South Sound Housing Affordability Partners Middle Housing Project
RACIAL EQUITY ANALYSIS

A collaboration among **SSHȺP** **&** The cities of Edgewood, Fife, Gig Harbor, Milton, and University Place

Photo of the Iseri family working at a raspberry farm, 1908. Courtesy UW Special Collections (2093)

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Introduction

A recent update to Washington's Growth Management Act (RCW 36.70a.070) requires local jurisdictions to identify policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing and implement policies to address and undo these effects. Additionally, jurisdictions must identify areas that may be at a higher risk of displacement from market forces that occur as a result of changes to zoning, development regulations, and capital investments and establish anti-displacement policies. Finally, the GMA also requires jurisdictions to make provisions for moderate density housing, such as duplexes, triplexes, and townhomes.

The South Sound Housing Affordability Partners (SSHA³P) in partnership with the cities of Edgewood, Fife, Gig Harbor, Milton, and University Place, received a grant from the Department of Commerce's Middle Housing Grant Program. Established in 2021, SSHA³P is an intergovernmental collaboration between the jurisdictions of Auburn, DuPont, Edgewood, Fife, Fircrest, Gig Harbor, Lakewood, Milton, Puyallup, Sumner, Steilacoom, Tacoma, and University Place, Pierce County, and the Puyallup Tribe. SSHA³P members collaborate to create and preserve affordable, attainable, and accessible housing throughout their communities.

The grant provides funds to conduct research and community engagement activities necessary to make policy and regulation changes that allow middle housing types in existing single family neighborhoods. The authorizing legislation also requires grantees to conduct a racial equity analysis and establish anti-displacement policies to ensure there will be no net displacement of very low, low, or moderate-income households or individuals from racial, ethnic, and religious communities that have been subject to discriminatory housing policies in the past.

This report addresses the grant requirements for a Racial Equity Analysis. The analysis evaluates multiple geographic, demographic, racial and ethnic, housing, income, and displacement metrics to identify the following:

1. racially disparate impacts in housing due to past and current discriminatory policies, and

2. areas that may be at a higher risk of displacement from market forces.

The report is structured into two sections.

Part ❶. Racially Disparate Impacts Analysis

Part 1 presents an analysis of dimensions of racially disparate impact for the five participating cities and Pierce County. This includes measures of housing exclusion and segregation, racially disparate impacts, and displacement risk.

Part ❷. City Profiles

Part 2 presents city-specific analysis of racially disparate impacts and exclusion for each participating city. This includes a discussion of the racial and ethnic history of the area, a demographic profile, an analysis of population change, housing outcomes, and displacement risk.

Key Findings

The Racial Equity Analysis broadly evaluates three major themes of racial inequity within the five cities participating in the Middle Housing Grant Program. The three major components of racial equity analysis are housing exclusion and segregation, racially disparate impacts in housing, and displacement risk. Key findings from each section include:

Housing Exclusion and Segregation

- Residents that identify as Black experience the highest levels of racial segregation, both in Pierce County and across the five cities. The Black population is experiencing higher levels of housing segregation in Edgewood and Milton relative to other groups in those cities and compared to Black populations in the three other study cities.

- Residents that identify as Asian consistently have the second highest rate of segregation, with larger disparities observed in Edgewood, Gig Harbor, Milton, and University Place. Black and Asian populations are experiencing relatively similar levels of segregation in Fife and Gig Harbor, which are higher than for Hispanic and Latino populations in both communities.

- In general, the degree of geographic segregation experienced by the Hispanic or Latino population tends to be similar to or less than people of color overall.

Racially Disparate Impacts in Housing

- Households led by a person of color have a higher rate of housing cost-burden (defined as total housing costs being greater than 30% of a household's income) than White households in all jurisdictions except University Place.

- Households that identify as Black, American Indian or Alaska Native, and Hispanic or Latino are more likely to experience housing cost burden, or be blocked from an area due to housing costs (experiencing an exclusionary effect). Households that identify as two or more races also tend to have lower levels of housing affordability.

- Four of the study jurisdictions have a *nominal* shortage of affordable homes for households with incomes less than 50% of AMI, which means there are fewer than 100 affordable homes for every 100 households in that economic segment. The shortage ranges from only 42 affordable units per 100 households in Gig Harbor, to 82 affordable units per 100 households in Milton. The shortage is more severe for households with incomes less than 30% of AMI. Moreover, all five cities display an *effective* shortage of affordable homes for households with incomes less than 80% of AMI. This means that higher income households are "down renting" into more affordable housing units, which prevents those units from being available for households with incomes at a commensurate level.

Displacement Risk

- Fife and University Place show signs of moderate and high displacement risk across large sections of both cities, primarily due to higher levels of social vulnerability.

- In Milton, neighborhoods with higher levels of racial diversity show relatively low displacement risk, indicating that these neighborhoods are not exhibiting signs of gentrification and have

market conditions that are either stable or appreciating at a pace slower than countywide trends.

▪ Edgewood exhibits low displacement risk across the whole city. It has a combination of low social vulnerability, a decreasing share of low-income households paired with a growing share of people of color, and relatively low rents that, while appreciating, are still lower than many other places in Pierce County.

▪ Areas of higher displacement risk in Gig Harbor result from demographic changes and market conditions that are leading to rapidly rising rental prices.

Exhibit 1. Summary of Racially Disparate Findings

Observed Disparity? Yes = ● No = ○ Partial = ◐	Edgewood	Fife	Gig Harbor	Milton	University Place
Evidence of Exclusionary Effect	●	○	●	●	○
Black or African American	●	○	●	○	○
Hispanic and Latino	● (gap is closing)	○	●	○	○
Racial Segregation	◐	○	○	○	○
Disparities in Homeownership	●	●	○	●	●
Asian	○	●	○	○	○
Black or African American	○	●	○	○	●
Hispanic and Latino	●	○	○	●	●
Racial Disparities in Cost Burden	●	◐	●	○	○
Areas of Higher Displacement Risk	○	●	●	●	●

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Part 1. Racially Disparate Impacts

Notes on Data and Categories

Race and ethnicity data come from the U.S. Decennial Census and the American Community Survey (ACS). Both data products use the same race and ethnicity categories, which include:

- For race: American Indian or Alaskan Native, Asian, Black or African American, Native Hawaiian or Other Pacific Islander, White, and other. In addition, they have a category for two or more of the categories.

- For ethnicity: Hispanic or Latino, and not Hispanic or Latino.

Individuals are asked to answer a question about race and a question on ethnicity. For the purposes of this analysis, the data groups all respondents who answer in the affirmative for being Hispanic or Latino regardless of race. For example, a person that is Black and Hispanic would be classified as Hispanic. To prevent double counting the other racial groups exclude people who are Hispanic or Latino. The full set of race and ethnicity categories include:

- American Indian or Alaskan Native (not Hispanic or Latino)

- Asian (not Hispanic or Latino))

- Black (not Hispanic or Latino)

- Native Hawaiian or Other Pacific Islander (not Hispanic or Latino))

- White (not Hispanic or Latino))

- Other (not Hispanic or Latino))

- Two or more races (not Hispanic or Latino)

- Hispanic or Latino of any race

The U.S. Decennial Census and the associated data products provide the best available information for the SSHA³P jurisdictions. However, privacy protection measures limit the ability to further disaggregate data into finer racial and ethnic identities. Moreover, for ACS data – which is based on a survey, unlike the Decennial Census counts – small sample sizes can create large margins of error for some race or ethnicity categories. The analysis notes where estimates are suppressed or should be interpreted with caution due to sampling error.

Housing Exclusion and Segregation

An important piece of evaluating racially disparate impacts is determining the extent to which a community is experiencing exclusion or segregation. The analysis includes three measures to help quantify patterns in geographic distribution:

1. A **comparison of the racial profiles** of the jurisdictions and the county;

2. A **location quotient** of the representativeness of areas within the cities;

3. A **dissimilarity index** that compares the relative isolation or integration of each racial or ethnic group.

Additional community input is necessary to determine the specific forces that lead to the observed geographic patterns and to better identify the root causes of either exclusion or segregation should they exist.

Race and Ethnicity by Jurisdiction

Historically, North American land use policies and processes of city incorporation have been used to segregate and exclude people of color from some communities, particularly suburban communities established in the latter half of the 20th century.[1] To test for exclusionary effects, **Exhibit 2** compares the racial and ethnic composition of each jurisdiction to the Pierce County distribution across eight Census-defined categories.

In Pierce County, 62% of the population identifies as White alone (not Hispanic or Latino). A greater proportion of Gig Harbor (79%), Edgewood (74%), and Milton (67%) populations identify as White compared to the countywide rate. People who identify as Black are less represented in these communities compared to the countywide rate of 7% (Edgewood [2%], Gig Harbor [1%], and Milton [4%]). Edgewood and Gig Harbor also have less representation of the Hispanic or Latino community (8% and 7%, respectively, compared to the countywide rate of 12%).

The racial composition of Fife departs from the countywide pattern with a majority of the population identifying as people of color (61%). Fife has a greater representation of people who identify as Asian (16% compared to the countywide rate of 7%), as well as Native Hawaiian or Other Pacific Islander (8% compared to the countywide rate of 2%). Additional community input and analysis is necessary to determine if this is in part the result of an exclusionary effect from neighboring jurisdictions or if there are distinct local factors making Fife the community of choice for these populations. Follow-on sections of this report use analytical tools to further explore these potential exclusionary dynamics.

The distribution of groups in University Place roughly parallels the county. University Place has a slightly larger Asian community (11% compared to the countywide rate of 7%) and smaller proportion of the Hispanic or Latino community (9% compared to the countywide rate of 12%).

The data table in **Exhibit 2** includes the change in racial and ethnic composition between 2010 and 2020. There was an increase in the share of residents identifying as two or more races across all jurisdictions, matching a trend at the county level. The proportion of the population that identifies as people of color grew in all five cities, with the greatest shifts in Edgewood (14 percentage points) and Milton (13 percentage points) compared to a range of 7-9 percentage points in the other jurisdictions. In Edgewood the greatest change was for the Asian and Hispanic or Latino shares of the population (4 percentage points for each group), whereas in Milton the change was primarily in the Hispanic or Latino group. While Edgewood and Milton have higher proportions of the population identifying as White in 2020 compared to the county, this trend suggests that this discrepancy is closing.

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[1] See Rothstein, R. (2018). The Color of Law. Liveright Publishing Corporation.

Exhibit 2. Race and Ethnicity by Jurisdiction, 2020
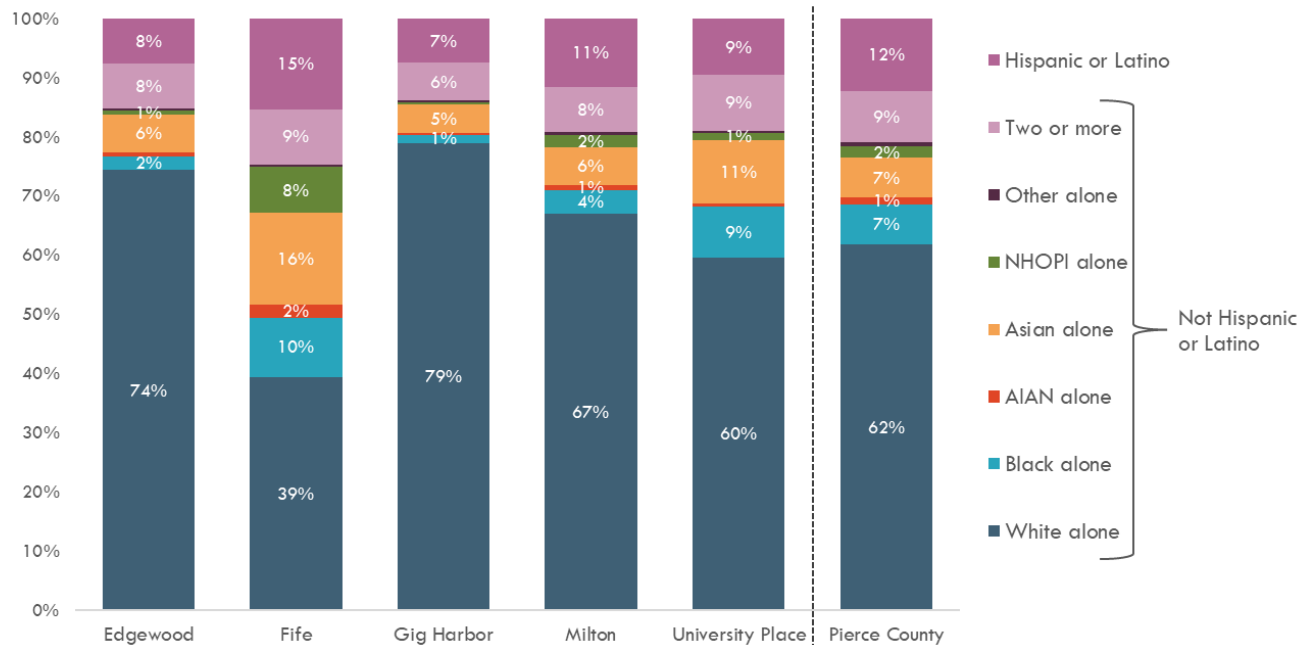
	Edgewood		Fife		Gig Harbor		Milton		University Place	
	2010	**2020**	**2010**	**2020**	**2010**	**2020**	**2010**	**2020**	**2010**	**2020**
White alone	88%	74%	48%	39%	86%	79%	80%	67%	68%	60%
Black alone	1%	2%	8%	10%	1%	1%	3%	4%	8%	9%
AIAN alone	1%	1%	2%	2%	1%	0%	1%	1%	1%	1%
Asian alone	2%	6%	15%	16%	2%	5%	5%	6%	9%	11%
NHOPI alone	0%	1%	3%	8%	0%	0%	1%	2%	1%	1%
Other alone	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%
Two or more	3%	8%	6%	9%	3%	6%	4%	8%	7%	9%
Hispanic or Latino	4%	8%	17%	15%	6%	7%	5%	11%	7%	9%

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories)

Sources: U.S. Decennial Census, 2010 and 2020; BERK 2023

Exhibit 3 shows the geographic distribution by race and ethnicity for the five cities. This analysis demonstrates that the populations in Edgewood, Gig Harbor, and Milton are primarily White without notable concentrations of people of color. Fife and University Place have a greater diversity of races or ethnicities throughout their jurisdictions. The distribution of people by race and ethnicity suggests some geographic clustering, which could be a sign of exclusion or represent patterns of segregation. Additional analysis of racial and ethnic distributions is discussed in **Part 2. City Profiles** in this report.

Exhibit 3. Race and Ethnicity Dot Density Map, 2020
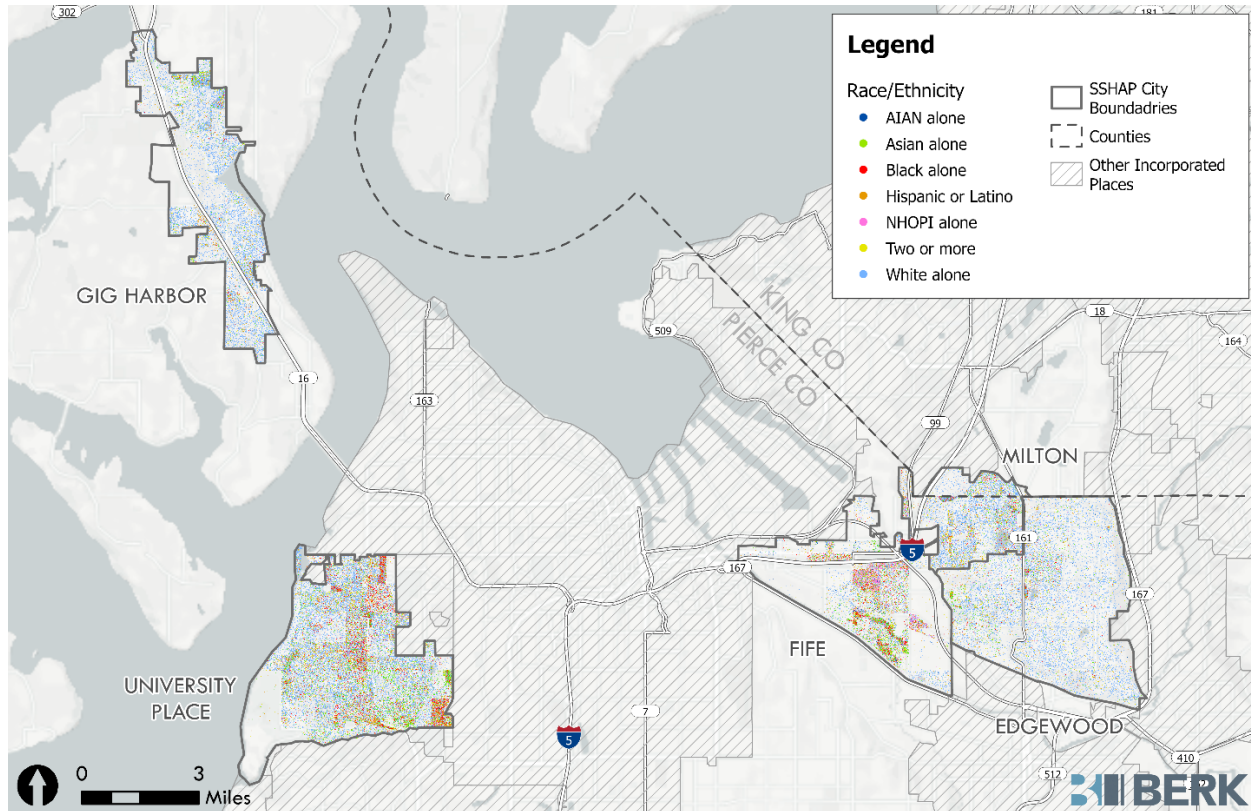
Sources: U.S. Decennial Census, 2020; BERK, 2023.

Location Quotients: Patterns of Exclusion

Location quotient (LQ) scores show the concentration of communities in relatively small areas (e.g., a Census block group) compared to a larger area. For this analysis, racial and ethnic communities on a neighborhood level are compared to their respective share of the citywide population. For example, if 10% of the city's population is Black, and 10% of a particular block group population is Black, then the location quotient is 1 (i.e., the concentration of the Black community in that small area roughly matches the citywide level). A block group where 20% of residents are Black would have a location quotient of 2. A block group where only 5% of residents are Black would have a location quotient of 0.5. In other words, areas with high location quotient scores have a greater share of that population compared to the rest of the city. This method can help identify areas of potential segregation or exclusion.

Exhibit 4 through **Exhibit 8** show the location quotient for four races or ethnicities in the five cities (Asian alone, Black alone, Hispanic or Latino, and White alone populations), along with

This report uses both the acronym BIPOC and the phrase "people of color" when referring to people who identify as a race other than White, not Hispanic or Latino. BIPOC is an acronym that stands for "Black, Indigenous, and people of color" that includes all nonwhite identified people and people who identify as Hispanic or Latino, as well as highlighting the historical injustices imposed on specifically the Black and Indigenous communities. Households are assigned to a racial group based on the self-reported identity of the householder, which is the person in whose name the housing unit is owned or rented.

all BIPOC populations. They are based on block group population calculations, and the results are distributed to a hexagonal grid that is roughly 1,000 by 1,000 feet to provide a more granular view of neighborhood trends. All areas with location quotients above 1.0 have a higher share of that particular group than the city as a whole. Areas with scores below 1.0 have a lower share.

The LQ analysis shows relatively high concentrations of residents identifying as "Asian alone" in north Gig Harbor, southeast University Place, south Fife, and west Edgewood, and relatively low concentrations throughout much of Gig Harbor, southeast Edgewood, central Milton, and north and west University Place. For residents identifying as "Black alone," there are far more areas with significantly lower concentrations across the five study jurisdictions. Black residents, for example, have very low concentrations in central Gig Harbor, east Edgewood, and central Milton, with only a few areas with relatively high concentrations in west Edgewood, central Fife, and pockets of University Place. Fife and Gig Harbor are the only study jurisdictions with significant concentrations of Hispanic or Latino residents. Edgewood has a moderate concentration on the city's western side, but throughout much of Edgewood, Milton, and University Place, the LQ for Hispanic or Latino residents is around 1 or below, indicating a proportional or relatively low share.

Meanwhile, many areas within each city exhibit a proportional share of residents identifying as "White alone" to the citywide level. In Gig Harbor, for example, every area roughly matches the citywide share of White residents, and the same is true for most areas within University Place. Western Edgewood and central Milton exhibit a relatively low share and high share of White residents, respectively, but otherwise have neighborhoods roughly in line with their citywide levels. Fife has a small residential pocket in the northern part of the city with a relatively high share of White residents, just to the east of a neighborhood with a relatively low share. Much of southeastern Fife has a proportional share of White residents to the citywide level.

Exhibit 4. Location Quotient for Asian Residents, 2020

Note: This application of a location quotient measures a race or ethnicity's share of the population in a block group relative to that same group's share of the population within the city as a whole. A LQ score of 1 indicates an identical share of the population. Scores less than 1 indicate that the group has a lower share of the population within the subarea than the city as a whole, and scores above 1 indicate that the group has a higher share within the subarea. Block group results are interpolated onto 1,000 x 1,000 foot hexagons for a more detailed interpretation.

Legend

SSHAP City Boundaries
Other Incorporated Places

Location Quotient - Asian alone
- Over 2.0
- 1.5 to 2.0
- 1.2 to 1.5
- 0.8 to 1.2
- 0.6 to 0.8
- 0.4 to 0.6
- Under 0.4

Map Date: March 2023

Exhibit 5. Location Quotient for Black Residents, 2020

Note: This application of a location quotient measures a race or ethnicity's share of the population in a block group relative to that same group's share of the population within the city as a whole. A LQ score of 1 indicates an identical share of the population. Scores less than 1 indicate that the group has a lower share of the population within the subarea than the city as a whole, and scores above 1 indicate that the group has a higher share within the subarea. Block group results are interpolated onto 1,000 x 1,000 foot hexagons for a more detailed interpretation.

Legend

SSHAP City Boundaries
Other Incorporated Places

Location Quotient - Black alone
- Over 2.0
- 1.5 to 2.0
- 1.2 to 1.5
- 0.8 to 1.2
- 0.6 to 0.8
- 0.4 to 0.6
- Under 0.4

Map Date: March 2023

Sources: U.S. Decennial Census, 2020; BERK, 2023.

Exhibit 6. Location Quotient for Hispanic or Latino Residents, 2020

Note: This application of a location quotient measures a race or ethnicity's share of the population in a block group relative to that same group's share of the population within the city as a whole. A LQ score of 1 indicates an identical share of the population. Scores less than 1 indicate that the group has a lower share of the population within the subarea than the city as a whole, and scores above 1 indicate that the group has a higher share within the subarea. Block group results are interpolated onto 1,000 x 1,000 foot hexagons for a more detailed interpretation.

Legend

SSHAP City Boundaries
Other Incorporated Places

Location Quotient - Hispanic or Latino
- Over 2.0
- 1.5 to 2.0
- 1.2 to 1.5
- 0.8 to 1.2
- 0.6 to 0.8
- 0.4 to 0.6
- Under 0.4

Map Date: March 2023

Exhibit 7. Location Quotient for White Residents

Note: This application of a location quotient measures a race or ethnicity's share of the population in a block group relative to that same group's share of the population within the city as a whole. A LQ score of 1 indicates an identical share of the population. Scores less than 1 indicate that the group has a lower share of the population within the subarea than the city as a whole, and scores above 1 indicate that the group has a higher share within the subarea. Block group results are interpolated onto 1,000 x 1,000 foot hexagons for a more detailed interpretation.

Legend

SSHAP City Boundaries
Other Incorporated Places

Location Quotient - White alone
- Over 2.0
- 1.5 to 2.0
- 1.2 to 1.5
- 0.8 to 1.2
- 0.6 to 0.8
- 0.4 to 0.6
- Under 0.4

Map Date: March 2023

Exhibit 8. Location Quotient for All BIPOC Residents, 2020

Sources for Exhibit 4 through Exhibit 8: U.S. Decennial Census, 2020; BERK, 2023.

Degrees of Segregation and Integration (Dissimilarity Index)

A dissimilarity index is a statistical method for measuring segregation based on the demographic composition of an area and smaller geographic units within that area. Simply put, it indicates how evenly two demographic groups are distributed throughout an area. For this analysis, the index measures the degree of segregation for several racial or ethnic groups relative to the White alone population. If the composition of both groups in every geographic unit (e.g., Census block group)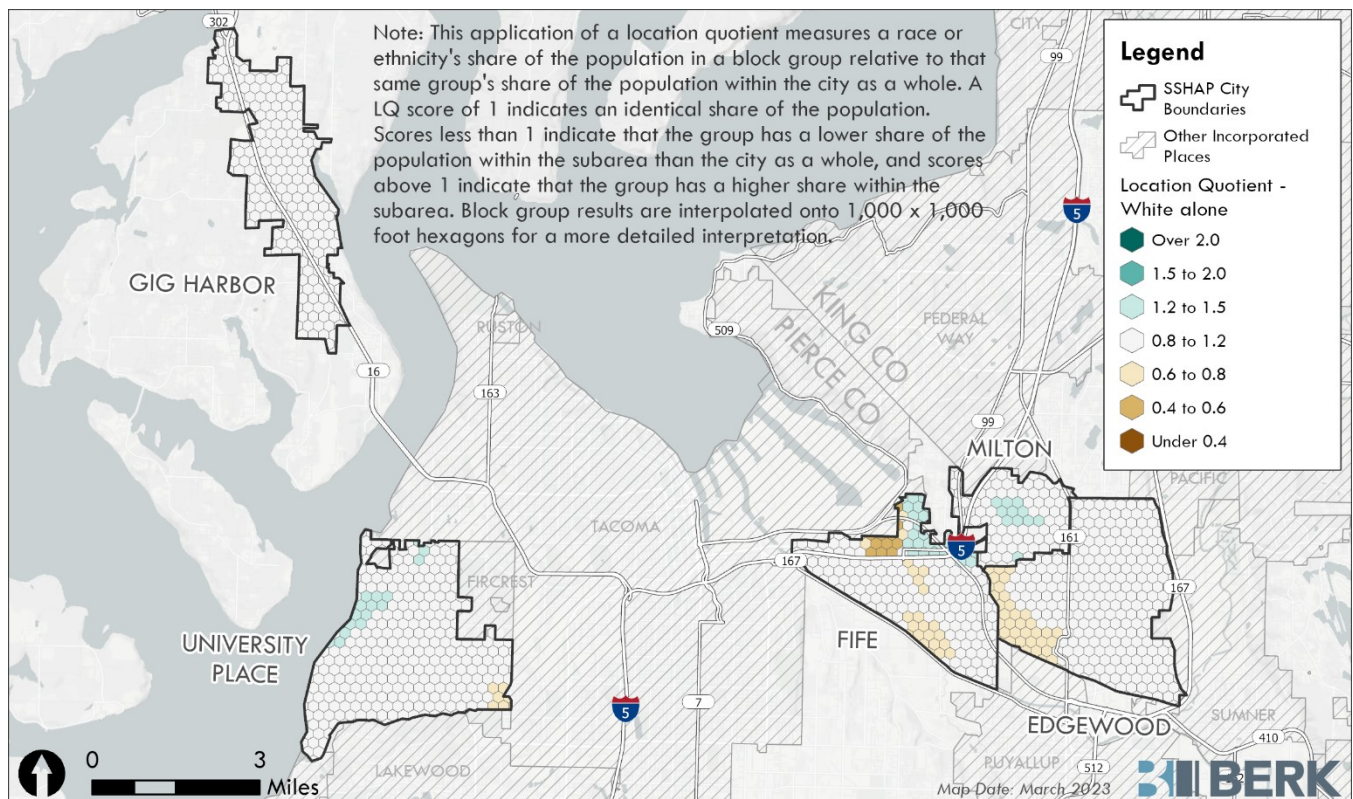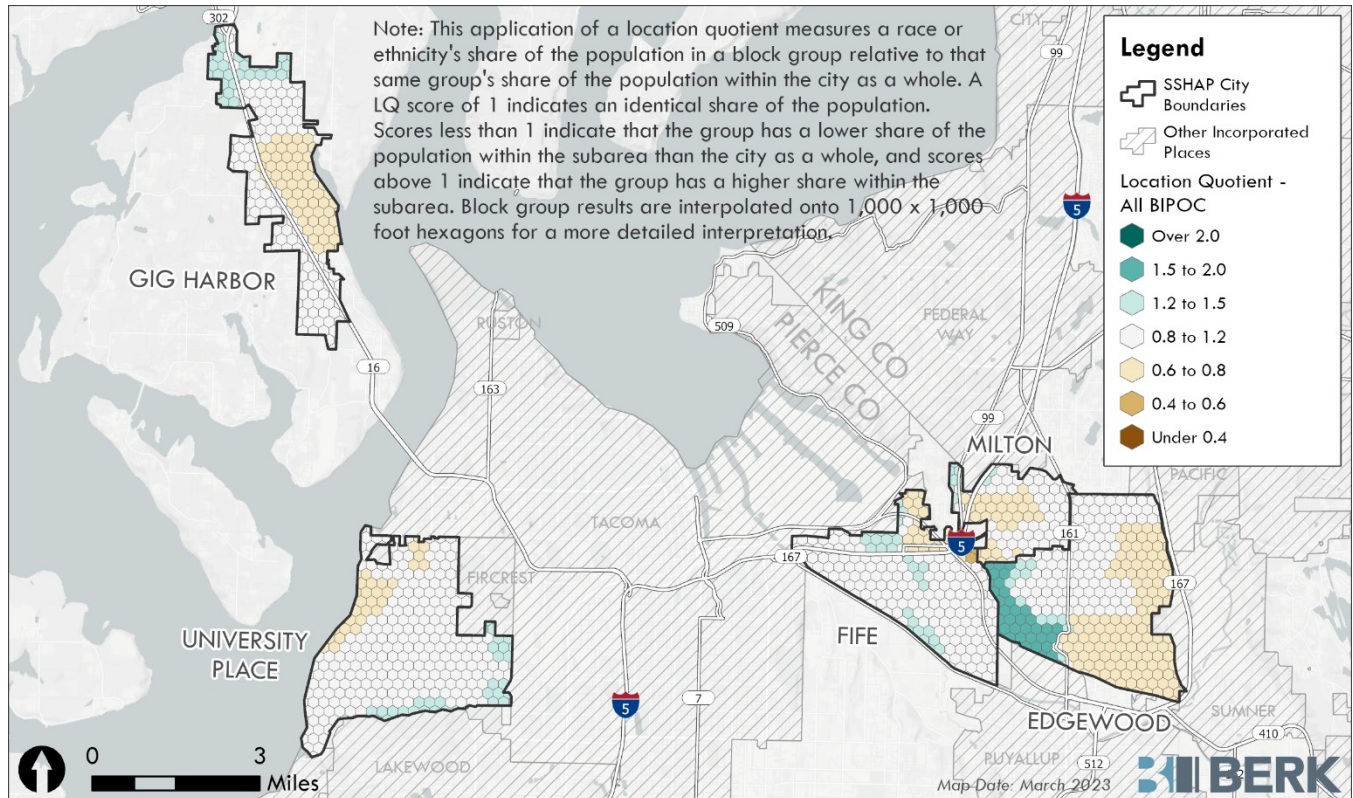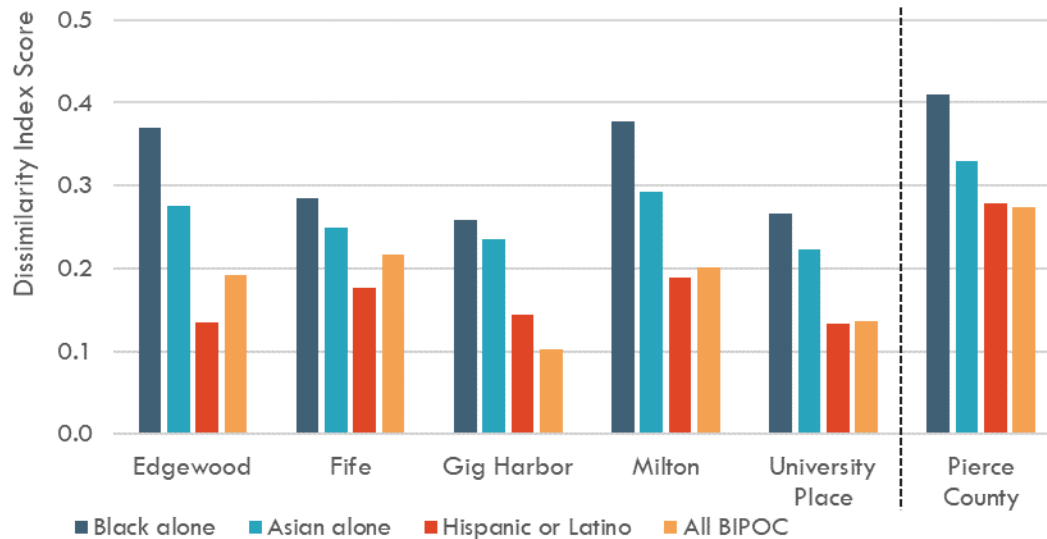 is the same as within the whole area (e.g., city) then the dissimilarity index score will be 0 (no segregation). By contrast if one population is clustered entirely within one Census block group, the dissimilarity index score will be 1. Higher dissimilarity index values indicate higher levels of segregation. Generally, areas with a dissimilarity index score of 0.4 or less are considered to have relatively low levels of segregation. An index score between 0.4 and 0.55 indicates moderate levels of segregation. And areas with a score higher than 0.55 are considered highly segregated.[2]

Exhibit 9 shows the dissimilarity index scores for Black alone, Asian alone, and Hispanic or Latino populations, along with all BIPOC residents. It compares the scores on a city level to dissimilarity scores for all of Pierce County. Across all jurisdictions, the Black alone population is experiencing the highest degrees of segregation.

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[2] For an interpretation of dissimilarity index scores see:
https://www.piercecountywa.gov/DocumentCenter/View/84977/Analysis-of-Impediments-to-Fair-Housing-Choice---Final?bidId=

Exhibit 9. Dissimilarity Index, 2020

Sources: U.S. Decennial Census, 2020; BERK, 2023.

The results show that the dissimilarity scores for each group across Pierce County are higher than the corresponding dissimilarity scores within each city, suggesting greater racial segregation across the county compared to within the jurisdictions being studied. However, there are a few notable variations and trends:

- Black alone residents experience the highest levels of racial segregation, both in Pierce County and across the five cities. The Black alone population are experiencing higher levels of housing segregation in Edgewood and Milton relative to other groups in those cities and compared to Black populations in the three other SSHA³P jurisdictions.

- Following the Black alone population, the Asian alone population consistently has the second highest rate of segregation, with larger disparities observed in Edgewood, Gig Harbor, Milton, and University Place. The cities of Fife and Gig Harbor exhibit relatively similar levels of segregation for Black alone and Asian alone populations; both cities experience dissimilarity levels for Black alone and Asian alone populations that are significantly higher than the dissimilarity levels for Hispanic or Latino residents.

- In general, the degree of geographic segregation for the Hispanic or Latino population tends to reflect or be less than the BIPOC population overall. Hispanic or Latino residents are experiencing relatively lower levels of segregation in the study jurisdictions.

Disparate Impacts in Housing

Cost-burden Status by Race and Ethnicity

A related method to examine housing affordability is to evaluate the share of a household's income that is devoted to housing costs (i.e., rent, mortgage, or related costs associated with owning a home). Households that spend more than 30% of their income on housing costs are considered "cost-burdened," and those that spend more than 50% are severely cost-burdened. **Exhibit 10** shows the cost-burden status in each jurisdiction for households in which the householder identifies as BIPOC compared to the

total share of cost-burdened White alone households. For this analysis, BIPOC households includes all households except those where the householder identifies as White alone.

Gig Harbor and Fife have the largest share of BIPOC households that are cost-burdened, at 45% and 43%, respectively. These two cities also have a large cost-burden disparity between BIPOC and White alone households. Although Milton has a slightly smaller share of BIPOC households that are cost-burdened, the share of BIPOC households experiencing severe cost-burden status in Milton is higher than the other study jurisdictions and significantly higher than Pierce County and King County. Edgewood and University Place have similar shares of total cost-burdened households (34% and 32%, respectively); however, University Place has a higher share of severely cost-burdened households, and Edgewood shows a larger disparity between cost-burdened BIPOC and White alone households.

Exhibit 10. Cost-Burden Status for BIPOC Households by Jurisdiction, 2019
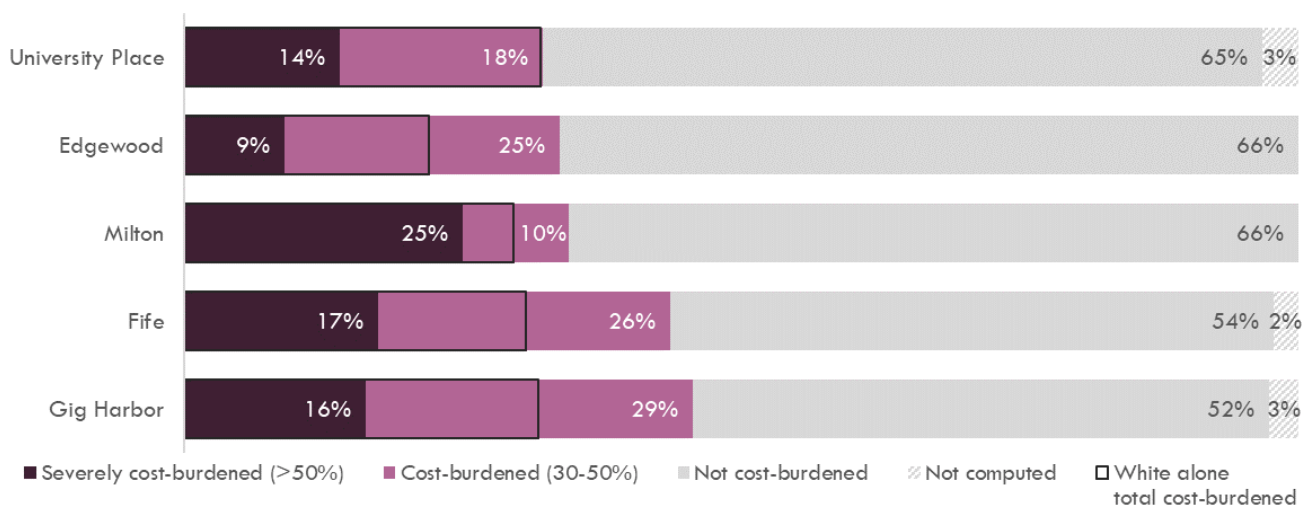
Sources: U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy, 2015-2019; BERK, 2023.

Rental Housing Affordability by Race and Ethnicity

Exhibit 11 presents a data on the relative affordability of the individual rental markets. Relative affordability is assessed by the ratio of the jurisdiction's median rent to the median household income of the racial and ethnic groups in that jurisdiction. For example, if the median rent in a jurisdiction is $1,000 and a racial group's median monthly income is $5,000, the median rent would be 20% of the median household income. Lower percentages suggest higher degrees of affordability and higher percentages suggest lower affordability and a more limited supply of housing options affordable to that group.

Exhibit 11 shows that rental housing affordability by racial and ethnic group varies by jurisdiction. Red shading ( ) indicates a higher ratio (e.g. less affordability) for the group compared to White alone households. Green shading ( ) indicates a lower ratio (e.g. more affordability) than White alone households. Rental housing affordability for different racial and ethnic groups varies by jurisdiction; however, across all the jurisdictions, housing is less affordable to households that identify as Black (ratios ranging between 21% and 24%) and American Indian or Alaska Native group (ratios between 26% and 52%). In Fife and Gig Harbor, rental housing is less affordable to all groups other than White alone (non-Hispanic) and Asian alone. Rental housing in Edgewood is relatively more affordable to the Asian

alone population, which suggests that the Asian population in Edgewood has a higher median income than in other jurisdictions.

Exhibit 11. Median Rent Relative to Median Household Income, 2021

	Median Rent (month)	Median Rent as a % of Median Household Income							
	All City Households	White alone, non-Hispanic	Black alone	AIAN alone	Asian alone	NHOPI alone	Other alone	Two or more	Hispanic or Latino
Edgewood	$1,295	14%	*	*	9%	*	*	13%	15%
Fife	$1,432	21%	24%	26%	21%	28%	28%	22%	25%
Gig Harbor	$1,477	18%	*	52%	17%	*	*	22%	23%
Milton	$1,438	20%	21%	*	28%	*	*	27%	19%
University Place	$1,250	18%	23%	*	17%	15%	15%	16%	16%

*Note 1: Instances of * indicate suppressed data from the ACS, likely due to limited sample sizes.*

Note 2: Red shading indicates a higher ratio (e.g., less affordability) for the group compared to White alone households. Green shading indicates a lower ratio (e.g., more affordability) than White alone households.

Sources: American Community Survey 5-year estimates, Table B25058 & B19013, 2017-2021; BERK, 2023.

Overcrowding by Tenure

Overcrowding suggests that members of the community are unable to access housing that meets the needs of their household. This could be due to insufficient income on the part of households, or a lack of suitable housing options to accommodate larger families or preferred living arrangements. Due to small sample sizes, overcrowding data disaggregated by race or ethnicity has large margins of error and cannot inform reliable conclusions.

Exhibit 12 presents estimates of overcrowding of owner households for all five cities. It shows that Edgewood and Fife have the highest rates of overcrowding among owner households. Edgewood has 1.3% of households with more than one occupant per room and Fife has 5% of households with more than one occupant per room.

Exhibit 12. Occupants per Room for Owner-Occupied Households, 2021

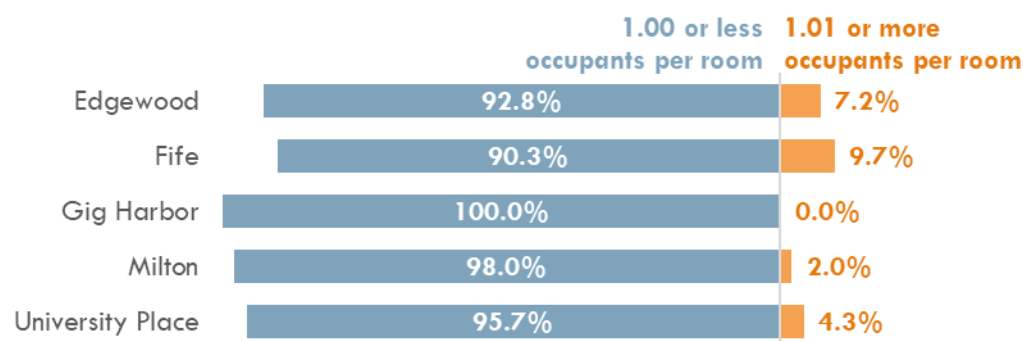*Sources: American Community Survey 5-year estimates, Table B25014, 2017-202; BERK, 2023.*

Exhibit 13 shows that there is **significantly more overcrowding among renters than owners**. Edgewood and Fife have the highest rates of overcrowding among all the jurisdictions, but Milton and University

Place also have significantly higher rates of overcrowding among renters than they do among owners. Edgewood has 7.2% of renter households with more than one occupant per room and Fife has 9.7% of renter households with more than one occupant per room. Additionally, 2% of Milton renters are experiencing overcrowding while this only applies to 0.5% of owners. In University Place, 4.3% of renters are experiencing overcrowding while only 0.3% of owners experience this same issue.

Exhibit 13. Occupants per Room for Renter-Occupied Households, 2021

	1.00 or less occupants per room	1.01 or more occupants per room
Edgewood	92.8%	7.2%
Fife	90.3%	9.7%
Gig Harbor	100.0%	0.0%
Milton	98.0%	2.0%
University Place	95.7%	4.3%

Sources: American Community Survey5-year estimates, Table B25014, 2017-2021; BERK, 2023.

Displacement Risk

The Growth Management Act requires jurisdictions to identify areas at higher risk of displacement and establish anti-displacement policies. Methods to understand relative risk include: (1) assessing the change in housing unit affordability over time; (2) conducting a gap analysis of the number of households and number of housing units affordable at each income level; and (3) identifying parcels at risk for redevelopment; and (4) using a comprehensive displacement risk methodology to determine relative risk at a tract-level.

Change in Housing Unit Affordability

Housing affordability is assessed according to countywide median income. While the communities of Edgewood, Fife, Gig Harbor, Milton, and University Place may have previously offered affordable housing relative to the county, there has been a shift in the affordability of housing since 2014. Edgewood, Fife, and Milton have lost units affordable to households with incomes under 80% of area median income (AMI), particularly in the 50-80% AMI range. This could be due to the addition of new, higher-priced housing or rising rents and values of existing housing.

Exhibit 14. Change in Housing Units by Affordability Level, 2014-2019

Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy, 2010-2014 and 2015-2019; BERK, 2023.

Edgewood, Fife, and Milton experienced a functional loss of low-to-moderate income housing units (affordable to households with incomes of 50-80% of AMI) suggesting a shift away from units of greater affordability between 2014 and 2019. This may not be a loss of units; many of these 50-80% of AMI units likely appreciated in rent or ownership value, contributing to the dramatic increase of units affordable to households earning 80% of AMI or above, as seen in **Exhibit 14**. Low-to-moderate income units (affordable between 50-80% of AMI) decreased sharply in Edgewood, Fife, and Milton, while increasing by about 230 units in University Place between 2014 and 2019 (representing a 5% increase). Meanwhile, Edgewood, Fife, and Milton also showed signs of divergent affordability trends. Despite a growth in units with higher costs (affordable at 80% of AMI or above), these three cities also saw increases in the number of units affordable to low-income households, particularly the 30-50% of AMI income band, in Fife and Milton.

There are notable differences in affordability trends by tenure, as seen in

Exhibit 15. For example, although Gig Harbor experienced a significant increase in units affordable to 80% of AMI or above, since 2014 there was a loss in renter units affordable to households with incomes at 80% of AMI. Meanwhile, there was an increase in renter units at the 30-50% of AMI income band, despite an overall decline in units at that level in Gig Harbor. University Place saw similar divergent trends at the 30-50% AMI and 80%+ AMI levels. Increases in rental units affordable to households with lower incomes (<30% AMI or 30-50% AMI) may be due to the addition of new subsidized housing stock or new subsidies going into effect for existing properties.

Exhibit 15. Change in Housing Units by Tenure and Affordability Level, 2014-2019

	Tenure	0-30% of AMI	30%-50% of AMII	50-80% of AMI	80% of AMI or above
Edgewood	Renter Units	45	90	-30	45
	Owner Units	0	-65	-285	535
Fife	Renter Units	-30	165	-135	140
	Owner Units	0	50	-60	120
Gig Harbor	Renter Units	-45	90	125	-85
	Owner Units	0	-105	-40	750
Milton	Renter Units	20	185	-240	130
	Owner Units	0	65	-205	310
University Place	Renter Units	-15	45	200	-105
	Owner Units	0	-45	30	450

Note: The U.S. Department of Housing and Urban Development uses different ranges at lower affordability levels. It publishes data for rental units affordable at 0-30% of AMI, and owner units affordable at 0-50% of AMI. For this analysis, BERK assumed that all units affordable to households at 0-30% of AMI are rental units and categorized the 0-50% of AMI owner units under 30-50% of AMI in the chart and table above.

Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy, 2015-2019; BERK, 2023.

Gap Analysis – Housing Units per 100 Households

A shortage of affordable housing units—units that are affordable to households at specified income levels—can amplify displacement risk. A gap between the number of households at a given income level to the number of units affordable to that same income level indicates an undersupply in needed housing units. An undersupply of housing units affordable to that income group may be due to a lack of housing units, or "down-renting," in which a housing unit at a particular affordability level (i.e., affordable to households at 50-80% of AMI) is occupied by a household with a higher income (i.e., above 80% of AMI, in this case).

Housing Affordability or *Housing Cost Burden* *is measured as total housing cost as a percentage of total income. Housing is considered affordable for a household if the total housing cost is less than 30% of total income. A household is considered cost burdened if the total housing cost is 30% or greater of a households total income.*

Exhibit 16 shows that four of the study jurisdictions have a nominal shortage of affordable homes for households with incomes less than 50% of AMI. This means there are fewer than 100 affordable homes for every 100 households in that economic segment. The shortage is more severe for households with incomes less than 30% of county AMI. These same four jurisdictions have a nominal surplus of homes affordable to households with incomes between 50-80% of AMI, suggesting that some of these households may be "down-renting."

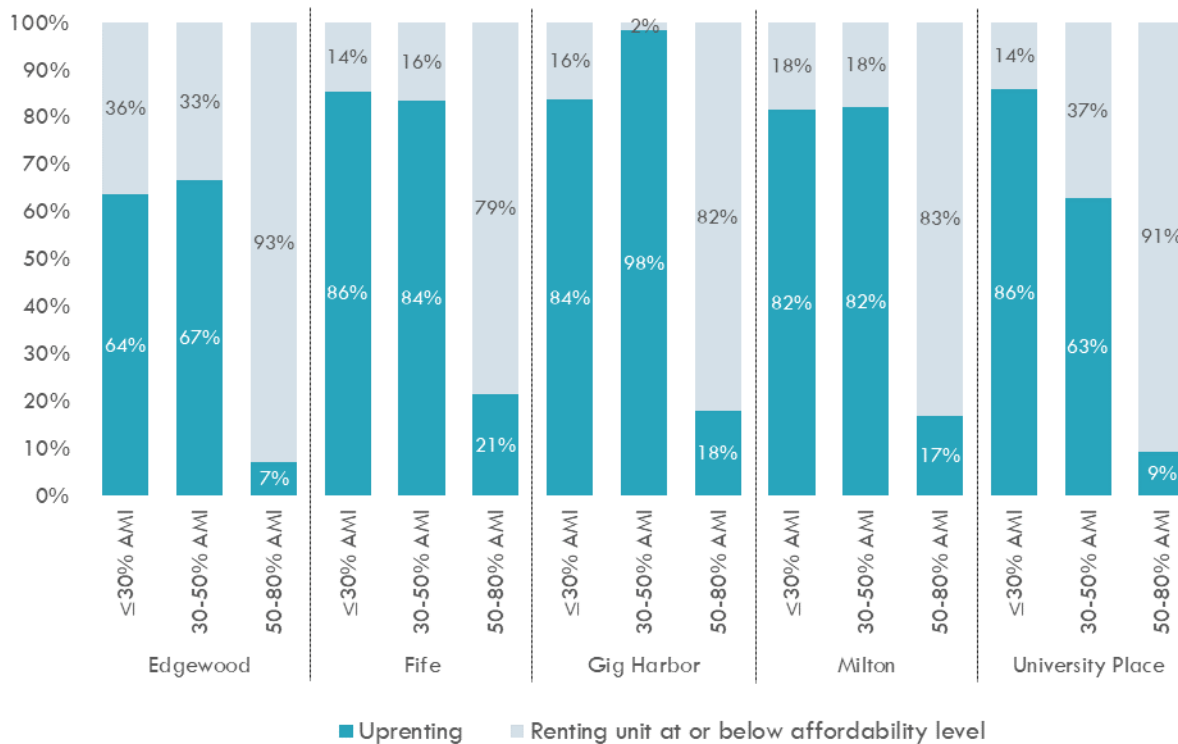**Exhibit 16. Affordable Units per 100 Households by Income Level**
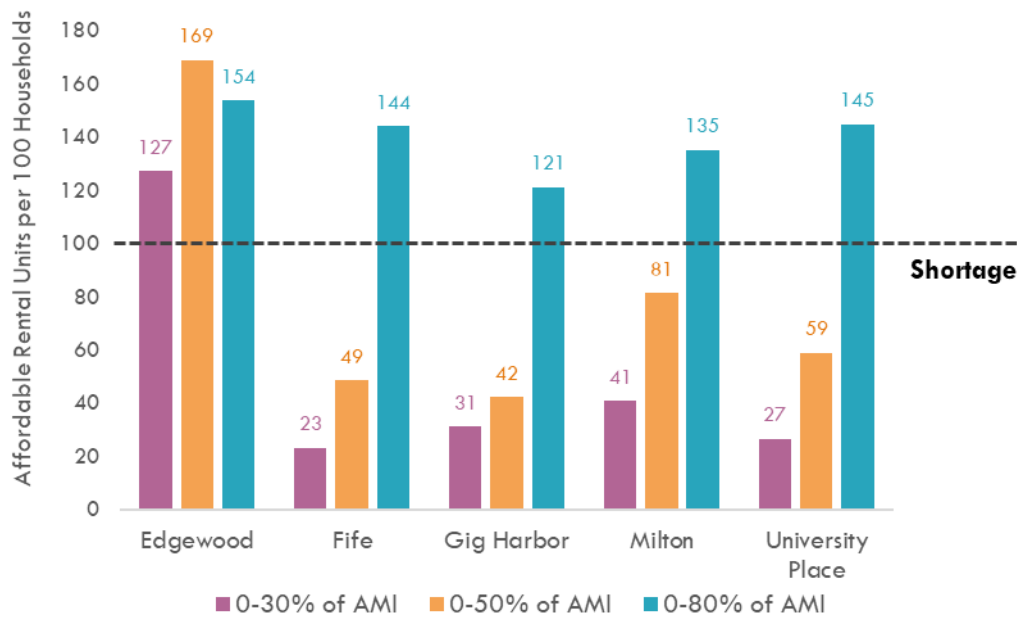
Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy, 2015-2019; BERK, 2023.

Edgewood is the only city with a nominal surplus of units affordable to households at every income level less than 80% of AMI. This is unusual but not altogether surprising since the income distribution of households in Edgewood shows far fewer households with incomes under $75,000 per year than the other study jurisdictions. With relatively few low-income households but a housing market with relatively low rents, Edgewood has more opportunities for moderate- and higher-income households to down-rent into more affordable homes.

However, this nominal surplus—across several affordability categories in Edgewood, and cumulatively up to 80% of AMI in the other four cities—can obscure the availability of affordable housing units in some cases. For example, although the data show a nominal surplus of units cumulatively up to 80% of AMI in all five cities, when accounting for the income level of households occupying those same units, there are far fewer housing units currently available to households with equivalent income levels. In other words, significant "down renting" by moderate- or higher-income households can lead to fewer **affordable and available** housing units. This is the case in all five cities. When accounting for availability, all cities display an effective shortage of affordable homes. **Exhibit 17** shows down-renting and up-renting trends in each city by household income level. Up-renting occurs when a household occupies a housing unit that it cannot afford based on its income. Up-renting means the household is experiencing housing cost burden. High rates of up-renting occur when there is an insufficient supply of housing units affordable to the economic segment relative to the need.

Exhibit 17. Percent of Households Renting Units Above Their Affordability Level (i.e., Up-renting), by Income Group


Sources: *U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy, 2015-2019; BERK, 2023.*

Parcels with Underutilized Development Capacity or Low Improvement-to-Land Value Ratios

The Buildable Lands Program under the GMA requires several counties, including Pierce County and King County (which covers the portion of Milton that falls outside of Pierce County), to identify parcels that are vacant, partially utilized, and underutilized, as part of the program's broader effort to evaluate the counties' capacity for future growth. The latest buildable lands studies from Pierce County and King County provided parcel-level data that establishes each parcel as vacant, underutilized, or fully utilized / built-out, and joins several other important features such as the parcel's assessed value and future residential and employment capacity, among other attributes.

These parcels provide a ground-level view of redevelopment potential, which in some cases and under certain conditions can contribute to displacement risk. Evaluating the relationship between the assessed land value and improvement value on these vacant or underutilized parcels is one method of further exploring redevelopment potential. For this analysis, an improvement-to-land value ratio (ILR) was calculated for every vacant or underutilized/redevelopable parcel – as identified through the buildable lands process – within each SSHA[3]P jurisdiction, and parcels were then grouped into quintiles based on their ILR score. Low ILR scores suggest a higher potential for redevelopment. **Exhibit 18** shows the results of this analysis within each SSHA[3]P city.

Exhibit 18. Map of the Improvement-to-Land Value Scores (by Quintile) for Vacant and Underutilized Parcels, 2021
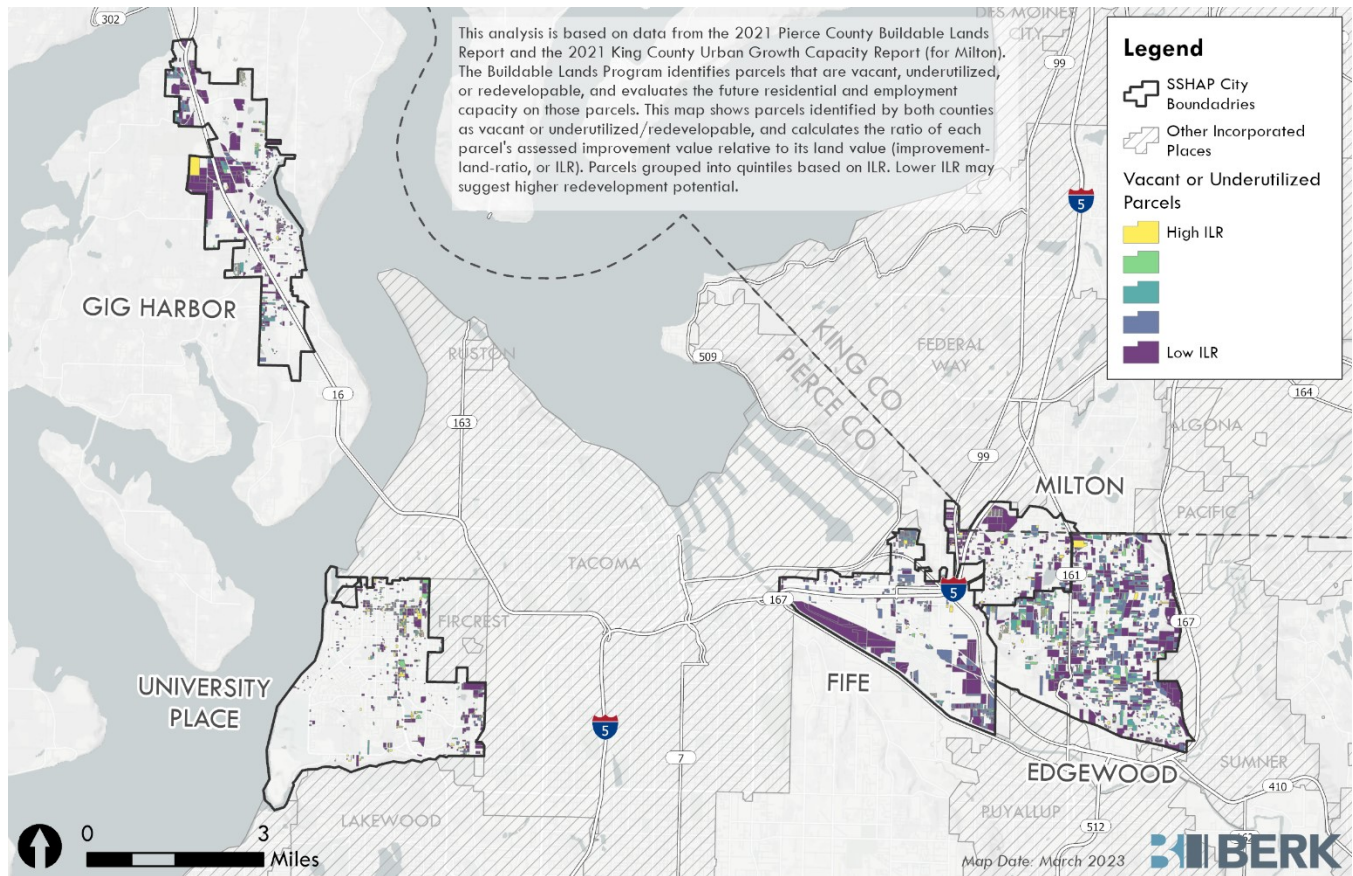
Sources: 2021 Pierce County Buildable Lands Program; 2021 King County Urban Growth Capacity Study; BERK 2023.

Exhibit 19. Share of Vacant and Underutilized Parcels by ILR Quintiles, 2021

	ILR Quintiles				
	Low ILR (High Redevelopment Potential)		Medium ILR (Moderate Redevelopment Potential)		High ILR (Low Redevelopment Potential)
	1	2	3	4	5
Edgewood	44%	19%	9%	11%	16%
Fife	38%	44%	9%	4%	5%
Gig Harbor	47%	9%	16%	19%	9%
Milton	72%	10%	8%	3%	8%
University Place	53%	12%	8%	8%	20%

Sources: 2021 Pierce County Buildable Lands Program; 2021 King County Urban Growth Capacity Study; BERK 2023.

Displacement Risk Methodology

The Puget Sound Regional Council (PSRC) provides a displacement risk assessment based on indices of socio-demographic indicators, transportation factors, neighborhood characteristics, housing indicators and measures of civic engagement. To complement this approach, this report presents an alternative

displacement methodology that focuses on three elements: (1) social vulnerability; (2) demographic change; and (3) market prices. This method includes many of the measures within PSRC's index but relates them in a different way to better reveal their contribution to displacement risk.

Exhibit 20. Displacement Risk Index Scoring Matrix

Displacement Risk	Social Vulnerability?	Demographic Change?	Market Prices?
Possible displacement	Yes or No	Gentrification	Appreciated
High	Yes	Gentrification	Accelerating or Stable
High	Yes	No	Accelerating
High	No	Gentrification	Accelerating
Moderate	Yes	No	Appreciated or Stable
Moderate	Yes	Disinvestment	Accelerating
Low	Yes	Disinvestment	Appreciated or Stable
Low	No	Gentrification	Stable
Low	No	No or Disinvestment	Appreciated, Accelerating, or stable

- **Social Vulnerability:** Vulnerability is assessed based on the factors that would make it difficult for a household to find new housing in the area if they should be displaced from their current unit. Social vulnerability measures the existing level of several demographic characteristics that correlate with social vulnerability, including the share of households that rent, the BIPOC share of the population, and median income relative to the countywide median income. The model will then group the scores into quintiles (higher quintile score equals high value for each characteristic), combine the quintiles into a single score, and assign that score a "yes" or "no" for social vulnerability.

- **Demographic Change:** Displacement happens when a group of people are forced from an area. Demographic change calculates the change over time (e.g., 2010 to 2021) in the BIPOC share of the population and proportion of households with household incomes of less than 80% AMI and compares the level of change to the overall countywide change in those same characteristics. Based on the results and comparisons to the countywide measures, each area will receive a score based on the level and type of demographic change.

- **Market Prices:** Measures the change over time (e.g., 2010 to 2021) in occupied rental units and median rents to identify high and low rent areas along with areas that have high, moderate, or low rental appreciation. The model assigns a score that describes the market status based on the combined factors of rents in 2015 and the change in rents between 2010 and 2021 (e.g., stable, appreciated, accelerating, etc.).

The results from these three elements are evaluated in **Exhibit 20** that layers the iterations of each score to determine the displacement risk. For example, an area with social vulnerability, no demographic change, but accelerating market prices would have a high displacement risk. Alternatively, an area with low social vulnerability, existing gentrification, and stable market prices may have low displacement risk.

Exhibit 21 shows the results of a displacement risk analysis at the census tract-level. SSHA³P jurisdictions have various levels of displacement risk depending on local patterns of social vulnerability, changes in demographic characteristics, and market trends.

Fife and University Place show signs of moderate and high displacement risk across large sections of both cities. These higher-risk tracts in Fife and University Place tend to correlate with areas of greater racial and ethnic diversity, as seen in **Exhibit 3.** In Milton, however, neighborhoods with higher levels of diversity show relatively low displacement risk, indicating that these neighborhoods are not exhibiting signs of

gentrification and have market conditions that are either stable or appreciating at a slow or moderate pace.

Meanwhile, Edgewood exhibits low displacement risk across the full city. It has a combination of low social vulnerability, a decreasing share of low-income households paired with a growing share of BIPOC residents, and relatively low rents that, while appreciating, are still lower than many other places in Pierce County.

Given the relatively low share of BIPOC residents and renters in Gig Harbor, and its relatively high median income compared to the rest of Pierce County, its areas of higher displacement risk are based on demographic changes and market conditions that are leading to rapidly rising rental prices. Most areas in Gig Harbor have high levels of rental price appreciation, and although the BIPOC population is increasing in several areas since 2010, it is not growing as quickly in areas where there is also a decline in low-income households, suggesting that gentrification could be in progress.

Exhibit 21. Displacement Risk Index at the Tract Level
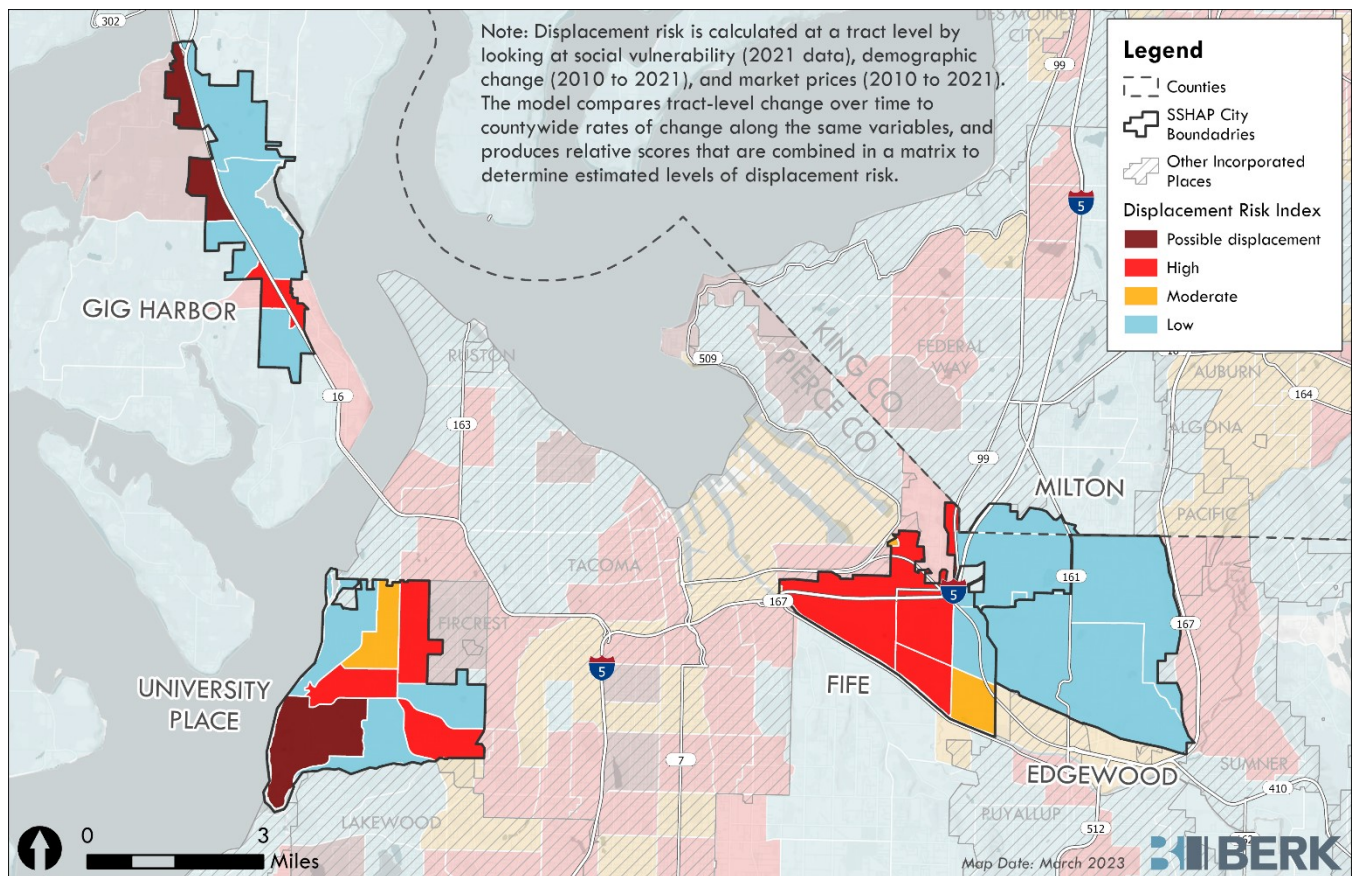
Sources: U.S. Decennial Census, 2020; American Community Survey 2017-2021 5-year Estimates; BERK 2023
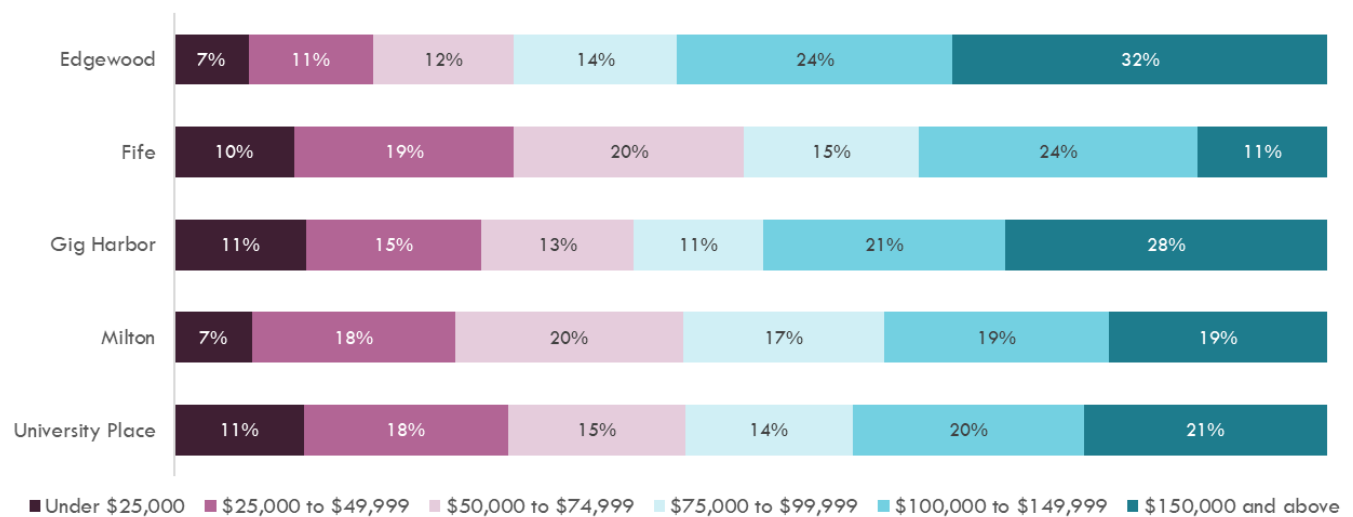
Part 2. City Profiles

The next two exhibits are provided to inform city level analysis of racially disparate impacts and segregation.

Household income by Race and Ethnicity and Median Income

Exhibit 22 presents the proportion of households that falls within specific income ranges for each jurisdiction. Both Edgewood and Gig Harbor have larger populations with an income of $150,000 or greater. Edgewood has 60% of its population with an income of $75,000 or above. Fife on the other hand has the lowest number of people with an income of $150,000 or more and has the highest number of people with an income of less than $75,000.

Exhibit 22. Distribution of Household Income by Jurisdiction, 2021

	Under $25,000	$25,000 to $49,999	$50,000 to $74,999	$75,000 to $99,999	$100,000 to $149,999	$150,000 and above
Edgewood	7%	11%	12%	14%	24%	32%
Fife	10%	19%	20%	15%	24%	11%
Gig Harbor	11%	15%	13%	11%	21%	28%
Milton	7%	18%	20%	17%	19%	19%
University Place	11%	18%	15%	14%	20%	21%

Sources: American Community Survey, 2017-2021 5-year estimates, Table B19001; BERK 2023

Tenure

Exhibit 23 summarizes renter/owner tenure by jurisdiction. Edgewood has the highest rate of owner-occupied units at 73%, and, inversely, has the smallest proportion of renter-occupied units at 27%. Fife has the smallest proportion of owner-occupied units at 44% and the largest proportion of renter-occupied units at 56%.

Exhibit 23. Tenure by Jurisdiction, 2021
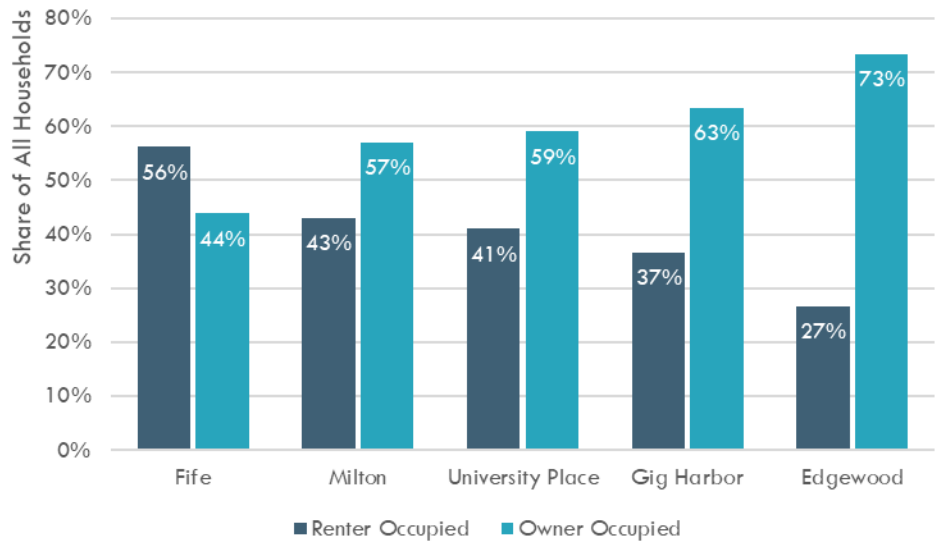
Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003; BERK 2023

City of Edgewood

Discussion

Background

The City of Edgewood is located on an upland area along the north side of the Puyallup River Valley. Historically it was inhabited by the Puyallup Indian Tribe, which was displaced at first by trappers and traders, then homesteaders through the mid-1800s. Settlement increased with the federal Homestead Act in 1862, bringing homesteaders and farmers of varied descent, including Danish, Swedish, Norwegian, Scottish, German, Italian, and Canadian descent.[3]

Chinese and Japanese immigrants began arriving in the 1870s and working as laborers in timber harvesting, mining, railroading, and agriculture.[4] While becoming established community members, the 1899 Washington State Constitution included a discriminatory statute that prohibited "aliens" — i.e., people who are not citizens of the United States — from owning land, and federal law prevented people from Asia becoming naturalized citizens. As a result, many Japanese farmers were prevented from owning land but continued to farm on land leased from White landowners or by putting the land in the name of their American-born children.[5] Over the next few decades, Japanese farmers created many successful truck and berry farms in the region. In the Spring of 1942, community members of Japanese descent were forcibly removed from the area due to U.S. Presidential Executive Order 9066. Approximately 1,000 Tacoma and Fife Valley residents were evacuated, stopping at the Puyallup Assembly station on the Puyallup fairgrounds. Few Japanese farmers returned after their incarceration. Due to their incarceration, many were forced to sell their land and equipment for a fraction of their worth, and few returned to farming after the war.[6]

Demographic Profile

- Edgewood is primarily comprised of people who identify as White, not Hispanic or Latino (**Exhibit 26**).

- In Pierce County, 62% of the population identifies as White alone (not Hispanic or Latino). A greater proportion of Edgewood's population (74%) identifies as White than the countywide rate. People who identify as Black are less represented in Edgewood (2% compared to the

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[3] Givens, Linda Holden (2019) Edgewood Thumbnail History (Essay 20253). Historylink.org

[4] Andrews, Mildred Tanner (1997) Japanese-American Legacies in the White River Valley: Historic Context Statement and Inventory. King County Landmarks and Heritage Program. https://kingcounty.gov/~/media/services/home-property/historic-preservation/documents/resources/JapaneseAmericanLegaciesWhiteRiverValley.ashx?la=en

[5] Ibid.

[6] Takami, David (1998). Japanese Farming. Historylink.org available at https://www.historylink.org/file/298.

county rate of 7%). Edgewood also has less representation of the Hispanic or Latino Community (8% compared to the county rate of 12%). The underrepresentation could be due to an **exclusionary effect for people who identify as Black or as Hispanic or Latino**. However, there was an increase in the proportion of people who identify as Hispanic or Latino between 2010 and 2020 (see **Exhibit 26**).

 ▫ Preliminary community input suggests that the underrepresentation of people who identify as Black or Hispanic or Latino may be due to cultural reasons rather than policy choices. One interviewee explained that Edgewood and Milton have historically been farming communities that prides themselves on being a "unique community surrounded by warehouses and cities" which has led to resistance to allowing apartments and high density housing.[7] These narratives of these cities history overlooks the historical facts related to the displacement of the Indigenous population, the contributions of people of color in the area's agricultural history, and the role of policy in preventing people of color from owning land thus creating exclusionary effects.

▪ There is limited evidence of current racial segregation within in Edgewood, since the city's largely White population is evenly distributed across the jurisdiction (see **Exhibit 25**). There are two notable clusters of people of color.

 ▫ The first is a cluster of people who identify as Asian associated with the Westridge Community development. This is an area of new housing, which may have drawn Asian households to Edgewood and is contributing to the increase in the share of the population that identifies as Asian between 2010 and 2020 (see **Exhibit 26**). While only representing 6% of the population, the Asian population has a household median income of roughly $74,000, which is higher than the city-wide median income (see **Exhibit 29**) and the highest homeownership rate among all race and ethnic groups (92% homeownership, as shown in **Exhibit 28**). This suggests self-clustering based on a preferred housing option for Asian households rather than an exclusionary effect.

 ▫ The second nodes of greater diversity (see **Exhibit 25**) are clusters of greater racial and ethnic integration associated higher density, multifamily rental housing.

Population Change

▪ Following countywide patterns, between 2010 and 2020 Edgewood's population has become more diverse (see **Exhibit 26**) with the White alone population decreasing 14 percentage points (from 88% in 2010 to 74% in 2020) compared to a range of 7-9 percentage points in the other Pierce County jurisdictions (see data table in **Exhibit 2**). Some of this decline represents people shifting their self-reported identify to the category of "two or more" races.[8] Along with

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[7] Interview with Mountain View Community Center

[8] The 2020 decennial census reported a much higher share of the population self-identifying as two or more races. This national trend was also visible throughout Washington State, and many jurisdictions within Pierce County also saw significant increases in the "two or more" population. Given the corresponding decrease in self-identifying "white alone" residents (as a share of the total population), the rise in "two or more" residents could in part reflect residents who selected "white alone" during previous census counts now choosing to answer census surveys in a manner that acknowledges additional racial identities.

the decrease in the proportion of the population that identifies as White, there are increasing proportions of people who identify as Hispanic or Latino (4 percentage point increase) and Asian (4 percentage point increase). While Edgewood had a higher share of the population identifying as White in 2020 compared to the county, this trend suggests that this difference is closing.

Housing

- In general, households in Edgewood are more likely to own their housing than rent their housing (see **Exhibit 28**), with the highest rates of homeownership among the Asian (92%), White (75%), Other (70%), and Black (65%) populations.

- There is an observed **disparity in the homeownership rate of the Hispanic or Latino households.** The median household income of Hispanic or Latino households ($106,989) is comparable to white, not Hispanic or Latino households ($107,388) (**Exhibit 29**). However, their homeownership rates were significantly smaller: only 23% of Hispanic or Latino households own their home compared to 75% of White, not Hispanic or Latino households (see **Exhibit 28**). Community input suggests that the White homeowner population has a larger proportion of older homeowners living on retirement incomes. As these households age and maintaining housing becomes more difficult, they may need more financial assistance or more affordable housing options. One interviewee noted that low-income housing for seniors have long waitlists, indicating unmet need in the community.[9] However, those who bought their homes decades ago are likely to benefit from increased land value when they sell. On the other hand, Hispanic or Latino households with similar incomes looking to purchase a home today are functionally priced out of homeownership. Strategies to ensure a diversity of homeownership opportunities can help to provide more inclusive opportunities for homeownership.

- Nearly half (46%) of BIPOC households that rent are housing cost-burdened, compared to 24% of White households that rent (see **Exhibit 30**. The BIPOC renter population is mostly comprised of Hispanic and Latino households, suggesting a **racial disparity in housing cost burden**. While Hispanic and Latino households have incomes similar to the White, not Hispanic or Latino population (see **Exhibit 29**) they have a much higher rates of rental housing cost-burden. The lack of affordable rental housing is likely contributing to the lack of homeownership opportunity for the Hispanic and Latino community. Without affordable rental housing, it is difficult to save enough to move into homeownership.

  - Community input was provided from individuals to provide additional insight into the challenges for renters in Edgewood. One interviewee shared that if they fall behind on rent, they are unable to renew their lease forcing them to rent an apartment month-to-month at an additional cost. This makes it even more difficult to save.[10]
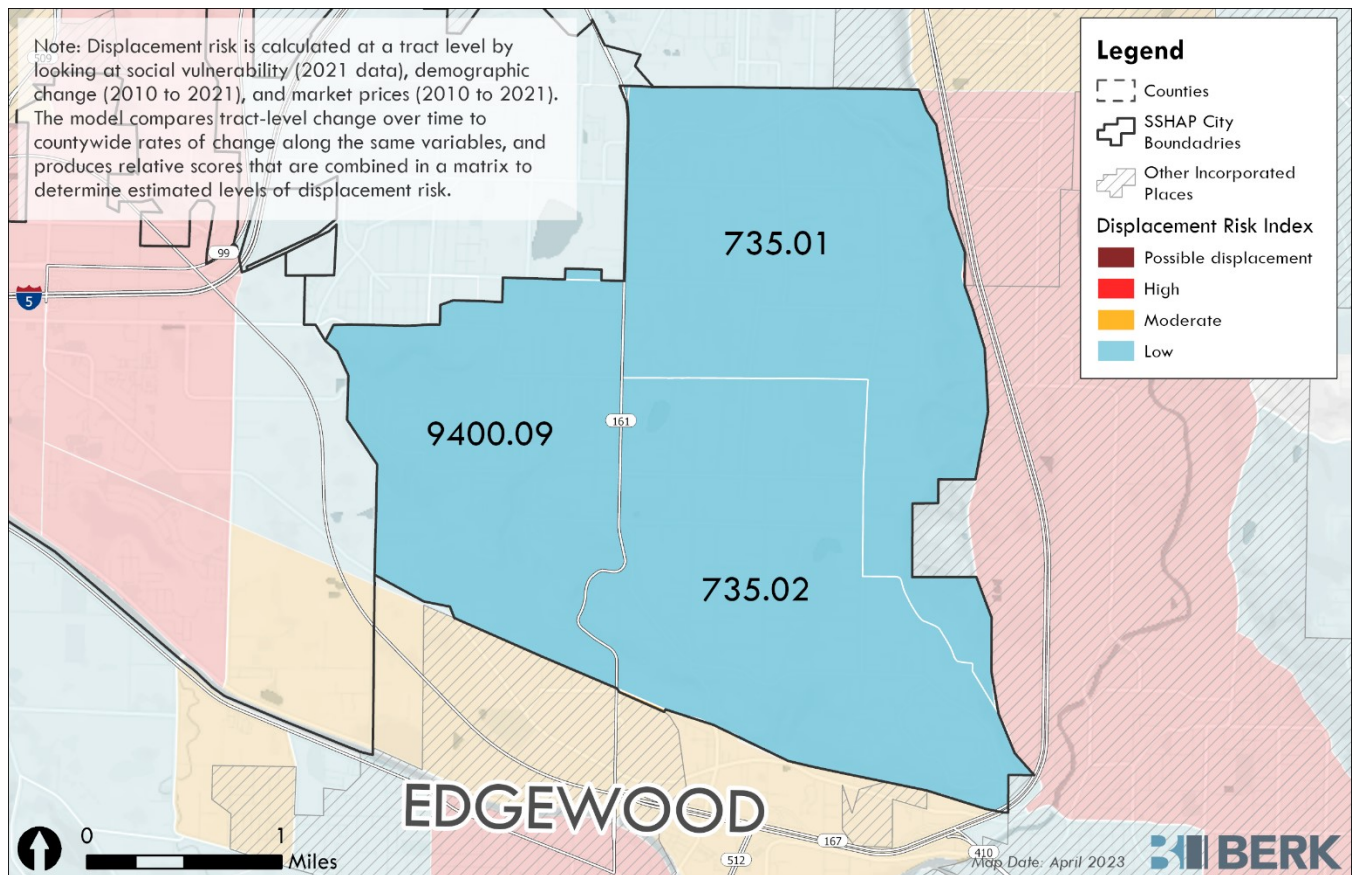
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[9] Interview with Mountain View Community Center

[10] ibid

Displacement Risk

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. This analysis provides a neighborhood-scale index of the relative displacement risk within Edgewood. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement. These findings should be corroborated with and augmented by community input.

Exhibit 24. Edgewood Assessment of Displacement Risk, 2023

Edgewood Tracts	Percent Overlap	Social Vulnerability				Demographic Change			Market Prices			Final Displacement Risk
		Renter Quintile	BIPOC Quintile	Median Income Score	Social Vulnerability Score	BIPOC Change	Under 80% AMI Change	Demographic Change Score	High or Low Rent Area - 2015	Appreciation Rate	Market Price Score	
53053073501	100%	3	2	1	6	Increasing BIPOC	Decreasing Low Income HHs	No	Low rent area	High appreciation	Accelerating	Low
53053073502	100%	4	1	1	6	Increasing BIPOC	Decreasing Low Income HHs	No	Low rent area	Low or mod appreciation	Stable	Low
53053940009	85%	2	3	1	6	Increasing BIPOC	Tracking county change	No	High rent area	High appreciation	Appreciated	Low

Sources: U.S. Decennial Census, 2020; American Community Survey 2017-2021 5-year Estimates; BERK 2023

Exhibit 24 presents the findings for census tracts associated with Edgewood.

- The displacement risk analysis finds a rating of "Low displacement risk" suggesting **no areas of higher displacement risk** in Edgewood.
  - The low rates of BIPOC households, low rates of renter households, and higher incomes relative to Pierce County did not indicate an area of concentrated social vulnerability relative to the County.
  - Overall household demographic change (including race and income) is limited across the city, although the displacement risk analysis shows increasing rates of BIPOC households and decreasing rates of low-income households.
  - While parts of Edgewood have seen housing costs rise sharply, this appears to be a matter of prices in Edgewood catching up to price increases seen in the more urban areas of Pierce County. Given the larger rates of owner-occupied housing, the price increases are less likely to trigger displacement. However, over time without the introduction of new housing to soften price acceleration, Edgewood could experience displacement of existing community members as well as exclusions related to housing costs.
    - A community representative reports that recent new high-density housing (with restaurants below and apartments above) are expensive and seem to be aimed at the middle to upper class households.[11]
    - Another interviewee said that the perception is that Edgewood has gotten expensive over the last five years.[12]
- An analysis of improvement to land ratios (ILR) on Edgewood's underutilized tracts (see **Exhibit 27**) suggests wide-spread redevelopment potential, but existing lower densities suggest that Edgewood can absorb new development without the redevelopment of older housing that could cause displacement.

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[11] Interview with Mountain View Community Center.

[12] Interview with Salvation Baptist Church

Exhibits

Exhibit 25. Dot density map of race and ethnicity in Edgewood, 2020
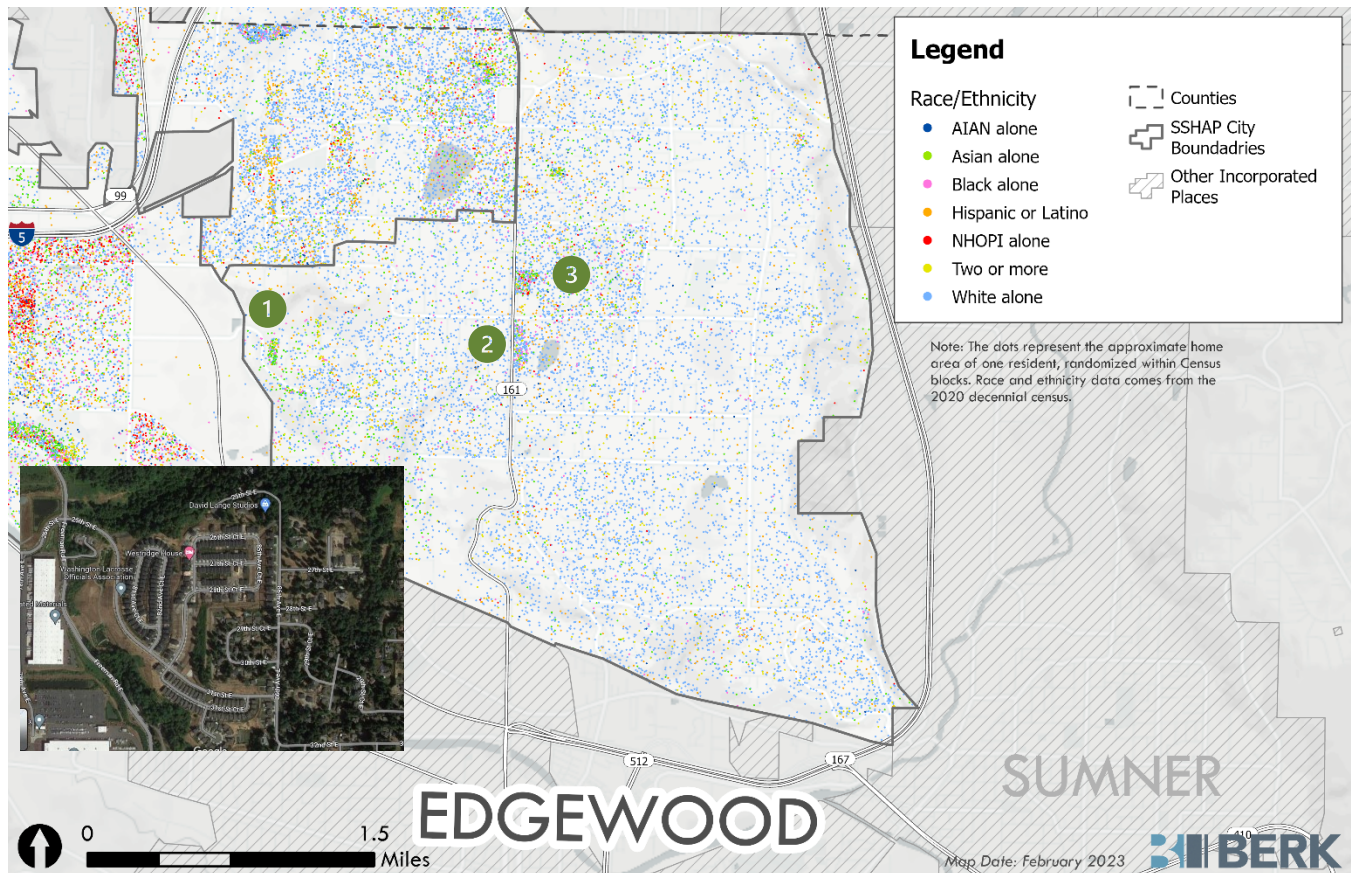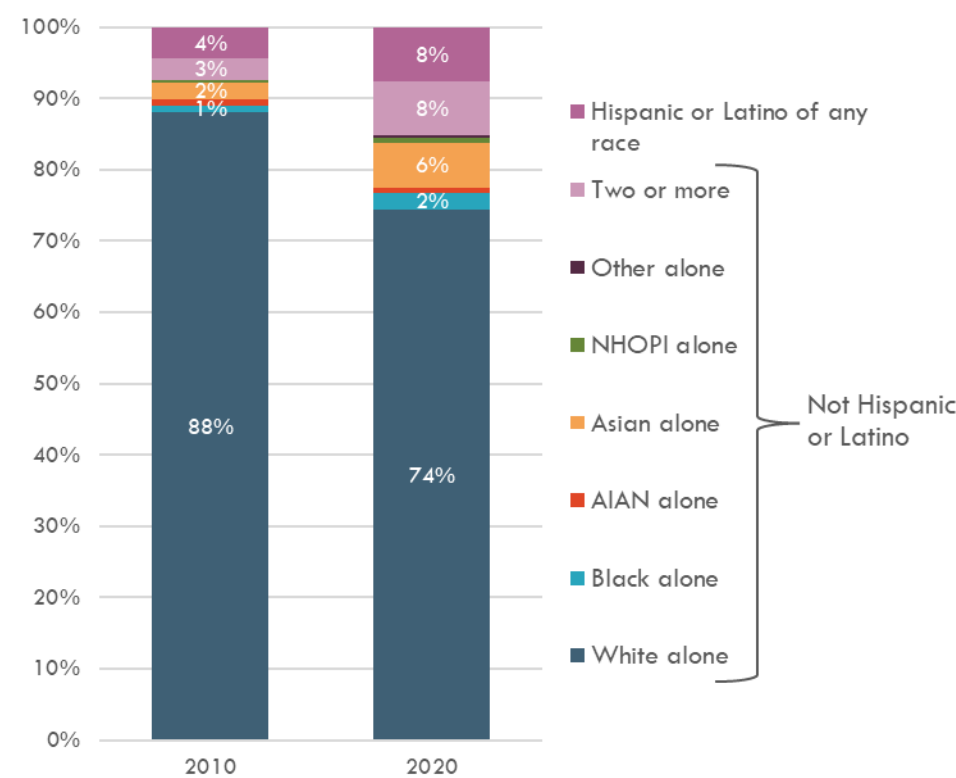

Sources: U.S. Decennial Census, 2020; BERK 2023

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

The largely White population is broadly distributed throughout the city. There are a couple of clusters of people of color:

- There is a small cluster of Asian population along the city's western border (indicated with ①). The population appears to be associated with new housing stock in the Westridge Community development area, which includes the largest concentration of new for-sale housing in the area (interview). The housing is largely single-family detached housing in the $600k - $700k range.

  - One realtor who used to work in the area said these homes have more bedrooms, which may be a reason they are more attractive to Asian households.[13]

- Additional clusters of diversity (indicated with ② and ③) are likely associated with higher density, renter-occupied multifamily housing at Edgewood Heights and The Arbors at Edgewood.
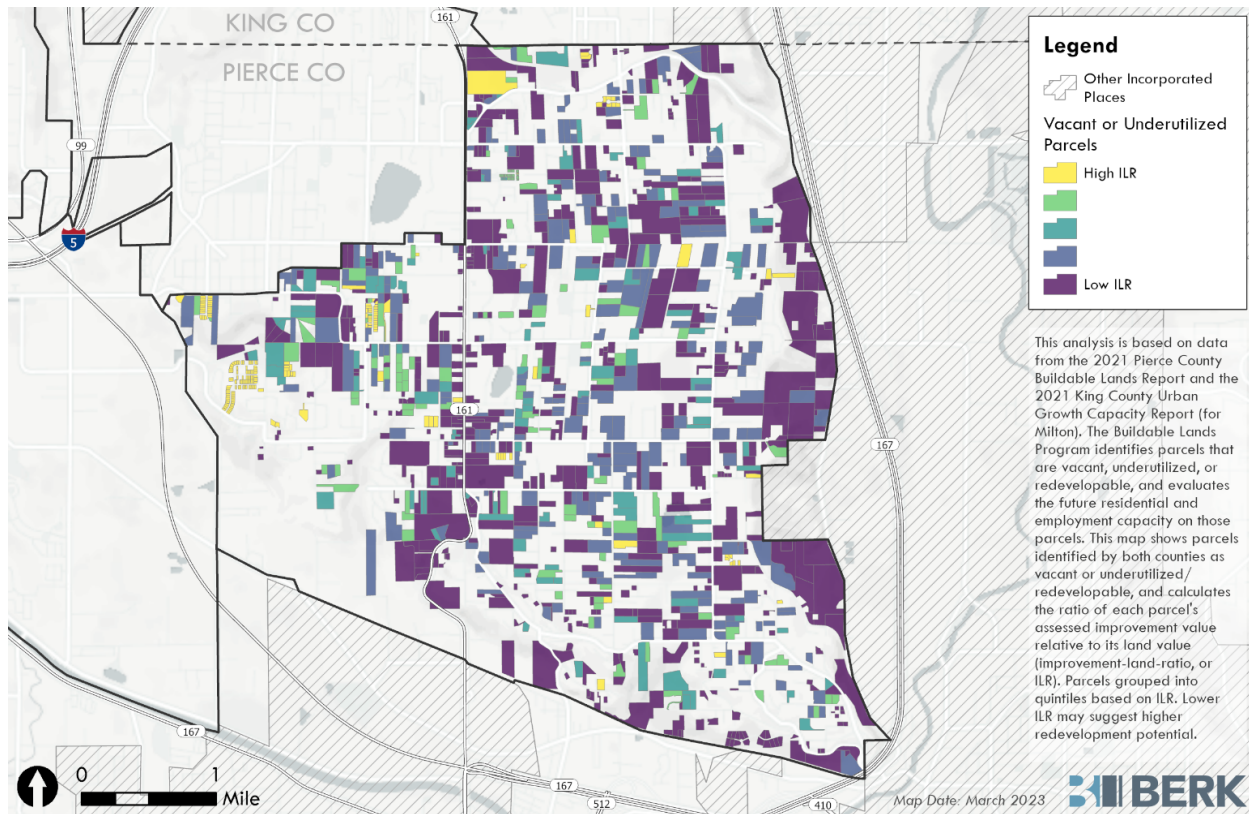
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[13] Phone conversation with Alex Foraker, realtor

Exhibit 26. Change in the share of the Edgewood population by race and ethnicity, 2010-2020
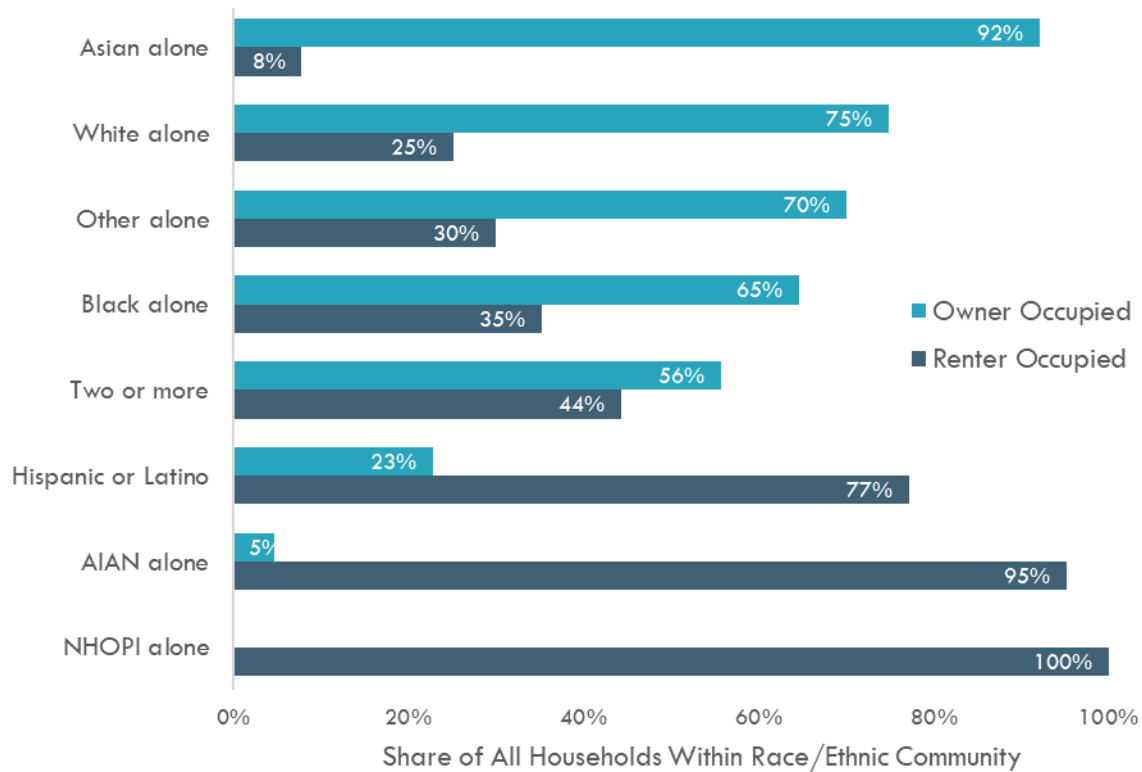

Sources: U.S. Decennial Census, 2010 and 2020; BERK 2022

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Exhibit 27. Improvement value to land value ratio of Edgewood's underutilized parcels, 2021

An improvement-to-land value analysis estimates the relative development potential of parcels, based on the ratio of parcel's assessed value and built structure(s). Parcels with higher improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the value of the parcel enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than a neighboring lot that has an older, smaller home (lower improvement value). Parcels with relatively low improvement values such as vacant lots or lots with structures that are at the end of their useful lives or no longer meeting current market needs often provide more profitable opportunities for redevelopment.
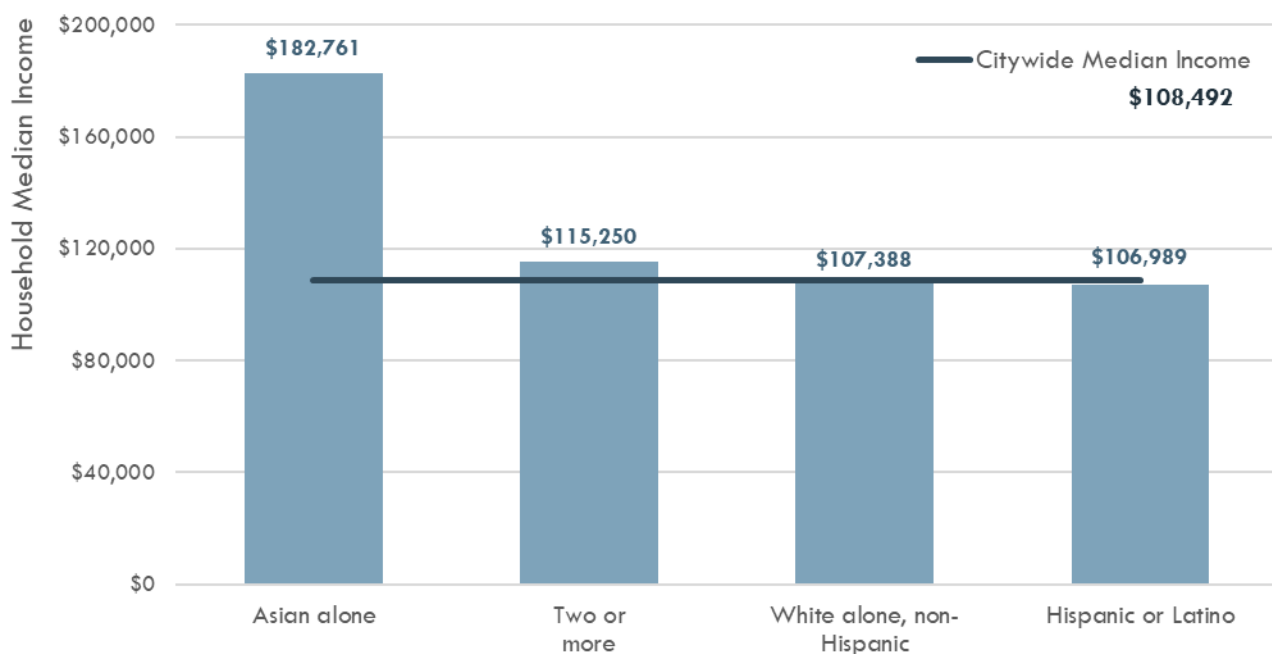
Exhibit 28. Edgewood households by tenure and race and ethnicity, 2021

■ Owner Occupied	■ Renter Occupied

Asian alone: Owner Occupied 92%, Renter Occupied 8%
White alone: Owner Occupied 75%, Renter Occupied 25%
Other alone: Owner Occupied 70%, Renter Occupied 30%
Black alone: Owner Occupied 65%, Renter Occupied 35%
Two or more: Owner Occupied 56%, Renter Occupied 44%
Hispanic or Latino: Owner Occupied 23%, Renter Occupied 77%
AIAN alone: Owner Occupied 5%, Renter Occupied 95%
NHOPI alone: Renter Occupied 100%

Share of All Households Within Race/Ethnic Community

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).
Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003A-I; BERK 2022.

Exhibit 29. Median household income by race and ethnicity in Edgewood, 2021

Citywide Median Income: $108,492

Asian alone: $182,761
Two or more: $115,250
White alone, non-Hispanic: $107,388
Hispanic or Latino: $106,989

Note: Data suppressed for Black alone, AIAN alone, NHOPI alone, and other alone.
Sources: American Community Survey, 2017-2021 5-year estimates, Table B19013A-I; BERK 2022.

Exhibit 30. Cost-burdened status for renter households by White alone vs BIPOC households in Edgewood, 2019
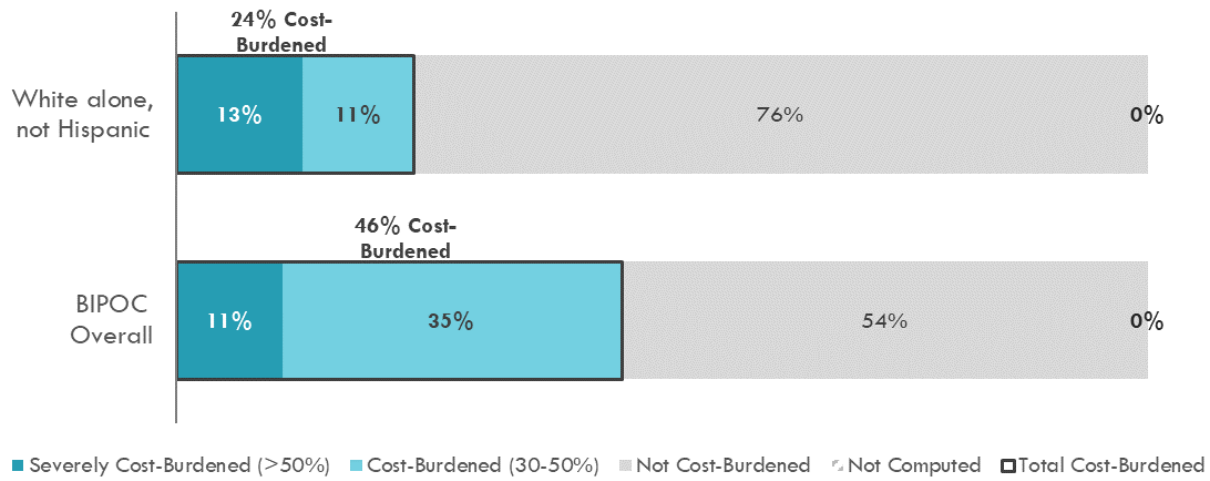
Sources: *U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy Data, 2015-2019 5-year estimates; BERK 2022*

City of Fife

Discussion

Background

The City of Fife is located along the lower Puyallup basin and is the ancestral home of the Puyallup people. The Treaty of Medicine Creek (1854) ceded the majority of lands to the United States and set aside reservations for the Puyallup people. The Puyallup people objected to the reservations assigned to them: just 1,280 acres were located on rocky, thickly forested bluffs above the respective river delta without access to the river shorelines, bottomlands, or prairie necessary for farming and pasturing horses.[14] In 1857, the reservation was expanded to include more than 18,000 acres along the Commencement Bay shoreline and up the Puyallup River. However, today much of the land within the reservation borders is owned by people who are not tribal members. This is because much of the reservation lands were allotted into parcels to individual tribal members, who subsequently lost their land to non-tribal members through sale or illegal lease agreements.

According to historical records, Pacific Islanders were the first Asians in Washington, dating back to the 18th century. Many took jobs on the coast and supported important economic enterprises like the Hudson Bay Company. Today, more Native Hawaiians and Pacific Islanders live in Washington than anywhere else in the U.S, besides Hawaii.[15] Chinese and Japanese immigrants began arriving in Western Washington in the 1870s and working as laborers in timber harvesting, mining, railroading, and agriculture.[16] While becoming established community members, the 1899 Washington State Constitution included a discriminatory statute that prohibited "aliens" – i.e., people who are not citizens of the United States - from owning land, while federal law prevented people from Asia becoming citizens. Many Japanese farmers were able to work around these limitations by farming on land leased from White landowners or putting the land in the name of their American-born children.[17] Over the next couple of decades, Japanese farmers created many successful truck and berry farms in the region. In Spring of 1942, community members of Japanese descent were forcibly assembled and removed from the area due to Executive Order 9066. Approximately 1,000 residents of Tacoma and Fife valley were evacuated, making their first stop at the Puyallup Assembly station on the Puyallup fairgrounds. Few Japanese farmers returned after their incarceration. Due to their incarceration, many were forced to sell their land and equipment for a fraction of their worth, and few returned to farming after the war.[18]

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[14] Oldham, Kit (2022) South Puget Sound tribes sign Treaty of Medicine Creak on December 26, 1854.

[15] *Who We Are* – PICA-WA. (n.d.). https://www.picawa.org/who-we-are/

[16] Andrews, Mildred Tanner (1997) Japanese-American Legacies in the White River Valley: Historic Context Statement and Inventory. King County Landmarks and Heritage Program. https://kingcounty.gov/~/media/services/home-property/historic-preservation/documents/resources/JapaneseAmericanLegaciesWhiteRiverValley.ashx?la=en

[17] Ibid.

[18] Takami, David (1998). Japanese Farming. Historylink.org available at https://www.historylink.org/file/298.

Demographic Profile

- The racial composition of Fife departs from the countywide pattern with a majority of the population identifying as a person of color (61%), see **Exhibit 33**. Fife has a greater representation of people who identify as Asian (16% compared to the county rate of 7%) as well as Native Hawaiian or Other Pacific Islanders (8% compared to the county rate of 2%). The top languages in Fife Public Schools include English, Spanish, Ukrainian, Russian, and Korean.[19] Additional community input and analysis is necessary to determine if there is an exclusionary effect from neighboring jurisdictions or if there are other factors making Fife the community of choice for communities of color.

Population Change

- Following countywide patterns, the share of Fife's population that identify as persons of color grew between 2010 and 2020 (**Exhibit 33**), from 52% in 2010 to 61% in 2020. The change is largely driven by an increase in the Native Hawaiian or Other Pacific Islander group (representing 3% of the population in 2010 and 8% of the population in 2020) along with a three percentage point increase among those who identify as two or more races, the latter of which matches countywide patterns. All other racial and ethnicity groups stayed within their 2010 share of the population. More recently, community representatives report an influx of Ukrainian and Russian people that are racially white.[20]

  - When asked about the increase in Pacific Islander diaspora, community representatives report that the Pacific Islander community will "cluster and follow each other." The area in Fife is probably mostly Samoan, given that Pierce County has the largest Samoan population per capita in the state. The interviewee also noted that maybe Polynesian people started settling in Fife because they tend to work in the trades (construction, factories, etc.) and have good access to I-5.[21]

Housing

- Compared to other cities in Pierce County, Fife has a relatively low proportion of homeowner households (44%) and are larger proportion of renter households (56%), see **Exhibit 5**.

- The White alone population has the highest rate of homeownership of all racial and ethnic groups (55%) and is the only group where a majority of households own their own home. This suggests **a racially disparate impact in homeownership for people of color**.

  - The median household income for households that identify as Asian is $83,636, higher than the households that identify as white at $80,887. Yet, the homeownership rate for White households is 16 percentage points higher than for Asian households, **indicating a racially disparate impact in homeownership for Asian households**. Considering the spatial association of the Asian alone population with single-family homes (**Exhibit 32**), many Asian

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[19] Interview with Fife Public Schools

[20] Interview with Fife Public Schools

[21] Interview with Pacific Islander Community Association of WA

households may be renting housing that would otherwise be available for homeownership. Additional community input could help identify preferences for tenancy or barriers to homeownership for this population.

- Households with a householder that identifies as Black have a household median income of $71,853, roughly $9,000 less than white households, but a homeownership rate of 25%, a full 30 percentage points lower than the rate for Fife's White households. This suggests a **racially disparate impact in homeownership for black households**, consistent with disparities observed in other communities. Additional community input from renters who identify as Black can help identify preferences for tenancy and racialized barriers to homeownership.

- The Native Hawaiian or Other Pacific Islander group is experiencing the lowest rate of homeownership in Fife at 8%. This group also has the lowest median household income of all race or ethnicity categories. Demographic changes suggest a larger portion of this population is new to Fife, and potentially new to Washington State. Additional community outreach can help identify the housing needs, preferences, and challenges experienced by Native Hawaiian or Other Pacific Islanders.

  - Community representatives report that many Pacific Islanders live in multigenerational households. It is a common goal of Pacific Islander community members to own a home and many would enjoy owning a duplex where they can have immediate or extended family on the other side. However, access to information on buying a home and financial institutions are barriers to homeownership. Financial responsibilities to care for elders may also prevent people from saving to buy a home.[22]

- Following the relatively high share of renters in Fife (**Exhibit 23**) and greater representation of households with household income of less than $75,000 (**Exhibit 22**), many households in Fife are experiencing housing cost burden. About two-fifths (40%) of households that identify as white and 48% of Fife's households of color are experiencing housing cost burden, a disparity of 8 percentage points (**Exhibit 30**). This suggests a **slight racially disparate impact in housing cost burden.**
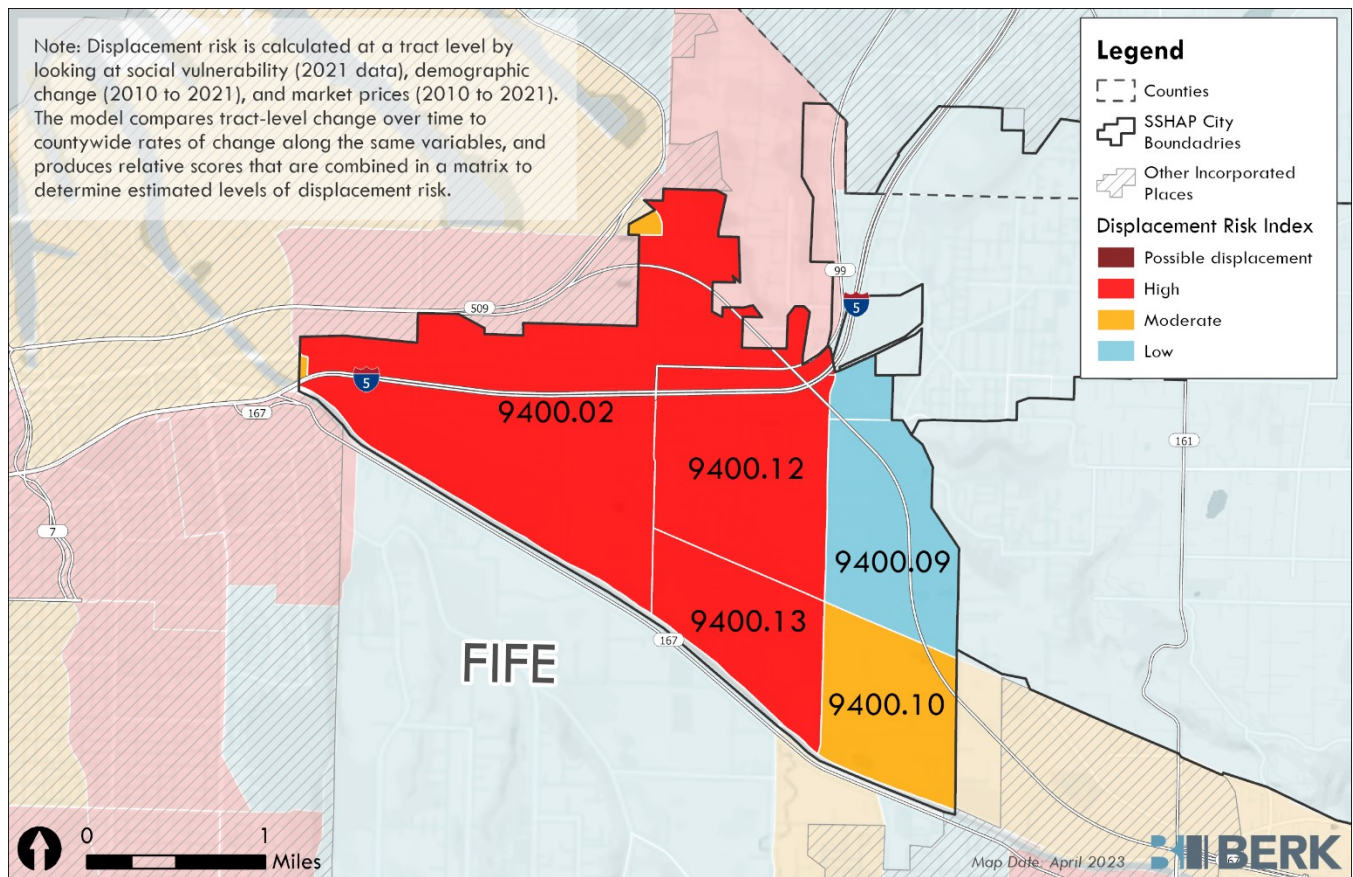
Displacement Risk

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. This analysis provides a neighborhood-scale index of the relative displacement risk within Pierce County. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. The best policy solutions to displacement risk are tailored to the push and pull factors

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[22] Interview with the Pacific Islander Community Association of Washington

specific to the experience of community members experiencing displacement. These findings should be corroborated with and augmented by community input.

Exhibit 31. Fife Assessment of Displacement Risk, 2023

Fife Tracts	Percent Overlap	Social Vulnerability				Demographic Change			Market Prices			Final Displacement Risk
		Renter Quintile	BIPOC Quintile	Median Income Score	Social Vulnerability Score	BIPOC Change	Under 80% AMI Change	Demographic Change Score	High or Low Rent Area - 2015	Appreciation Rate	Market Price Score	
53053940002	41%	4	4	3	11	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	Low or mod appreciation	Stable	High
53053940009	12%	2	3	1	6	Increasing BIPOC	Tracking county change	No	High rent area	High appreciation	Appreciated	Low
53053940010	6%	4	3	3	10	Increasing BIPOC	Decreasing Low Income HHs	No	High rent area	Low or mod appreciation	Appreciated	Moderate
53053940012	100%	5	5	3	13	Decreasing BIPOC	Increasing Low Income HHs	No	Low rent area	High appreciation	Accelerating	High
53053940013	100%	2	5	1	8	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	High appreciation	Accelerating	High

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. This analysis provides a neighborhood-scale index of the relative displacement risk within Pierce County. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement. These findings should be corroborated with and augmented by community input.

Exhibit 31Exhibit 31 presents the findings for census tracts associated with Fife

- The western portions of Fife (Census Tracts 9400.02, 9400.13, and 9400.12) indicate high displacement risk primarily driven by a higher share of people who identify as a person of color and high housing cost appreciation in an area that had relatively low rents in 2015. The demographic change from 2010 to 2021 is somewhat mixed for this area, with some evidence of gentrification and mixed outcomes related to racial composition.

  - One group experiencing displacement pressure is Puyallup tribal members. Tribal representatives observe that the Puyallup Tribe's land is valuable for real estate—something noted as atypical for tribes—so tribal members are being displaced as families move to find housing that is affordable. Tribal families tend to be bigger and need larger units, which are more expensive. Tribal representatives report that cost is the biggest barrier for housing and many people have moved to more affordable areas like Graham and Yelm.[23]

  - Representatives of the Pacific Islander community report that homelessness in this community looks different than in other communities—individuals don't live on the streets but tend to double up with families or live in their cars close to family members. The area's Pacific Islander community members tend to have very low household incomes and are experiencing economic displacement pressure.[24]

- The southeast area of Fife has moderate displacement risk, though this census tract includes a portion of North Puyallup (only 6% of the census tract 9400.10 is within Fife's borders). The area has more renters than the county average, with increasing racial diversity and higher income households compared to countywide trends. However, the area has had relatively lower price appreciation given that prices were already relatively high in 2015.

- The eastern area of Fife (Census Tract 9400.09) has low displacement risk due to a relatively low proportion of households that rent their housing and relatively higher income households. While prices have appreciated more than the countywide rate, the area already had relatively higher prices in 2015.

- There are large areas with higher redevelopment feasibility (lower improvement to land ratios) along the southern border of Fife (north of SR 167). This somewhat overlaps with areas of higher displacement risk (comparing **Exhibit 21** and **Exhibit 34**). Depending on development restrictions, some formerly agricultural or industrial lands may be converted to residential uses. The southeastern area of Fife is of particular interest for displacement risk given that more intensive residential developments have not yet come to this area, the presence of more agricultural uses, and potential market impacts from the development of the new municipal park in the area.

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[23] Interview with the Puyallup Tribe

[24] Interview with the Pacific Islander Community Association of Washington

Exhibits

Exhibit 32. Dot density map of race and ethnicity in Fife, 2020
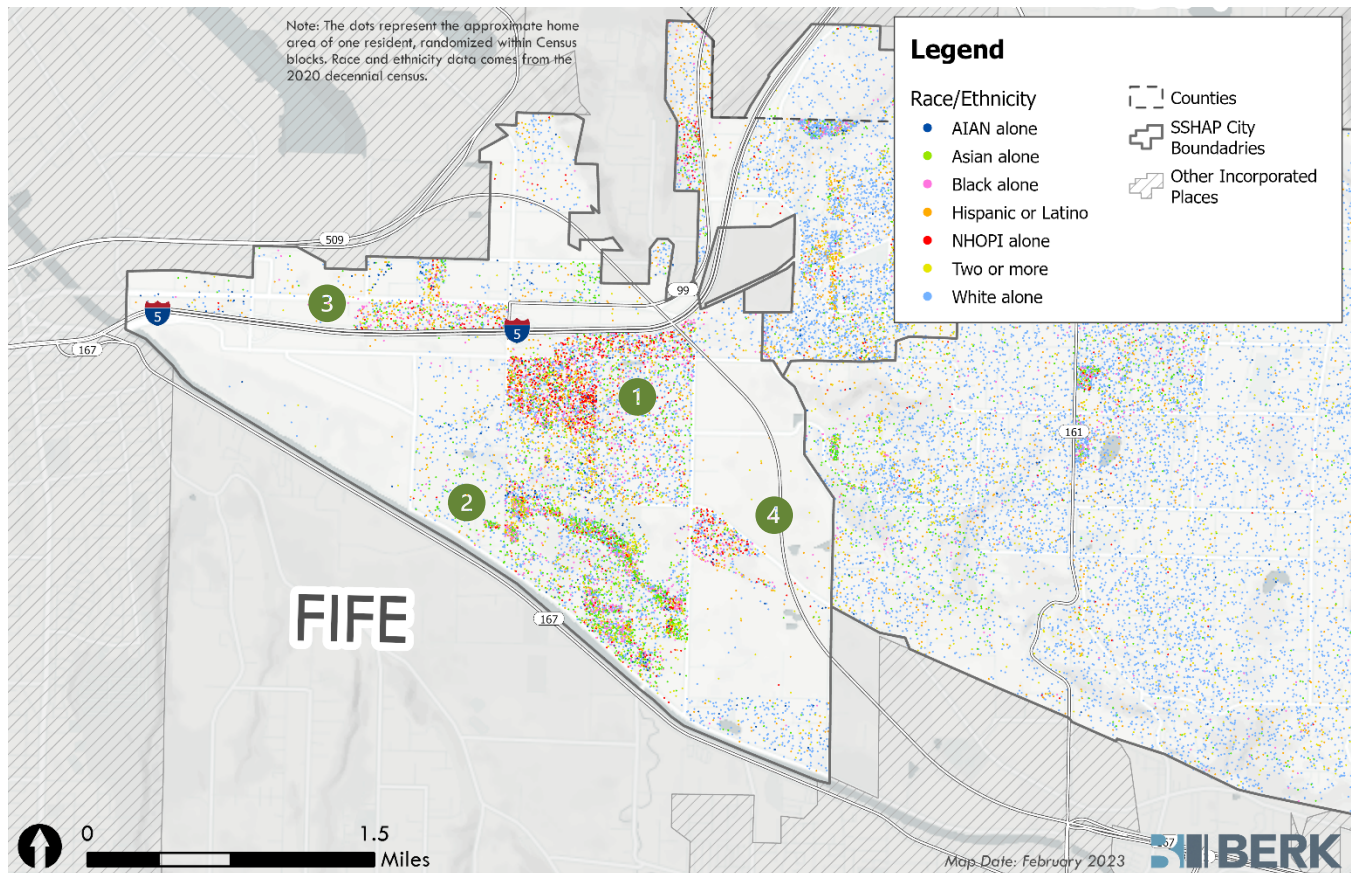
Sources: U.S. Decennial Census, 2020; BERK 2023

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

- Diverse communities are observed throughout Fife.

- There is a cluster of higher diversity including greater representation of people who identify as Native Hawaiian or Pacific Islander, Black, and Asian just south of I-5. (1). This area includes more multifamily housing including The Lakes at Fife Apartments, Astoria Apartments, Revive Apartments, Pointe East Apartments, and Sherwood Park Apartments, extending to the north side of 20th Ste E with Rainier Pointe apartments.

  - Within this population there is a large representation of people identifying as Native Hawaiian or Other Pacific, particularly of Samoan decent. Potential community anchors of the Samoan community include Steven and Sons Food Restaurant (1506 54th Ave E), Kamu Ink (1518 54th Ave E), [25] and the New Life Samoan Church (in Tacoma).

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[25] The owner of Kamu Ink said he tattoos mostly White people and is not very connected to the Samoan population. Interview with Kamu Ink

- There is an observed cluster of people who identify as Asian north of the Puyallup River, predominately comprised of people with Filipino or Korean ancestry (**2**). This area includes the newer subdivisions of Saddle Creek (built in 2005, mostly single-family homes selling in the $530K - $630K range) and the Radiance subdivision (bult in 2006, mostly single-family units selling in the $500 - $600K range). Community anchors may include a Korean congregation that meets in a local church.

- North of I-5 there is a small diverse cluster of people that identify as Native Hawaiian or Pacific Islander, Black, or Hispanic or Latino (**3**). This area includes some larger car dealerships, so the residential population is likely associated with the Chateau Rainier Apartments, a property managed by the Pierce County Housing Authority offering 1 to 3 bedroom units between $1,050 - $1,900 per month (February 2023). There may be some residential uses of older hotel/motel stock in the area.

- Reflecting a similar diverse cluster as **1**, the area east of 70th Ave E and north of the railroad tracks is another node of multifamily housing (**4**).

- The one area that is largely comprised of people who identify as White is in the city's southeast corner. This area includes large tracts of land that are still in agricultural use (including Firwood Farm Alpacas) and some warehousing uses. In a recent community meeting, city staff report participants had neighborhood tenures between 20 and 50 years.

- The area includes an older manufactured home park (MHP) (listed as Ardena Gale Manufactured Home Park)[26] located north of Levee Pond Park with approximate 70 units.[27] There are plans for a new park to the south

and east of the MHP, which could put redevelopment pressure on the existing, older housing stock. Given the disassociation of ownership between the land and the structures, the park could be at risk of redevelopment.

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[26] Parcel number 0420202035. See https://atip.piercecountywa.gov/app/propertyDetail/0420202035/summary.

[27] Parcel data states 61 units, but does not include permanent RVs or Park Models. Actual home county may be closer to 70 based on aerial view.
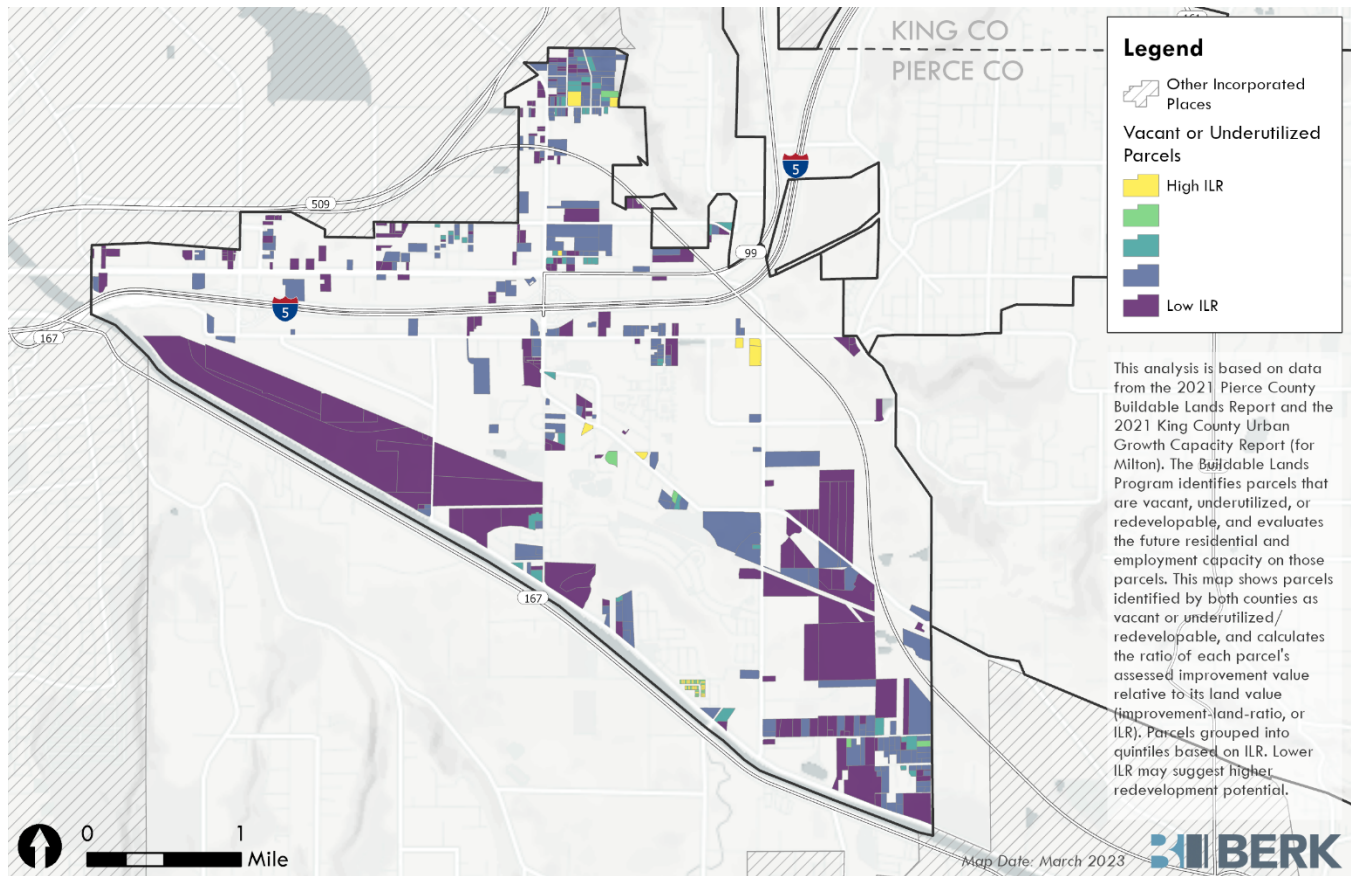
Exhibit 33. Change in the share of the Fife population by race and ethnicity, 2010–2020
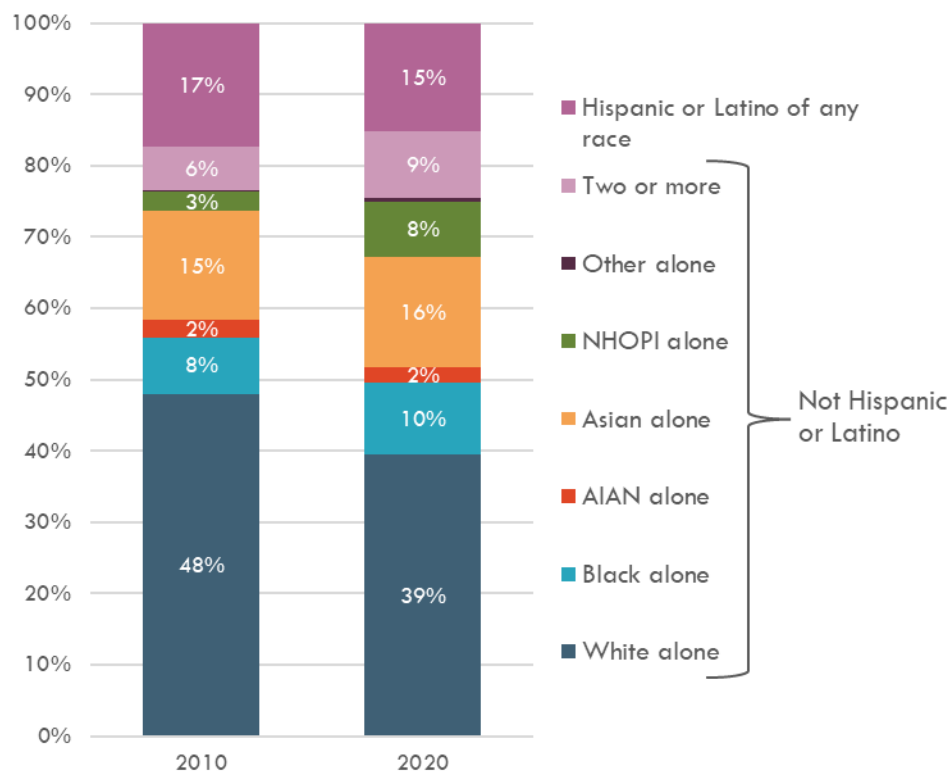
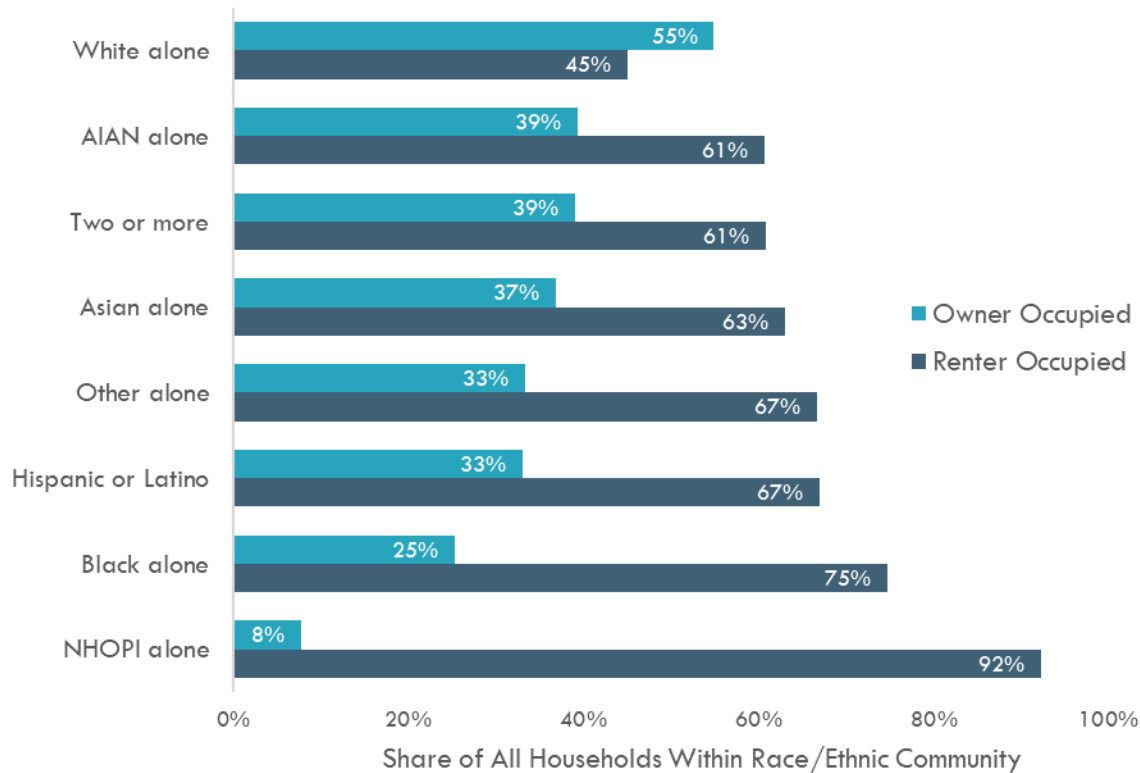Sources: U.S. Decennial Census, 2010 and 2020; BERK 2022

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Exhibit 34. Improvement value to land value ratio of Fife's underutilized parcels, 2021

An improvement-to-land value analysis estimates the relative development potential of parcels, based on the ratio of parcel's assessed value and built structure(s). Parcels with higher improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the value of the parcel enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than a neighboring lot that has an older, smaller home (lower improvement value). Parcels with relatively low improvement values such as vacant lots or lots with structures that are at the end of their useful lives or no longer meeting current market needs often provide more profitable opportunities for redevelopment.
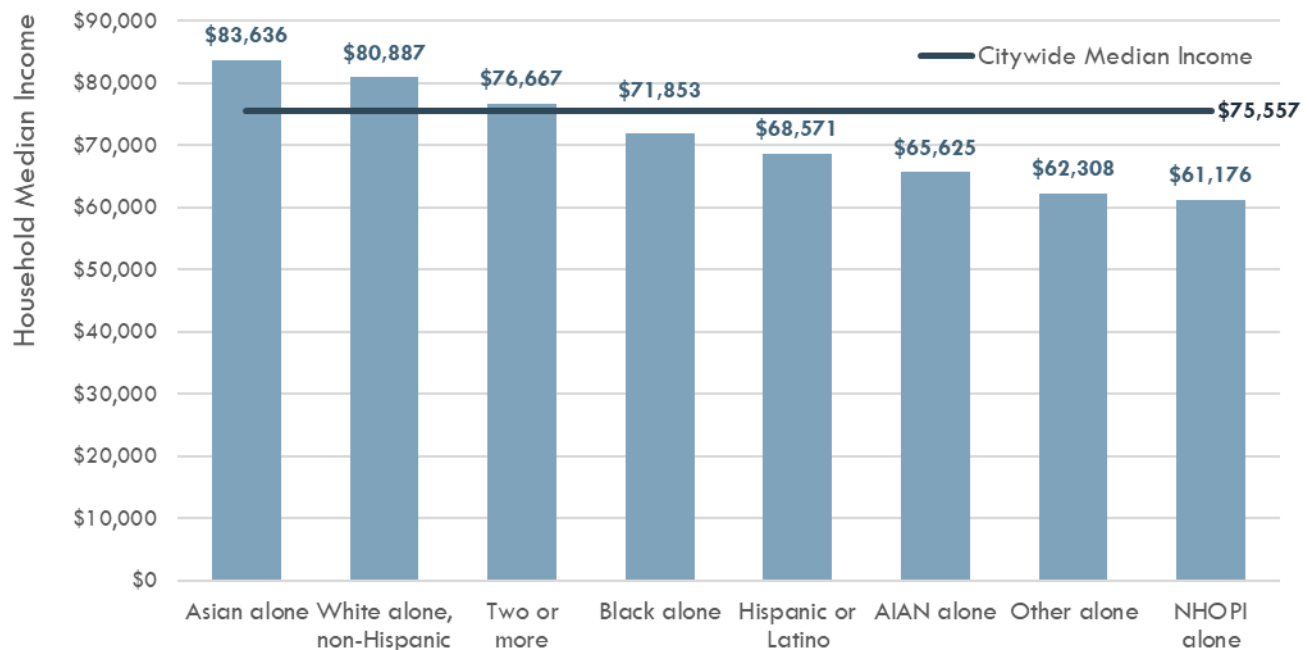
Exhibit 35. Fife households by tenure and race and ethnicity, 2021

White alone: Owner Occupied 55%, Renter Occupied 45%
AIAN alone: Owner Occupied 39%, Renter Occupied 61%
Two or more: Owner Occupied 39%, Renter Occupied 61%
Asian alone: Owner Occupied 37%, Renter Occupied 63%
Other alone: Owner Occupied 33%, Renter Occupied 67%
Hispanic or Latino: Owner Occupied 33%, Renter Occupied 67%
Black alone: Owner Occupied 25%, Renter Occupied 75%
NHOPI alone: Owner Occupied 8%, Renter Occupied 92%

Share of All Households Within Race/Ethnic Community

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).
Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003A-I; BERK 2022

Exhibit 36. Median household income by race and ethnicity in Fife, 2021

Asian alone: $83,636
White alone, non-Hispanic: $80,887
Two or more: $76,667
Black alone: $71,853
Hispanic or Latino: $68,571
AIAN alone: $65,625
Other alone: $62,308
NHOPI alone: $61,176

Citywide Median Income: $75,557

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).
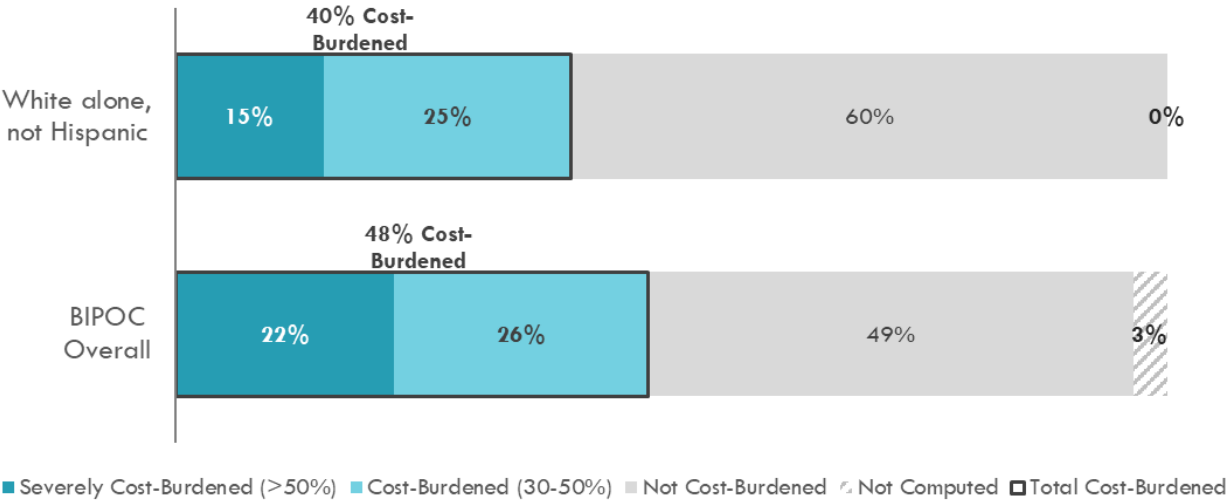*Sources: American Community Survey, 2017-2021 5-year estimates, Table B19013A-I; BERK 2022*

Exhibit 37. Cost-burdened status for renter households by white alone vs BIPOC households in Fife, 2019

Sources: *U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy Data, 2015-2019 5-year estimates; BERK 2022*

City of Gig Harbor

Discussion

Background

Gig Harbor, located on Puget Sound, was the ancestral home of the Twa-Wal-Kut band of the Puyallup Tribe.[28] They enjoyed the region's abundant natural resources, including fish, shellfish, and timber. While previous explorers missed the hard-to-spot entrance to the bay, Lieutenant Charles Wilkes's expedition found the hidden harbor in 1841, naming it Gig Harbor because the expedition entered the bay in a small gig.

The U.S. Federal Government took control of a large amount of the natives' lands through the Treaty of Medicine Creek in 1854. The first permanent settlement by non-native peoples dates to 1867, when a small fishing village was established.[29] During this era, the communities were predominantly Croatian and Scandinavian and the economy focused on timber, boatbuilding, and fishing. Further settlement by Scandinavian and American settlers from Minnesota in the 1880s brought further timber clearing and the establishment of farms growing berries, fruits, and vegetables.

The establishment of a ferry system in 1918 further connected Gig Harbor to the cities across the bay. The community grew slowly—the 1950 census listed 803 residents—but the population began to grow quickly after a new, more stable Tacoma Narrows Bridge was built.[30]

Demographic Profile

- A greater proportion of Gig Harbor (79%) identifies as White alone than Pierce County as a whole (62%) (see **Exhibit 2**). Compared to countywide shares, Gig Harbor has less representation of Hispanic or Latino people (7% compared to the county wide rate of 12%) and Black residents (1% compared to the countywide proportion of 7%). This suggests **a potential exclusionary effect on the Hispanic and Latino and Black communities**. Additional community engagement can help identify specific barriers to inclusion for these populations in Gig Harbor.

Population Change

- Similar to countywide patterns, Gig Harbor grew more diverse between 2010 (86% white) to 2020 (79% white). Similar to other jurisdictions the proportion of the population that identifies as two or more races increased (3 percentage points). The most significant increase was in the population that identifies as Asian, growing three percentage points between 2010 and 2020 from 3% to 6% of the population (see **Exhibit 40**).

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[28] Gig Harbor Thumbnail History by Jim Kershner (2012). Historylink.org https://www.historylink.org/file/10271

[29] Ibid.

[30] Gig Harbor "The Maritime City" Harbor History. https://www.visitgigharborwa.com/history

Housing

- Gig Harbor has a city-wide homeownership rate of 63% (see **Exhibit 23**), though the rate varies by race and ethnic group. **Exhibit 42** provides estimates of the housing tenure for seven racial and ethnic groups, though some estimates are unreliable due to sampling error associated with small populations. White households have a homeownership rate of 64%, 11 percentage points less than the Asian household rate of 75% and 14 points less than the Hispanic or Latino homeownership rate (**Exhibit 42**). Asian households have a median household income approximately $5,200 higher than white households ($105,282 compared to $100,083) (**Exhibit 43**).

    - The higher rate of homeownership for the Hispanic or Latino population is unexpected given the population's lower household median income ($100,083 for white households compared to $77,857 for Hispanic or Latino households). This unexpected finding could be related to higher tenure in Manufactured Home Parks in which residents own their homes but not the land underneath. Small sample sizes and larger margins of error could also contribute to this finding.

- Rates of housing cost burden are relatively high in Gig Harbor, particularly for people of color, of which 45% are housing cost burdened (**Exhibit 10**). The household income distribution in Gig Harbor does not indicate an over representation of lower income households compared to other Pierce County cities (**Exhibit 22**) so the higher rates of housing cost burden are likely driven by higher housing costs. In 2021, the median monthly rent in Gig Harbor was $1,477, higher than Edgewood ($1,295), Fife ($1,432), Milton ($1,438) and University Place ($1,250) (**Exhibit 11**).

- **Exhibit 44** compares housing cost burden for Gig Harbor's renter households, broken out by white households and households of color. For white renting renters, 46% of households are housing cost burdened, with 27% falling into the severely cost-burdened category. For people of color, this the cost burden rate jumps to 67%, a full 19 percentage points higher. This indicates **a racially disparate impact in housing cost burden.**

    - Community representatives report struggling to afford housing. Interviewees note limited affordable multifamily housing in Gig Harbor and observe that new multifamily options are outside the city with an "easy commute in." One representative said that the "new housing we see is gentrified stuff, it's for the wealthy people. They're building for people who aren't struggling."[31]
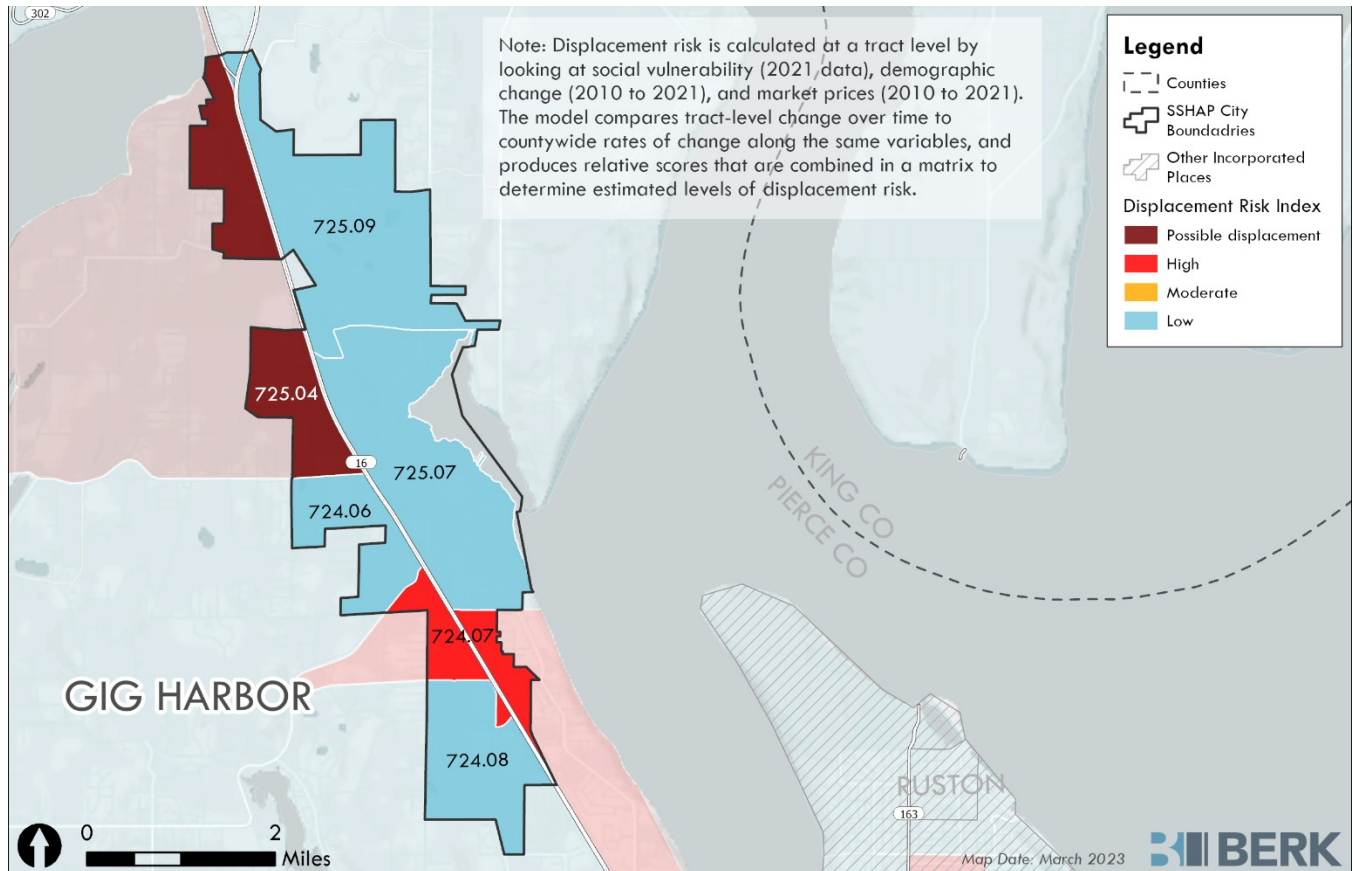
Displacement Risk

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. This analysis provides a neighborhood-scale index of the relative displacement risk within Pierce County. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes

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[31] Interview with Gig Harbor FISH Food Bank

associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement. These findings should be corroborated with and augmented by community input.

**Exhibit 38. Gig Harbor Assessment of Displacement Risk, 2023**

Gig Harbor Tracts	Percent Overlap	Social Vulnerability				Demographic Change			Market Prices			Final Displacement Risk
		Renter Quintile	BIPOC Quintile	Median Income Score	Social Vulnerability Score	BIPOC Change	Under 80% AMI Change	Demographic Change Score	High or Low Rent Area - 2015	Appreciation Rate	Market Price Score	
53053072406	18%	1	1	1	3	Increasing BIPOC	Increasing Low Income HHs	Disinvestment	High rent area	High appreciation	Appreciated	Low
53053072407	21%	4	1	2	7	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	High appreciation	Accelerating	High
53053072408	31%	3	1	1	5	Tracking county change	Tracking county change	No	High rent area	Low or mod appreciation	Appreciated	Low
53053072504	8%	2	1	1	4	Tracking county change	Decreasing Low Income HHs	Gentrification	High rent area	High appreciation	Appreciated	Possible displacement
53053072507	100%	4	1	2	7	Increasing BIPOC	Increasing Low Income HHs	Disinvestment	Low rent area	High appreciation	Accelerating	Low
53053072509	64%	2	1	1	4	Increasing BIPOC	Increasing Low Income HHs	Disinvestment	High rent area	High appreciation	Appreciated	Low

Sources: U.S. Decennial Census, 2020; American Community Survey 2017-2021 5-year Estimates; BERK 2023

Exhibit 38 presents the findings for census tracts associated with Gig Harbor.

The vast majority of Gig Harbor's residential areas are in census tracts that have low displacement risk relative to the county (census tract 725.07, 725.09, 724.06, and 724.09). This is primarily due to lower rates of social vulnerability and increasing share of people of color and households with incomes less than 80% of AMI. Market prices suggest rental cost appreciation higher than countywide trends.

- The analysis indicates one area with evidence of possible displacement (census tract 725.04 in the northwest area of the city limits). This census tract is largely comprised of McCormick Forest Park and McCormick Creek. This area had existing more expensive housing that has continued to appreciate. A new subdivision of on 61st Ave Ct makes it appear like a proportionally large influx of higher-earning households and loss of households earning less than 80% of AMI.
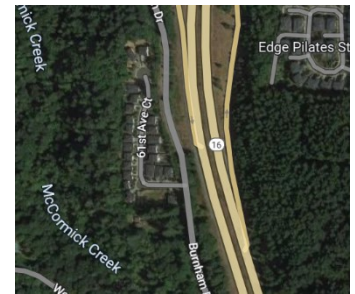
- The analysis indicates an **area of higher displacement risk in census tract 724.07,** approximately 21% of which falls within Gig Harbor's city limits. The majority of this census track lies to the south of Gig Harbor between Highway 16 and the shoreline of the Tacoma Narrows. The area has relatively higher rates of renter households than the countywide mean (fourth quintile) and evidence of a fewer households in 2020 than 2010 earning less than 80% of AMI. Relative to other parts of Pierce County, the area had lower rents in 2015 that has seen high appreciation between 2010 and 2020.

  - Within in this area the underutilized parcels with low improvement to land ratios are largely dispersed (see **Exhibit 41**).

  - One interviewee who supports tenants in unlawful detainer cases said that they see a lot of intent to sell or intent to occupy cases in Gig Harbor. While this is a lawful cause for eviction, tenants probably won't be able to find another affordable place to live in Gig Harbor. Moving could also add additional expenses, like paying the toll for the Tacoma Narrows Bridge. Interviewee said they see a lot of these cases in middle housing typologies.[32]

  - Another interviewee noted that renters in Gig Harbor are vulnerable to displacement because a new owner will buy the building and raise the rent. They noted seniors and people with disabilities were particularly vulnerable because they live on a fixed income.[33]

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[32] Interview with Tacoma Pro Bono

[33] Interview with Gig Harbor FISH Food Bank

Exhibits

Exhibit 39. Dot density map of race and ethnicity in Gig Harbor, 2020
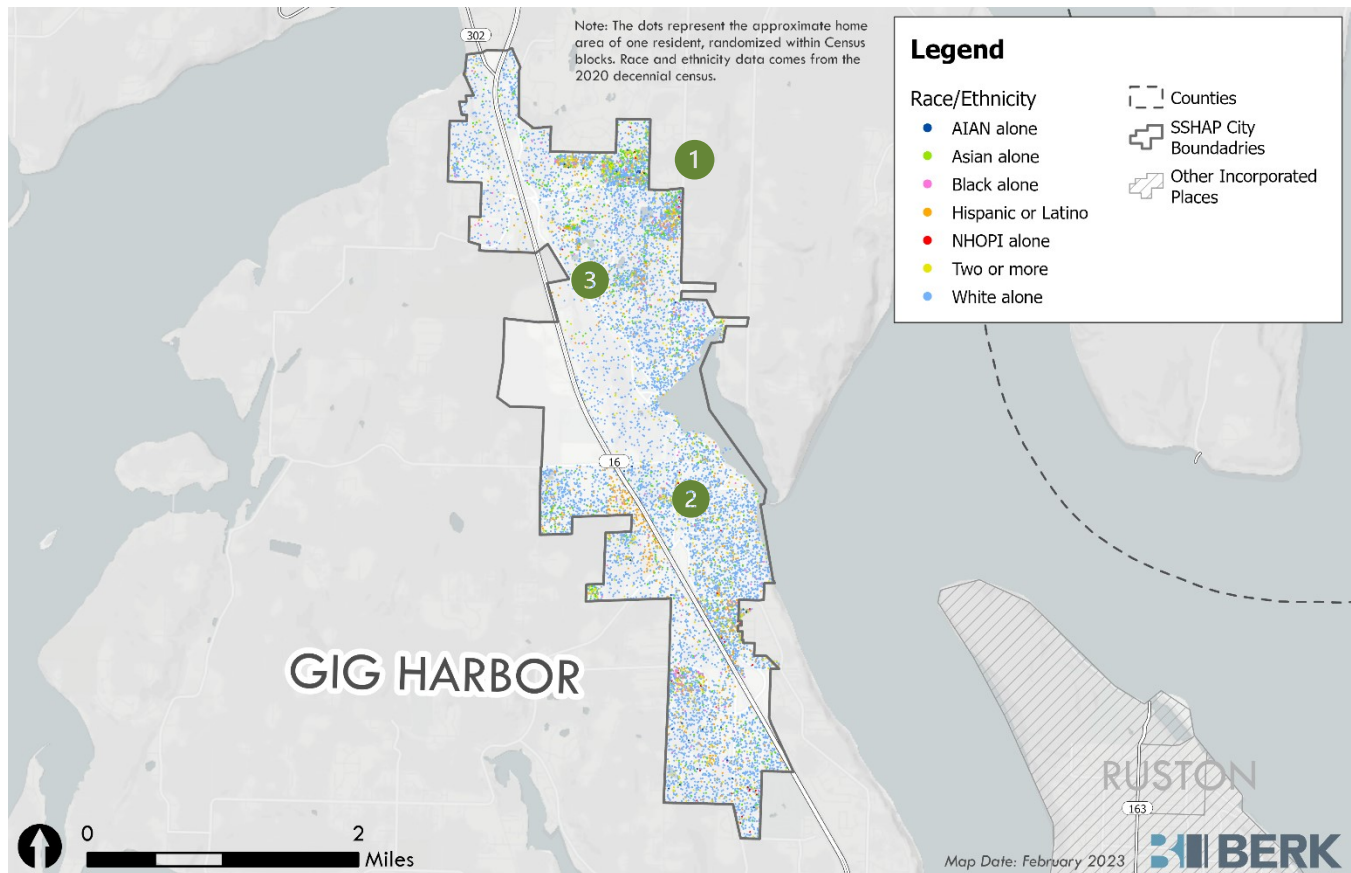
Sources: U.S. Decennial Census, 2020; BERK 2023

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

- There is an area of higher population density with a small cluster of Asian population (1) in the northeaster area of Gig Harbor, with a representation more than twice the city rate (location quotients of more than 2, see **Exhibit 4**). The Asian population in Gig Harbor is predominately Filipino, Chinese, and Japanese. The higher population density may be associated with the Bracera Apartments at 11400 Olympus Way. Bracera Apartments has apartments at market rate ($1,900 for 1 bedroom, $2,200 for 2 bedroom, $2,400 for 3 bedroom), but it may be the larger units attracting larger numbers of people.[34] This may include populations associated with the military as well as the fishing industry. Bracera Apartments requires that an applicant make 3x the rent and will refer lower-income people to other apartments in the area, including Forest Grove.

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[34] Interview with Bracera Apartments

- There is a slight concentration of Hispanic or Latino people along Highway 16 (2). There may be some new development in the area, but it is unclear if the Hispanic and Latino population moved to the area recently or if recent displacement since 2020 has instigated an influx of Hispanic and Latino people from other areas of Gig Harbor as well as cities outside of Gig Harbor. Additional community engagement can clarify recent population composition and potential shifting. Forest Grove Apartments is in this area and offers apartments at a lower rate than Bracera Apartments. They have 1 bedroom units ($1,700 or $1,800), 2 bedroom units ($1,900-$2,500), and 3 bedroom apartments ($2,100-$2,200).

- There is a slightly higher housing density at 3 which could be associated with the Hillcrest Mobile Home Park.
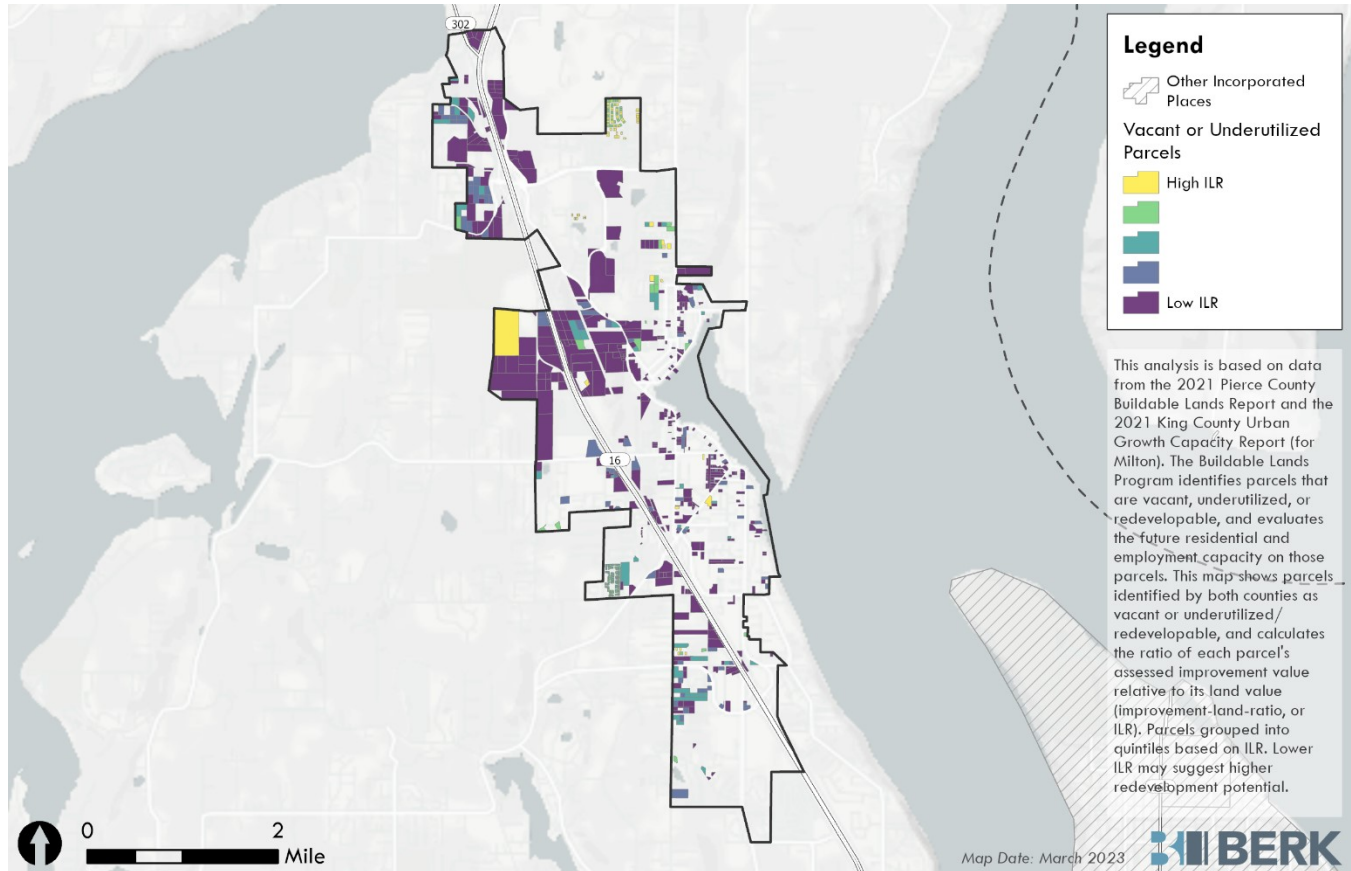
Exhibit 40. Change in the share of the Gig Harbor population by race and ethnicity, 2010-2020
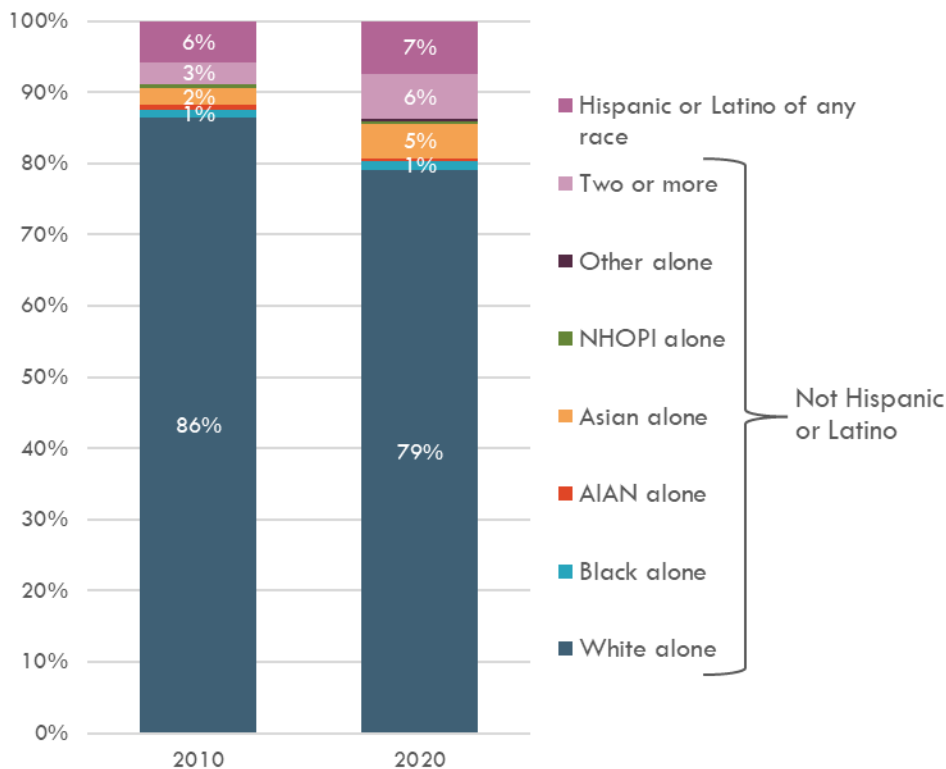
Sources: U.S. Decennial Census, 2010 and 2020; BERK 2022
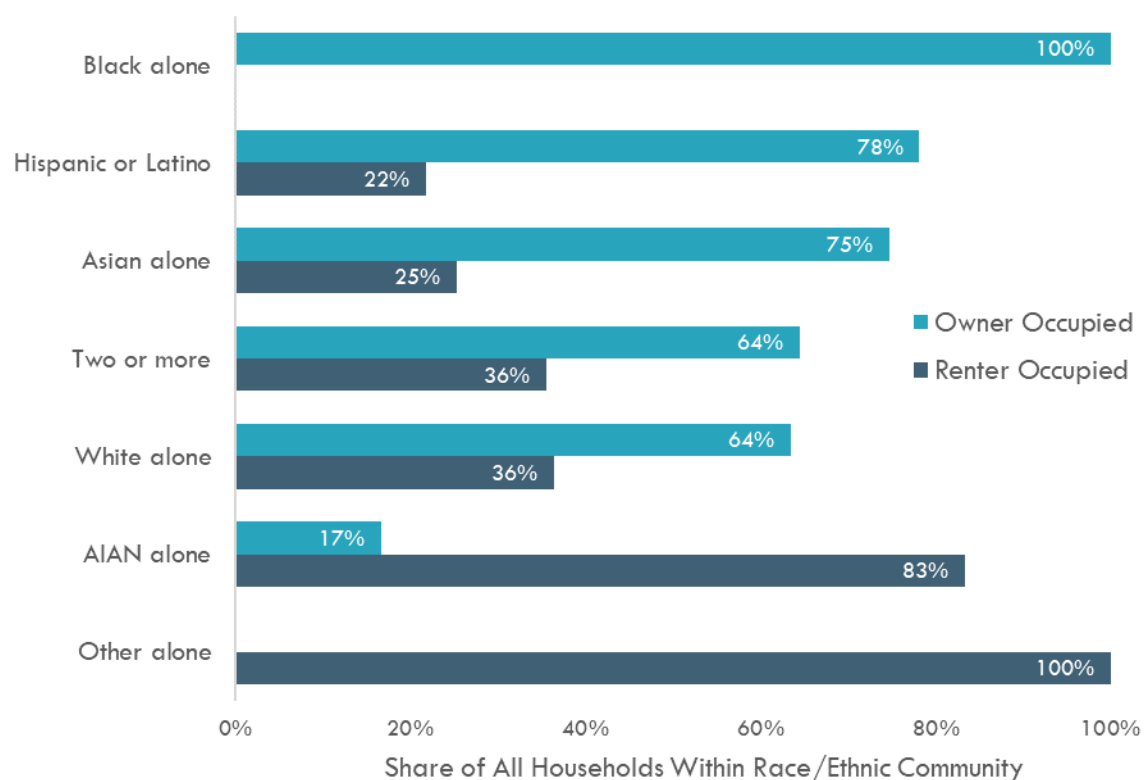
Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Exhibit 41. Improvement value to land value ration of Gig Harbor's underutilized parcels, 2021

An improvement-to-land value analysis estimates the relative development potential of parcels, based on the ratio of parcel's assessed value and built structure(s). Parcels with higher improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the value of the parcel enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than a neighboring lot that has an older, smaller home (lower improvement value). Parcels with relatively low improvement values such as vacant lots or lots with structures that are at the end of their useful lives or no longer meeting current market needs often provide more profitable opportunities for redevelopment.

Exhibit 42. Gig Harbor households by tenure and race and ethnicity, 2021

Note: AIAN = American Indian or Alaskan Native
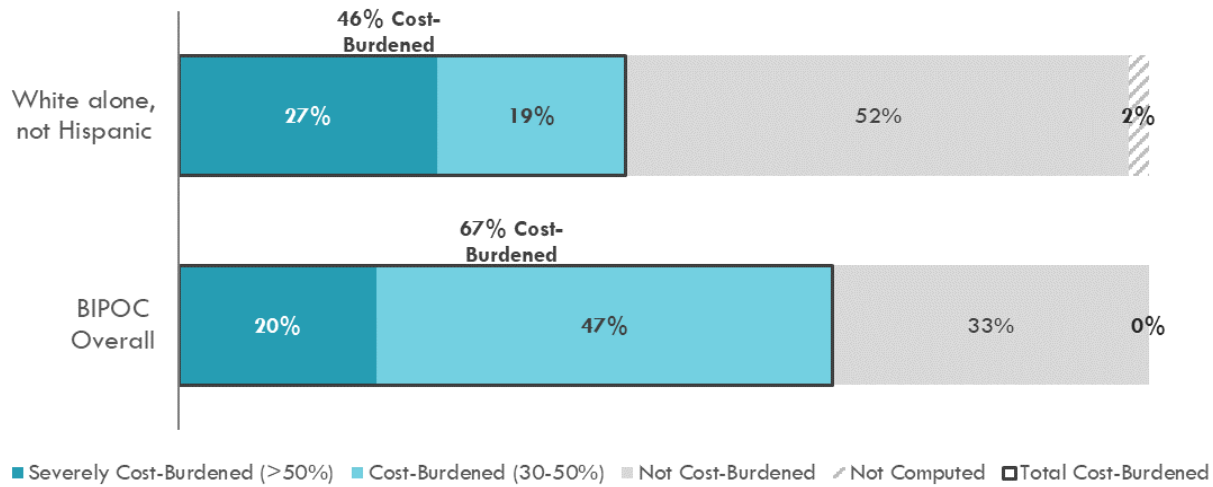Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003A-I; BERK 2022

Exhibit 43. Median household income by race and ethnicity in Gig Harbor, 2021
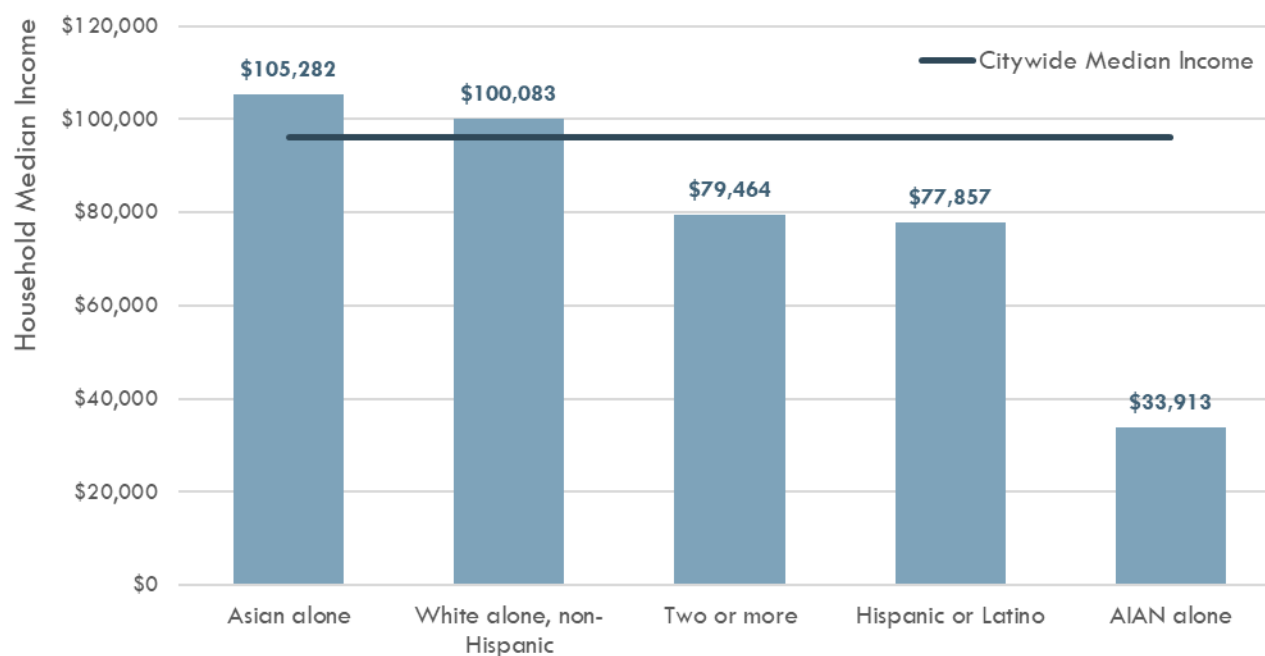
Note: AIAN = American Indian or Alaskan Native; data suppressed for Black alone, NHOPI alone, and other alone.
Sources: American Community Survey, 2017-2021 5-year estimates, Table B19013A-I; BERK 2022

Exhibit 44. Cost-burdened status for renter households by white alone vs BIPOC households in Gig Harbor, 2019

White alone, not Hispanic — 46% Cost-Burdened: Severely Cost-Burdened 27%, Cost-Burdened 19%, Not Cost-Burdened 52%, Not Computed 2%

BIPOC Overall — 67% Cost-Burdened: Severely Cost-Burdened 20%, Cost-Burdened 47%, Not Cost-Burdened 33%, Not Computed 0%

Legend: ■ Severely Cost-Burdened (>50%) ■ Cost-Burdened (30-50%) ■ Not Cost-Burdened ⁄ Not Computed ▢ Total Cost-Burdened

Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy Data, 2015-2019 5-year estimates; BERK 2022

City of Milton

Discussion

Background

The City of Milton is located on an upland area, north of Edgewood on the northern side of the Puyallup River Valley. Prior to the mid-1800s, the area was part of the historical lands of the Puyallup Indian Tribe. In the late 19th century, mills and lumber camps were established followed, by an increasing number of homesteaders.[35] Settlement increased with the federal Homestead Act in 1862, bringing homesteaders and farmers of various decent, including Germans, Canadians, Finnish, and Swedes. The area was known for raspberry and cranberry farms. Milton was incorporated as a city in 1907, with a 1910 census population of 448.

The interurban railway (1902 – 1929) connected Milton to the employment centers and markets for agricultural products in the more urban area of Tacoma, later replaced with modern highways and bus service.[36] The war effort brought many new families to the area seeking work in the shipyards, leading to a housing shortage.[37]

Chinese and Japanese immigrants began arriving in Western Washington in the 1870s and working as laborers in timber harvesting, mining, railroading, and agriculture.[38] While becoming established members of the community, the 1899 Washington State Constitution included a discriminatory statute that prohibited "aliens" – i.e., people how are note citizens of the United States -from owning land, while federal law prevented people from Asian from becoming citizens. Many Japanese farmers were able to work around these limitations by farming on land leased from white landowners or putting the land in the name of their American-born children.[39] Over the next couple of decades, Japanese farmers created many successful truck and berry farms in the region. In the Spring of 1942, Executive Order 9066 forcibly assembled and removed community members of Japanese descent from the area. Approximately 1,000 residents of Tacoma and Fife valley were evacuated, making their first stop at the Puyallup Assembly station on the Puyallup fairgrounds. Few Japanese farmers returned after their incarceration. Due to their incarceration, many were forced to sell their land and equipment for a fraction of their worth, and few returned to farming after the war.[40]

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[35] Milton Washington website (2023). History of Milton. https://www.cityofmilton.net/189/History-of-Milton

[36] U.S. Census. 1910 Supplement for Washington.
https://www2.census.gov/library/publications/decennial/1910/abstract/supplement-wa.pdf

[37] Johnson, Kay. Hilton History. Available on the City of Milton website:
https://www.cityofmilton.net/DocumentCenter/View/147/Milton-History---Kay-Johnsons-Historical-Account

[38] Andrews, Mildred Tanner (1997) Japanese-American Legacies in the White River Valley: Historic Context Statement and Inventory. King County Landmarks and Heritage Program. https://kingcounty.gov/~/media/services/home-property/historic-preservation/documents/resources/JapaneseAmericanLegaciesWhiteRiverValley.ashx?la=en

[39] Ibid.

[40] Takami, David (1998). Japanese Farming. Historylink.org available at https://www.historylink.org/file/298.

Demographic Profile

- A greater proportion of Milton (67%) identifies as White than the countywide rate of 62% (see **Exhibit 2**). Milton's racial composition falls between its neighbors of Edgewood (74%) and Fife (39%), though the people of color proportion of Milton grew 13 percentage points between 2010 and 202, a slightly larger shift compared to the countywide change of 12 percentage points. In 2020, people who identify as Black are less represented in Milton (4%) compared to the countywide rate of 7%, **suggesting a slight exclusionary effect for the Black community.** The other racial ethnic groups largely reflect county proportions.

    - Preliminary community input suggests that the underrepresentation of people who identify as Black may be due to cultural reasons rather than policy choices. One interviewee explained that Edgewood and Milton have historically been farming communities that prides themselves on being a "unique community surrounded by warehouses and cities" which has led to resistance to allowing apartments and high density housing.[41] This narrative of city history overlooks the historical facts related to the displacement of the Indigenous population, the contributions of people of color in the area's agricultural history, and the role of policy in preventing people of color from owning land thus creating exclusionary effects.

Population Change

- Between 2010 and 2020 the largest shifts in population include growth in the Hispanic or Latino population (an increase of 6 percentage points) and, consistent with other jurisdictions, an increase in the number of people identifying as two or more races (an increase of 4 percentage points).

    - One interviewee shared that there was a large influx of Slavic immigrants to the area from the former Soviet Union republics in the 1990s and early 2000s. The Salvation Baptist Church is building their new church in Milton and expects more people may move to Milton because "the church is there," combined with the perception that Edgewood is a high value, attractive place to live. Since the war in Ukraine, the Salvation Baptist Church has gained an additional 50 members, as people in the area try to sponsor their family members. Early waves of Russian and Ukrainian immigrants settled in Seattle (Ballard had the first Russian speaking church in Seattle, however, this church is no longer there) in late 1880s. Then affordability made it so people moved north (Lynwood, Everett, some Mukilteo) or south (Tacoma, Federal Way, Kent, Auburn). Community representatives report that households tend to be religious and moved to where churches were established north or south of Seattle.

Housing

- There are some departures from county norms in homeownership in Milton, likely driven by sampling anomalies related to small populations (see **Exhibit 49**). The homeownership estimate for households led by a person identifying as American Indian or Alaska Native is 100 %,

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[41] Interview with Mountain View Community Center

though the margin of error exceeds the population estimate for this group. Similarly, households identifying as Asian has an estimated homeownership rate of 93% as well as the lowest estimated median household income of $62,036 (see **Exhibit 50**). These are likely unreliable estimates due to common sampling error for small populations.
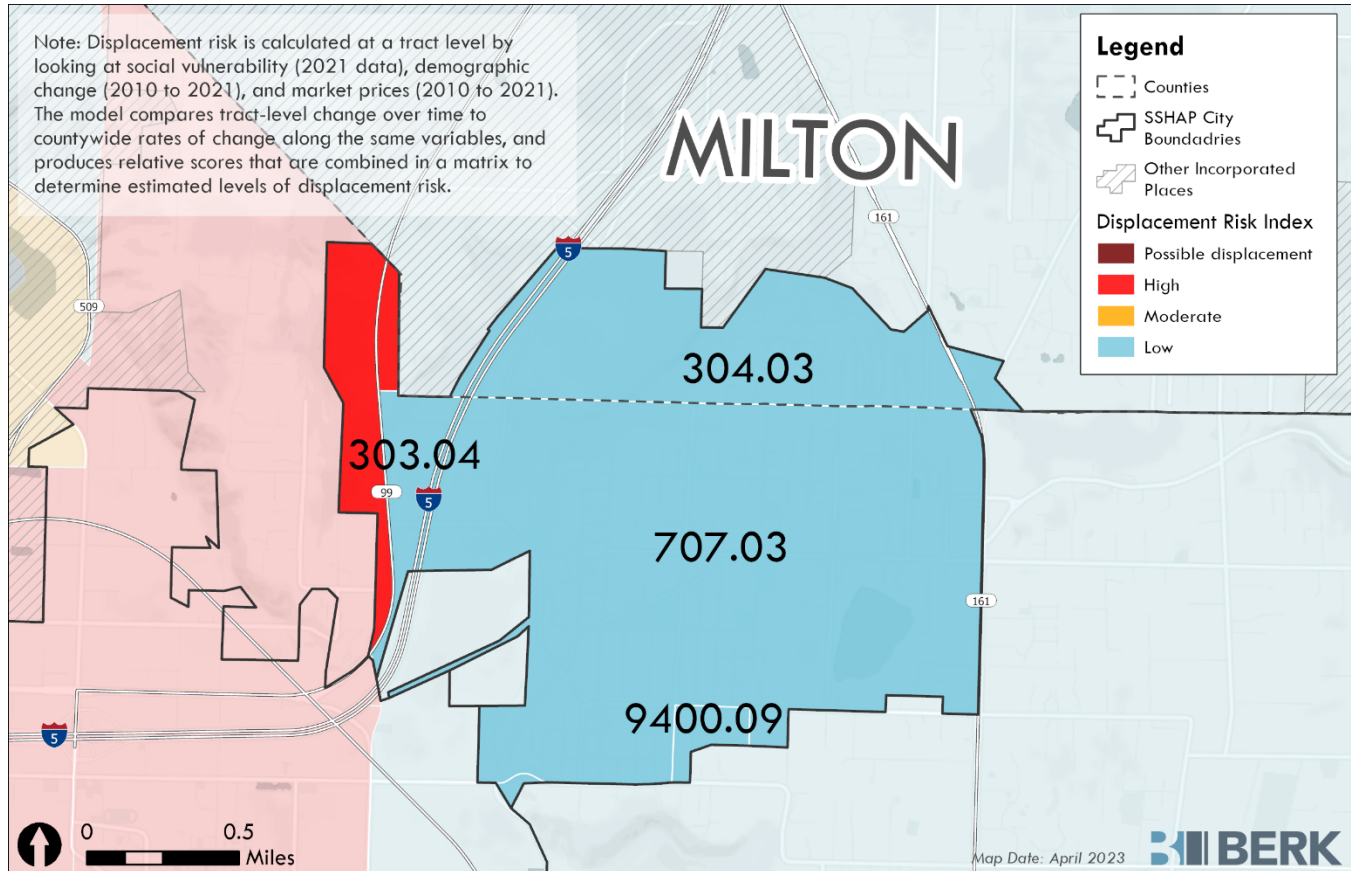
- The white households have a median income of $84,339 and a homeownership rate of 61%. The Hispanic and Latino group has a median income that is more than $4,000 higher at $88,813, but a homeownership rate that is 16 percentage points lower (45%). This suggests **a disparate impact in ownership for households that identify as Hispanic or Latino**.

- While there are high rates of housing cost burden in Milton, the overall rate for White, not Hispanic households is higher (48%) compared to households of color (39%) (see **Exhibit 51**).

Displacement Risk

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. This analysis provides a neighborhood-scale index of the relative displacement risk within Pierce County. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement. These findings should be corroborated with and augmented by community input.

Exhibit 45 presents the findings for census tracts associated with Milton. The majority of Milton falls in census tracts with low rates of displacement risk, except the area in the far northwest corner that overlaps with census tracts in the Fife Heights area. This area has **a high rate of displacement risk relative to other areas in Pierce County**.

Exhibit 45. Milton Assessment of Displacement Risk, 2023

Note: Displacement risk is calculated at a tract level by looking at social vulnerability (2021 data), demographic change (2010 to 2021), and market prices (2010 to 2021). The model compares tract-level change over time to countywide rates of change along the same variables, and produces relative scores that are combined in a matrix to determine estimated levels of displacement risk.

|	Social Vulnerability				Demographic Change			Market Prices			Final Displacement Risk
Milton Tracts	Percent Overlap	Renter Quintile	BIPOC Quintile	Median Income Score	Social Vulnerability Score	BIPOC Change	Under 80% AMI Change	Demographic Change Score	High or Low Rent Area - 2015	Appreciation Rate	Market Price Score	
53033030403	35%	2	2	3	7	Decreasing BIPOC	Increasing Low Income HHs	No	Low rent area	High appreciation	Accelerating	Low
53053070703	98%	4	2	3	9	Increasing BIPOC	Decreasing Low Income HHs	No	Low rent area	High appreciation	Accelerating	Low
53053940002	11%	4	4	3	11	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	Low or mod appreciation	Stable	High
53053940009	2%	2	3	1	6	Increasing BIPOC	Tracking county change	No	High rent area	High appreciation	Appreciated	Low

Sources: U.S. Decennial Census, 2020; American Community Survey 2017-2021 5-year Estimates; BERK 2023

- The majority of Milton falls within census tract 707.03. The area has moderate social vulnerability due to relatively high rates of renter tenancy (44%) landing in the 4th quintile of the county distribution. The market price dynamics suggest decreased affordability. The area had relatively low rents in 2015 and prices have appreciated faster than the countywide rate. However, the final assessment of displacement risk was lessened due to an increase in the share of population that identifies as people of color. Between 2010 and 2020, the census tract has a decreasing share of households with incomes less than 80% of AMI that is greater than the county rate and an increasing share of households of color at a rate higher than the countywide rate. The Milton share of people of color grew approximate 70% compared to the countywide rate of 49%.

- The higher social vulnerability in the northwest corner is driven by slightly higher rates of renter occupancy and a higher share of people of color (census tract 303.04 with 37% renter

occupancy and 50% people of color). This area also has larger tracks of land with low improvement to land ratios, much of which is zoned B – Business or RM – Residential Multi-Family.

Exhibits

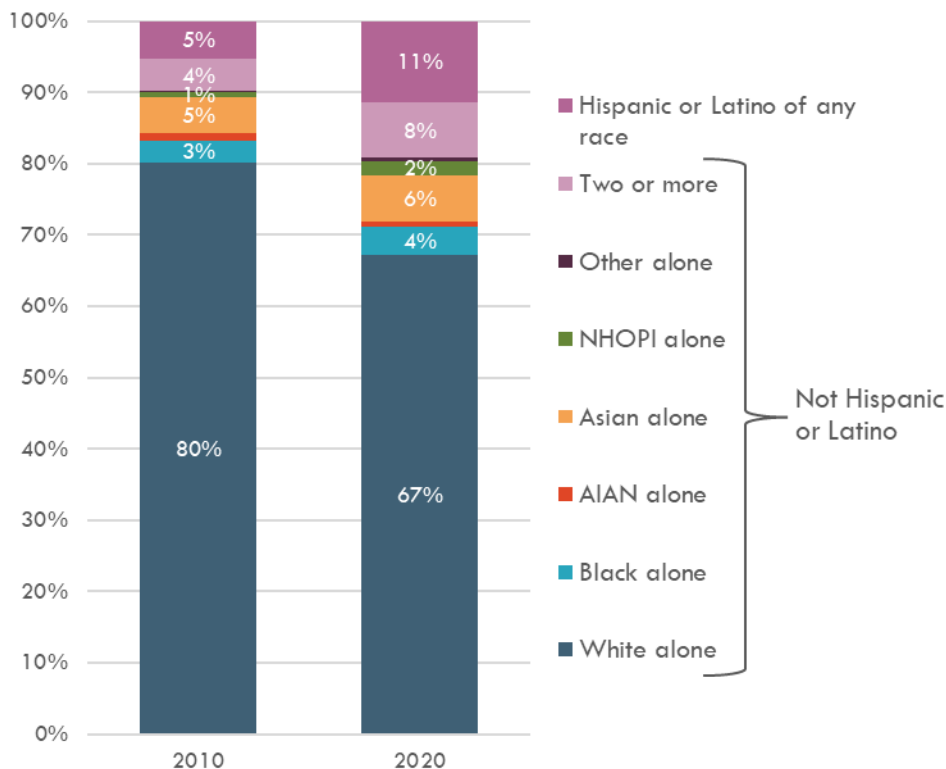**Exhibit 46. Dot density map of race and ethnicity in Milton, 2020**
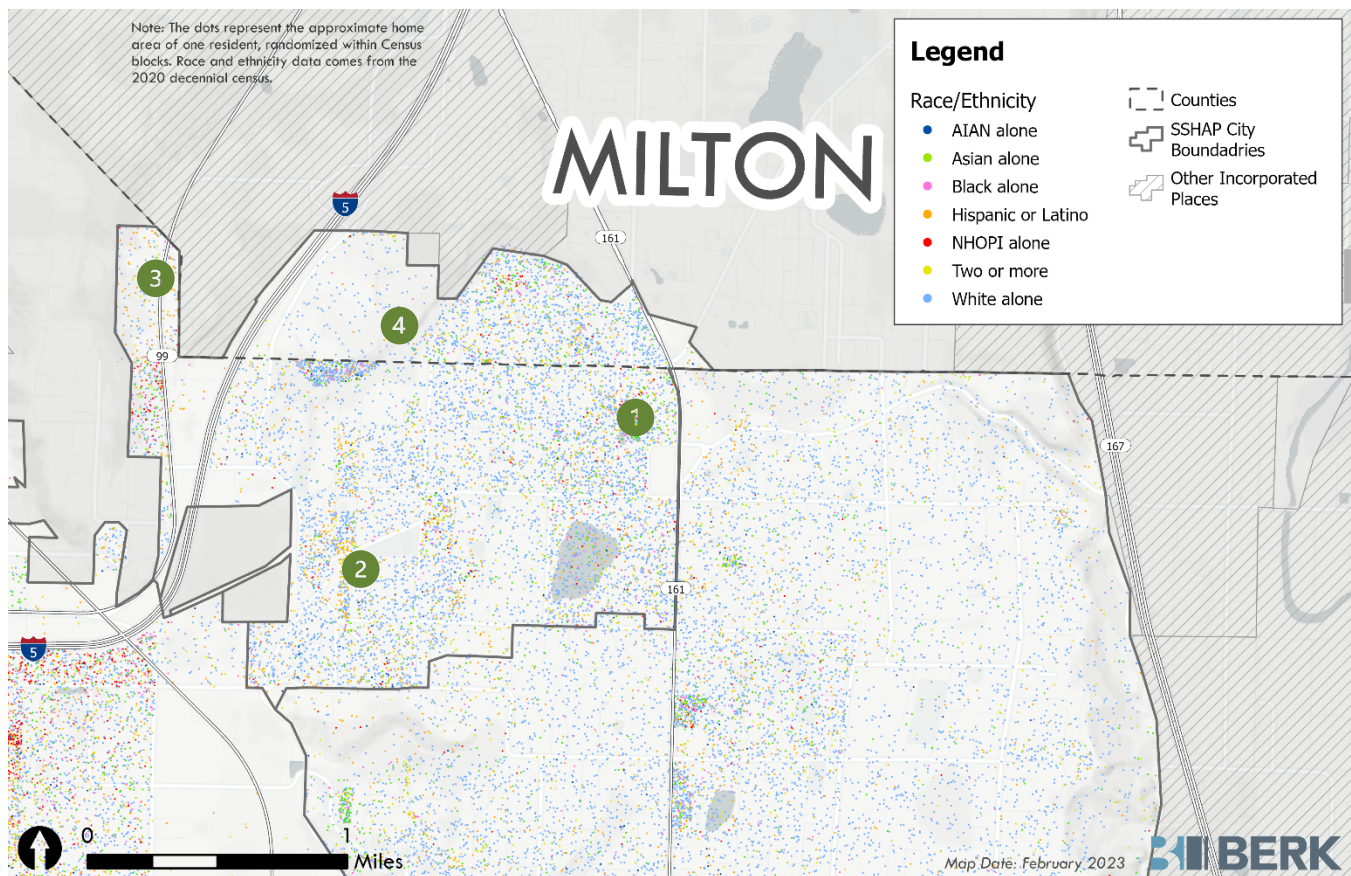
Sources: U.S. Decennial Census, 2020; BERK 2023

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories)

- The majority of Milton's population identifies as white (see **Exhibit 47**), though the population has become more diverse between 2010 and 2020. There are some clusters of people of color that can be observed in Milton.

  - There is a potential area of clustering, particularly of people that identify as Asian indicated with ❶. This clustering may be associated with condominium townhouses built in 2002 on Diamon Loop Road valued in the $350K to $420K range.

  - Milton has a higher concentration of people that identify as Hispanic (❷) along 11th Avenue. This area has a mix of older and newer housing.

- The section of Milton that lies to the West of Highway 99 includes greater racial integration and with a slightly higher representation of people that identify as Native Hawaiian or other Pacific Islander ③. The area of Milton includes a combination of commercial and older single-family residential land uses, some multifamily housing and manufactured home parks (Spring Valley Mobile Home Park with 44 units and Cedar Rivers RV Park with 35 units).

- There is a cluster of higher population density along the Pierce County and King County border ④, likely the Copper Creek Apartments with 1-to-3-bedroom units ranging from $1,650 to $2,400 per month.
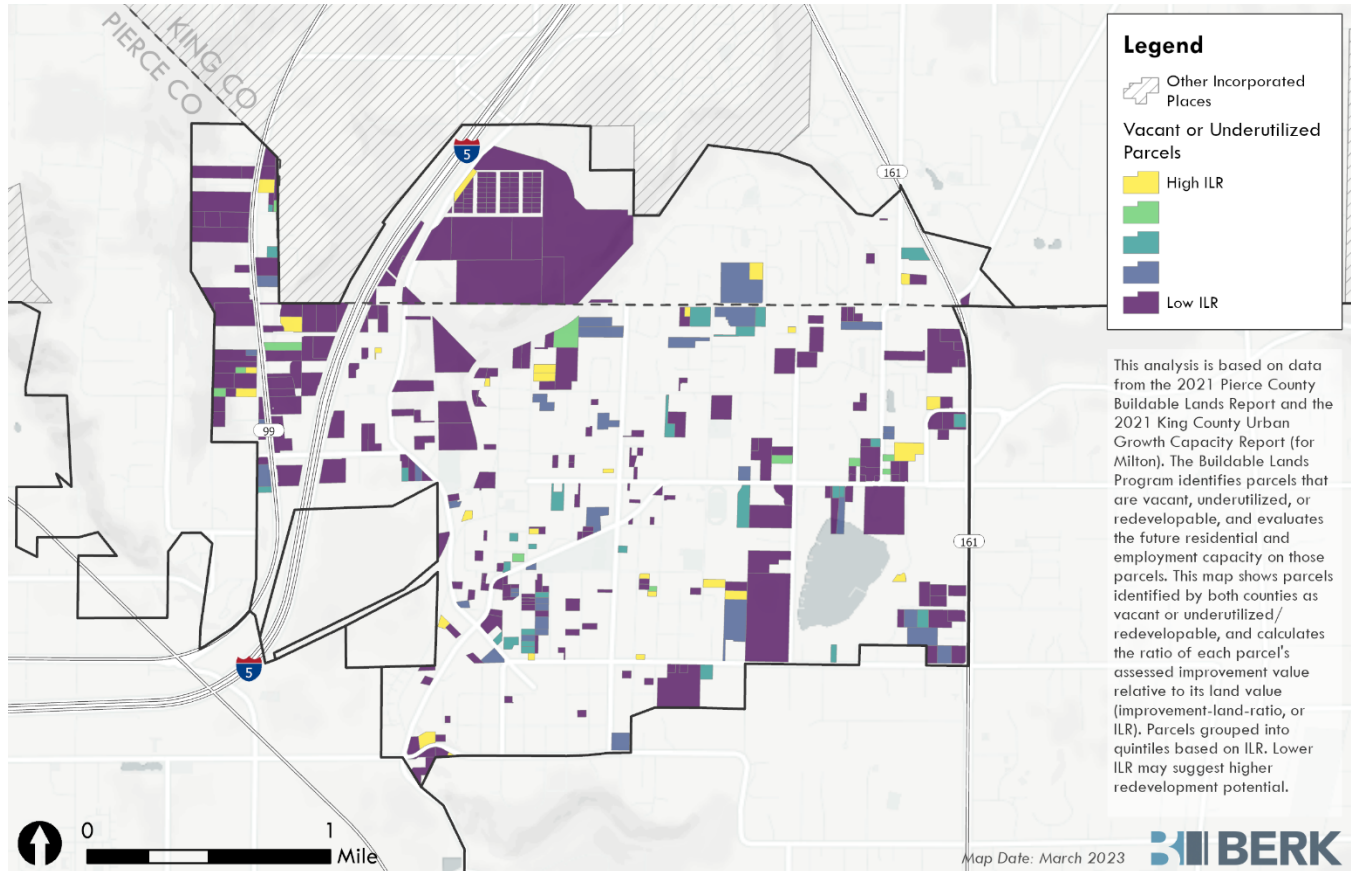
Exhibit 47. Change in the share of the Milton population by race and ethnicity, 2010-2020

Sources: U.S. Decennial Census, 2010 and 2020; BERK 2022
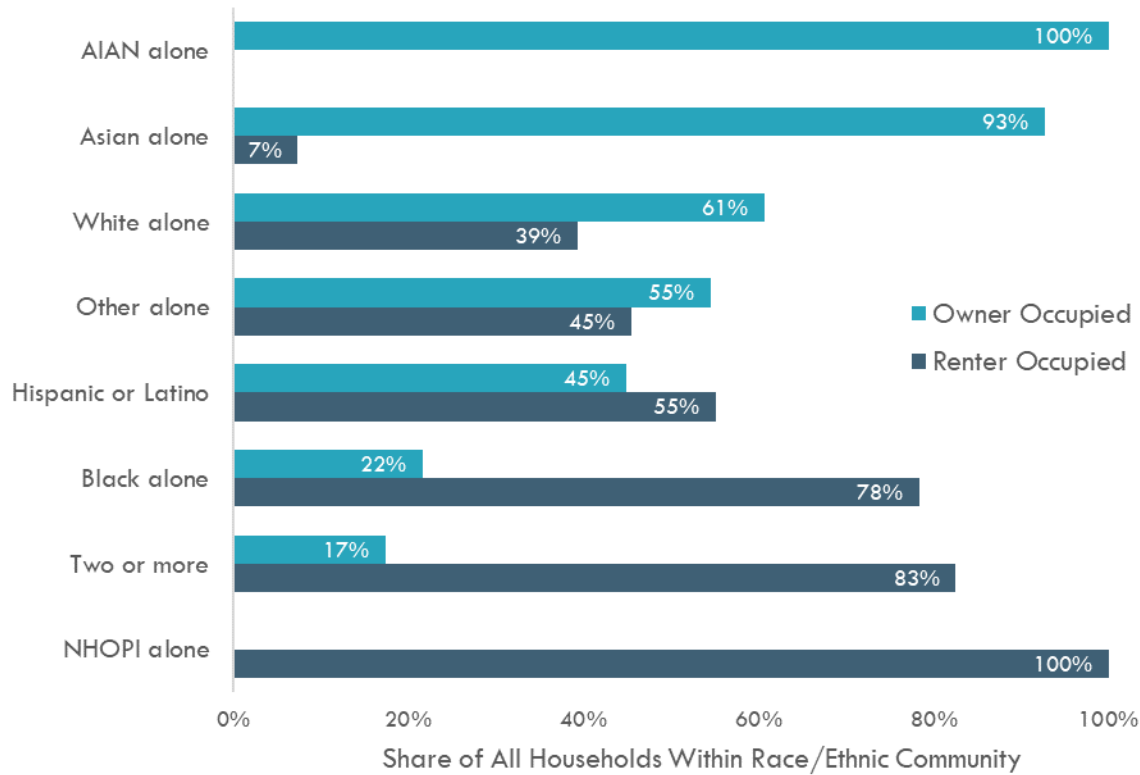
Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).

Exhibit 48. Improvement value to land value ration of Milton's underutilized parcels, 2021

An improvement-to-land value analysis estimates the relative development potential of parcels, based on the ratio of parcel's assessed value and built structure(s). Parcels with higher improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the value of the parcel enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than a neighboring lot that has an older, smaller home (lower improvement value). Parcels with relatively low improvement values such as vacant lots or lots with structures that are at the end of their useful lives or no longer meeting current market needs often provide more profitable opportunities for redevelopment.
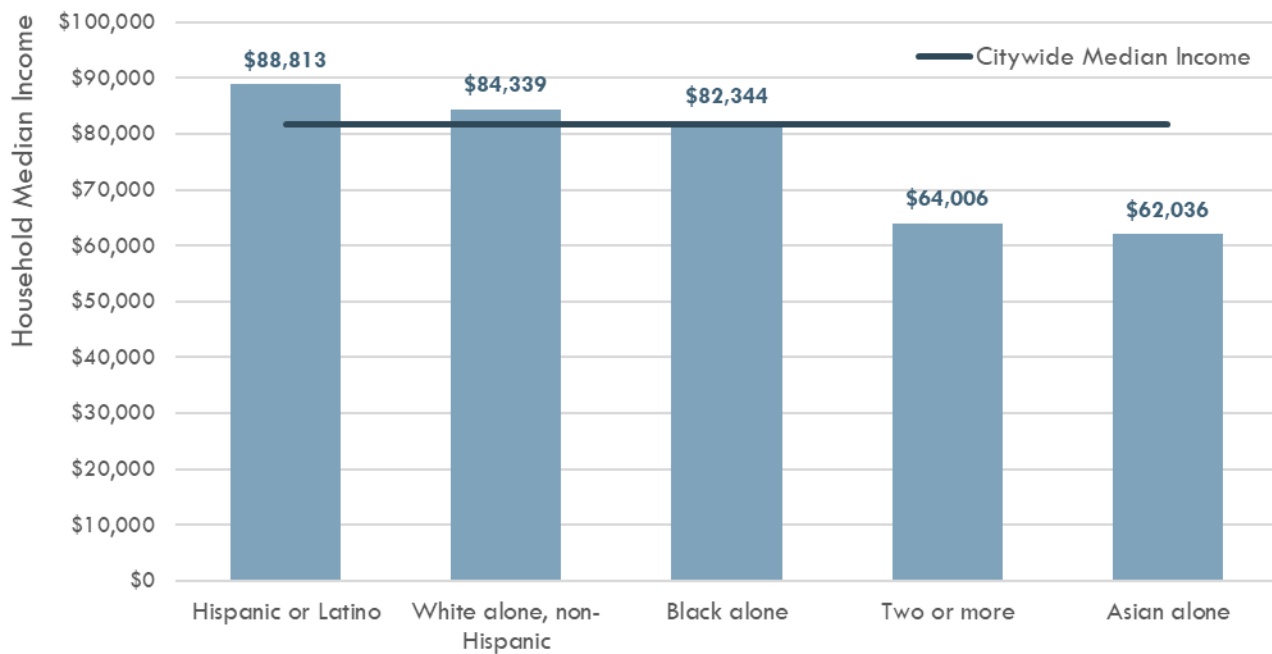
Exhibit 49. Milton households by tenure and race and ethnicity, 2021

AIAN alone — Owner Occupied 100%
Asian alone — Owner Occupied 93%, Renter Occupied 7%
White alone — Owner Occupied 61%, Renter Occupied 39%
Other alone — Owner Occupied 55%, Renter Occupied 45%
Hispanic or Latino — Owner Occupied 45%, Renter Occupied 55%
Black alone — Owner Occupied 22%, Renter Occupied 78%
Two or more — Owner Occupied 17%, Renter Occupied 83%
NHOPI alone — Renter Occupied 100%

■ Owner Occupied
■ Renter Occupied

Share of All Households Within Race/Ethnic Community

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories).
Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003A-I; BERK 2022
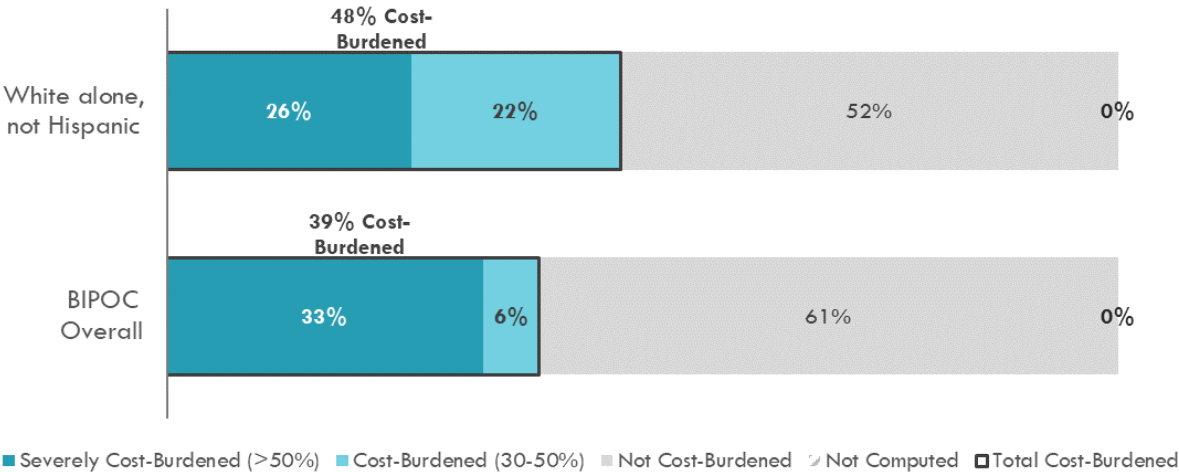
Exhibit 50. Median household income by race and ethnicity in Milton, 2021

Hispanic or Latino: $88,813
White alone, non-Hispanic: $84,339
Black alone: $82,344
Two or more: $64,006
Asian alone: $62,036

— Citywide Median Income

Note: Data suppressed for AIAN alone, NHOPI alone, and other alone.
Sources: American Community Survey, 2017-2021 5-year estimates, Table B19013A-I; BERK 2022

Exhibit 51. Cost-burdened status for renter households by white alone vs BIPOC households in Milton, 2019

White alone, not Hispanic — 48% Cost-Burdened: 26% Severely Cost-Burdened, 22% Cost-Burdened, 52% Not Cost-Burdened, 0% Not Computed

BIPOC Overall — 39% Cost-Burdened: 33% Severely Cost-Burdened, 6% Cost-Burdened, 61% Not Cost-Burdened, 0% Not Computed

Legend: ■ Severely Cost-Burdened (>50%) ■ Cost-Burdened (30-50%) ■ Not Cost-Burdened ▨ Not Computed ☐ Total Cost-Burdened

Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy Data, 2015-2019 5-year estimates; BERK 2022

City of University Place

Discussion

Background

Historically the area associated with University Place was part of the native lands associated with of a number of Indigenous peoples including the Nisqually, Steilacoom, Squaxin, Puyallup, and Muckleshoot members of the Puyallup Tribe. For centuries, the tribal members used the area primarily for fishing, hunting, and gathering before European settlers arrived in the mid-1800s[42].

The Puyallup people were forcibly removed from their lands in 1854 by the Treaty of Medicine Creek, which ceded much of their land to the U.S. government. Many tribal members were relocated to reservations in the region, including the Puyallup Indian Reservation, which is in Eastern Tacoma, Fife, Waller, and Northeast Tacoma[43].

University Place got its name in the early 1890s when this area was chosen as a location for the University of Puget Sound. The school initially purchased 420 acres for the campus, but financial troubles forced the university to give up the land before the campus was established. Despite this, the area retained its name, and is still known as University Place despite its lack of a university[44].

During the post-World War II era, University Place experienced significant growth due to the expansion of nearby Joint Base Lewis-McChord and the demand for housing in the area. The city's population continued to grow throughout the latter half of the 20th century, with the development of new neighborhoods, shopping centers, and community facilities. In the early 1990's, the community started pushing for incorporation and in 1994 the City of University Place was formally established.

Demographic Profile

- The distribution of racial and ethnic groups in University Place reflects the countywide distribution, suggesting that University Place does not have an exclusionary effect. The county is 62% White and University Place is 60% White. University Place has a slightly larger share of the population that is Asian (11% compared to the county rate of 7%) and smaller proportion that is Hispanic or Latino (9% compared to county rate of 12%).

Population Change

- Similar to countywide trends, the share of people that identify as a person of color in University Place grew from 32% in 2010 to 40% in 2020 (**Exhibit 54**). The increases were distributed across all race and ethnic categories.

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[42] Native American Tribes & the Indian History in University Place, Washington. https://americanindiancoc.org/native-american-tribes-the-indian-history-in-university-place-washington/

[43] Governor's Office of Indian Affairs – Treaty of Medicine Creek, 1854. https://goia.wa.gov/tribal-government/treaty-medicine-creek-1854

[44] University Place, Washington – History. https://www.cityofup.com/276/History

Housing

- The homeownership rate for all University Place households is 59%, which is in the mid-range of other Pierce County cities. However, the homeownership rate varies greatly between racial and ethnic groups (see **Exhibit 56**).

- White households have a homeownership rate of 64%, followed closely by Asian Households with a homeownership rate of 63%. These two populations also have roughly similar household incomes (Asian median household income is $86,563 and white median household income is $84,242, show in **Exhibit 57**).

  - The Hispanic and Latino median household income is slightly higher than the citywide median of $84,673 (**Exhibit 57**), however the homeownership rate lags behind the White and Asian household rate. The Hispanic or Latino homeownership rate is 44%, 20 percentage points less than the White homeownership rate. This indicates a **disparate impact in homeownership access for Hispanic or Latino households.**

  - Black households, which comprise 9% of the population, have a median household income of $64,350, approximately $20,000 less than the citywide median of $84,673 (**Exhibit 57**). Income constraints are likely driving low homeownership among Black households. The homeownership rate is only 16%, 48 percentage points less than the homeownership rate for White households. This indicates a **disparate impact in homeownership access for Black households.**

    - In addition to barriers to homeownership, community representatives report homeowners being at risk of losing their homes. One interviewee noted that their organization tries to provide resources to people, especially people of color, who are targeted by investors that notice an unmaintained home and offers to buy it, sometimes below what it's worth.[45]

- Given sampling error related to small populations, the tenancy and income estimates for the Native Hawaiian and Pacific Islander group, American Indian and Alaska Native group, Two or more, and Other racial groups are unreliable.
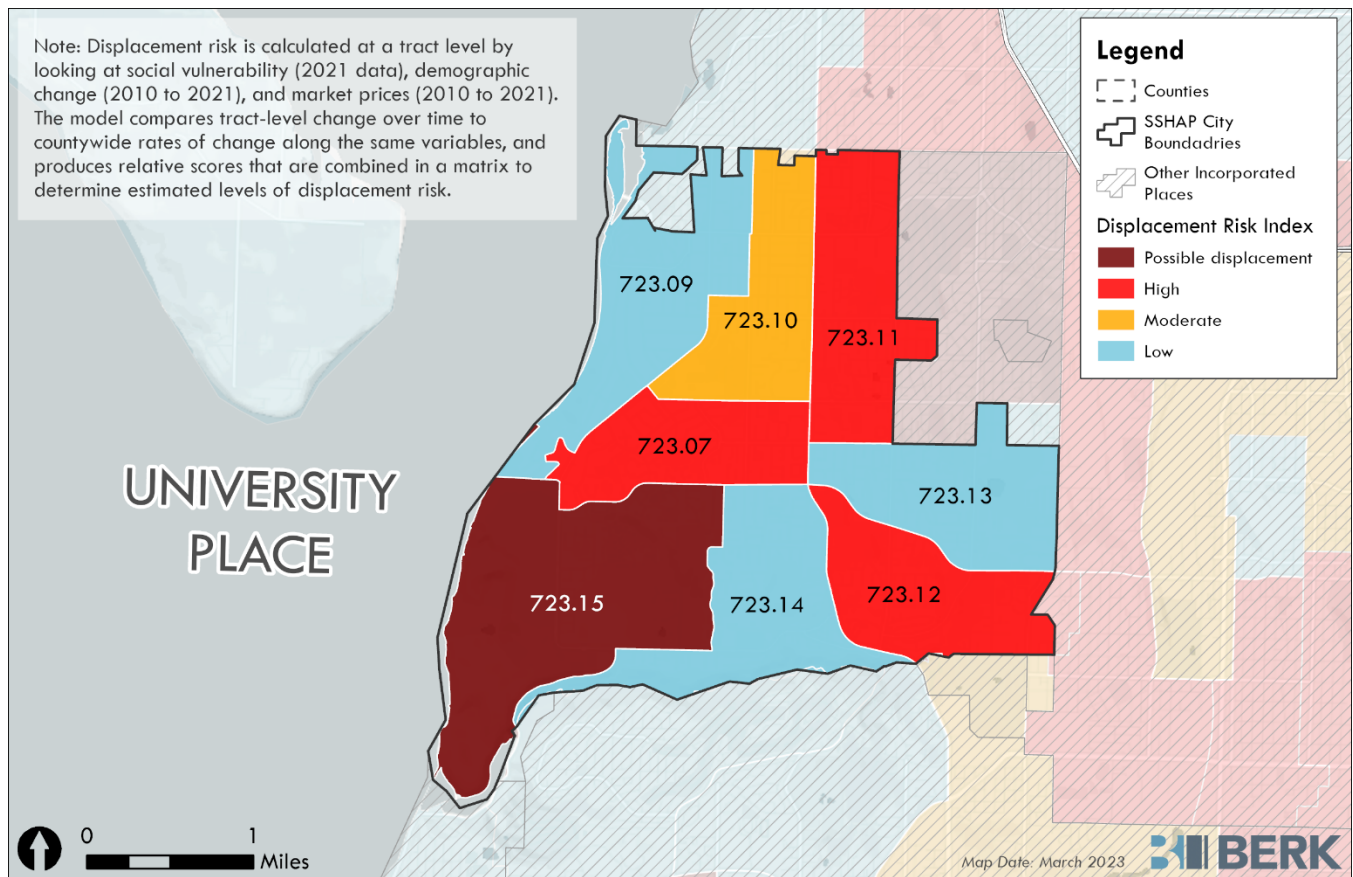
Displacement Risk

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. This analysis provides a neighborhood-scale index of the relative displacement risk within Pierce County. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. The best policy solutions to displacement risk are tailored to the push and pull factors

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[45] Interview with Tacoma Urban League

specific to the experience of community members experiencing displacement. These findings should be corroborated with and augmented by community input.

Exhibit 52. University Place Assessment of Displacement Risk, 2023

| University Place Tracts | Percent Overlap | Social Vulnerability | | | | Demographic Change | | | Market Prices | | | Final Displacement Risk |
		Renter Quintile	BIPOC Quintile	Median Income Score	Social Vulnerability Score	BIPOC Change	Under 80% AMI Change	Demographic Change Score	High or Low Rent Area - 2015	Appreciation Rate	Market Price Score	
53053072307	100%	4	3	3	10	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	High appreciation	Accelerating	High
53053072309	74%	4	3	1	8	Decreasing BIPOC	Decreasing Low Income HHs	Gentrification	Low rent area	Low or mod appreciation	Stable	Low
53053072310	97%	4	3	3	10	Decreasing BIPOC	Increasing Low Income HHs	No	Low rent area	Low or mod appreciation	Stable	Moderate
53053072311	100%	5	3	4	12	Tracking county change	Decreasing Low Income HHs	Gentrification	Low rent area	High appreciation	Accelerating	High
53053072312	81%	4	5	3	12	Decreasing BIPOC	Decreasing Low Income HHs	Gentrification	Low rent area	Low or mod appreciation	Stable	High
53053072313	84%	2	4	1	7	Tracking county change	Increasing Low Income HHs	Disinvestment	Low rent area	Low or mod appreciation	Stable	Low
53053072314	100%	4	4	2	10	Increasing BIPOC	Increasing Low Income HHs	Disinvestment	High rent area	Low or mod appreciation	Appreciated	Low
53053072315	100%	1	3	2	6	Decreasing BIPOC	Decreasing Low Income HHs	Gentrification	High rent area	Low or mod appreciation	Appreciated	Possible displacement

This high-level analysis indicates where there is evidence of gentrification (a process of neighborhood change characterized by a loss of vulnerable populations and an increase in households with higher incomes). Displacement effects are often local in nature and can impact just a few square blocks. This analysis provides a neighborhood-scale index of the relative displacement risk within Pierce County. A finding of low displacement risk does not mean no one is experiencing displacement. In an area with low displacement risk, some people may still be displaced out of their homes based on circumstances beyond their control. A finding of low displacement risk means that the neighborhood is not exhibiting changes

associated with neighborhood-wide gentrification that typically accompanies the displacement of whole communities. The best policy solutions to displacement risk are tailored to the push and pull factors specific to the experience of community members experiencing displacement. These findings should be corroborated with and augmented by community input.

Exhibit 52Exhibit 52 presents the findings of the four census tracts associated with University Place. University Place has varying degrees of displacement risk.

- The analysis suggests that displacement may have already occurred in the southwest portions of the community (census tract 723.15). This area is largely comprised of Chambers Bay Golf course, catching some of the residential areas to the east. This area is characterized as having low social vulnerability and population change associated with gentrification (a decreasing share of people of color and decreasing share of low-income households). However, the area's property values were already relatively high in 2015 and have followed price increases observed in other areas of the county. Together these factors suggest that this area has been relatively unaffordable since at least 2015.

- Census tract 723.10 in the north central part of University Place is found to have "moderate displacement risk." The relatively higher rates of renter households and moderate shares of people of color and low-income households indicate it is an area of social vulnerability. The area's share of the population that identifies as person of color has decreased, but the proportion of the households that have low incomes has increased, either due to the in-migration of lower income households or softer income accumulation relative to households in other parts of the county. The market dynamics suggest that it was an area with relatively low rents in 2015 without remarkable price acceleration between 2010 and 2021. The area is relatively affordable relative to the county but could start to experience increased displacement risk if land use policies significantly change the redevelopment potential of parcels.

- **Three census tracts in University Place have high displacement risk** (census tracts 723.07, 723.11, and 723.12). Each of these census tracts have higher scores of social vulnerability, primarily driven by high rates of renter households and moderate to high proportions of people of color and low income households relative to the county. All these areas saw a decrease in the share of households that earn 80% of countywide AMI or less between 2010 and 2020. Additionally, rents in both the northeastern areas (census tract 723.11) and central University Place (census tract 723.07) have increased faster than countywide patterns.

Exhibits

Exhibit 53. Dot density map of race and ethnicity in University Place, 2020
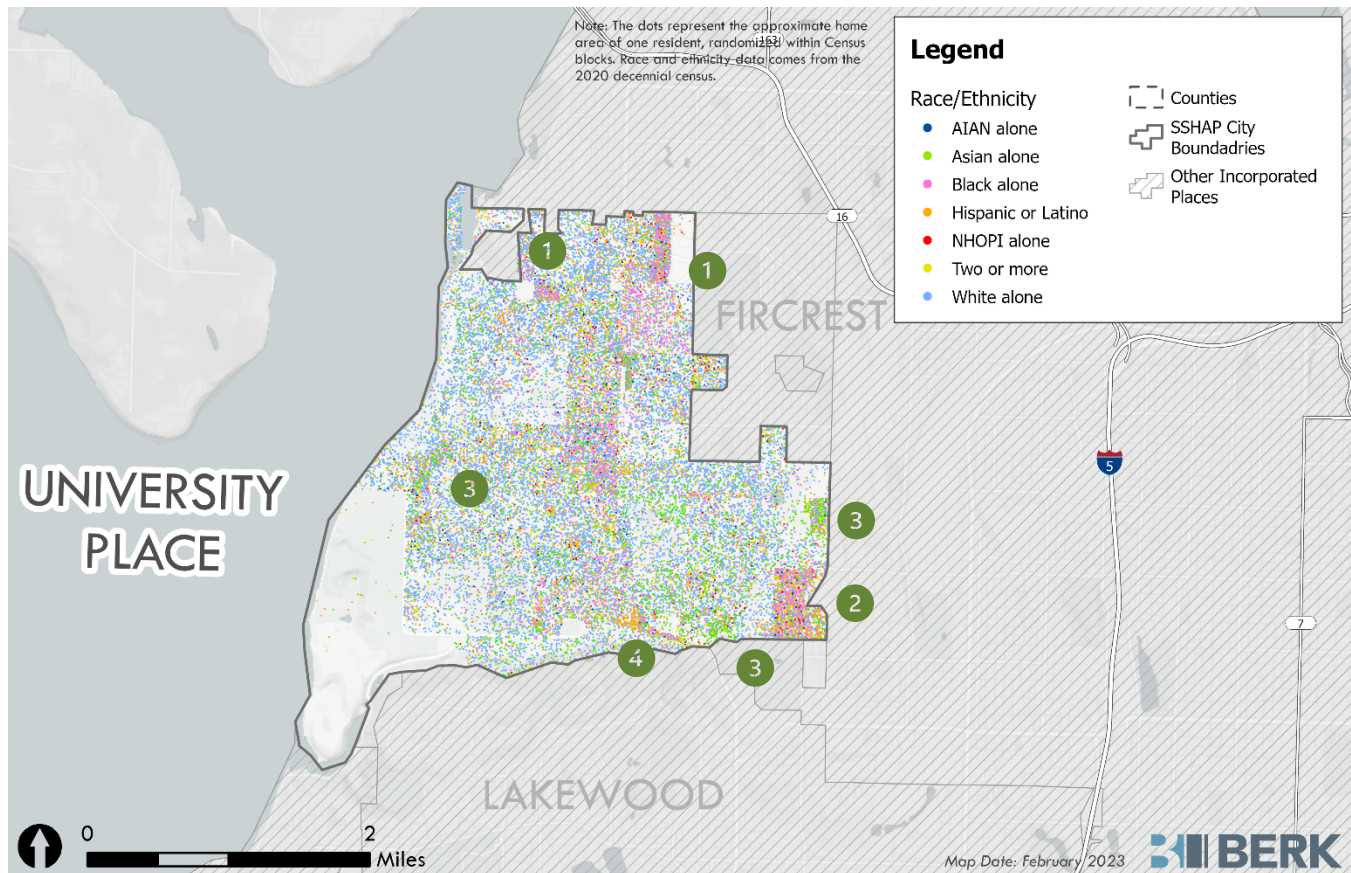
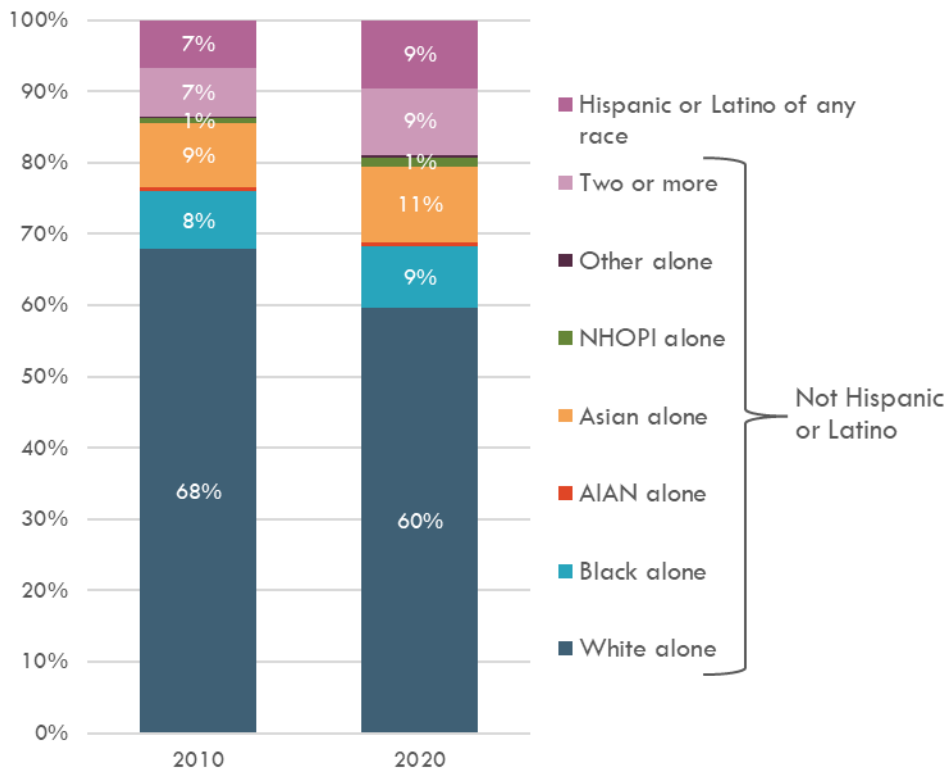*Sources: U.S. Decennial Census, 2020; BERK 2023*

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories)

- University Place is a relatively diverse community with evidence of some racial and ethnic clustering. There are a couple of clusters of population that identify as Black (1). These clusters are likely associated with areas of multifamily housing (Southwest Townhomes near University Place Primary School, apartment communities along 70th Ave W in the northeast area of town), and in the southeastern corner of the city. This observation aligned with the understanding of the area from representatives at University Place School District.

- Similarly, the area of greater ethnic diversity 2 with greater representation of Native Hawaiian and Other Pacific Islanders, Black, and Hispanic populations are likely associated with clusters of multifamily housing in the city's southeastern corner.

- There are a few areas with slightly higher representations of people who identify as Asian 3 . These areas include the Brookridge South subdivision (single family homes built in 2001 in the $600K - $700K range), the Knolls in University Place (single family homes built in 2017 in the $515K - $840 range), and townhouses near Chambers Creek Regional Park in the $250K -

$400K range). **Exhibit 4** demonstrates the overrepresentation of Asian households based on the overall composition of University Place.

▪ There is a Hispanic cluster in south end, potentially associated with the Manufactured Home Park Sunrise Terrace (55 units).
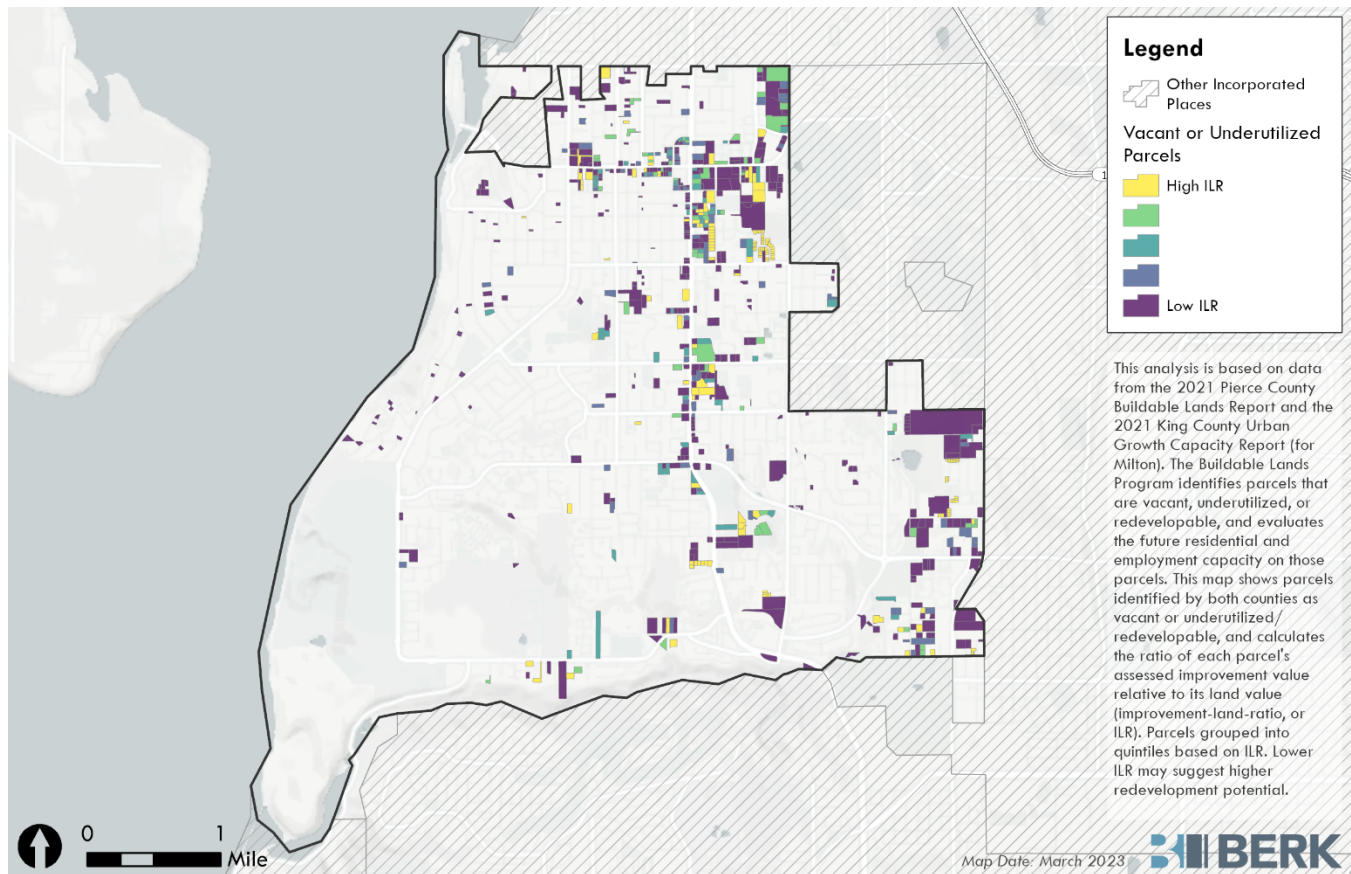
Exhibit 54. Change in the share of the University Place population by race and ethnicity, 2010-2020

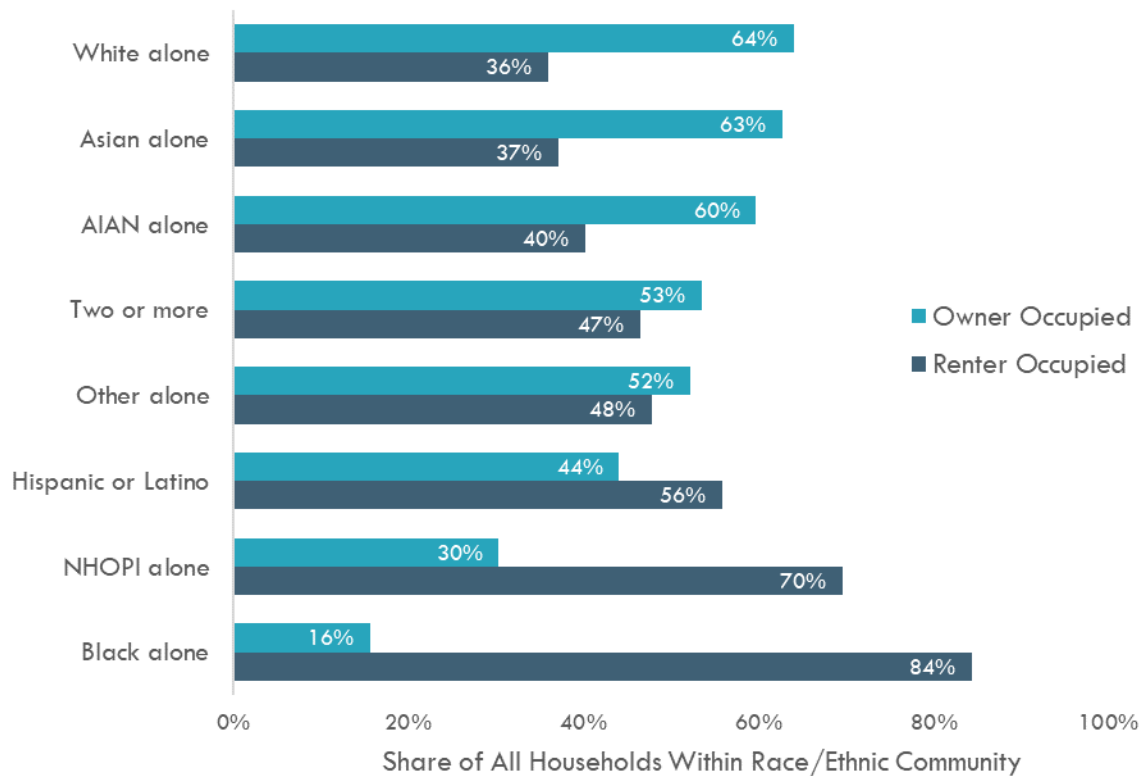*Sources: U.S. Decennial Census, 2010 and 2020; BERK 2022*

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories)

Exhibit 55. Improvement value to land value ratio of University Place's underutilized parcels, 2021

An improvement-to-land value analysis estimates the relative development potential of parcels, based on the ratio of parcel's assessed value and built structure(s). Parcels with higher improvement to land value ratios have lower redevelopment potential since the redevelopment is less likely to increase the value of the parcel enough to return a profit for the developer. For example, a residential lot with a new, larger, more valuable house (higher improvement value) is less likely to be redeveloped than a neighboring lot that has an older, smaller home (lower improvement value). Parcels with relatively low improvement values such as vacant lots or lots with structures that are at the end of their useful lives or no longer meeting current market needs often provide more profitable opportunities for redevelopment.

Exhibit 56. University Place households by tenure and race and ethnicity, 2021

Note: AIAN = American Indian or Alaskan Native; NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories
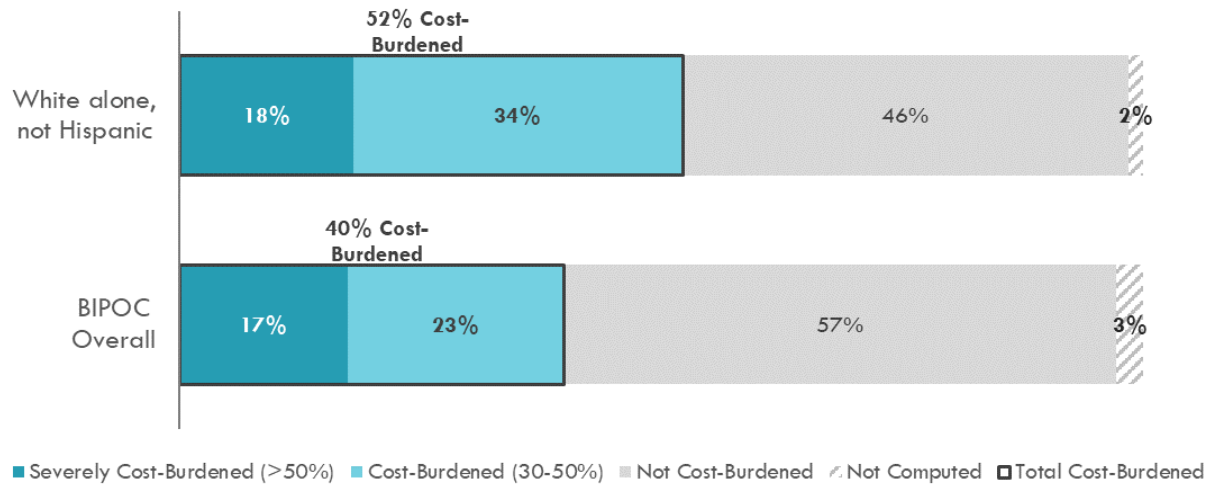Sources: American Community Survey, 2017-2021 5-year estimates, Table B25003A-I; BERK 2022)

Exhibit 57. Median household income by race and ethnicity in University Place, 2021
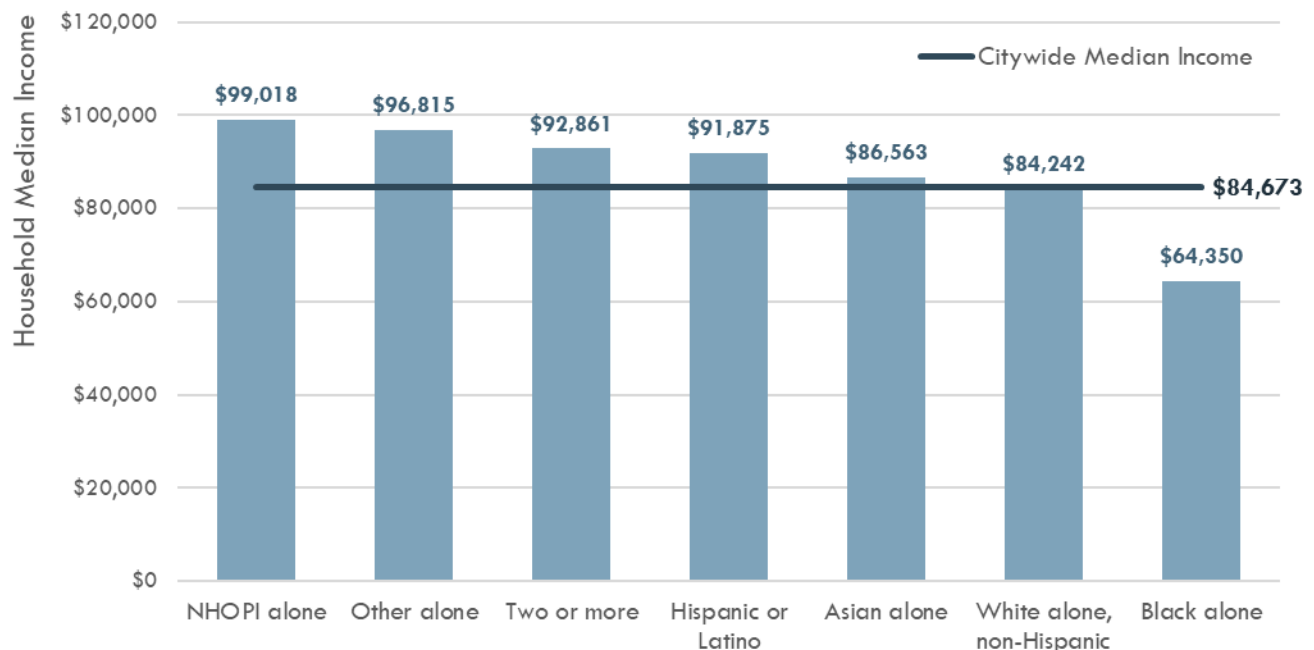
Note: NHOPI = Native Hawaiian or Other Pacific Islander (Census-defined categories); data suppressed for AIAN alone.
Sources: American Community Survey, 2017-2021 5-year estimates, Table B19013A-I; BERK 2022

Exhibit 58. Cost-burdened status for renter households by White alone vs BIPOC households in University Place, 2019

Sources: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy Data, 2015-2019 5-year estimates; BERK 2022