

PURPOSE

This toolkit compiles statistics to support jurisdictions' analysis of racially disparate impacts in their community. The tool provides information on community demographics and housing stock characteristics that are relevant for a housing needs assessment (HNA) and housing element of a comprehensive plan.

The tables and charts are insufficient on their own to draw a conclusion of racially disparate impacts or exclusion. **A complete analysis will include community engagement and additional analysis and confirmation of disparities observed in the this data.** Jurisdictions can annotate or adjust the tables and charts to better support interpretation and legibility by target audiences.

INSTRUCTIONS FOR USE

Select the jurisdiction and the county on the "Inputs" tab. The county will provide reference data relevant to interpreting the estimates for the jurisdiction. If the jurisdiction spans more than one county, select the county that is most useful for interpreting jurisdictional estimates; for example, the county that more closely reflects the broader housing market of the jurisdiction.

User Input

Cell requires user-specified input.

Calculation

Cell values are automatically generated based on user input cells.

Explanatory

Text that does not impact the worksheet function, but provides explanation or wayfinding for the user.

Estimate Name

The source's name for the estimate. This is provided for transparency, quality control and validation.

Output

The retrieved estimate value. This formatting indicates which cells are actively linked to the source tables. These will be converted to the estimate value when finalizing the workbook for shipping to the jurisdictions.

RACIAL AND ETHNIC CATEGORIES

The model relies on estimates published by the U.S. Census Bureau and the Department of Housing and Urban Development (HUD). All estimates are based on data collected by the U.S. Census Bureau, which classifies people into distinct race and ethnicity categories.

Race is a social identity, with history rooted in oppression and exploitation of people not classified as "white". The Census offers six racial identities for people to choose from. Respondents self-identify. Since the 2000 census, respondents can self-identify as one or more options. The options provided are:

- White
- Black or African American
- American Indian and Alaska Native
- Asian
- Native Hawaiian and Other Pacific Islander, and
- Other

Ethnicity refers to groups of people who share common ancestry, language, or dialect. There is a wide range of ethnic identities, which may or may not tie to nationality. The Census asks respondents to identify as either Hispanic or Latino or Not Hispanic or Latino. The Office of Management and Budget defines "Hispanic or Latino" as a person of Cuban, Mexican, Puerto Rican, South or Central American or other Spanish culture or origin regardless of race.

Reliability testing found that the categories of American Indian and Alaska Native, Native Hawaiian and Other Pacific Islander, and Other, as well as two or more races, consistently had Coefficient of Variations that indicated unreliable estimates due to sampling error associated with small populations. To strike a balance of providing the greatest data resolution while pre-formatting the best available data into charts, the model uses a simplified classification system:

- **Asian** includes people who self-identify as Asian and Not Hispanic or Latino
- **Black or African American** includes people who self-identify as Black or African American and Not Hispanic or Latino.
- **Hispanic or Latino (of any race)** includes people who identify as Hispanic or Latino regardless of race
- **Other Race** includes people that self-identify as American Indian and Alaska Native, Native Hawaiian and Other Pacific Islander, another race (Other), and Two or More Races and are Not Hispanic or Latino
- **White** includes people who self-identify as White and Not Hispanic or Latino

Estimates for small groups may be unreliable due to sampling error. If the coefficient of variation of the estimates for the Asian, Black or African American, Hispanic or Latino (any race), or White population is above the threshold specified on the Inputs tab we recommend using the alternative charts (indicated with an "a") for informing your analysis. The charts use the following classification system.

- **Hispanic or Latino (of any race)** includes people who self-identify as Hispanic or Latino of any race. This includes people who are White, Hispanic or Latino, Black, Hispanic or Latino, and so on.
- **Persons of Color** includes people that self-identify as Asian, Black or African American, American Indian and Alaskan Native, Native Hawaiian and Other Pacific Islander, another race (Other), and Two or More Races and are Not Hispanic or Latino.
- **White** includes people who identify as White and Not Hispanic or Latino.

Race and ethnicity estimates are from five year observation periods including data from time periods ranging from 2010 - 2014 and 2015 - 2019 and the 2020 decennial census. Charts and tables include the specific data table name and year.

CAUTION FLAG FOR SMALL POPULATIONS

The American Community Survey (ACS) and HUD's Comprehensive Housing Affordability Strategy (CHAS) estimates are based on a sample of the population and have sampling error. Sampling error is the difference between the sample value and the population value (if one were to survey the entire population). To help users understand the degree of sample error in a given estimate, the data sources publish a Margin of Error for every estimate. The Margin of Error allows the user to assess the reliability of the estimates.

This model implements guidance provided by the Washington Office of Financial Management's (OFM's) [American Community Survey User Guide](#) for testing reliability.

The model includes all published estimates for the variables included in the toolkit so that each jurisdiction can review the detailed demographic data available for the jurisdiction, even when the jurisdiction may have less reliable demographic estimates due to a small population or a small number of people who identify with specific racial or ethnic groups. The model calculates the Coefficient of Variation for the population estimates for the following groups:

- Asian
- Black or African American
- Hispanic or Latino (of any race)
- White

There are no steadfast rules as to what constitutes a reliable estimate. Long range planning often tolerates a range of estimates for informing long range targets. For many jurisdictions, there are no alternative data sources that could provide more reliable data. OFM recommends the following classification scheme for assessing the reliability of an ACS estimate:

- good ($CV \leq 15\%$)
- fair ($15\% < CV \leq 30\%$)
- use with caution ($CV > 30\%$)

The model uses a default Coefficient of Variation threshold of 30% to indicate that some estimates may have low reliability. When an estimate has a CV higher than the threshold, the model includes a warning and recommends the user use the less detailed charts for the RDI analysis. You can adjust the CV threshold on the Inputs tab.

AFFORDABILITY LEVELS

Income and Area Median Income (AMI)

To account for regional variation in labor and housing markets, the analysis uses area median income (AMI). AMI represents the midpoint of an area's income distribution. Fifty percent (50%) of households have an income higher than area median income and 50% have an income lower than the AMI. The Growth Management Act requires jurisdictions to account for the housing needs of households across the income spectrum.

Income data and housing affordability estimates are provided by US Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data. Household income estimates are for the number of households with a household income up to a threshold based on a percentage of the area median income, with adjustments based on household size. The income bins are:

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

Rental Affordability

In addition to estimates of households within an income range, CHAS data also provides estimates of the number of rental housing units affordable to households with incomes within the income range. A housing unit is considered affordable if gross housing costs are less than 30% of a household's income. The estimates are based on self-reported housing costs. Since self-reported housing costs reflect the costs to the household, the housing unit estimates reflect all the housing subsidies or other benefits in use in the area. A rental unit affordable to a household with an extremely low income (<30% of AMI) may or may not be occupied by a household in that income range. The rental affordability estimates use the corresponding household income thresholds:

- **<30% AMI** includes housing units that are affordable to a household with an income up to 30% of AMI.
- **30 - 50% AMI** includes housing units that are affordable to a household with an income between 30% and 50% of AMI.
- **50% - 80%** includes housing units that are affordable to a household with an income between 50% and 80% of AMI.
- **>80% AMI** includes housing units that are affordable to a household with an income greater than 80% of AMI.

Rental unit affordability estimates exclude housing units without complete kitchen or plumbing facilities, as well as vacant units that are not listed as either for rent or for sale and group quarter units.

Housing Cost Burden

A household experiencing housing cost burden is paying more for housing than it can afford based on income. This means one or multiple of a household's critical needs (i.e., food, physical health, mental health, education, and/or general well-being) are not being met. A household is considered cost-burdened if its monthly housing costs are greater than 30% of its monthly income. Estimates of households experiencing cost-burden include:

- **Not cost-burdened** includes households paying less than 30% of their household income on housing costs.
- **Cost-burdened (30-50%)** includes households paying between 30% and 50% of their household income on housing.
- **Severely cost-burdened (>50%)** includes households paying more than 50% of their income on housing costs.