-family homes, at a density of two homes per acre with dispersed multifamily complexes and sparse retail and commercial clusters. According to the latest census data, there is roughly a 50/50 split between renters and owners. (See *Figure 3.1, Percentage Own vs. Rent in Delridge in 2000*)

These homes are a combination of small lot, cottage style homes that have a strong street presence¹ and poorly designed and constructed houses. There are approximately 975 single-family homes in the neighborhood, although this number appears to be decreasing as many of these homes are converted into town houses. (See Figure 3.2, *Typical Single Family Homes in Delridge*)

Aside from single family stand alone houses, housing is comprised of older multifamily developments, new complexes, and townhouses. In 2002 there were approximately 56 multifamily parcels in a half-mile radius of the Brandon Node. (See Figure 3.3, *Older Multifamily Development, 1958*)

Figure 3.1: Percentage Own vs. Rent in Delridge in 2000



3. Rental Housing Market

Methodology

One of the efforts of our research was to inventory the multifamily housing market in the Delridge neighborhood. We used a number of distinct study areas for our multifamily market inventory, depending on the data source.

- With third party data from Dupre+Scott we obtained a regional perspective on housing trends. The Dupree+Scott data provides the most comprehensive view of the market, but extends well outside the Delridge neighborhood and is skewed by data in Alki Beach and White Center.
- A larger area, approximately one mile in radius around the Brandon Node was used in an attempt to replicate data from a 2004 DNDA market rent study. Through neighborhood tours and phone calls, we made an effort to update

Figure 3.2: Typical Single Family Homes in Delridge



¹ The strength of a house's street presence can be determined by the inclusion of a front porch and proximity to the curb.

Figure 3.3 Older Multifamily Development, 1958



data from apartment complexes that were contacted two years ago.

- We also conducted walking/driving tours of a half mile radius around the Brandon Node. Data was difficult to collect, and while this is the most geographically precise data set, it has the fewest data points and therefore is the least reliable.

Dupre+Scott: White Center and West Seattle Neighborhood Region

The most authoritative source for multifamily data in the Puget Sound region is Dupre+Scott, a local apartment market research firm. Though raw data was unavailable, we were able to gather reports on two pre-established geographic regions that overlap with the Delridge neighborhood: White Center and West Seattle. According to these two data sets, the average monthly rent for Delridge could be imputed as \$800. (See Figure 3.4, Dupre+Scott Apartment Data, and Figure 3.5, Dupre+Scott Neighborhood Division) This average is a potentially misleading number, because it combines a variety of unit sizes and rents into one single number. The data provides a general price benchmark, but should not be relied upon heavily due to the likely inclusion of data from outside the Delridge study area such as Alki Beach. However, the White Center neighborhood, to the south of Delridge, has similar demographics to Delridge, thus offers a counter look at the rental market, and is therefore appropriately used for a housing cost comparison.

The apartment data for the two markets that overlap the Delridge neighborhood are as follows:

Figure 3.4: Dupre+Scott Apartment Data

Neighborhood	Number of properties	Number of Units	2001 rent average	2006 rent average	% increase over last 5 years
West Seattle	26	1264	\$783	\$808	3.2%
White Center	14	1220	\$734	\$793	8.0%

Source: Dupre+Scott market vacancy reports for West Seattle and White Center, March 2006.

DNDA Housing Survey Radius

The second range of rental housing data we collected is from a list provided by DNDA based on a market survey it performed in September, 2004. Our best efforts to replicate, and improve upon, this market survey, provided an additional set of data. (see Figure 3.6)

Accurate data were difficult to locate, given our limited time and resources for this project. DNDA provided us a list of 36 rental properties in the Delridge area. To this list, we added three additional properties discovered during our data gathering. Of these 39 properties, data could only be obtained for 19 sites, or 48% of the list. Out of the remaining sites, one development appeared to have been converted from apartments to condos (Westwood Court), four had disconnected phone numbers, six had no known listed phone numbers, and the others did not return our calls. With more time and resources, more complete data could be gathered which could provide a more accurate result.

Based on this limited data set, the affordability of Delridge rental housing appears to be holding relatively constant. The three bedroom rental category appears to have increased dramatically in price, but we attribute this to the small sample size, and believe that on average rental rates have not substantially increased.

Figure 3.5 Dupre+Scott Neighborhood Divisions

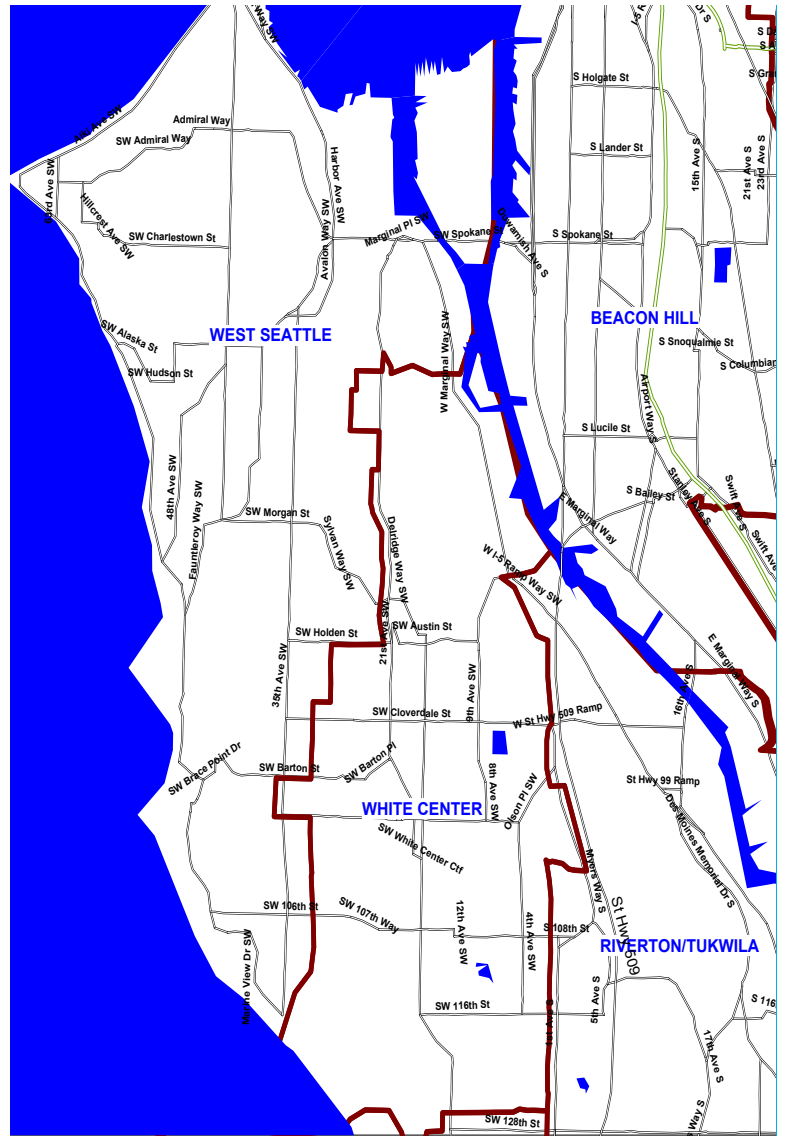


Figure 3.6 DNDA Apartment Survey Data

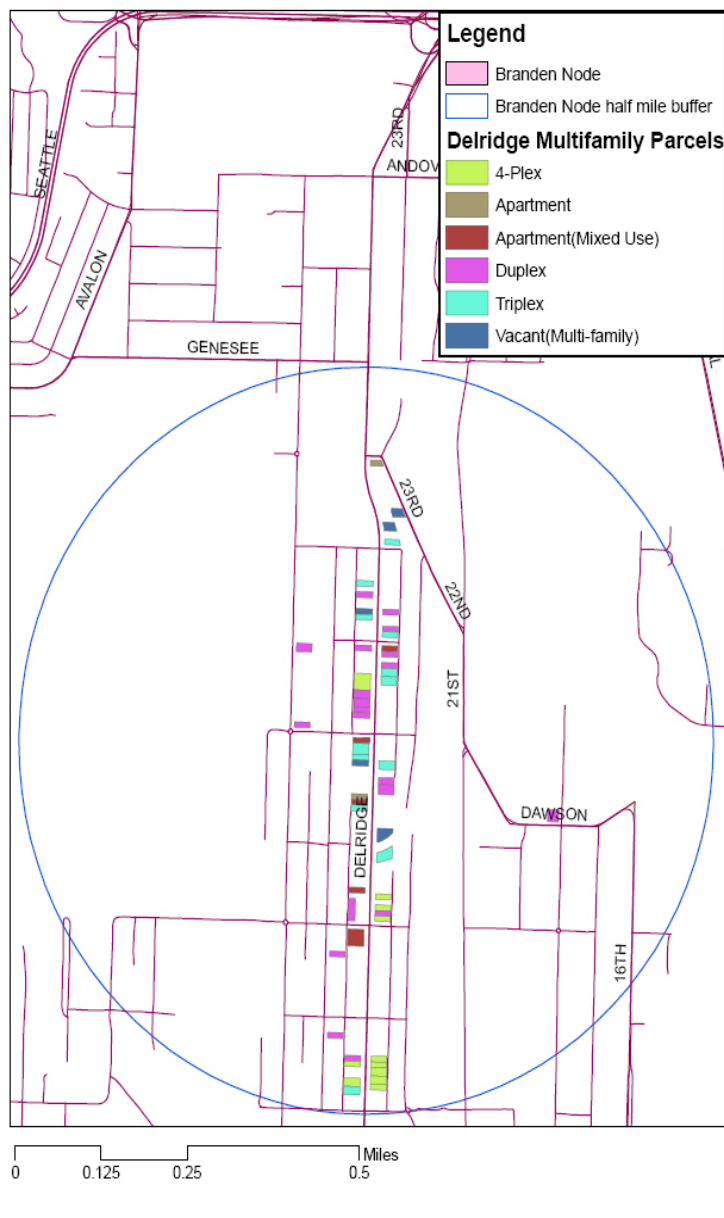
<u>DNDA survey</u>	<u>Average rental prices</u>				
<u>Date of survey</u>	Studio	1 BR	2BR	2BR/2BA	3BR
September 2004	\$498	\$636	\$765	\$915	\$1,060
April 2006	\$515	\$639	\$782	\$916	\$1,398
Percent change	3%	0%	2%	0%	32%

Source: Student neighborhood survey. April, 2006.

Half-mile radius from the Brandon node

We gathered a third set of data on the rental housing market in Delridge from a combination of City of Seattle survey data² using Geographic Information Systems (GIS) analysis and numerous primary source surveys. We derived multifamily zoning from GIS files, and plotted parcels within a half-mile radius of the Brandon Node. For the purposes of the GIS analysis, we assumed that any parcel zoned for more than 1 dwelling unit is a multifamily rental.

Figure 3.7 Delridge Multifamily within a half mile of the Brandon node



Multifamily residential inventory within a half-mile radius of the Brandon Node is approximately 425 units on 56 separate parcels. 120 of these units are in complexes of four units or less, and five multifamily projects have over four units which together comprise 294 units. See Figure 3.7, *Delridge Multifamily within a Half-mile of the Brandon Node*, see also Figure 3.8, *Major Multifamily Residences within a Half-mile Radius of the Brandon Node*. These smaller units were difficult to catalogue because of the lack of on-site managers and difficulty gaining contact information when there are no vacancies (i.e. no sign providing a contact number for rental inquiries).

Analysis of Multifamily Housing in Delridge

The price of multifamily rental housing in Delridge appears to be remaining constant, but according to development trends the supply is decreasing. One of the impacts of having 30% of the rental housing stock in small, dispersed complexes with four units or less is that these complexes have a high probability of conversion to for-sale products. This conversion could take place through condomin-

2 City of Seattle Geospatial Data Files. Retrieved 2006 from <http://wagda.lib.washington.edu/data/washdata.html#cities>.

umization of the existing stock, or the purchase, demolition, and reconstruction of denser new housing products such as townhouses. There are a number of developers with the capacity to address small, single-lot redevelopment projects. Conversely, the redevelopment or condominiumization of larger apartment sites usually requires a seasoned developer with more resources. With the low barriers to entry and rapidly rising home prices, redevelopment opportunities in Delridge are attractive to a wide range of developers.

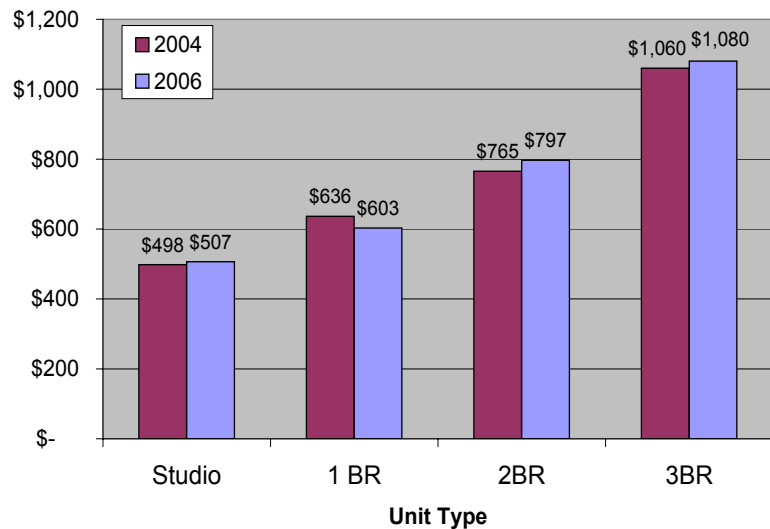
The majority of new townhouse developments in Delridge advertise sale prices. Consequently, we assume that these new multifamily developments will not be rental properties. As quantified in a later section, currently there is a significant amount of redevelopment activity underway in Delridge. If these redevelopment trends continue, the impact on multifamily housing will likely be a reduction in multifamily rental housing stock.

Figure 3.8 Major Multifamily within a half mile of the Brandon node

Name	Address	# of units
Cooper School	4408 Delridge Way	36
Vivian McLean Place	5401 Delridge Way	19
Longfellow Creek	5915 Delridge Way	83
Willow Court	6901 Delridge Way	105
Lam-Bows	6935 Delridge Way	51

Figure 3.9 Average Rental Housing Rates in Delridge

Average Rental Housing Rates in Delridge
Within a halfmile radius of the Brandon node



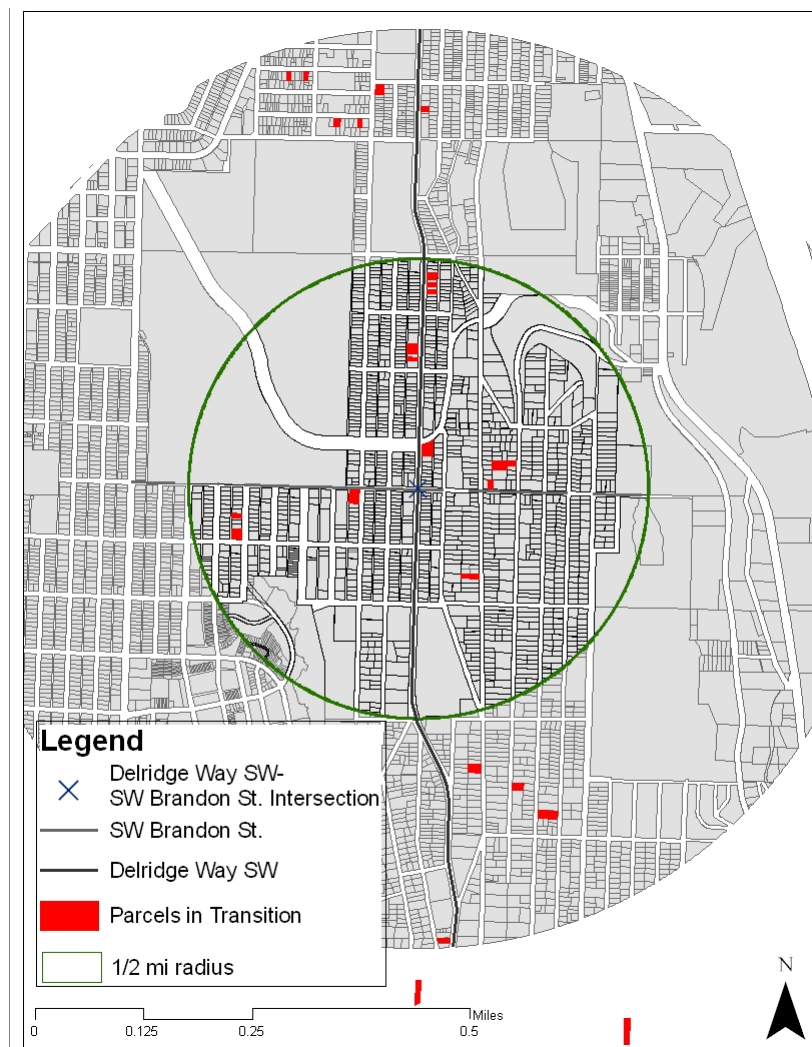
4. Home Ownership Market

Delridge is a neighborhood in transition. Properties are being bought and sold daily, and old single family houses are being replaced by new townhouses. Anecdotal evidence suggests that the majority of these conversions are occurring along Delridge Way SW. However, according to data collected from the City of Seattle’s permit bulletin database, parcel conversions are occurring throughout a half-mile radius from the Brandon Node and beyond. See Figure 3.10, Map of Parcels in Transition.

In May 2006, the median asking price for a house in Delridge was \$355,000. The average for sale listing has 3 bedrooms and 2 baths, which is a suitable layout for the neighborhood’s average household size of 2.6 people. These average listing figures were derived from Redfin, an internet listing service and represent a snap shot of the overall for sale housing market in Delridge.

In a seven month period from October 15, 2005 to May 15, 2006 34 parcels within a one mile radius of the SW Brandon St and Delridge Way SW intersection have entered into the City of Seattle's permitting process. Those 34 parcels consist of 29 dwelling units. According to the permit bulletins on the City of Seattle website, developers plan to turn those 29 dwelling units into 126 units in the form of townhouses and single family homes on subdivided lots. See Appendix 3.2 for a complete chart of development statistics in Delridge.

Figure 3.10 Map of parcels in transition



5. Affordability Evaluation

This section addresses affordability concerns in Delridge given the changes in the rental and ownership housing markets. The economic data presented here has been derived from the 1990 and 2000 US Census reports, primary data sources like walking surveys, and the our own calculations. The census tracts used for the neighborhood are 99, 107, 108, 112, 113, 114, and

115. When relevant, a specific source is cited to support the data.

Housing affordability in Delridge

Changes in the rental and for sale housing stock have affected housing costs in Delridge. Over the last sixteen years, the housing prices have increased 317%: in 1990 the median home price was \$85,214, and in 2006 the median asking price is \$355,000.

Rental housing affordability appears to be holding steady in Delridge. Based on the different data sets we were able to gather and analyze, rental rates have not increased in the neighborhood. The attractiveness of the home purchase market over the last few years is likely a contributing factor to the softness in the rental market. Historically low interest rates over the last few years and new creative mortgage options have made ownership attractive and affordable to many former renters. This movement of renters to owners has left behind a soft demand for rental housing, and landlords were unable to raise rents. The rapid rise of interest rates over the last six months has dampened some of the demand for housing, and is likely to push many in the home purchase market back into rental housing. Increased demand will give landlords pricing power to raise rents. DuPre+Scott Apartment Advisors forecasts a 4-5% increase in rents over the next two years. This would decrease the affordability of the rental housing market in Delridge.

The Delridge neighborhood median household income (MHI) has increased over the last 16 years, but at a much slower rate than home value. From 1990 to 2006, MHI increased 84% from \$27,859 to \$51,487. Note, since the last official census was conducted in 2000, we do not have exact 2006 MHI for

Figure 3.11 Delridge Housing Value, Rent Payment and Household Income

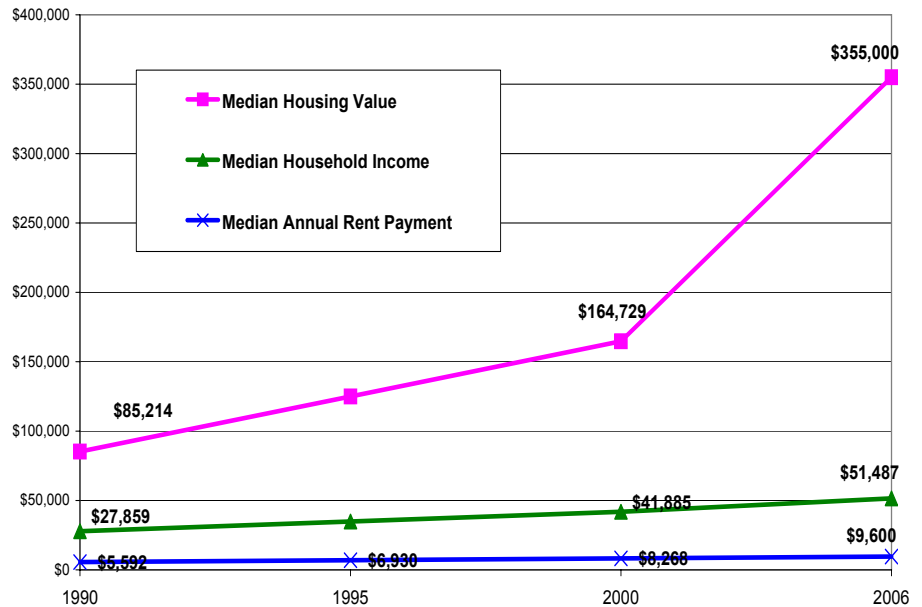
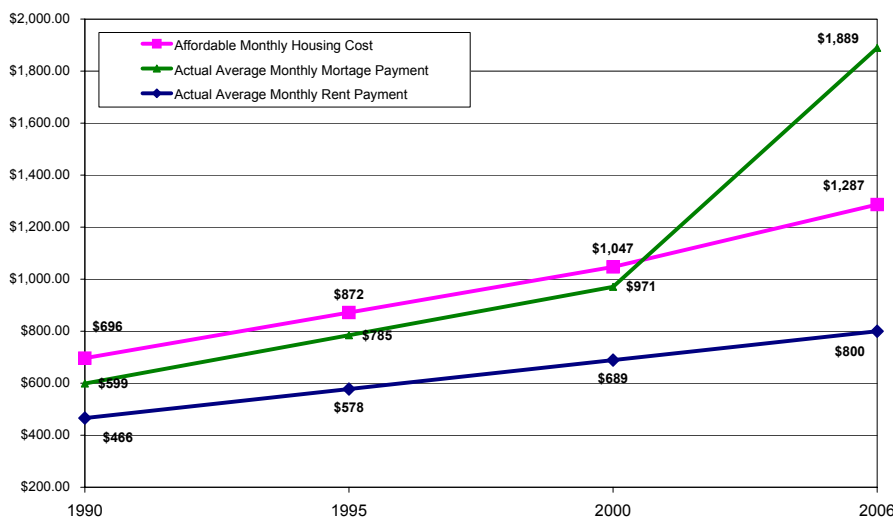


Figure 3.12 Delridge for-sale prices vs rent and median income

Year	Delridge Median For Sale Housing Price	Actual Average Monthly Rent Payment	Delridge Annual Median Household Income
1990	\$85,214 ^o	\$466 ^o	\$27,859 ^o
2000	\$164,729 ^o	\$689 ^o	\$41,885 ^o
2006	\$355,000 [^]	\$800 [^]	\$51,487 [*]

^o Source: 1990 and 2000 US Census
^{*} estimated using compound interest at 3.5% annually since 2000
[^] Author's calculations

Figure 3.13 Monthly housing cost and rental cost vs income



according to the Housing and Urban Development (HUD), a household should spend 30% of his or her annual income on housing expenses. Using this calculation, a household in Delridge can afford to spend \$1,287 per month on housing expenses³. However, to afford the median housing price in Delridge today, a homebuyer must be able to spend \$1,889 per month⁴ on housing expenses, requiring an annual salary of approximately \$75,000. This is a disparity of approximately \$23,500 per year, or slightly more than 47%. (See Figures 3.12 and 3.13) See Appendix 3.4 for a list of Seattle income and rent standards for affordable housing as published by the US Department of Housing and Urban Development.

Delridge. Because of this, the 2006 amount is an estimate based on a projection from the 2000 figures for Delridge census tracts, computed using a 3.5% compound interest rate over the last six years.

Figure 3.11 describes the disproportionate increase in housing sale price compared to median income in the neighborhood. This inconsistency raises concerns about housing affordability for neighborhood residents. Ideally,

Figure 3.14 Delridge for-sale housing affordability over time

Year	Actual Average Monthly Mortgage Payment	Calculated Affordable Monthly Housing Payment	Difference
1990	\$599 ^o	\$696 [^]	+ \$97
2000	\$971 ^o	\$1,047 [^]	+ \$76
2006	\$1889 [^]	\$1,287 [^]	- \$602

The gap in income and housing affordability is relatively new to Delridge. According to the figures in the 1990 and 2000 Census reports, Delridge residents spent on average less than 30% of their income on housing expenses. Year 2006 figures demonstrate that

^o Source: 1990 and 2000 US Census

[^] Authors' calculations

3 For the purposes of this study, housing expenses is defined strictly as mortgage or rental payments and does not include utilities, taxes or insurance. The average household spends an average of \$100.00 per month on utilities. This number should but considered in an affordability analysis, but for this study we applied a flat 30% of income to housing expenses.

4 \$1,889 is the calculated mortgage expense based on a 30-year loan at 7% interest with a 20% down payment.

to afford current housing prices, Delridge residents need to spend approximately 44% of their monthly income on housing expenses. It is not practical for most households to spend nearly 45% of their gross monthly income on housing expenses as it impedes on other necessary expenses such as healthcare and food. This means the neighborhood has become unaffordable to the current income bracket.⁵

How does Delridge compare to Seattle?

The rise in housing cost compared to income is more disproportionate in Delridge than in the greater Seattle area. Between 1990 and 2006, Seattle area incomes increased 153% from \$29,353 to \$74,300⁶, and housing value increased 197% from \$136,000 to \$405,000. In 1990, the MHI in Delridge was 94% of the Seattle MHI, but over the last sixteen years the income gap has widened dramatically and currently the MHI in Delridge is 69% of the Seattle MHI.

At the same time that the income gap has widened, the difference in housing value has narrowed. In 1990, a median housing value in Delridge was 62% of the median housing value in greater Seattle. By 2006 the gap has shrunk to the point that an average home in Delridge now costs 87% as much as an average home in Seattle. Home prices in Delridge are approaching average home prices in Seattle, but the median household income of Delridge residents does not reflect the substantial increases in MHI in the Seattle area. This means that Delridge is more affordable to other Seattle residents, than to its current population. Because of this income disparity and the relative affordability of houses in Delridge to other Seattle residents, it is probable that the more affluent residents from outside of the community could displace current Delridge residents that are priced out of the neighborhood. (See Figure 3.15)

This information demonstrates that Delridge faces a serious affordability gap between housing prices and how much current Delridge residents can afford to pay, meaning the neighborhood is becoming increasingly unaffordable to middle income households with a desire to purchase a home. Presently, rental properties are still affordable,

Figure 3.15 Changes in Delridge compared to Seattle

Year	Delridge Annual MHI	Greater Seattle Annual MHI	Delridge MHA as a percentage of Seattle MHA	Delridge Median Housing Value	Seattle Median Housing Value	Delridge Median housing price as a percentage of Seattle median home price
1990	\$27,859 ^o	\$29,353 ^o	94.9%	\$85,214 ^o	\$136,500 ^o	62.4%
2000	\$41,885 ^o	\$45,736 ^o	91.5%	\$164,729 ^o	\$252,100 ^o	65.3%
2006	\$51,487 [*]	\$74,300 [^]	69.3%	\$355,000 [^]	\$405,000	87.6%

^o Source: 1990 and 2000 US Census
[^] Authors' calculations
[^] Source: Washington State Housing Finance Commission
^{*} estimated using compound interest at 3.5% annually since 2000

5 Author's Calculations. US Census Bureau, 1990, 2000 US Census retrieved 2006 from www.census.gov. Additional data supplied by Dupree+Scott.

6 \$74,300 is the Median Household Income for King County in 2006. The State uses county-wide data to determine affordable housing prices for cities. The exact MHI for Seattle city is unknown, and this figure represents the best available information at the time of publication.

but as previously discussed, limited supply indicates rental prices will soon supersede what is affordable to the median Delridge household. If current residents are priced out of the neighborhood, housing will soon be filled by other Seattleites looking for housing deals. To retain the current demographic population in the neighborhood, either housing must become more affordable through incentives, subsidies or market changes, and/or residents' incomes must increase by 47%.

6. Affordable Housing

Despite the income/housing expense disparity, in Delridge there is a handful of organizations committed to preserving both affordable rental and homeownership options.

Seattle Housing Authority (SHA)

Similar to the overall housing climate in Delridge, the properties owned by the Seattle Housing Authority (SHA) are also in transition. High Point, just outside of the one mile radius study area is by far the largest affordable housing complex in proximity to the Brandon Node. Prior to the recent renovation, the previous affordable housing development that High Point replaced provided 716 units of housing. The new High Point upon completion will only provide 425 units. SHA is obligated to provide replacement housing to make up for the 291 lost units. However, the replacement housing is not required to be in the greater Delridge neighborhood, the affordable units can be replaced anywhere in the city.

SHA has a number of other holdings in Delridge besides High Point: three apartment buildings with a total of 229 units, and 17 scattered sight properties. See Appendix 3.3 for a list and locations of SHA's scattered sites portfolio, also see Figure 3.16, DNDA and SHA Properties in Delridge.

According to Seattle Housing Authority's Asset Manager, Ellen Kissman, SHA has no immediate plans to buy or sell properties in greater Delridge. However, SHA regularly adjusts the housing in its scattered sites portfolio in order to provide housing that is more cost effective and better suited to residents' needs. Over the next few years, SHA plans to sell up to 200 scattered sites in Seattle. It is still unclear whether any of the scattered sites in Delridge will change hands.

Delridge Neighborhoods Development Association (DNDA)

Since 1996, DNDA has been an active presence in the Delridge neighborhoods. The organization strives to build community in the neighborhoods it serves by providing affordable housing, enhancing the pedestrian environment, and supporting local artists. In response to increasing housing costs in Delridge and greater Seattle, DNDA has been committed to preserving and providing affordable rental properties that meet the needs of the low income families traditionally living in Delridge.

Currently, DNDA owns six apartment complexes in Delridge, providing a total of 110 one, two, or three bedroom units. Each of DNDA's buildings offer housing that is less expensive

than market rate rentals. Although some units have no maximum income restrictions, most apartments require that renters make below 50% of the Seattle HMI. The average family in the neighborhood must make between \$31,000 and \$35,000 per year to qualify.

The majority of buildings owned by DNDA are outside a half-mile of the Brandon Node. In total, SHA and DNDA provide 367 affordable rental units throughout the greater Delridge neighborhood.

Affordable homeownership

Affordable homeownership, while challenging given the current housing climate in Seattle, does give low to moderate income families a chance at their dream of homeownership. There are two basic ways to offer home purchase assistance: to provide monetary assistance directly to families for down payments, etc., and to apply subsidies to the actual property by purchasing the land on which the home sits. HomeSight and Homestead Community Land Trust are two organizations using these strategies to increase affordable homeownership opportunities in Seattle.

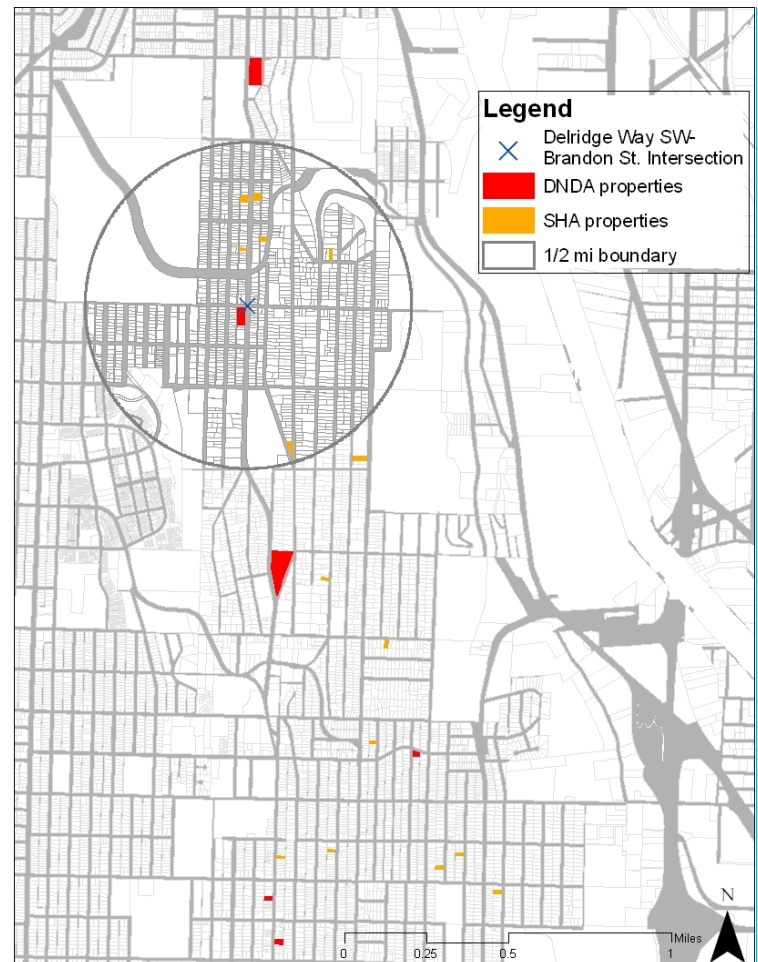
HomeSight

HomeSight is a non-profit 501(c)3 Community Development Corporation and Community Development Financial Institution in King and Snohomish Counties. HomeSight promotes affordable homeownership through three interrelated programs: homebuyer education and financial planning, buyer purchase assistance loan underwriting and origination, and new home construction.

HomeSight utilizes private and public partnerships to provide assistance loans up to \$150,000 for moderate and low-income, first-time homebuyers or those up to 80% of the area median income. In recent years, HomeSight projects have focused more on multifamily housing than single family due to the sharp increase in the Puget Sound land value.

Currently, HomeSight is developing townhouses in White Center in conjunction with the White Center Community Development Association (WCCDA). In selecting potential

Figure 3.16 DNDA and SHA properties in Delridge



locations for development, HomeSight seeks out one of two types of communities: distressed communities that are looking to stimulate residential development near their business core and communities where gentrification and displacement are quickly becoming realities for long-time residents.

As of May, 2006, HomeSight has no plans for development in Delridge. However, the organization recognizes that this is an area that is undergoing transition and is confronted with the problem of displacement. The primary barrier to entry into Delridge is competition among buyers for land. Without financial assistance, land prices are too high for HomeSight to be able to develop projects that will be affordable to low income residents.

Homestead Community Land Trust (Homestead)

The Community Land Trust model uses a dual ownership structure to lower the barriers to homeownership for families. Families use purchase assistance to pay for the land only, which is then placed into trust with Homestead. The family would own the home and a 99-year renewable lease to the land under the home. Homestead's ground lease gives families full rights to use the land under the home for only \$35 a month, a fraction of the actual cost of purchasing it.

Homestead is currently the only community land trust operating in Delridge. Out of the five houses in West Seattle that are part of a community land trust, four are located in the Delridge neighborhood. Homestead's director, Sheldon Cooper, indicated that the organization has no specific plans for acquiring additional properties in Delridge. However, the organization is driven by the populations they serve and the areas in which these buyers wish to purchase homes. Added interest in Delridge could lead to an increase in Homestead activity there. The efforts of Homestead have recently been targeting Southeast and Southwest Seattle in an effort to preserve affordable housing in these areas.

A new avenue that Homestead is actively pursuing is condominium ownership. While they have generally focused on single family homes, they are making a transition into condominium ownership as a means to more affordable and flexible homeownership.

7. Conclusions

Our analysis of the Delridge housing market confirms that it is a neighborhood in transition. Community members' fear of resident displacement due to rising home prices and rents is validated and confirmed by this study. The analysis indicates that immediate steps must be taken to safeguard affordable housing in hopes to prevent resident displacement and preserve the character of the neighborhood. We have identified two primary problems with the housing transition that is taking place and offer recommendations to help rectify those problems.

Problem 1

The average price of housing is escalating more rapidly than the average income in Delridge. As a result, the average home in Delridge is now virtually out of reach to the average neighborhood resident looking to purchase a house.

Recommendation

Provide affordable homes for purchase. Houses of this sort must accommodate a household of 2-3 people and be priced at \$240,000 or less.

Suggested Action

Homestead Community Land Trust or DNDA should the purpose of leasing the land to families for housing development. This would keep land affordable long term and allow families to gain capital. Additionally, the land owner should consider relocating and restoring some historic Seattle bungalows that are slated for demolition. These houses can be relocated for approximately the same cost as demolition, and the total cost of relocation and restoration is much less than new construction, providing an affordable housing option for the land trust.

Problem 2

Based on the assumption that the majority of new developments are for sale and not rental units, the

Figure 3.17 Single family home to be demolished
8809 Delridge Way SW



Figure 3.18 New Townhouses in construction
4716 Delridge Way SW



Figure 3.19 New Townhouses for sale
2807 Nevada SW



demolition of older rental housing signals that the supply of rental units in Delridge is decreasing. This decrease will eventually cause a rise in rental rates. The combination of increased rental rates and decreased supply will likely displace some current Delridge residents who rely on below market rental prices.

Recommendations

Provide rental housing units that serve the needs of an average Delridge family of 2.6 people. This size family requires 2-3 bedrooms to comfortably meet their needs.

New rental units must be affordable to the average Delridge renter, who can spend between \$1000 and \$1500 per month. Preferably, some of these units should be priced lower to serve residents making less than the median household income.

Suggested Action

DNDA or a similar organization should work actively to preserve and create additional affordable rental stock. At a minimum, 291 affordable rental units should be relocated in Delridge to make up for the loss of units after the High Point redevelopment. As detailed earlier in this report, Seattle Housing Authority must replace the 291 units lost during the redevelopment but these units do not have to be located in Delridge. DNDA should engage in a dialogue with the Seattle Housing Authority to encourage them to replace as many of the lost units in Delridge as possible to preserve the character of the neighborhood.

Next Steps

This housing section presents an analysis of housing and affordability in Delridge using the best available data. As previously stated, time and resource constraints prevented us from gathering primary data for all sources. In order to further understand the trends in housing in Delridge, its impacts on residents, and opportunities to preserve affordable housing options, we recommend the following next steps:

- Complete a full on the ground rental housing inventory to determine changes over time and identify possible gaps in the rental supply and demand.
- Survey Delridge residents on household income, size, and housing needs to obtain concrete, up to date information on affordability and demand.
- Explore properties suitable for redevelopment to affordable housing and rental units. See the Opportunity Spaces section of this report for suggestions on property redevelopment.