

APPENDIX A: HOUSING NEEDS ASSESSMENT

CITY OF CLYDE HILL

2024

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Glossary

American Community Survey (ACS): This is an ongoing nationwide survey conducted by the U.S. Census Bureau. It is designed to provide communities with current data about how they are changing. The ACS collects information such as age, race, income, commute time to work, home value, veteran status, and other important data from U.S. households.

Area median income (AMI): This is a term that commonly refers to the area-wide median family income calculation provided by the federal Department of Housing and Urban Development (HUD) for a county or metropolitan region. Income limits to qualify for affordable housing are often set relative to AMI. In this report, unless otherwise indicated, AMI refers to the HUD Area Median Family Income (HAMFI), which is one of the area median incomes that the HUD calculates.

Cost-burden: When a household that spends more than 30 percent of their gross income on housing costs, including utilities, they are cost-burdened. When a household pays more than 50 percent of their gross income on housing, including utilities, they are severely cost-burdened. Cost-burdened households have less money available for other essentials, like food, clothing, transportation, and medical care.

Department of Housing and Urban Development: The U.S. Department of Housing and Urban Department (commonly referred to as the HUD) administers programs which provide housing and community development assistance. The HUD provides several data products which are used in this report.

Family: This census term refers to a household where two or more people are related by birth, marriage, or adoption.

Household: A household is a group of people living within the same housing unit. The people can be related, such as family. A person living alone in a housing unit and a group of unrelated people sharing a housing unit, also counted as a household. The census sometimes refers to “occupied housing units” and considers all persons living in an occupied housing unit a single household.

Householder: This refers to the person (or one of the people) in whose name the housing unit is owned or rented.

Household income: The census defines household income as the sum of the income of all people 15 years and older living together in a household.

INCOME CATEGORY	HOUSEHOLD INCOME
Extremely low-income	30% of AMI or less
Very low-income	30-50% of AMI
Low-income	50-80% of AMI
Moderate income	80-100% of AMI
Above median income	>100% of AMI

Income-restricted housing: This term refers to housing units that are only available to households with incomes at or below a set income limit and are offered for rent or sale at a below-market rates.

Glossary

Low-income: Families that are designated as low-income may qualify for income-subsidized housing units. HUD categorizes families as low-income, very low-income, or extremely low-income relative to area median family incomes (MFI), with consideration for family size.

Low-Income Tax Credits: Low-income tax credits, otherwise known as earned income tax credit, is a refundable credit available for low- and medium-income taxpayers. This program is designed to lower the amount of taxes owed by independent individuals who make less than \$63,398 a year (the limit set for 2023).

Median family income (MFI): This references the median income of all family households in the metropolitan region or county. Analyses of housing affordability typically group all households by income level relative to area median family income. Median income in non-family households is typically lower than in family households. In this report, both MFI and AMI refer to the U.S. Department of Housing and Urban Development Area Median Family Income (HAMFI).

Subsidized housing: Subsidized housing references public housing, rental assistance vouchers, and developments that use Low-income Housing Tax Credits (LIHTC) are examples of subsidized housing.

Tenure: Tenure references the ownership of a housing unit in relation to the household occupying the unit. According to the US Census Bureau, a housing unit is "owned" if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. A cooperative or condominium unit is "owned" only if the owner or co-owner lives in it. All other occupied units are classified as "rented," including units rented for cash rent and those occupied without payment of cash rent.

Part 1: Introduction

1.1 PROJECT BACKGROUND

The City influences how much and what types of housing are produced in Clyde Hill through Comprehensive Plan policies, development codes, incentives, programs, and capital projects. The Housing Element will identify strategies through the adoption of goals and policies to ensure the City's influence on housing production is in line with its overall housing goals.

The first step in the housing policy development process is the creation of a Housing Needs Assessment (HNA). Fundamentally, a Housing Needs Assessment is a study to identify the current and future housing needs of all economic segments of the community. An HNA attempts to answer the following types of questions:

- Who lives here and what are their socioeconomic characteristics?
- What types of housing are available?
- Are there any groups of people who are not able to find housing that is safe, affordable, and meets their household needs?
- How much housing, and what types of housing, are needed to meet current and future housing needs?
- Is there sufficient buildable land capacity to accommodate growth and diversity of housing choice?

The HNA is a baseline of data that explains the current conditions of housing in Clyde Hill and the greater region. The findings in this report are based on multiple data sources as explained in the methodology section. This report is a tool for decision-makers, residents, housing market professionals, and anyone else who may find it useful as a guide. The report highlights shortcomings or gaps regarding the current housing supply and demands of the residents now and in the future.

This document is divided into three main parts:

- **Community Overview:** This part details who lives in the city and the characteristics that shape their current and future needs related to housing.
- **Housing Conditions:** This part describes the current housing inventory of the city with a focus on characteristics such as size, location, cost, and tenure.
- **Gap Analysis:** This part evaluates the alignment between the city's current housing stock and its' housing goals.

1.2 METHODOLOGY

The data in this document will be combined and supplemented with information gathered through engagement with stakeholders and residents to form the Housing Element. The analysis conducted in this Housing Needs Assessment relies on available sociodemographic and housing data from multiple sources. This includes as much publicly available data as possible. Moreover, much of the data is not recent enough to reflect any trends that may have been caused by the COVID-19 pandemic, which likely intensified any housing affordability issues.

The sources of data used in this analysis include the following:

- **Puget Sound Regional Council (PSRC).** The PSRC provides overall regional housing targets through the VISION 2040 regional growth strategies, recently updated with the VISION 2050 plan, which informs the development of Countywide Planning Policies. Additionally, the PSRC coordinates housing and employment projections for the region.
- **Washington State Office of Financial Management (OFM).** The OFM is the state-level agency in charge of developing official population and housing counts for statutory and programmatic purposes, and compiles data from individual jurisdictions to further this goal. Publicly available counts for population and housing are available on their website. Additionally, small-area and more detailed custom data are also available to provide more detail on housing and population growth.
- **King County Urban Growth Capacity Report.** Coordinated on a periodic basis, the County coordinates a review and evaluation of development and land supply to determine whether its cities are meeting growth and density targets and if cities have enough land to meet future growth needs. As part of this work, cities survey their available lands for development, and compare this to growth targets established through the Countywide Planning Policies. This report is the technical document which backs King County Ordinance 19660, passed on August 15, 2023, which formally assigned housing targets for this Comprehensive Plan Periodic Update.
- **American Community Survey (ACS).** The American Community Survey is an ongoing survey program coordinated by the Census Bureau to provide detailed information about the population. Developed as an update alternative to the ten year Census long form, the ACS relies on a sample of households to collect more detailed data on topics like education, transportation, Internet access, employment, and housing. The results from the ACS are reported on a yearly basis for larger cities, and on a 5-year rolling average basis for all communities. This report relies on this information for some demographics data. The ACS is also used as part of the CHAS dataset (below). At the time of writing, the most recent dataset available was 2018-2022.
- **Comprehensive Housing Affordability Strategy (CHAS).** The Department of Housing and Urban Development (HUD) relies on custom tabulations from the ACS to develop the more detailed CHAS dataset. This information is intended to demonstrate the extent of housing needs and issues across communities, with a focus on low-income households. This information, available at a city level, provides detailed information about characteristics of the local housing stock, including the affordability of both rental and owner-occupied housing. The CHAS dataset also provides some household information, which can be cross-tabulated with housing information to link household characteristics with needs. Note that the most recent dataset relies on the 2016-2020 ACS dataset.
- **National Housing Preservation Database (NHPD).** The NHPD is an address-level inventory of federally assisted rental housing in the country. The data comes from HUD and the Department of Agriculture (USDA). NHPD was created in 2011 in an effort to provide communities with the information they need to effectively preserve their stock of public and affordable housing.

To the greatest extent possible, the latest data sources are used for this report. As datapoints become available at varied times, there may be differences in some stated numbers. While this may seem inconsistent, it is best practice to use the most up to date and available sources, leading to these differences. For example, housing unit totals from 2019 (ACS) and 2021 (OFM) are both in this report.

Part 2: Community Overview

2.1 LOCAL HISTORY AND SETTING

Clyde Hill is located on a large peninsula boarded by the cities of Bellevue, Medina, Hunts Point, and Yarrow Point. The City of Seattle lies directly across Lake Washington to the west and can be accessed via the SR 520 bridge.

Clyde Hill officially incorporated on March 31, 1953. Access to Seattle improved by 1941 with the opening of a bridge crossing from the eastside, through Mercer Island, and ending in Seattle. Regional transportation and access improvements encouraged people to purchase property on the eastside of Lake Washington. The population boomed as the city began to develop services such as schools, churches, and roadways. Since then, the city's population has leveled out over time with no additional annexations possible and a majority of parcels fully built out.

Clyde Hill is primarily single-family residential development, with some limited non-residential development.



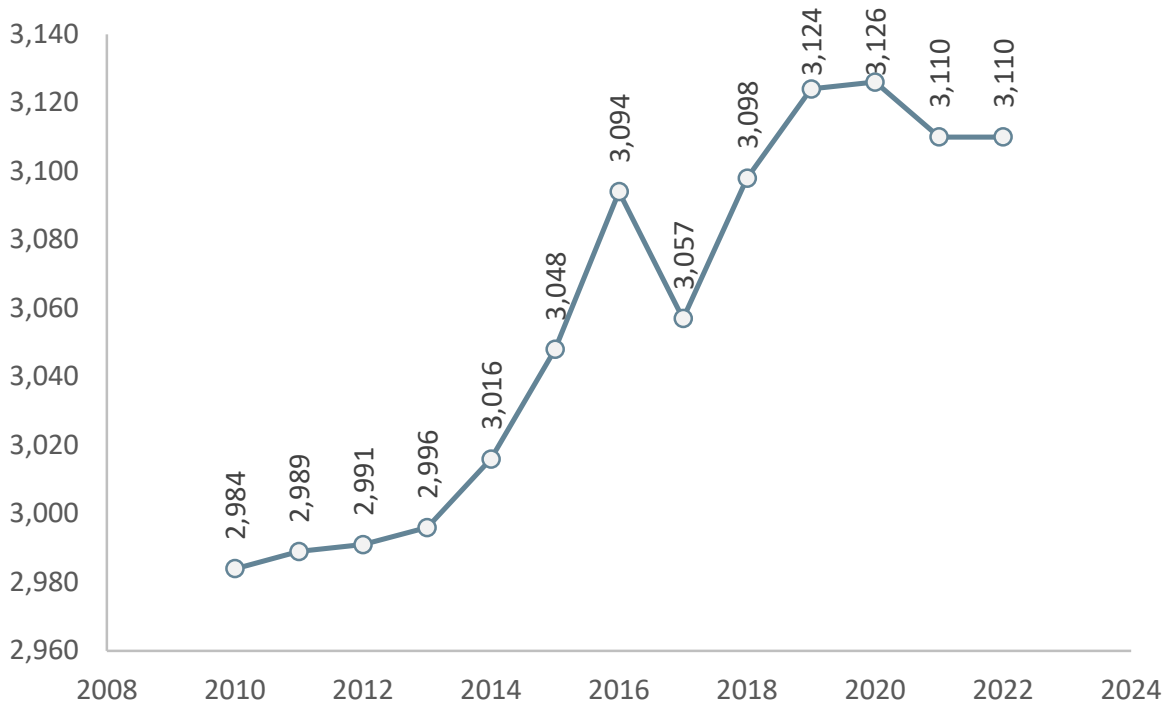
Clyde Hill, WA. Atwell photo

2.2 POPULATIONS

According to the Office of Financial Management (OFM), Clyde Hill’s population of 3,126 in 2020 fell to 3,115 in 2023.¹ As shown in *Exhibit 1*, the population slowly increased between 2010 and 2020, and has since remained consistently around 3,100 people. The community is unique; there is limited land available to accommodate population growth. Geographically, Clyde Hill is one of the smallest cities in King County, spanning approximately 1.06 square miles. Clyde Hill’s lands primarily consist of existing developed lands and primarily residential uses. As such, there is limited developable lands available for growth. Between 2000 and 2023, the population had a growth rate of 0.32%, indicating a slowing of population growth due to this built out condition.

1 While the OFM presents estimates of population to 2023, this assessment references previous years as “current data” due to different sources releasing different data products at different times.

Exhibit 1: Population Change



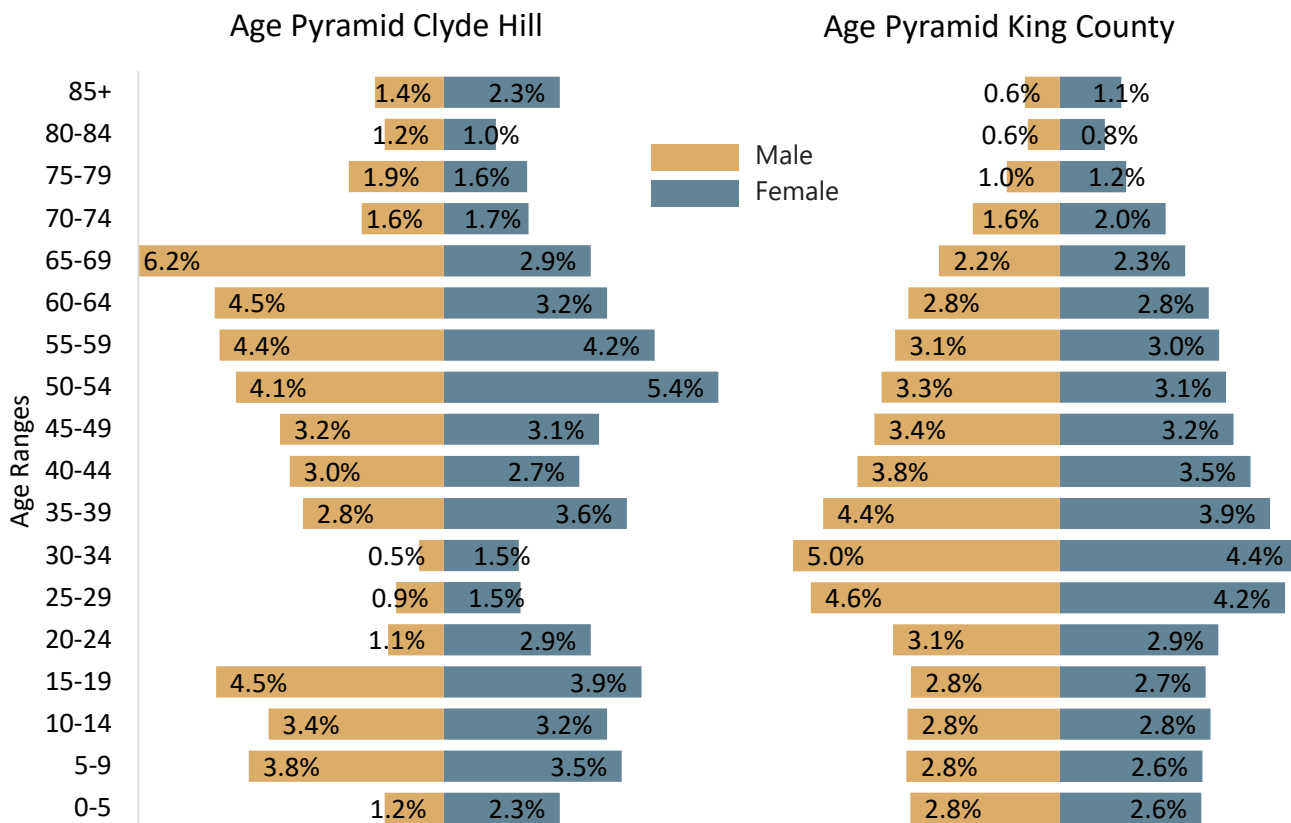
Source: OFM, 2024. *Intercensal and Postcensal Estimates of April 1 Population, 1960 to Present.*

According to the 2019 American Community Survey (ACS), the Clyde Hill median age is around 48 years, significantly higher than King County’s 37 years. Clyde Hill’s population skews older than the County, with over 47% of Clyde Hill’s population older than 50. Approximately a third of the County is older than 50. Additionally, Clyde Hill has a substantially larger youth population (under 20) at 26%, four percent more than the County.

The lack of twenty- to forty-year-old residents is notable in the age breakdown. King County residents between ages 19 to 40 make up approximately 32% of the population. Clyde Hill is proportionally smaller with adult ages between 19 to 40 making up less than 15% of the population.

Clyde Hill has a lower workforce population (20 to 64) than the County by a margin of 12%.

Exhibit 2: Population by Age Range (Clyde Hill & King County)



Source: 2018-2022 ACS 5-year estimates. Table S0101

Ethnicity, Race, and Language Spoken at Home

Like King County overall, Clyde Hill's population is two thirds white. Clyde Hill has a similar breakdown of demographics to King County with a couple of key differences. King County overall has a lower percentage of Asian residents (21%) compared to Clyde Hill's Asian population (33%). The County has a greater percentage of Hispanics (10%) and Black or African Americans (7%), while Clyde Hill's population is 2% Hispanic and less than 1% Black or African American.

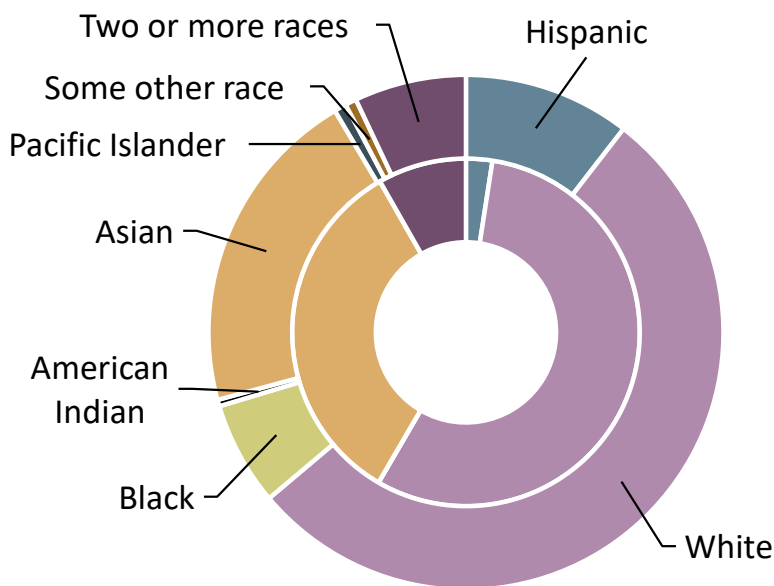
Approximately three fourths (67%) of residents only speak English at home, which is comparable to King County (69%). Clyde Hill has a higher frequency of Indo-European language speakers (48%) compared to King County (24%).

Some Clyde Hill households require access to language assistance services. All of Clyde Hill's households with limited English proficiency speak Asian or Pacific Island languages and comprise about 3% of households in the city.

Of residents that speak a language other than English at home, Clyde Hill has a significantly lower frequency of Spanish speakers (5%) than King County (22%).²

² 2018-2022 ACS 5-Year Estimates. Table S1601, Table S1602.

Exhibit 3: Race and Ethnicity of Population (Clyde Hill, Inside, King County, Outside)



Source: 2018-2022 ACS 5-year estimates. Table DP04

2.3 HOUSEHOLDS

A household is a single person or a group of people, related or unrelated, who live in a single dwelling unit. The make-up of households across age, race, and sizes can be used to inform policy to develop housing options for the diverse range of household types.

Exhibit 4: Households by Housing Tenure (Clyde Hill & King County)

TYPE	CLYDE HILL		KING COUNTY	
	COUNT	PERCENTAGE	COUNT	PERCENTAGE
Owner-occupied	1,071	93%	525,673	56%
Renter-occupied	85	7%	419,367	44%
Total	1,156		945,040	

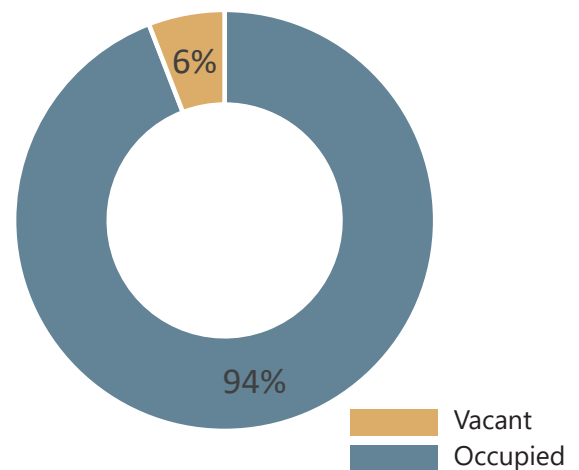
Source: 2018-2022 ACS 5-year estimates. Table B25003.

Household Tenure and Size

In 2022, there were 1,228 housing units in Clyde Hill, 94% of which were occupied. This 6% vacancy rate for all housing units is within the typical range. An occupied housing unit and household have the same meaning in the census. In Clyde Hill, 93% of households are owner households, compared to 56% in King County.

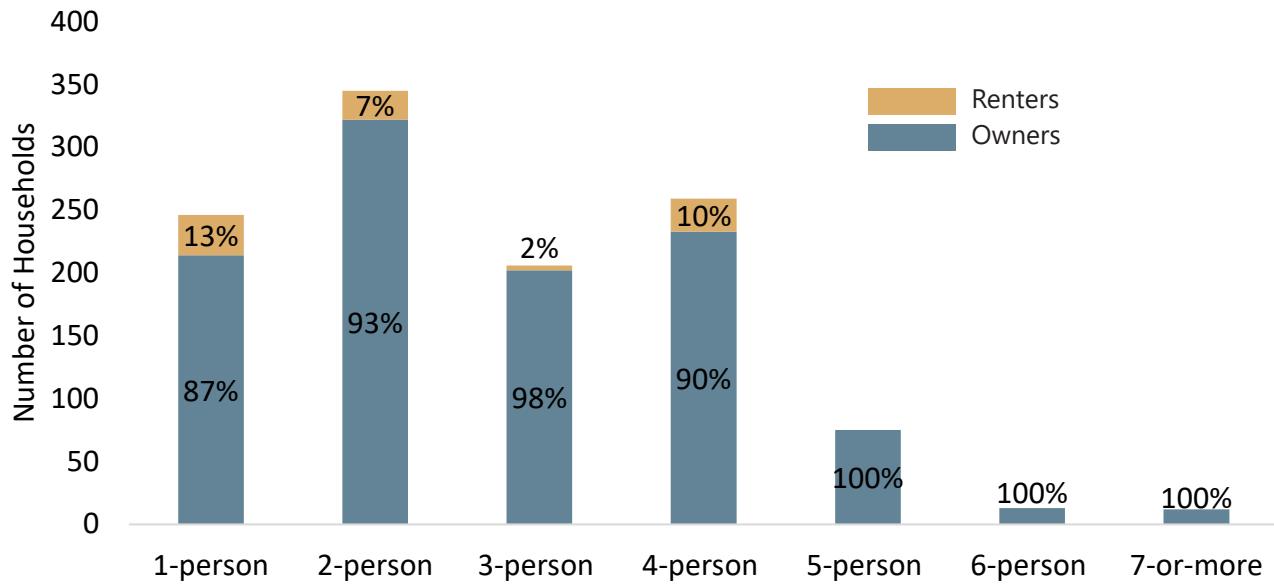
As of 2022, the average household in Clyde Hill was 2.7 residents. Clyde Hill's typical household sizes have slightly lowered since 2010, when houses had an average of 3.1 residents. Owner occupied households have historically had a lower number of residents per unit than rented units. However, as of 2022, owner occupied households had an average of 2.72 persons and renter occupied households had an average of 2.25 persons. Almost a third of households in Clyde Hill have four or more members.

Exhibit 5: Occupied Housing Units (Clyde Hill)



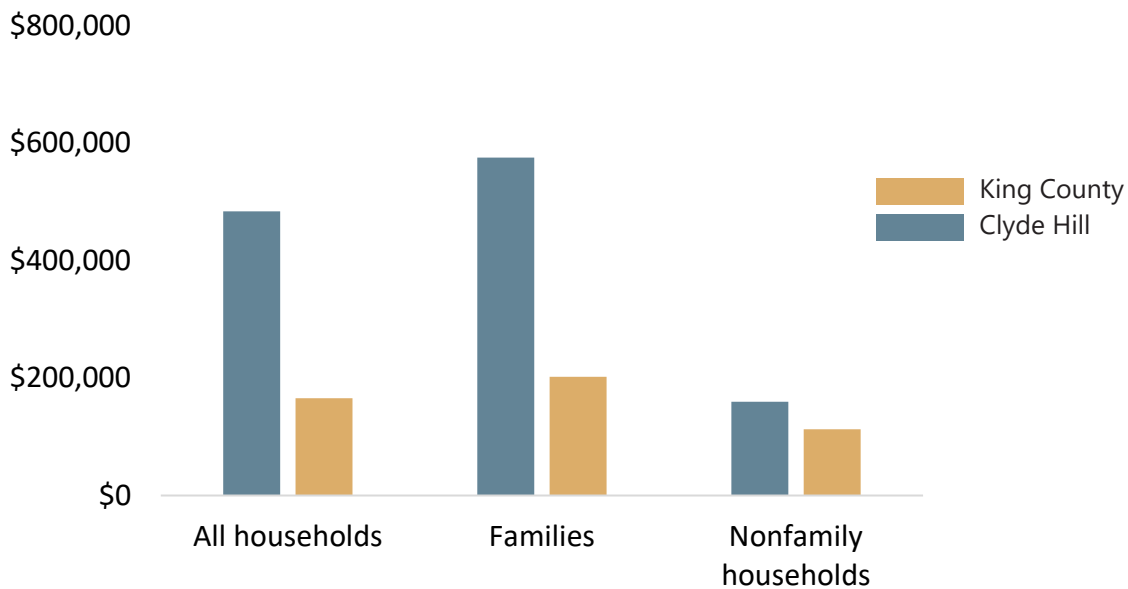
Source: 2018-2022 ACS 5-year estimates. Table B25002

Exhibit 6: Household Size by Tenure (Clyde Hill)



Source: 2018-2022 ACS 5-year estimates. Table B25009

Exhibit 7: Mean Household Income by Household Type (Clyde Hill & King County)



Source: 2018-2022 ACS 5-year estimates. Table S1901

Household Income

Realizing the relationship and distribution of household income and housing prices is necessary to fully understand the City’s housing needs. Clyde Hill’s average household income is significantly greater than the income of an average King County household. Clyde Hill households have a mean income of \$483,738, over twice the County’s mean household income (\$165,555). The 2022 ACS reports that Clyde Hill median family³ household income is greater than \$250,000 annually. For many jurisdictions, the ACS gives a precise number, but the 2022 ACS only specifies income levels up to \$250,000. Regardless, the actual median family income is still at least two times greater than the King County median family income (\$118,255).

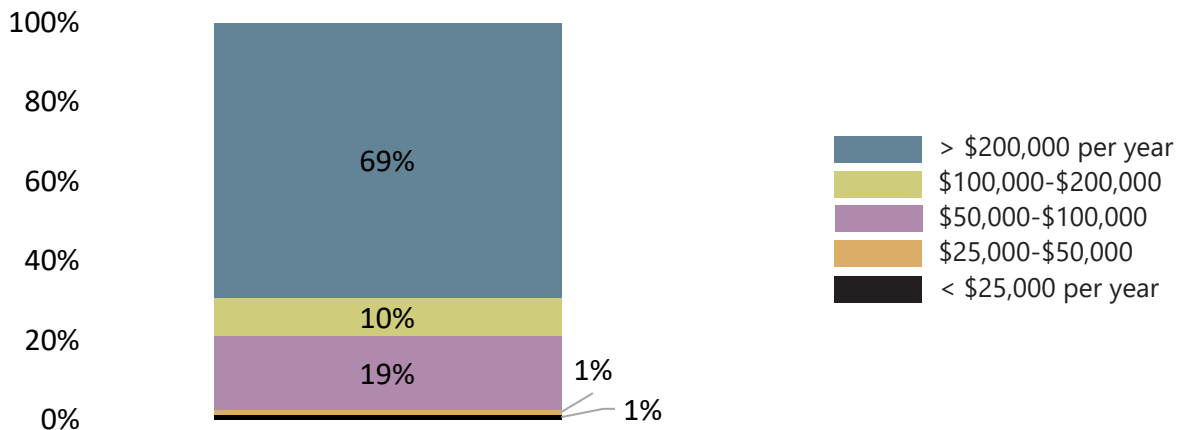
The non-family households in Clyde Hill make far less than family households. In 2022, families made \$575,417 on average, while nonfamily households made \$159,896 on average. Nonfamily households in Clyde Hill made almost \$47,000 more than their counterparts in the county at large.

Another way to evaluate household income is to analyze the relationship between income distribution and housing affordability through Area Median Family Income (AMI). The Department of Housing and Urban Development (HUD) defines income groups in the following AMI brackets:

- Extremely Low Income: <30% AMI
- Very Low Income: 30-50 % AMI
- Low Income: 50-80% AMI
- Moderate Income: 80-100 % AMI
- Above Median Income: > 100% AMI

³ In the census, a “family” is a household where two or more people are related by birth, marriage, or adoption. Therefore, family incomes are typically higher than non-family and total household incomes due to the higher earnings from potential multi-income households.

Exhibit 8: Percentage of All Households by Income Bracket (Clyde Hill)



Source: 2018-2022 ACS 5-year estimates. Table S1901.

Exhibit #8 shows the distribution of household incomes for all Clyde Hill households and for all Clyde Hill households. Nineteen percent of Clyde Hill households are considered low-income, earning 80% of the AMI or less. Nearly four-fifths of owner and renter households generate an income greater than the average median income. Nearly half of all low income owners make between 50-80% of AMI. Renters do not have the same low-income AMI distribution, with most low-income rented households falling into the extremely low-income group.

Employment

The Census Bureau's OnTheMap⁴ data reveals how few jobs are present in the City of Clyde Hill, only 23 residents both live and work in Clyde Hill. Almost all of the city's workforce (1,133 people total) commutes out of the city for work, a third of which go to Seattle, and many of the rest commute to Bellevue (18%), Redmond (13%), or Kirkland (5%). There are 664 people employed in the city, which makes the city's job to housing ratio 0.54, lower than much of the surrounding area. This ratio is lower than the 0.75 to 1.5 ratio which is typically considered beneficial for reducing vehicle miles traveled. The COVID pandemic caused significant changes to the amount of people who work from home, likely increasing the number of residents who stay in the city for work. It is possible the true number of residents who live and work in the city is higher than the 23 residents that OnTheMap estimates. Those who commute to Clyde Hill for work mostly come from Seattle, Bellevue, Kirkland, Sammamish, or Bothell.

4 The Census Bureau. OnTheMap, 2021

What is cost-burdened?

Cost-burdened is a metric that was developed as an amendment to the federal 1968 Fair Housing Act by Senator Edward Brooke. Senator Brooke initially drafted the proposed amendment as a response to country-wide rent increases and complaints about services in public housing complexes by capping public housing rent at 25% of a resident's income.¹ The amendment, thereafter named the Brooke Amendment, passed in 1969 and was amended again in 1981 increasing the affordability cap to 30%.

Cost-burdened households are defined as households that spend more than 30% and less than 50% of their income on housing, while severely cost-burdened households spend more than 50% of their income on housing. Households need remaining income to afford other essentials such as food, utilities, transportation, childcare, and clothing.

In recent years, the metric has been up for debate among economists, planners, and affordable housing advocates because 30% is arguably an arbitrary number that may not be adequately representing actual cost-burdens experienced in different household types. Incomes and cost of living factors vary greatly throughout the United States based on location and the robustness of the local and natural economies.

¹ HUD, "Rental Burdens: Rethinking Affordability Measures," 2014.

Or a household that spends greater than 30% on housing may live somewhere with better access to amenities or somewhere where they can take

public transportation to work, thereby reducing their transportation costs, which is normally a household's highest expense following housing. Additionally, cost-burden has the same metric for family and individual households, and owner and renter households. The economic burdens that a family may experience are vastly different than what an individual would experience, since families have additional members that require more essentials than an individual would have.

While a new metric for housing affordability is likely needed, the 30% approach still has some important uses cases. The severely cost-burdened measurement is still used by HUD in its Worst Case Housing Needs report to Congress of very low-income renting households that do not receive government housing assistance. The 30% cutoff for affordability also matches what assisted households are required to pay in HUD's Housing Choice Voucher program.

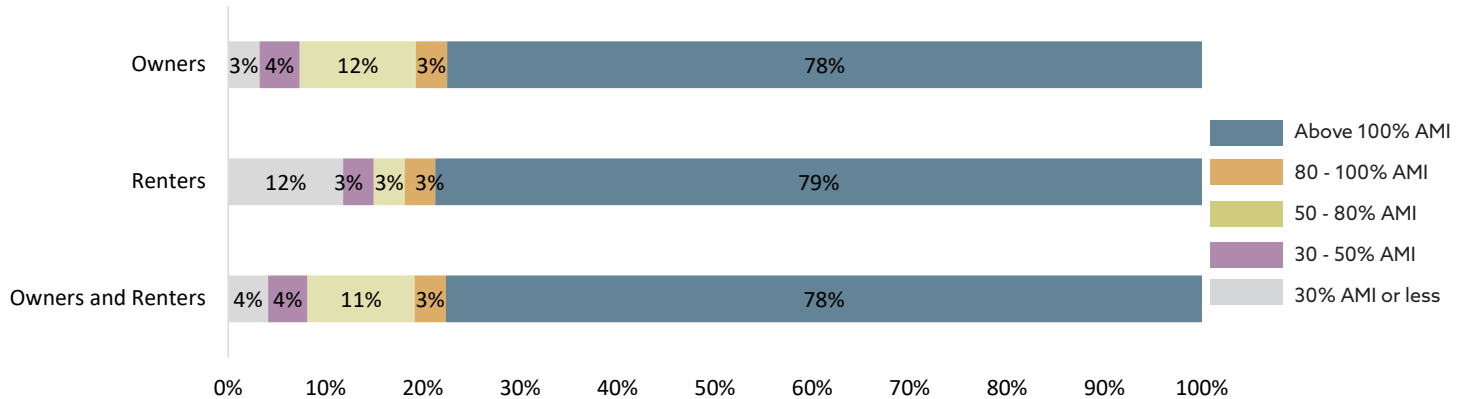
The history and flaws of the cost-burden metric are important to understanding the greater context of the metric purpose and how it should be critically considered in the overall Housing Needs Assessment. However, it is still widely agreed upon within the policy and advocacy community that households paying more than half of their income on housing is a serious issue that needs to be addressed.

Cost-Burdened Households

The majority of Clyde Hill residents are very high income. High rent and property ownership costs lead to a lack of affordable housing in Clyde Hill for families or individuals in the extremely low-income groups. A third of Clyde Hill households are cost-burdened or severely cost-burdened.

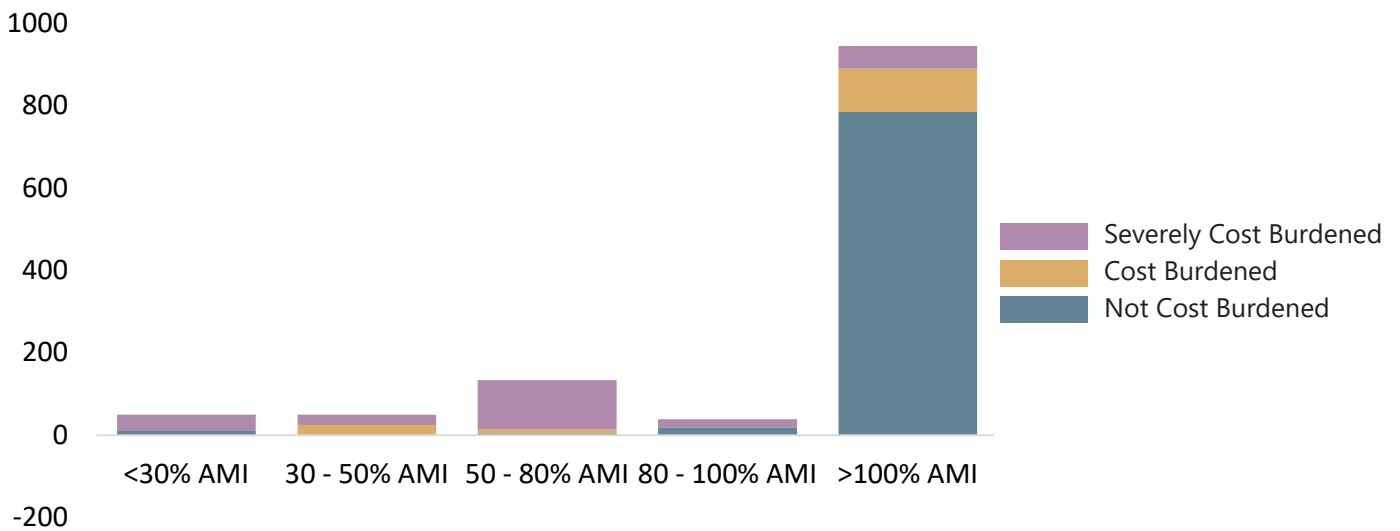
There are cost-burden disparities between owners and renters. A greater proportion of owner households experience cost-burdens. When owner and renter households are separated, 12% of renters are cost-burdened or severely cost-burdened compared to 35% of owners. Of renter households, all cost-burdened households are estimated to be severely cost-burdened. Cost-burdened owner households have less cost-burden, with two thirds bearing severe cost-burden.

Exhibit 9: Percentage of Households by Income Level and Tenure (Clyde Hill)



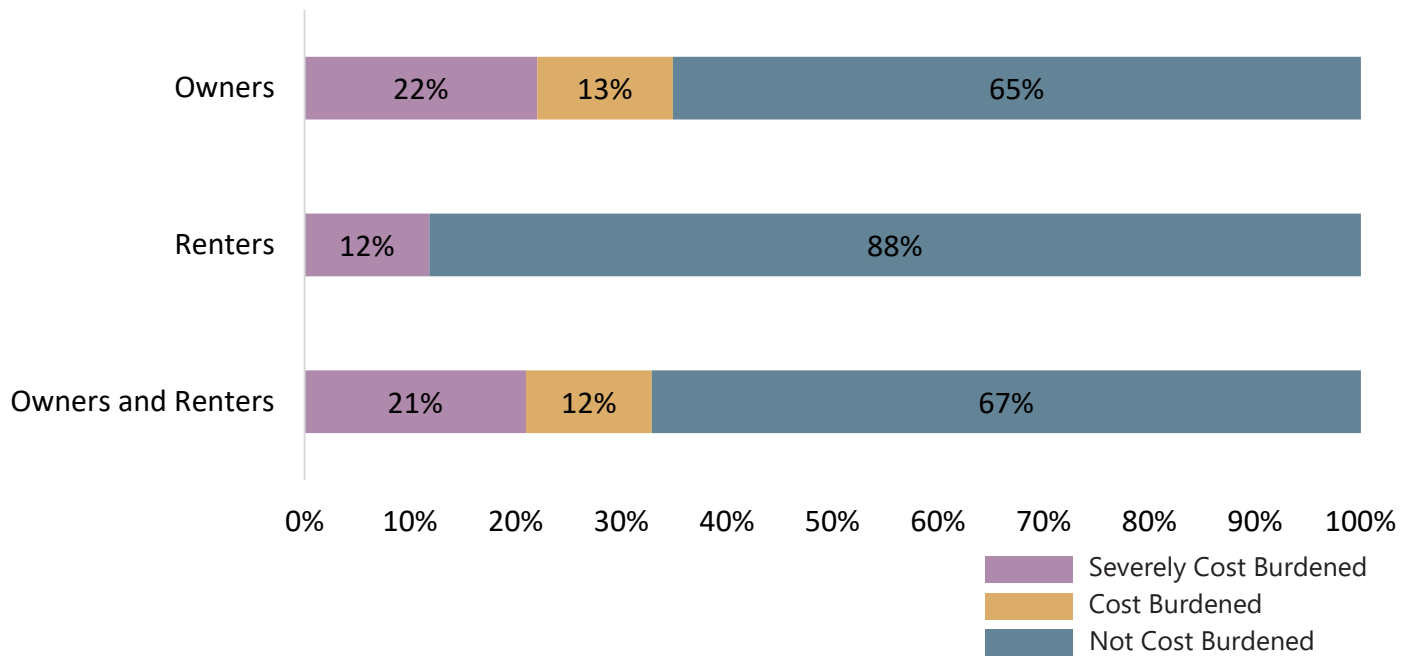
Source: HUD Office of Policy Development and Research Comprehensive Housing Affordability Strategy, 2021.
 Note: the HUD bases this data is based off of ACS 2016-2020 data.

Exhibit 10: Households by Income Level and Cost-Burden Status (Clyde Hill)



Source: HUD Office of Policy Development and Research Comprehensive Housing Affordability Strategy, 2021
 Note: the HUD bases this data is based off of ACS 2016-2020 data.

Exhibit 11: Proportional Cost-Burdened Households by Tenure (Clyde Hill)



Source: HUD Office of Policy Development and Research Comprehensive Housing Affordability Strategy, 2021.

Note: the HUD uses 2016-2020 ACS data to create these estimates.

Community Displacement Risk

Displacement occurs when changing neighborhood conditions force residents to move and can create further financial pressures that impact job growth and housing distribution. Awareness of areas which may face higher displacement risks can help cities be more aware of socioeconomic strains residents are coping with and prepare comprehensive policies that support racially and economically diverse communities.

The Puget Sound Regional Council (PSRC) issued a 2019 Displacement Risk Report⁵ identifying areas where residents and business are at the greatest risk of displacement. The PSRC uses the following five generalized categories to calculate a city’s score determining their respective risk level:

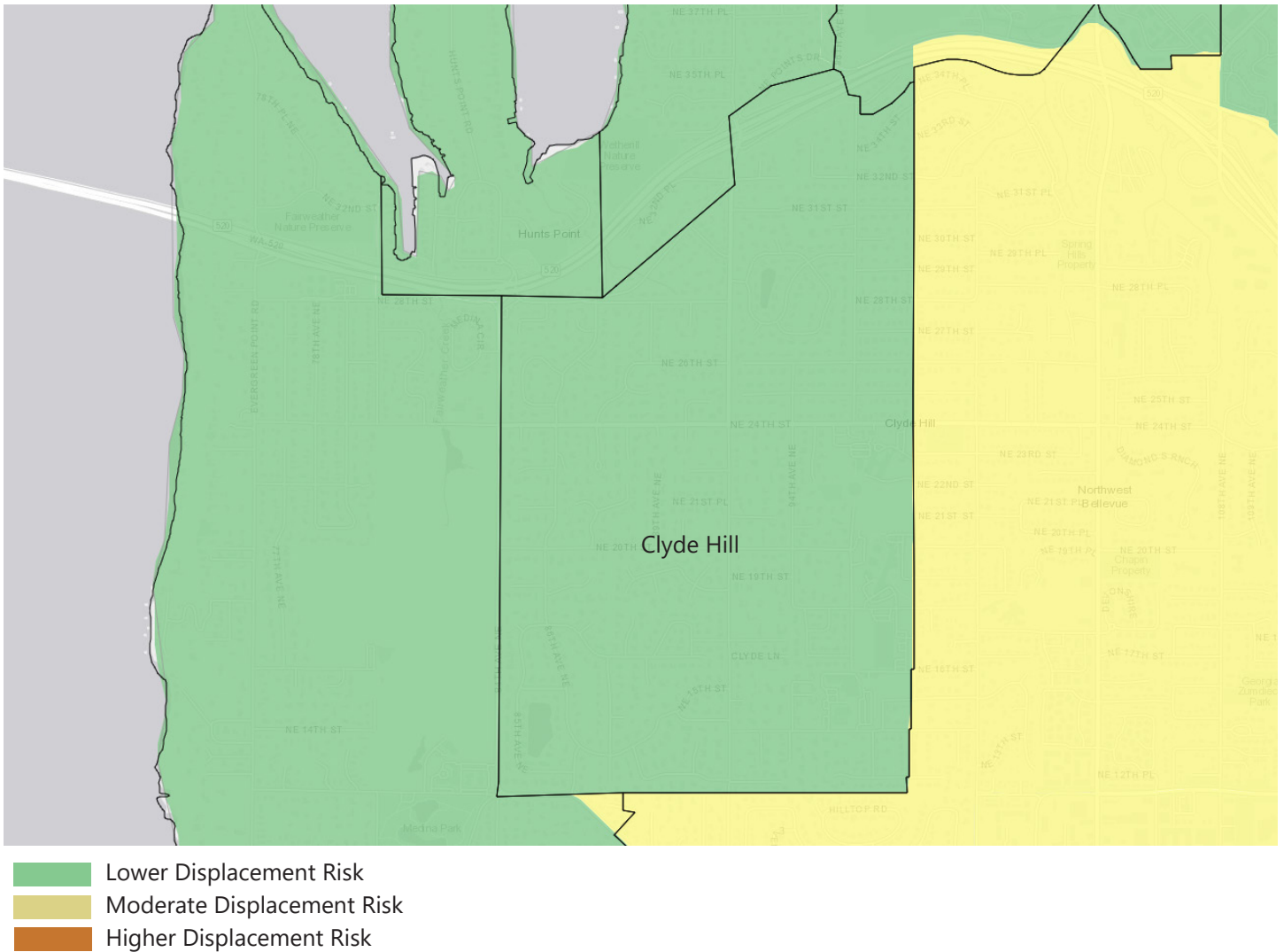
1. Socio-Demographics: Examines race, ethnicity, linguistics, education, housing tenure and costs, and household income.
2. Transportation Qualities: Assesses access to jobs by car and transit and proximity to existing and/or future transit.
3. Neighborhood Characteristics: Analyzes the proximity of residents to services, retail, parks, schools, and high-income areas.
4. Housing: Reviews development capacity and median rental prices.
5. Civic Engagement: This is measured by voter turnout.

⁵ PSRC, “Displacement Risk Mapping,” 2019.

Each category has multiple indicators that are standardized and weighted to determine an ultimate score. Each city's score is compiled into an overall index and risk level is determined in comparison with other jurisdictions.

Scoring is broken down into three categories: high risk, moderate risk, and low risk. *Exhibit 12: PSRC Displacement Risk (Clyde Hill)* shows the PSRC's Displacement Risk Map describing Clyde Hill's risk as low risk, meaning that Clyde Hill is unlikely to experience significant community displacement.

Exhibit 12: PSRC Displacement Risk (Clyde Hill)



Source: PSRC, "Displacement Risk Mapping," 2019.

Residents with Special Housing Needs

While it is vital to understand which households are struggling with housing costs across all economic segments of the community, it is also important to analyze how different household types are affected because of their distinct characteristics. Residents who live with disability characteristics may have special housing needs or require supportive services. They may be on a limited budget and have higher medical costs than the average household. People who need support services or accessible units should be considered in housing policy development.

Exhibit 13: Disability Characteristics

CLYDE HILL RESIDENTS WHO LIVE WITH A...	NUMBER	PERCENT
Hearing difficulty	129	4%
Vision difficulty	12	0%
Cognitive difficulty	63	2%
Ambulatory difficulty	105	4%
Self-care difficulty	44	2%
Independent living difficulty	93	4%

Source: ACS 2018-2022, Table S1810.

Homelessness

The 2022 Point in Time Count, conducted by the King County Regional Homelessness Authority, sought to measure the number of people in King County experiencing homelessness. This Point In Time count used an interview-based methodology to collect detailed information about individuals experiencing homelessness. In 2022, there were an estimated 13,368 people experiencing homelessness, 57% of which were unsheltered. This is a higher percentage of unsheltered individuals than two years before in 2020, when 47% were unsheltered. The intent of transitional housing is generally to house individuals or families for a limited time after a crisis, such as homelessness, job loss, or domestic violence. At present, Clyde Hill does not have transitional housing, or any other form of housing intended for homeless people.

KEY TAKEAWAYS: COMMUNITY OVERVIEW

Populations

- After 15 years of consistent slow population growth between 2004 and 2019, the city's population has leveled off at just above 3,100 residents. Clyde Hill has an older population (47 year average age) than the county (37 year average age).
- The 20-50 age group makes up under a third of the city's population and has a lower proportion of employment aged individuals than King County.
- Clyde Hill is predominately a White (56%) community with a higher ratio of Asian and Pacific Islanders (33%) and lower ratio of Hispanics (2%) and African Americans (<1%) compared to the overall County.
- Families primarily speak English at home (67%). Of the 33% that do not speak primarily speak English at home, half speak an Asian and Pacific islander language and half speak an Indo-European language.

Households

- Clyde Hill is primarily a home-owner community with 93% of dwelling units being owner-occupied and 7% being renter-occupied. The low vacancy rate (6%) indicates a high demand for housing.
- The average household size is 2.7 residents and has decreased since 2000. Owner-occupied homes have a higher average family household size (2.72 persons) than renters (2.25 persons).
- Clyde Hill households have a median income of \$483,738, triple the median County household income. Families had a median income beyond the highest recorded income brackets (\$250,000) for the 2019 ACS. Nonfamily households' average income is \$159,896.
- Twenty-two percent of Clyde Hill households are considered low-income, earning 80% AMI or less.
- Owners experience higher cost-burden than renters, with 35% of owners cost burdened and 12% of renters cost burdened.
- PSRC determined the city falls under the low displacement risk category.

Part 3: Housing Conditions

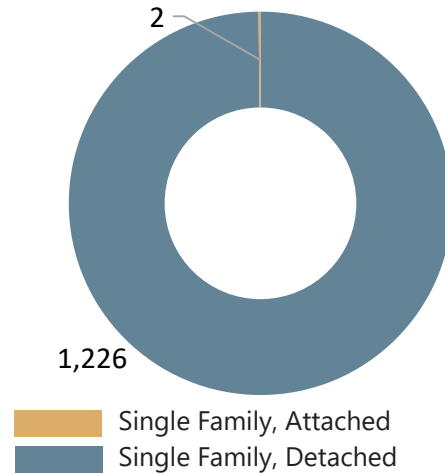
3.1 HOUSING INVENTORY

Housing Units by Type and Size

As of 2022, there are 1,228 housing units in Clyde Hill, a 2.1% increase in supply since 2000. *Exhibit 14: Housing Inventory by Type (Clyde Hill)* describes housing units by type; almost all housing units are single-family detached homes and the remaining few are duplexes. There are no mobile homes or multifamily structures in the city.

While over half of all households contain only one or two people, one-bedroom and two-bedroom units comprise just 11% of the city's housing stock. This means 89% of housing units in Clyde Hill have three or more bedrooms, with 21% having 5 or more. There is an oversupply of larger units compared to the distribution of household sizes.⁶

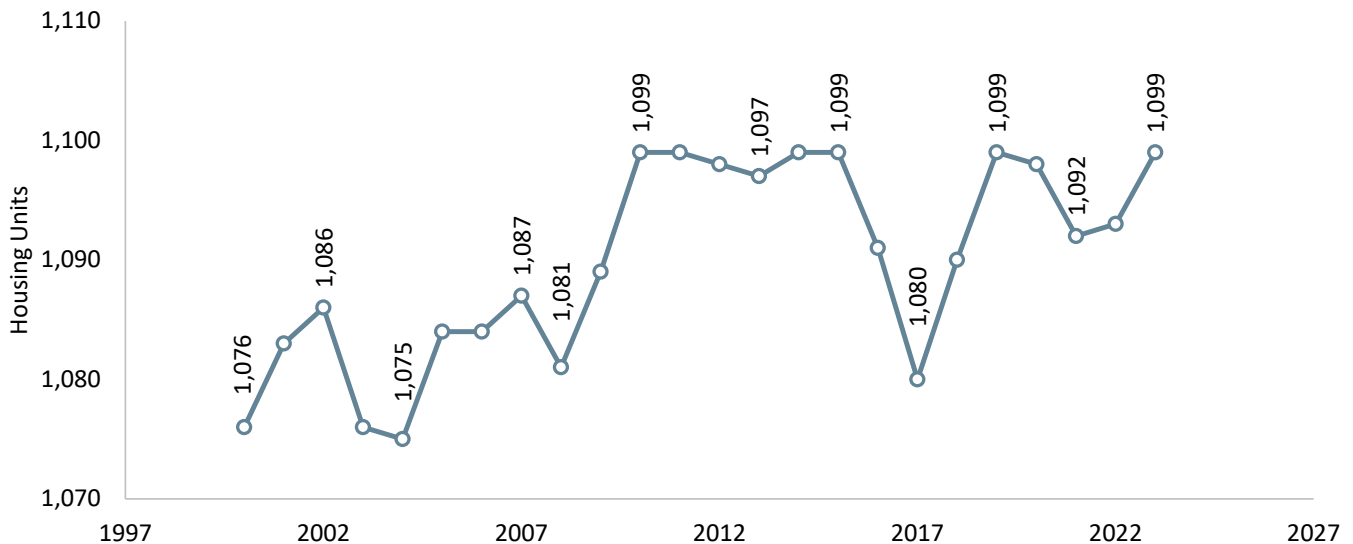
Exhibit 14: Housing Inventory by Type (Clyde Hill)



Source: 2018-2022 ACS 5-year estimates. Table DP04.

⁶ 2018-2022 ACS 5-year estimates. Table B25009: Table DP04.

Exhibit 15: Housing Units, 2000 to 2021 (Clyde Hill)



Source: OFM Forecasting and Research Division. Intercensal and Postcensal Estimates of April 1 Housing Units, 1980, 1990 to Present.

Housing Age and Production

Exhibit 16: Age of Housing Stock (Clyde Hill) describes the age of housing units in Clyde Hill. Almost half (44%) of the current housing stock was constructed before 1970. As these homes continue to age, there will be a greater need to repair, maintain, and rehabilitate older structures. Another third of the housing stock was developed between 1970 and 2000, with the largest growth happening between 1970 to 1980. Fifteen percent of the housing stock was constructed in the decade between 2000 and 2009.

The PSRC records permit data on housing units and records net gains and losses, as shown in *Exhibit 18 Permitted Units 2010-2019 (Clyde Hill)*. Between 2010 and 2019, the City lost an average of 14 housing units and gained an average of 13 new units annually. As mentioned previously, the total number of housing units in Clyde Hill has increased by only 0.32% since 2000, indicating that new construction is primarily occurring through redevelopment of existing properties.

Exhibit 16: Age of Housing Stock (Clyde Hill)

BUILT DATE	PERCENTAGE
Built 2020 or later	1%
Built 2010 to 2019	11%
Built 2000 to 2009	15%
Built 1990 to 1999	4%
Built 1980 to 1989	8%
Built 1970 to 1979	16%
Built 1960 to 1969	32%
Built 1950 to 1959	12%
Built 1940 to 1949	0%
Built 1939 or earlier	0%

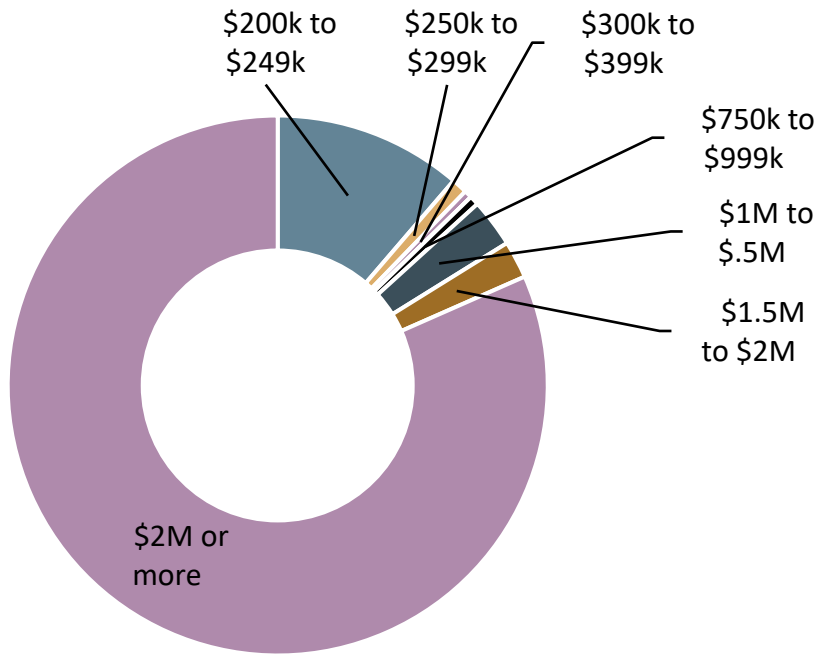
Source: 2018-2022 ACS 5-year estimates. Table DP04,

Housing Cost and Condition

While the housing in Clyde Hill may be aging, it remains high quality. As shown in *Exhibit 17: Home Values, 2022 (Clyde Hill)*, most houses in the city (over 80%) are worth more than two million dollars. The next largest group are valued between two-hundred and two-hundred and fifty thousand dollars, which make up 11%, of the housing stock. All of the housing stock has complete plumbing, kitchen, and telephone service. Three quarters of the housing is heated by utility gas, and the rest is either heated by electricity (10%), fuel oil (12%), or bottled, tank, or LP gas (1%).

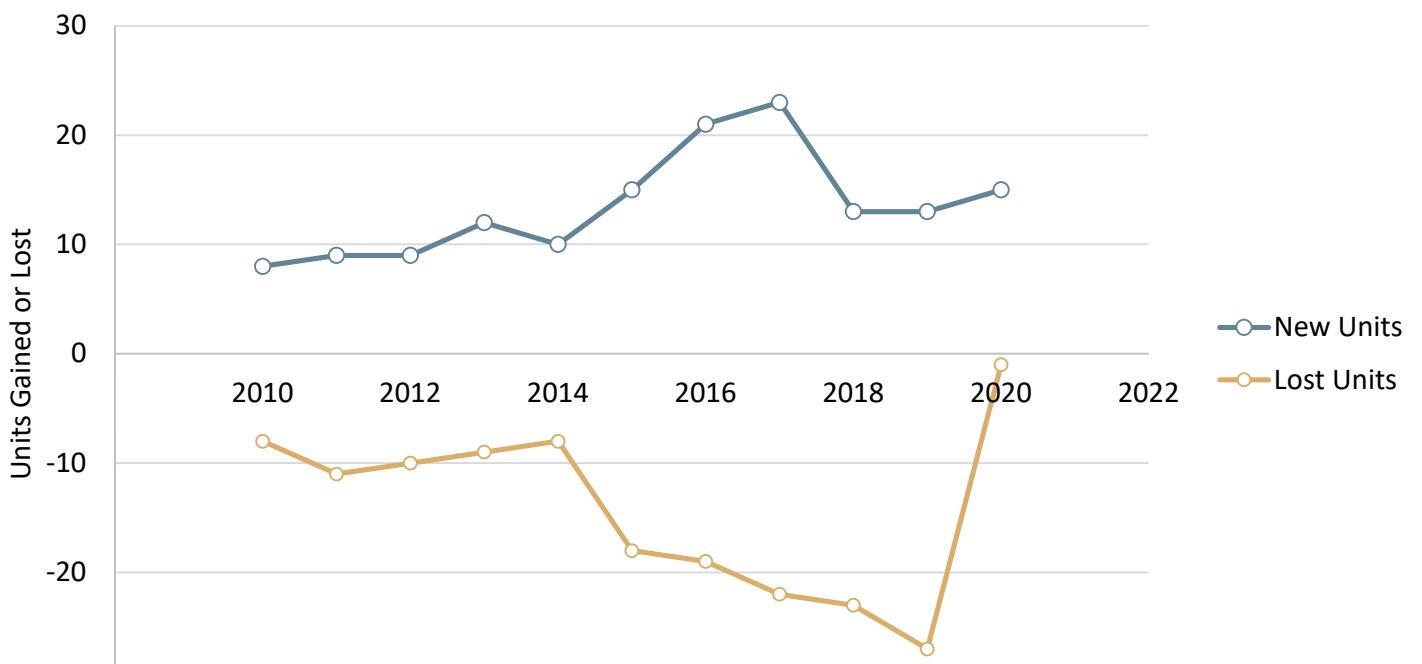
Clyde Hill is known as an upscale and affluent community, with many luxury homes and estates located in the area. The high property values in Clyde Hill are due to its desirable location, scenic views, and proximity to amenities such as top-rated schools, shopping, and dining options. The exclusive nature of the neighborhood and limited inventory of homes also contribute to the high property values in Clyde Hill.

Exhibit 17: Home Values, 2022 (Clyde Hill)



Source: 2018-2022 ACS 5-year estimates. Table B25075

Exhibit 18: Permitted Units, 2010 - 2020 (Clyde Hill)



Source: PSRC, 2020. Residential Building Permits

3.2 HOME OWNERSHIP

Home ownership is the way most American families accumulate generational wealth. Typically there are more home ownership opportunities than rental opportunities in wealthy neighborhoods with access to more resources. These advantaged neighborhoods provide access to higher performing school districts, amenities, and social capital that can lead to better opportunities. Approximately 93% of housing units in Clyde Hill are owner-occupied.

Exhibit 19: Age of Owners (Clyde Hill) displays home ownership rates by age group. The represented age is that of the householder.⁷ Generally, as age increases so does the home ownership rate. Over nine of ten households that are thirty-five or older are owner households. Households that are thirty-five years old and younger have the lowest ownership rate.

Low ownership rates are typical for this range and are due to lack of wealth accumulation from minimal years in the work force, high amounts of student loan debt, and the high cost of ownership. Compared to the county, this is a high rate of homeownership among the age group.

⁷ The householder refers to the person (or one of the people) in whose name the housing unit is owned or rented.

Exhibit 19: Age of Owners (Clyde Hill)

AGE GROUP	PERCENTAGE OF HOUSEHOLDS IN AGE GROUP THAT OWN THEIR HOME
Under 35 years	75%
35 to 44 years	96%
45 to 54 years	87%
55 to 64 years	88%
65 to 74 years	98%
75 to 84 years	98%
85 years & up	100%

Source: 2018-2022 ACS 5-year estimates. Table S2502.

3.3 RENTAL HOUSING

About seven percent of the city's housing stock are rental units, approximately 72 housing units total. *Exhibit 20: Age of Renters (Clyde Hill)* displays the number of renter households by age group, showing the inverse percentages discussed previously. The under 35 age group has the highest rate of renter households, with 25% of all households in that age group renting. There are no renters in the group 85 years and older.

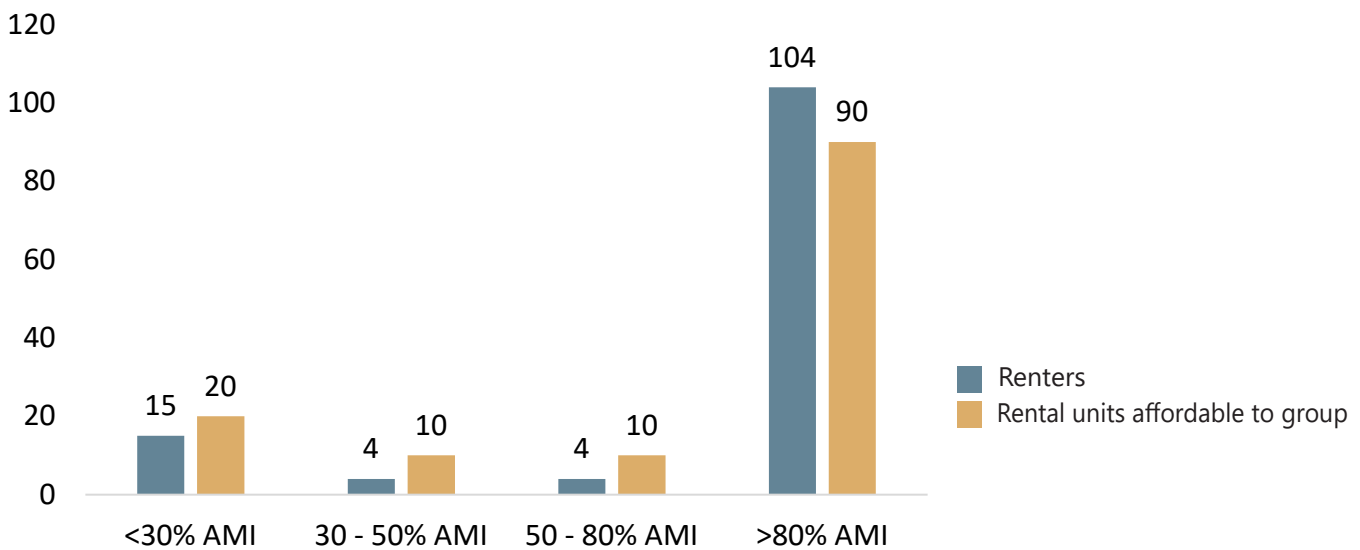
Exhibit 21: Rental Units Available by Income Bracket (Clyde Hill) compares renters within each income bracket to rental units determined to be affordable to each income group by the HUD. There is a slight deficit of rental units affordable to the renters making above 80% AMI, while there are slight surpluses in the rental units affordable to lower income groups. This may contribute to proportionally lower cost burden felt by renters compared to owners.

Exhibit 20: Age of Renters (Clyde Hill)

AGE GROUP	PERCENTAGE OF HOUSEHOLD IN AGE GROUP RENTING
Under 35 years	25%
35 to 44 years	4%
45 to 54 years	13%
55 to 64 years	12%
65 to 74 years	2%
75 to 84 years	2%
85 years & up	0%

Source: 2018-2022 ACS 5-year estimates. Table S1901.

Exhibit 21: Rental Units Available by Income Bracket (Clyde Hill)



Source: HUD CHAS (based on ACS 2018-2022 5-year estimates).

3.4 SUBSIDIZED HOUSING

As mentioned previously, Clyde Hill has no subsidized units, group homes, care facilities, income-restricted units, or public housing units available to those households who qualify for income-restricted housing. However, the City did recently pass an ordinance to allow emergency housing throughout the city. Additionally, as a member of A Regional Coalition for Housing (ARCH), Clyde Hill does contribute funding to a regional Housing Trust Fund that invests money from ARCH member cities to create and preserve affordable homes for low- and moderate-income families and individuals in East King County. This funding does not necessarily invest within the jurisdictions from which the funds were contributed. The ARCH Executive Board approved funding to develop 840 affordable housing units throughout East King County, representing \$6.1 million in funding.⁸

⁸ ARCH, 2024.

KEY TAKEAWAYS: HOUSING CONDITIONS

Housing Inventory

- There are 1,226 housing units, of which more than 99% are single-family homes.
- Eleven percent of the City's housing stock is a one- or two-bedroom unit, even though over half of all households contain only one or two people. There is a mismatch between the number of people and bedrooms in many homes.
- Almost half of the housing stock was built before 1970. As these homes continue to age, there will be a greater need to repair, maintain, and rehabilitate older structures.
- The total number of housing units in Clyde Hill has increased only slightly since 2000, indicating that new construction is primarily occurring through redevelopment of existing properties.

Housing Ownership

- Ninety-three percent (93%) of the city's housing units are owner-occupied.
- While the city overall has very high homeownership rates, older age groups consistently own homes in higher percentages than their younger neighbors.

Rental Housing

- Twenty-five percent of all households under thirty-five years old rent.
- For renters who make more than 80% of the Area Median Income, there is an under-supply of units available at their affordability level. There are slight housing unit surpluses for the renters in low income groups.

Subsidized Housing

- Clyde Hill has no subsidized housing units.
- Clyde Hill contributes to the ARCH Housing Trust Fund.

Part 4: Gap Analysis

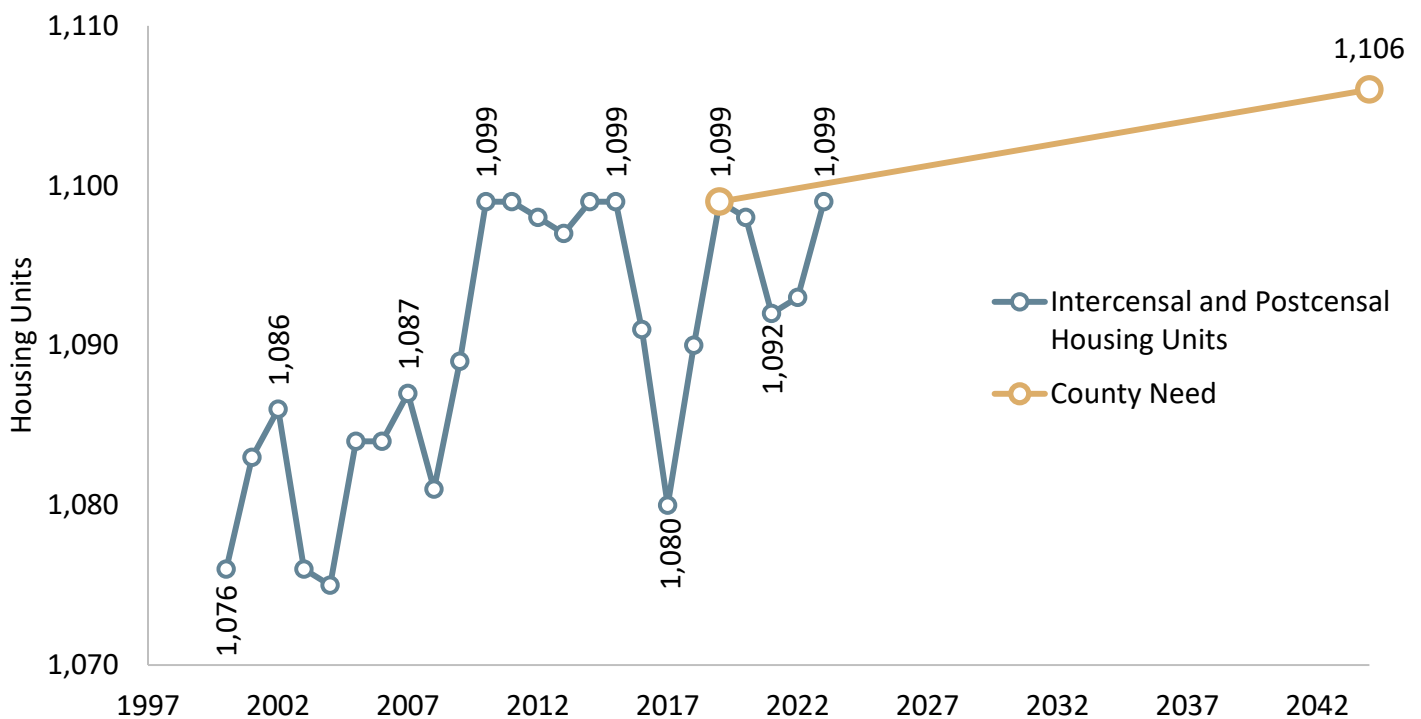
4.1 HOUSING NEEDED TO ACCOMMODATE FUTURE GROWTH

Every eight years the Growth Management Act (GMA) requires counties to coordinate a review and evaluation of development and land supply. To meet this requirement, counties review cities and their respective growth targets, density goals, and available lands. Countywide targets are developed through a collaborative process because population growth and housing needs are a regional matter. This process seeks to ensure that all jurisdictions accommodate a fair share of growth in the county.

Ordinance 19660 provided Clyde Hill with a 2044 housing growth target of 1,106, or an additional 10 units from its 2019 total unit count of 1,096. Assuming a similar average household size, the population growth by 2044 will be 41 people, or a total population of 3,151 by 2044. This population growth target requires an average annual growth of approximately one person from the 2019 population of 3,124. The 2044 housing target requires an average annual increase of less than one housing unit from the 2019 total. Since 2019, the base year used in housing projection analysis by the state, the number of housing units has fluctuated.

Throughout this analysis, several sources of housing data are used. Different sources provide different insights into the housing profile of the city, but also may differ in total housing unit estimates or other summary level statistics. Different methodologies in data collection and calculations used by these sources result in these differences. Throughout this report, sources have been selected both as recommended by the State and as to provide the best context for policy decision making.

Exhibit 22: Housing Demand Projections (Clyde Hill)



Source: OFM Forecasting and Research Division. Intercensal and Postcensal Estimates of April 1 Housing Units, 1980, 1990 to Present. King County Ordinance 19660, 2023.

Affordability Gap by Income Level

As housing supply and affordability elicit a regional lens, the following analysis shows how the current and future housing supply in Clyde Hill can meet the goals set by the County. To ensure the housing needs of all economic segments of the population are addressed and housing-related burdens are not simply transferred between jurisdictions, each community is encouraged to take on its fair share of affordable housing.

Policy H-3 of the 2021 King County Countywide Planning Policies requires cities to create an inventory that shows the affordability gap between the jurisdiction’s housing supply and the existing community need. A comparison between the number of households in each income group and the number of housing units which were affordable to these groups in 2020 is shown in *Exhibit 23: Current Housing Needs (Clyde Hill)*. The year 2020 is used because it is the most recent year for which this data is available.

As shown in the Existing Gap or Surplus row, the city is not meeting the needs of its lower income groups. The city has the highest gaps for very low and extremely low income groups, unable to meet the affordability needs of a total of 60 households. Conversely, there is a surplus of seventy units for households who make above 80% of the Area Median Income. Better alignment of household incomes groups and housing supply will result in lower cost burdens.

Exhibit 23: Current Housing Needs (Clyde Hill)

INCOME LEVEL	≤30% AMI	30-50% AMI	50-80% AMI	80-100% AMI	>100% AMI
2020 Households in Group	50	49	134	39	945
2020 Supply	20	18	129	94	960
Existing Gap or Surplus	30	31	5	55	15

Source: HUD Comprehensive Housing Affordability Strategy Data Portal, 2023

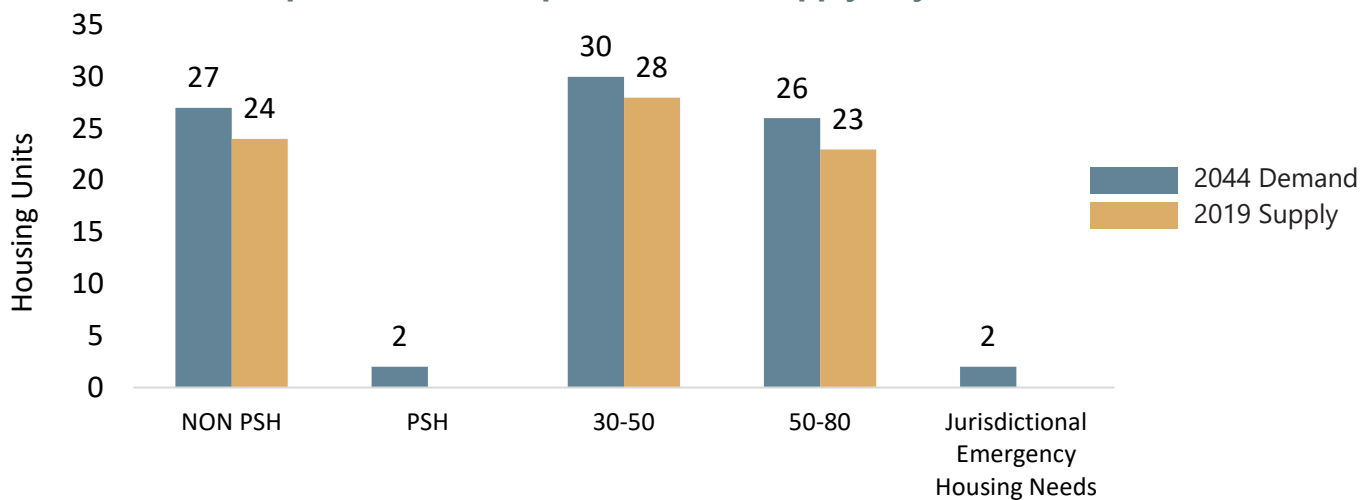
Exhibit 24: 2044 Housing Goals from King County (Clyde Hill)

INCOME LEVEL	≤30% AMI		30-50% AMI	50-80% AMI	80-100% AMI	100-120% AMI	>120% AMI	EMERGENCY HOUSING
	NON PSH*	PSH*						
2044 Demand	27	2	30	26	52	104	865	2
Existing Housing (2019)	24	0	28	23	52	104	865	0
Net new need	3	2	2	3	0	0	0	2

Source: King County Ordinance, 2023.

*PSH stands for Permanent Supportive Housing

Exhibit 25: 2044 Gaps: Demand Compared to 2019 Supply (Clyde Hill)



Source: King County Ordinance 19660, 2023.

Note: this does not include income groups over 80% AMI because these needs are met.

Future Housing Need by Income Level

Exhibits 24: 2044 Housing Goals from King County (Clyde Hill) and Exhibit 25: 2044 Gaps: Demand Compared to 2019 Supply (Clyde Hill) compare existing housing supply with the projected need from the County’s allocated 2044 growth targets. King County Ordinance 19660, passed on August 15, 2023, assigns growth targets to individual cities in King County. For this analysis, owners and renters are grouped together. These numbers indicate where supply increases should be encouraged and do not explicitly define a lack of supply if growth targets are achieved. In 2044, gaps are projected to remain among the low-income ranges. To address the gaps, it will be necessary for the City to consider how to increase the supply of housing at those lower income levels.

Exhibit 26 shows the difference between Existing Gaps and the 2044 Gaps. Both sets of gaps point toward the need for development of housing affordable to low-income groups. These two gaps likely show different scales of need because they represent different types of information: the existing gaps represent current estimates from the HUD, while the 2044 gaps are created by King County to allocate growth and inform policy. These two gaps should be viewed together and understood as complimentary, not contradictory. As Comprehensive Plan policies are implemented, the existing gaps between housing demand and supply by income groups should be monitored carefully to ensure that policies are having the desired effect.

Exhibit 26: Current Gaps versus Projected Gaps Based on Existing Housing (Clyde Hill)

INCOME GROUPS	EXISTING GAP	2044 GAP
≤30% AMI, PSH	NA	3
≤30% AMI, Non PSH	30	2
30-50% AMI	31	2
50-80% AMI	5	3
80-100% AMI	55	0
100-120% AMI	15	0
>120% AMI		0
Emergency Housing	NA	2

Source: HUD Comprehensive Housing Affordability Strategy Data Portal, 2023, King County Ordinance 19660, 2023.

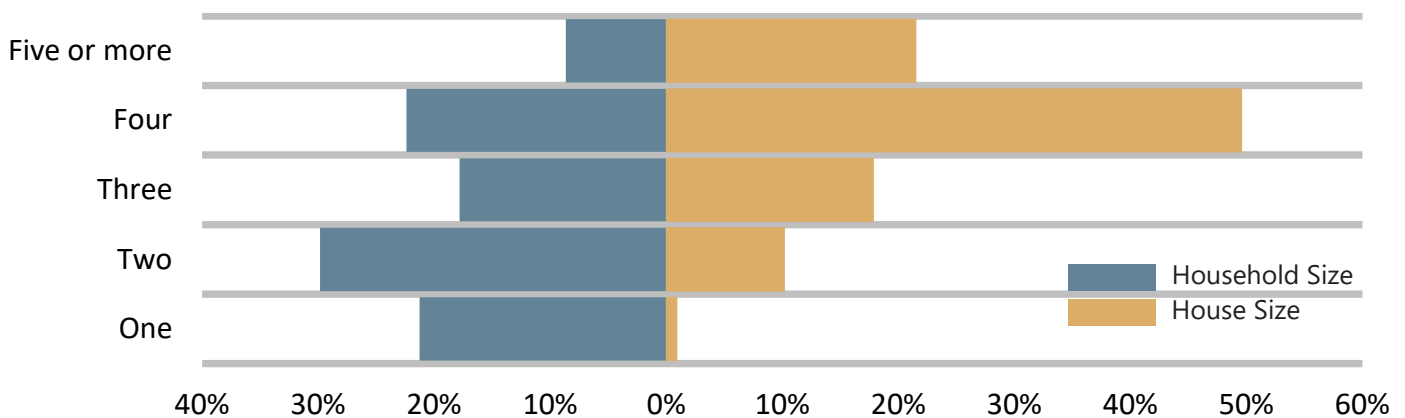
Note: The data used to show the existing gap does not show the gap specifically for 100-120% AMI, it shows only above 100% AMI.

4.2 DIVERSITY OF HOUSING CHOICES

Having a variety of housing choices is important for the city to meet the diverse needs of its population. Clyde Hill's housing supply is composed almost entirely of single-family detached units (99%).⁹ While 51% of households in Clyde Hill have only one or two members, just 1% of units have one or fewer bedrooms. A lack of smaller units compared to the percentage of one or two person households is important because smaller units are typically more affordable. Smaller households may be living off one income. It also means there is a lack of ownership options for younger families that may be looking to buy their first home and upsize later as their family grows or seniors looking to downsize after becoming empty-nesters. There is an oversupply of larger units in comparison to the distribution of household sizes: 71% of all units have four or more bedrooms and only 49% of households having five or more people.

⁹ 2018-2022 ACS 5-year estimates.

Exhibit 27: Household Size Compared to Number of Bedrooms (Clyde Hill)



Source: 2018-2022 ACS 5-year estimates. Tables DP04 and B25009.

Subsidized and Income-Restricted Units

As discussed earlier, subsidized or income-restricted units are one of the most important types of housing a city requires to ensure all housing needs are met. Without such units, it is difficult for many low-income households to avoid being cost-burdened. Furthermore, among these units, variety is necessary for the diversity of household types. No subsidized or income-restricted units currently exist in Clyde Hill.

4.3 LAND CAPACITY ANALYSIS

The King County Urban Growth Capacity analysis determines remaining zoned capacity within the city based on developable land. A land capacity analysis calculates the amount of vacant, partially used, and underutilized lands as well as land that has potential for redevelopment. This process identified the potential for land within a community’s boundaries to accommodate anticipated housing growth given the current zoning restrictions. As of the beginning of 2019, Clyde Hill has a remaining net capacity of 5 units. To meet the 2044 housing growth target, Clyde Hill needs 10 new units, which means there is a capacity deficit of 5 units. Jurisdictions shall demonstrate zoned or planned capacity for their 2044 growth targets in the upcoming periodic update of the comprehensive plan in 2024.

Zoning Considerations

Another component of the land capacity analysis estimates the expected types of housing that will be built with the remaining capacity based on the zoning of the land where the capacity lies. Throughout the County, this analysis relies on the assumption that land zoned for lower densities will be developed with single-family units and that land zoned for higher densities will be developed with multifamily units. Another assumption used for the analysis is that single-family units will likely provide opportunities for homeownership while multifamily units will likely be occupied by renters. Although these are just assumptions, the exercise allows for a comparison between the current mix of owners versus renters in the city with the type of opportunities the remaining capacity may provide.

Exhibit 28: Zoning of Land Capacity Compared with Current Tenure (Clyde Hill) shows that 100% of the remaining vacant or developable land in Clyde Hill is zoned for lower density residential uses. This land will most likely be developed as single-family residential. While most households in Clyde Hill are owners, 7% of households are renters. Rentals of single-family detached residences do occur, but higher density rental developments tend to be more affordable.

Exhibit 28: Zoning of Land Capacity Compared with Current Tenure (Clyde Hill)

ZONING CAPACITY	PERCENTAGE OF LAND WITH REMAINING CAPACITY ZONED FOR	HOUSING TENURE	HOUSEHOLD TENURE PERCENTAGES, 2019
Single-family	100%	Owner	93%
Multifamily	0%	Renter	7%

Source: King County Urban Growth Capacity Report 2021; 2018-2022 ACS 5-year estimates.

Another interesting comparison from the land capacity analysis compares the anticipated number of units, divided by type, with the projected need. The projected need is based on the 2044 growth targets, and it has already been shown that there is currently a capacity deficit in terms of total units. *Exhibit 29: Zoning of Land Capacity Compared with Projected Need (Clyde Hill)* displays the approximate totals of the remaining capacity broken down into single-family versus multifamily. This is evaluated against the projected 2044 need of owner-occupied and renter-occupied units as taken from the gap analysis. Not only is there insufficient capacity for total units needed, but insufficient capacity also results when comparing the number of owner-occupied units with the projected need. Clyde Hill may consider zoning changes to allow additional capacity for all unit types, including multifamily residential development to generate additional rental opportunities.

New state legislation will require Clyde Hill to permit and reduce barriers to the construction of accessory dwelling units (ADUs) and middle housing types in certain areas of the city. These styles of residential units will increase the zoned density while maintaining the scale of the city as it currently exists, likely accounting for the projected gap between capacity and need. While these future legislative changes will create additional density, they were not included in this Land Capacity analysis.

Exhibit 29: Zoning of Land Capacity Compared to Projected Need (Clyde Hill)

ZONING CAPACITY	CAPACITY REMAINING IN UNIT TYPE PER ZONING	CURRENT TENURE	2044 PROJECTED NEED
Single-family	5	Units to Own	9
Multifamily	0	Units to Rent	1

Source: 2018-2022 ACS 5-year estimates; King County, 2021.

The use of ADUs can help increase housing density in areas that are otherwise limited by single-family zoning regulations. By allowing homeowners to add additional housing units to their properties, ADUs can increase the overall housing supply without significantly altering neighborhood character. When added, ADUs can provide affordable housing options for renters, students, and low-income individuals and families.

Looking ahead, other middle housing approaches, such as duplexes, triplexes, and townhouses can further address the land capacity gap and provide more diverse housing options for residents. By allowing for a mix of housing types within neighborhoods, middle housing approaches can help increase housing density and create more vibrant communities while being compatible with the existing character of single-family homes.

KEY TAKEAWAYS: GAP ANALYSIS

Housing Needed to Accommodate Future Growth

- Clyde Hill has a 2044 housing growth target of 1,106 and a population target of around 3,284 people.
- The Clyde Hill housing stock has an insufficient supply of low-income housing, for those households earning 80% AMI and below.
- To address these gaps by 2044, Clyde Hill should consider how to increase the supply of housing at those levels through the development of ADUs and middle housing options. Incentives for affordable housing developments or the provision of rent-subsidized housing could also be considered as strategies.

Diversity of Housing Choices

- By comparing the household sizes and number of bedrooms in units in Clyde Hill, there do not appear to be enough smaller units, which could provide sufficiently sized, more affordable housing options for smaller households.
- Subsidized housing may need to be introduced in Clyde Hill to meet the needs of the various types of households that are low-income.

Land Capacity Analysis

- As of 2019, Clyde Hill does not have enough vacant or redevelopable land to meet its 2044 growth targets. The City may need to rely on the recently enacted state legislation, which mandates the allowance of ADU and middle housing projects, to close the land capacity gap.
- All remaining vacant or redevelopable land is zoned for lower density or single-family development.
- The gap analysis projects that the capacity deficit exists for both owner and renter-occupied units, meaning Clyde Hill may consider zoning changes to allow additional capacity for all unit types, including multifamily residential development, ADUs, and missing middle housing to generate additional rental opportunities.

NEXT STEPS

This Housing Needs Assessment identifies Clyde Hill's current and future housing needs. In addition to the HNA, the Housing Element will be informed by public input and an assessment of existing city policies and regulations. Housing Element strategies will address identified needs and policy changes and will be presented to Council for review and adoption in 2024.