

# Square Peg Development: Rehab Project

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## Background

Square Peg Development is a local development company aiming to build affordable housing in King and Snohomish Counties. Since Seattle and the surrounding communities are facing an affordability crisis, this work is crucial to creating an equitable living environment in the region.

## Purpose & Methodology

The purpose of the project is to conduct suitability analysis for Square Peg Development to acquire the ideal properties in need of some rehabilitation for affordable housing. Our goal is to find properties that can be re-constructed into either apartments, townhomes, or condominiums. Important factors that we are considering are: unit vacancy, public transportation/bus stops, opportunity zones, and low income areas for King and Snohomish Counties. We gathered our data (2015-2019) from Simply Analytics, Community Transit, King and Snohomish County GIS Portals, and US Department of Treasury CDI Funds, all are at the Census Tract level.

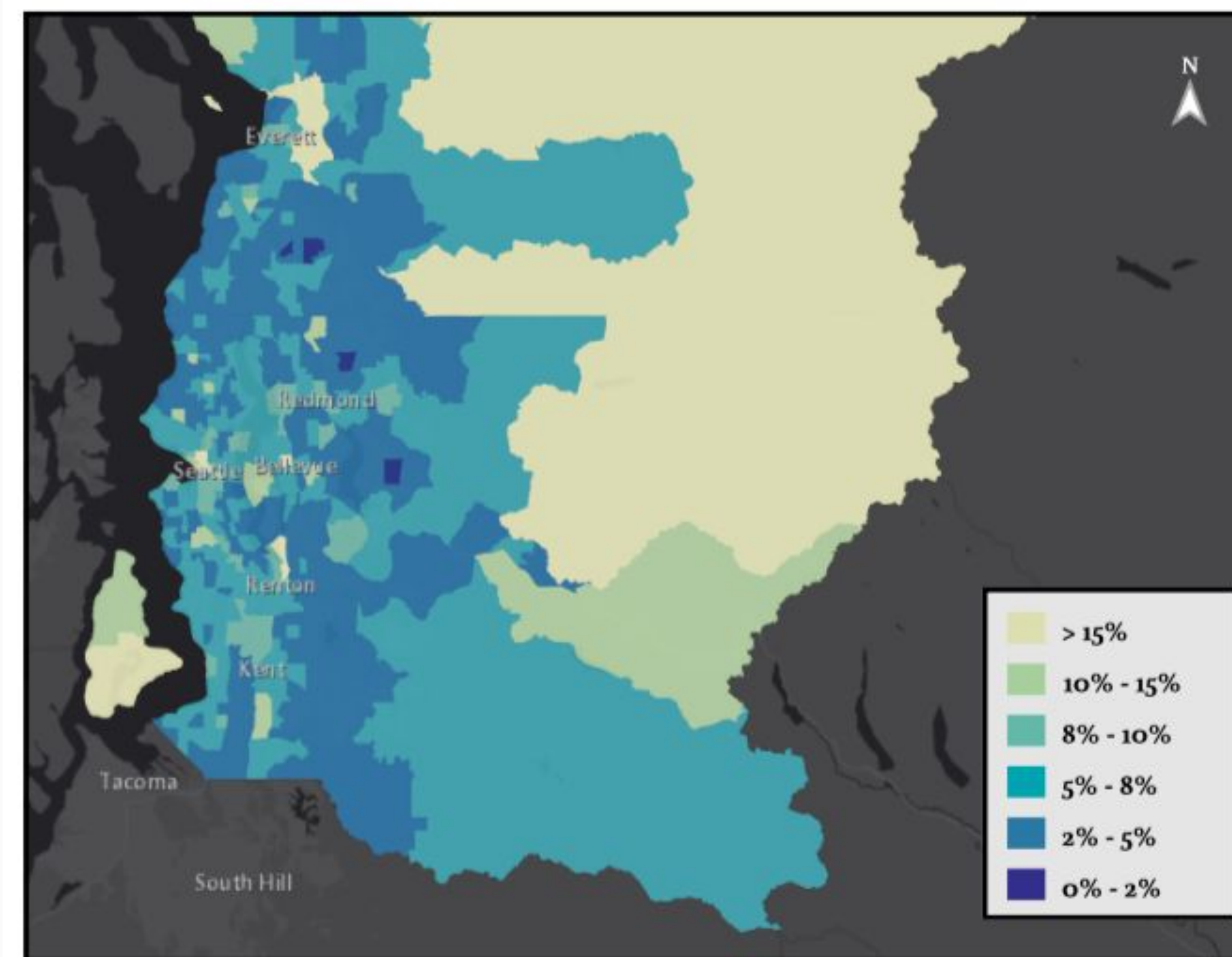
The maps displayed provide some insight into where suitable locations might be based on our initial criteria.

## Next Steps

Moving forward, we will include these variables as inputs for a suitability analysis model using ArcGIS Pro to find the optimal development zones for affordable housing. Within this model, we will create a ranking scale to determine the most and least desirable census tracts that fit Square Peg's criteria. With our initial findings from the model, we will then dive deeper by looking at the local land use type, parcel zones, and improved land value statistics of those initial results. Lastly, we will analyze our final suitable locations and then present them to Square Peg Development.

## Variables Being Considered

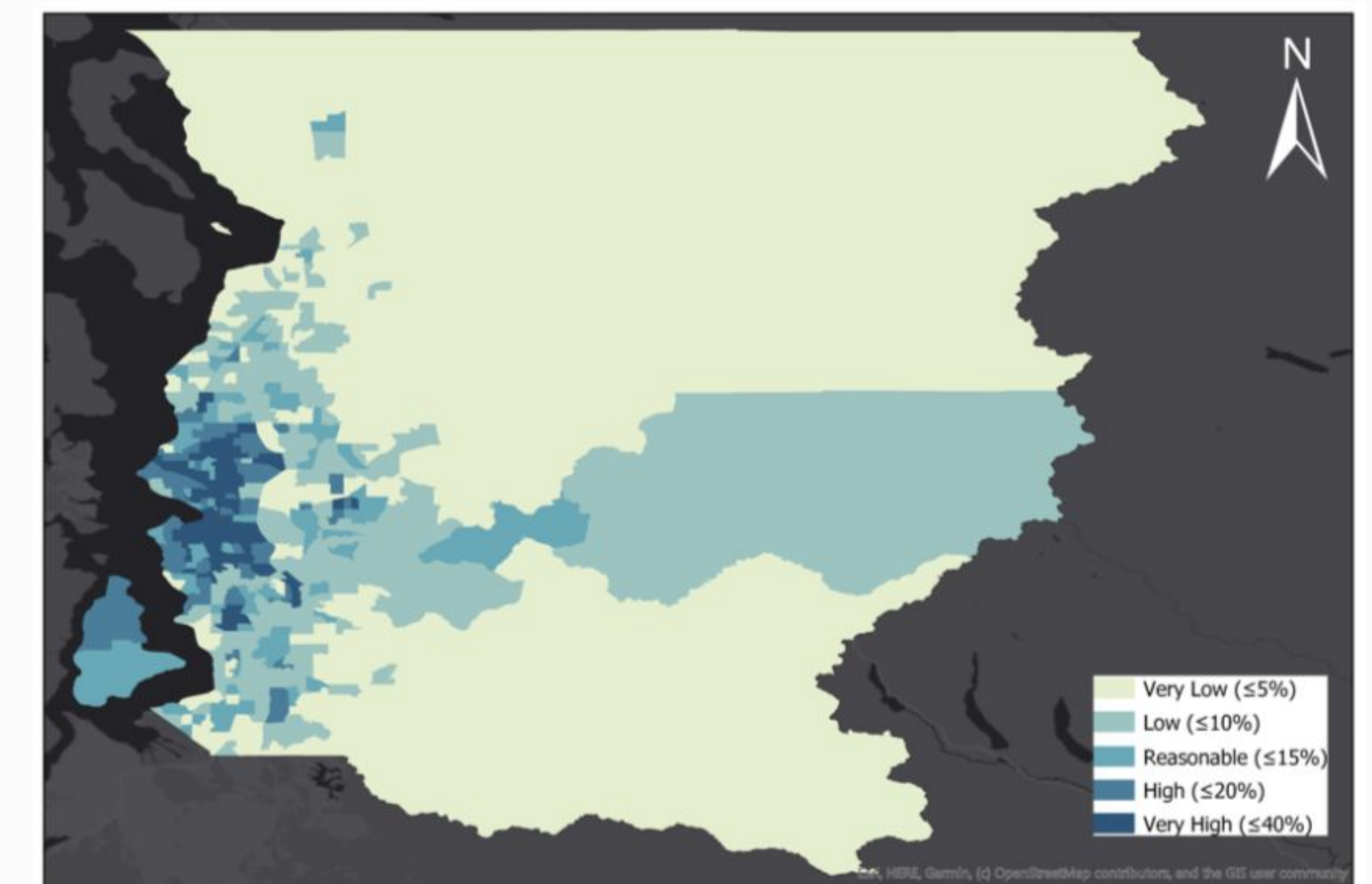
Percent Total Unit Vacancy by Census Tracts, 2018



Sources: SimplyAnalytics, 2018

Unit of Vacancy is needed in order to determine which properties are vacant and therefore prime candidates for reconstruction projects. This map displays the percent of units that are vacant. Areas of 8% vacancy or more tend to be located in the center of Seattle, Bellevue, Redmond and Kent; these areas will likely be weighted more in our suitability model.

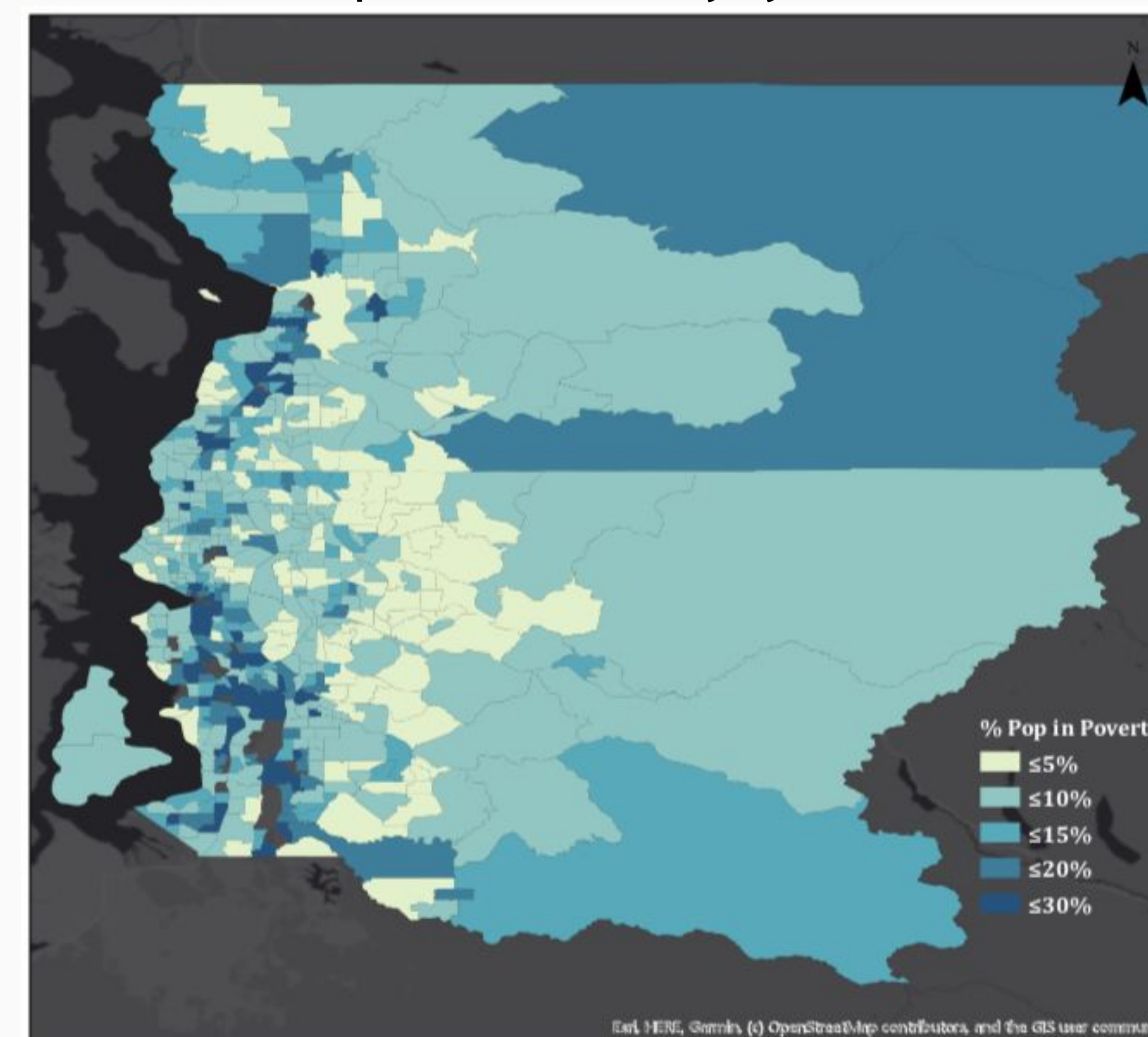
Percentage of Workers (Aged 16+) who take Public Transportation to work by Census Tracts, 2018



Sources: SimplyAnalytics 2018

Because impoverished areas tend to be dependent on public transportation, we are including access as an essential criteria within our model. While this map displays a simple trend that urban areas tend to contain more workers who use public transportation, we will likely be using a distance measure within our model that ensures chosen census tracts are no more than .25 miles away from bus stops.

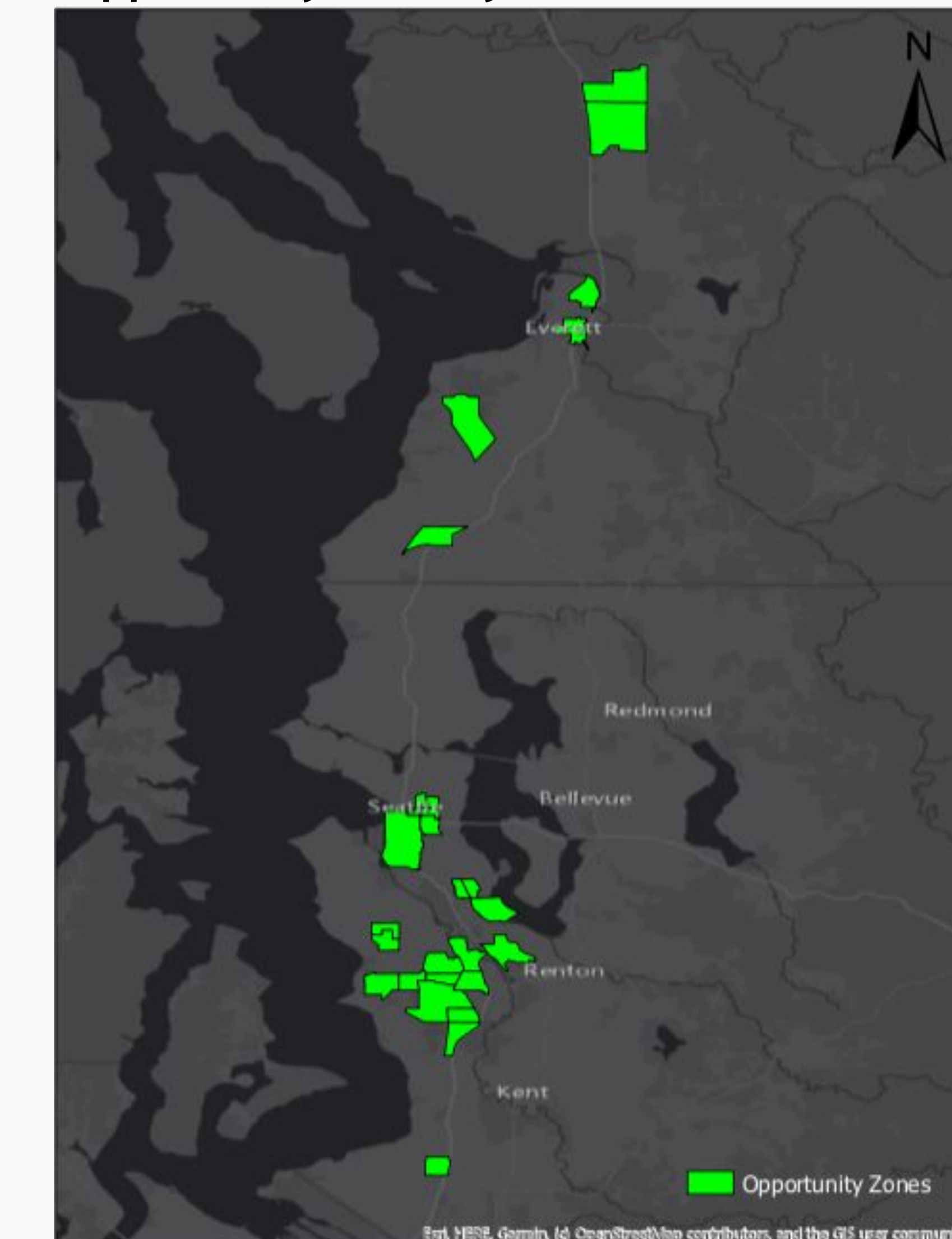
Percent Total Population in Poverty by Census Tract, 2018



Source: SimplyAnalytics, 2018

High poverty areas have a higher demand for affordable housing, and the land tends to be cheaper, creating more development opportunities like that of this project. This map shows that census tracts within/near urban areas tend to have a percent total population in poverty greater than 20-30%. Our model will weight highly impoverished tracts more than low ones as we want to ensure affordable housing is provided in areas that need it most.

Opportunity Zone by Census Tracts, 2018



Opportunity zones have been used to provide tax incentives for investors that fund businesses in underdeveloped communities. Through such zones, investors are able to defer paying taxes on capital gains invested in Opportunity zones. Up to 25% of low income census tracts within the state can be designated as Opportunity zones. This map shows that within the counties of King county and Snohomish county, King county tends to contain more underdeveloped communities compared to the fewer and dispersed Snohomish county

opportunity zones. With information on Opportunity zones we are accessing locations that could be incentivized to provide for affordable housing in currently underdeveloped counties.