

Dec 10, 2020

NW20-032

To: Northwest Council Delegates

From: Northwest L&PA Committee

Subject: **PRESUBMITTED NEW BUSINESS:** Addressing Our Housing Affordability Crisis

Background

The United States as a whole is experiencing a crisis of affordability, driven by the many systemic problems that have led to the **stagnation of real wages** for most working people.

Housing is generally regarded as the most concerning aspect of the situation, and the Pacific Northwest has been particularly hard hit. Increasingly, even the “good jobs” at local high-profile companies like Boeing are not good enough to provide for adequate housing.

Washington ranks as the seventh most expensive state in the nation for housing, with an average housing wage* of \$27.78. **King and Snohomish Counties are particularly expensive**, with a housing wage of \$36.52, which translates to an annual salary of \$76,200. That means:

- The typical new SPEEA Prof Unit member coming out of college has essentially **no affordable housing options** near the place of employment. Many of these members face additional financial stress due to high education debt, making their situation even more difficult.
- The typical SPEEA Tech Unit member **has to advance to Level 3 or higher** in order to reach the threshold of housing affordability, in an environment where promotion is increasingly difficult.
- Both units face the fact that **rents and home prices are increasing faster than salaries**. According to Zillow data, in the five-year period between 2015 and 2020, rents in our area increased by 5.5% per year on average, while most members can only look forward to 2% to 3% raises in the coming years.

* “Housing wage” is defined as the hourly wage necessary for rent and utilities on a 2BR apartment at fair market rates without spending more than 30% of income. Housing wage data reference: https://reports.nlihc.org/sites/default/files/oor/OOR_2019.pdf

The lack of affordable housing affects all of us, in many different ways:

- Boeing commonly cites high housing costs in Puget Sound as a key reason for **moving work** to other parts of the country, in order to be able to attract employees. Obviously Boeing has other reasons for moving work, but it is undeniable that housing affordability plays a role.
- Those members fortunate enough to have established homes in the Puget Sound area increasingly find that their **children and grandchildren** are moving to other parts of the country in search of affordable housing.
- The rapid increase in home valuations means an **increasing tax burden** for homeowners.
- High housing costs are directly tied to the severe crisis of **homelessness** in our region.

Legislative efforts at the state, regional, and local levels need to be continuously renewed to address the ongoing crisis of housing affordability.

Motion

It is moved that the Northwest Council go on record as being in favor of legislation that will support housing affordability.

Pro: More affordable housing will improve the lives of SPEEA members and all workers in our region.

Con: Housing affordability is an extremely complex problem, making legislative solutions controversial.

Prior to council action (voting) to determine a legislative or public affairs position, the Northwest Council’s Legislative & Public Affairs Committee shall investigate and produce both pro and con statements and a majority committee recommendation.

Passage or adoption of any legislative or public issue proposal shall be by published ballot and require:
A majority vote of all Council Members present.