


Housing



Redmond is a diverse community that more than 65,000 people call home and where over 97,000 people are employed. People from throughout the region come here to work in industries such as software, aerospace, interactive media, and electronics. As the number of people who desire to live in Redmond has increased, the supply of housing affordable at various levels has not kept pace with the demand.

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Summary:

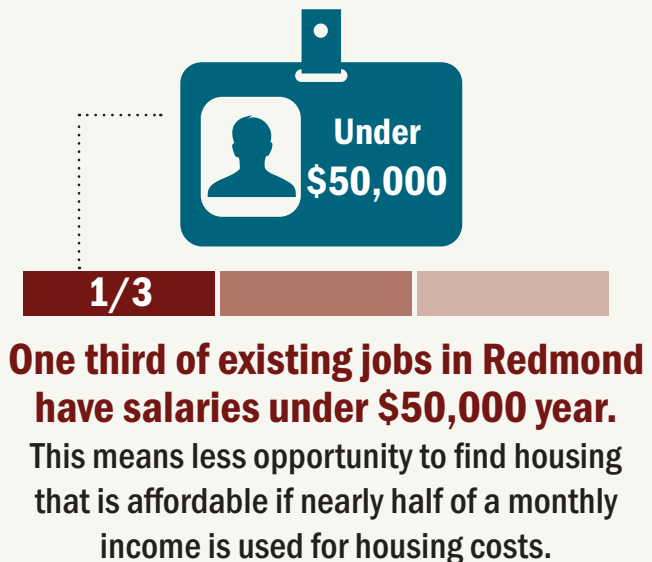
Increased demand for housing in Redmond has resulted in higher home prices and rents. This in turn has affected the ability for first-time home owners, middle income, and those with fixed incomes to live here. With a 20% increase in population expected by 2030, the City has planned for this growth while maintaining the quality of our single family neighborhoods and enhancing community character and by using a comprehensive approach to address a range of housing needs.

Housing Choices

The recently adopted Community Strategic Plan (October 2019) identifies a number of specific strategies to achieve housing choices for all who would choose to live in Redmond. Measures include evaluating parking, permitting and infrastructure costs that affect overall housing costs,

providing incentives to increase the supply of affordable and workforce housing and encouraging methods to foster 10-minute communities, where work, shopping, schools and play are ten minutes from where people live.

The City also uses a variety of other tools such as land use regulations, direct funding assistance and partnership with local organizations to support the creation and preservation of affordable housing. The City's planning efforts and policies encourage an increased supply and diversity of housing to provide opportunities for people to live and invest in the community where they work instead of spending hours commuting to and from home. Redmond is a founding member of A Regional Coalition for Housing (ARCH), which is a partnership of King County and 15 East King County cities that have joined to pool funds and housing expertise to increase the supply of affordable housing in East King County.



OVER 40% of seniors in Redmond who rent pay more than **50% of their income** for housing

More details at redmond.gov/HousingChoices

Strategies to Increase Housing Supply:

Direct Assistance and Support:

- **ARCH Housing Trust Fund:** For every \$1 the City contributes to ARCH, \$10 has been leveraged from other sources to fund affordable housing projects. Since 1995, ARCH has assisted in funding over 3,600 new affordable homes in East King County, with new projects planned in the next few years bringing over 600 more affordable homes.
- **Community Development Block Grants:** Redmond receives approximately \$100,000 per year in grants from the federal government which help with a variety of needs related to affordable housing.
- **Surplus Public Land:** Publicly owned land can be made available for affordable housing at no or low cost when there is a defined public benefit.
- **Partnerships:** The City partnered with the developer, ARCH and other public and private funders to support the creation of Capella at Esterra Park now under construction with 261 affordable dwellings.

Other Tools:

- **Inclusionary Housing:** Ten percent (10%) of the dwellings in new residential developments of 10+ units are required to be affordable to households earning 80% or less than the area median income (AMI) - \$86,880 for a family of 4.
 - » Alternatively, developers may provide 5% of the dwellings to households at 50% AMI or less.
 - » At least one bonus market-rate unit is permitted for each affordable housing unit provided.
 - » Over 700 affordable dwellings have been created since 1994 as a result of these regulations.
- **Housing Incentives:**
 - » **Multifamily Property Tax Exemption Program (MFTE):** New rental residential and mixed-use projects of 10+ units in three defined Residential Target Areas within the City - Downtown, Overlake Village and Marymoor Village - can apply for an exemption on property taxes on the residential improvement value of new developments for either eight or 12 years, in exchange for providing affordable housing.
 - » **Flexible Land Use Requirements:** Housing diversity is encouraged in areas with developed infrastructure and include smaller homes, cottages and duplexes as well as homes for seniors and accessory dwelling units (ADUs).
- **Development Financing Tools:**
 - » **Federal Low-Income Housing Tax Credits:** The Washington State Housing Finance Commission enables developers to raise capital for projects by reducing financial debt or equity requirements. This is a significant incentive for development and rehabilitation of rental housing, administered annually on a statewide competitive basis. <http://wshfc.org/admin/30yearsLIHTC.pdf>
 - » **State of Washington Housing Trust Fund:** The Department of Commerce administers this fund to provide an average of \$100 million annually to affordable and special needs housing projects. <https://www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/>
 - » **Corporate Lending and Partnerships:** Private sources and partnerships to fund affordable housing for low and moderate-income individuals and homeless assistance will provide new opportunities for solutions within the Puget Sound region.

Focusing Future Development in Redmond's Centers:

Overlake	Downtown	Marymoor Village
» 3rd largest jobs center in Puget Sound region: 48,000+ jobs	» Home to 4,000 residents; will increase to 11,400 by 2030	» Local Center designation, 2017
» Light rail in operation in 2023	» Light rail in 2024	» Light rail in 2024
» Major developments to provide approximately 2,000 new dwellings	» More than 11,000 jobs	» New residential center with 5,000 units estimated in future
» 2030 projected total dwelling unites: 5,700	» New trails and transit connections	» 2,780,000 sq. ft. floor area estimated for total projected commercial use



For More Information:

Learn more at

- redmond.gov/CommunityStrategicPlan
- redmond.gov/HousingAffordability
- redmond.gov/MFTE
- archhousing.org (A Regional Coalition for Housing)

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