

Appendix A: State/county/city housing goals

A.1: RCW 36.70A: Growth Management Act - selected provisions

Comprehensive plans-- Mandatory elements – RCW 36.70A.070

The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140.

Each comprehensive plan shall include a plan, scheme, or design for each of the following...:

(2) A housing element - ensuring the vitality and character of established residential neighborhoods that:

(a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth;

(b) includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences;

(c) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and

(d) makes adequate provisions for existing and projected needs of all economic segments of the community....

(7) An economic development element - establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. The element shall include:

(a) A summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate;

(b) a summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, workforce, housing, and natural/cultural resources; and

(c) an identification of policies, programs, and projects to foster economic growth and development and to address future needs. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection....

Comprehensive plans - Innovative techniques – RCW 36.70A.090

A comprehensive plan should provide for innovative land use management techniques, including, but not limited to, density bonuses, cluster housing, planned unit developments, and the transfer of development rights.

Comprehensive plans--Must be coordinated – RCW 36.70A.100

The comprehensive plan of each county or city that is adopted pursuant to RCW 36.70A.040 shall be coordinated with, and consistent with, the comprehensive plans adopted pursuant to RCW 36.70A.040 of other counties or cities with which the county or city has, in part, common borders or related regional issues.

County-wide planning policies – RCW 36.70A.210

(1) The legislature recognizes that counties are regional governments within their boundaries, and cities are primary providers of urban governmental services within urban growth areas. For the purposes of this section, a "county-wide planning policy" is a written policy statement or statements used solely for establishing a county-wide framework from which county and city comprehensive plans are developed and adopted pursuant to this chapter. This framework shall ensure that city and county comprehensive plans are consistent as required in RCW 36.70A.100. Nothing in this section shall be construed to alter the land-use powers of cities.

(2) The legislative authority of a county that plans under RCW 36.70A.040 shall adopt a county-wide planning policy in cooperation with the cities located in whole or in part within the county ...

(3) A county-wide planning policy shall at a minimum, address the following...

(e) Policies that consider the need for affordable housing, such as housing for all economic segments of the population and parameters for its distribution;

(g) Policies for county-wide economic development and employment; and...

Affordable housing incentive programs -- Low-income housing units – RCW 36.70A.540

(1)(a) Any city or county planning under RCW 36.70A.040 may enact or expand affordable housing incentive programs providing for the development of low-income housing units through development regulations. An affordable housing incentive program may include, but is not limited to:

(i) Density bonuses within the urban growth area;

(ii) Height and bulk bonuses;

(iii) Fee waivers or exemptions;

(iv) Parking reductions;

(v) Expedited permitting, conditioned on provision of low-income housing units; or

(vi) Mixed use projects.

(b) The city or county may enact or expand such programs whether or not the programs may impose a tax, fee, or charge on the development or construction of property.

(c) If a developer chooses not to participate in an optional affordable housing incentive program adopted and authorized under this section, a city, county, or town may not condition, deny, or delay the issuance of a permit or development approval that is consistent with zoning and development standards on the subject property absent incentive provisions of this program.

(2) Affordable housing incentive programs enacted or expanded under this section shall comply with the following:

(a) The incentives or bonuses shall provide for the construction of low-income housing units;

(b) Jurisdictions shall establish standards for low-income renter or owner occupancy housing, including income guidelines consistent with local housing needs, to assist low-income households that cannot afford market-rate housing. Low-income households are defined for renter and owner occupancy program purposes as follows:

(i) Rental housing units to be developed shall be affordable to and occupied by households with an income of 50% or less of the county median family income, adjusted for family size; and

(ii) Owner occupancy housing units shall be affordable to and occupied by households with an income of 80% or less of the county median family income, adjusted for family size. The legislative authority of a jurisdiction, after holding a public hearing, may establish lower income levels. The legislative authority of a jurisdiction, after holding a public hearing, may also establish higher income levels for rental housing or for owner occupancy housing upon finding that higher income levels are needed to address local housing market conditions. The higher income level for rental housing may not exceed 80% of the county area median family income (AMFI). The higher income level for owner occupancy housing may not exceed 100% of the county area median family income (AMFI). These established higher income levels must be considered "low-income" for the purposes of this section;

(c) The jurisdiction shall establish a maximum rent level or sales price for each low-income housing unit developed under the terms of a program and may adjust these levels or prices based on the average size of the household expected to occupy the unit. For renter-occupied housing units, the total housing costs, including basic utilities as determined by the jurisdiction, may not exceed 30% of the income limit for the low-income housing unit;

(d) Low-income housing units shall be provided in a range of sizes comparable to those units that are available to other residents. To the extent practicable, the number of bedrooms in low-income units must be in the same proportion as the number of bedrooms in units within the entire building. The low-income units shall generally be distributed throughout the building, except that units may be provided in an adjacent building. The low-income units shall have substantially the same functionality as the other units in the building or buildings;

(e) Low-income housing units developed under an affordable housing incentive program shall be committed to continuing affordability for at least 50 years. A local government, however, may accept payments in lieu of continuing affordability. The program shall include measures to enforce continuing affordability and income standards applicable to low-income units constructed under this section that may include, but are not limited to, covenants, options, or other agreements to be executed and recorded by owners and developers;

(f) Programs authorized under subsection (1) of this section may apply to part or all of a jurisdiction and different standards may be applied to different areas within a jurisdiction. Programs authorized under this section may be modified to meet local needs and may include provisions not expressly provided in this section or RCW 82.02.020; and

(g) Low-income housing units developed under an affordable housing incentive program are encouraged to be provided within market-rate housing developments for which a bonus or incentive is provided. However, programs may allow units to be provided in an adjacent building and may allow payments of money or property in lieu of low-income housing units if the payment equals the approximate cost of developing the same number and quality of housing units that would otherwise be developed. Any city or county shall use these funds or property to support the development of low-income housing, including support provided through loans or grants to public or private owners or developers of housing.

(3) Affordable housing incentive programs enacted or expanded under this section may be applied within the jurisdiction to address the need for increased residential development, consistent with local growth management and housing policies, as follows:

(a) The jurisdiction shall identify certain land use designations within a geographic area where increased residential development will assist in achieving local growth management and housing policies;

(b) The jurisdiction shall provide increased residential development capacity through zoning changes, bonus densities, height and bulk increases, parking reductions, or other regulatory changes or other incentives;

(c) The jurisdiction shall determine that increased residential development capacity or other incentives can be achieved within the identified area, subject to consideration of other regulatory controls on development; and

(d) The jurisdiction may establish a minimum amount of affordable housing that must be provided by all residential developments being built under the revised regulations, consistent with the requirements of this section. [2006 c 149 § 2.]

NOTES:

Findings -- 2006 c 149: "The legislature finds that as new market-rate housing developments are constructed and housing costs rise, there is a significant and growing number of low-income households that cannot afford market-rate housing in Washington state. The legislature finds that assistance to low-income households that cannot afford market-rate housing requires a broad variety of tools to address this serious, statewide problem. The legislature further finds that absent any incentives to provide low-income housing, market conditions will result in housing developments in many areas that lack units affordable to low-income households, circumstances that can cause adverse socioeconomic effects.

The legislature encourages cities, towns, and counties to enact or expand affordable housing incentive programs, including density bonuses and other incentives, to increase the availability of low-income housing for renter and owner occupancy that is located in largely market-rate housing developments throughout the community, consistent with local needs and adopted comprehensive plans. While this act establishes minimum standards for those cities, towns, and counties choosing to implement or expand upon an affordable housing incentive program, cities, towns, and counties are encouraged to enact programs that address local circumstances and conditions while simultaneously contributing to the statewide need for additional low-income housing." [2006 c 149 § 1.]

Construction -- 2006 c 149: "The powers granted in this act are supplemental and additional to the powers otherwise held by local governments, and nothing in this act shall be construed as a limit on such powers. The authority granted in this act shall extend to any affordable housing incentive program enacted or expanded prior to June 7, 2006, if the extension is adopted by the applicable local government in an ordinance or resolution." [2006 c 149 § 4.]

A.2: Whatcom County Comprehensive Plan, Chapter 3 Housing, 2005 Issues, goals, and policies

In order to offer appropriate and affordable housing for everyone in the County, programs and policies designed to meet a variety of housing needs can be implemented. With the right mix of policy decisions and local programs, we can increase the supply of affordable housing and offer a variety of housing choices, thereby strengthening our communities. Thousands of Whatcom

County households do not live in affordable housing. Looking ahead, the incomes of working people in Whatcom County will make affordability one of the County's biggest challenges. Both public and private investments can be directed into housing that ensures that low to moderate-income people will be able to continue to live near where they work in the community.

Adopting an Ambitious but Achievable Affordable Housing Goal

Whatcom County and its cities might consider adopting a HOUSING GOAL that sets the bar at a high but achievable level:

By the year 2020, every community and neighborhood has a healthy mix of housing sizes, types and prices, affordable at the wages of the jobs nearby. A balanced mix of housing will have housing costs in sync with wages and incomes in the community.

To achieve this overarching goal, the following goals, policies and actions are adopted:

Permitting Process Efficiency

Building codes and zoning ordinances, in part, influence costs of development and construction of housing. The permitting processes require time (raising finance costs), fees, and the personal time investment of parties involved. Building plan reviews increase cost and time. Local plans checking of non-commercial development by county officials could save time and money. A budget that allows adequate staff is necessary to minimize processing time. Also, to the extent possible, regulatory predictability and certainty in the processes required of the private sector will contribute to its willingness to contribute to housing affordability .

GOAL 3A:

Minimize the time required for processing housing-related development and construction permits in the interest of overall cost reduction.

Policy 3A-1:

Streamline and simplify existing and proposed permitting processes.

Policy 3A-2:

Educate interested parties in the permitting process using easy to understand publications such as brochures or handouts readily available to the public.

Policy 3A-3:

Consistently apply the International Building Codes and do not increase requirements.

Mixed land Uses with Appropriate Buffering and Siting Criteria

Where feasible, mixed land uses should be encouraged. The concept of encouraging housing near employment and siting employment near the work force is when-accepted and logical. Housing, transportation, and employment-base needs are well-served by this proximity; it is desirable from public, employer, employee, and public service perspectives. Incompatible uses such as heavy, noisy, or noxious industrial facilities adjacent to residential uses should continue to be discouraged. Some non-polluting, low-impact types of light industrial uses such as textile manufacturing, which could be large-scale but not environmentally or aesthetically offensive, could, with some buffering, be perfectly acceptable and probably desirable near residential development. Design standards and funding sources win be needed to fully explore the potential for mixed use since, in some instances, lenders are reluctant participants in mixed-use projects.

County-Wide Planning Policies, Visioning Community Value Statements and preferred alternatives (from the Visioning Process), preservation of agricultural lands and environmentally sensitive areas, and zoning regulations generally prescribe preferred locations for housing a growing population of county residents. Various levels of affordability and types of housing are needed and must be somehow blended into locational constraints.

Subsidized housing, homeless housing, transient, emergency, and special needs housing are all part of the affordability riddle and in some instances a major part. Citizens currently possessing safe and decent housing may not fully understand the scope of the housing problem and they may tend not to want housing for less advantaged households near them. In that regard, the location of affordable housing can be as difficult an issue as funding.

GOAL 3B:

Support residential housing near employment opportunities and transit.

Policy 3B-1:

Enable and support housing development opportunities integral with, and near, compatible industrial and commercial activities and transit.

Policy 3B-2:

Establish commercial zoning regulations that accommodate residential uses at a density higher than surrounding residential or rural zoning provided adequate transportation access and services are available.

Policy 3B-3:

Establish industrial zoning regulations that accommodate temporary residential uses at a density higher than surrounding residential or rural zoning provided adequate transportation access is available.

Policy 3B-4:

Residential development adjacent to major transportation routes may require buffering.

GOAL 3C:

Create opportunity for a broad range of housing types and encourage mixed affordability.

Policy 3C-1:

Support lot clustering, varied lot sizes, small-scale multi-family dwellings, accessory housing and reductions in infrastructure requirements for subdivisions as incentives for development of housing obtainable by purchasers with the greatest possible mix of household incomes.

Policy 3C-2:

Support programs in which citizens participate in the construction of their own home.

Policy 3C-3:

Support development of manufactured and mobile home parks and establish design criteria that will enable them to fit into the surrounding community.

Policy 3C-4:

Develop zoning criteria in order to appropriately site group homes and accessory dwelling units within county residential urban growth areas.

Access to Housing

Changing demographics demand flexibility in siting, regulating, and designing future housing stocks. Family size, household size, proximity to employment and services, living space requirements due to cultural preferences, immigration patterns, and other factors contribute to changes in the type, number, and location of housing opportunities required for the future. The demographic makeup of Whatcom County's population can logically be expected to change over time through the 20-year Growth Management Act planning period.

Availability of housing for seniors, young adults, single parents, and groups is frequently overlooked by both the private development sector and the public sector. In addition, many migrant farm workers entering the county each season face substandard housing and homelessness. While the upper ends of the housing scale are normally well-served by the developers of housing projects, other housing needs are frequently overlooked or neglected. Making housing affordable and accessible in all residential areas will help integrate these groups of people into the larger community.

Housing appropriate for those with temporary, transitional, emergency, and special needs is available only on an exceptional basis. Population growth will directly affect the number of people seeking such shelter.

A portion of the agricultural workers have difficulty in obtaining adequate housing. Prior to adoption of the comprehensive plan, Whatcom County considered ordinance amendments allowing for easier and better provision of migrant worker housing. Difficult issues associated with the amendments such as water, sewer, and other health concerns caused them to be tabled while an accessory housing ordinance allowing development of detached second dwelling units was adopted. Nevertheless, those farm worker housing amendments must proceed to provide some relief for this important housing need.

GOAL 3D:

Encourage provision of housing at every income level.

Policy 30-1:

Participate with other agencies to provide housing options for all income levels by donating land, providing expertise, expediting permits, and other appropriate mechanisms.

Policy 30-2:

Enable the ability of the farmer to provide housing for all agricultural workers.

Policy 30-3:

Support programs which assist agricultural workers seeking affordable housing opportunities.

GOAL 3E:

Provide for future housing needs by responding to changing household demographics.

Policy 3E-1:

Review and revise existing regulations to identify inhibitions to housing for the varying preferences of those needing housing. Focus on population segments with particular needs such as temporary, transitional, or emergency housing.

Policy 3E-2:

Evaluate all new regulations or codes developed at the county level to ensure they accommodate housing preferences and needs existing at that time.

Policy 3E-3:

Encourage financial institutions to participate in creative housing solutions which respond to changing demographics and needs.

Policy 3E-4:

Support the development of housing specifically for young adults, seniors, groups, and single parents.

Incentives for Affordability

Profit generally drives the production of most housing. Some types of housing, particularly some of the more affordable types, are less profitable to build. If the private sector is expected to play a part in the provision of affordable, obtainable housing, there must be incentives encouraging them to do so.

GOAL 3F:

Provide incentives to create affordable housing.

Policy 3F-1:

Include density or inclusionary bonus provisions in land use regulations where appropriate, to offset the reduced profit inherent in more affordable types of housing. These bonuses may be transferred to other locations.

Policy 3F-2:

Review accessory housing ordinances for effectiveness and appropriateness and revise when necessary.

Policy 3F-3:

Support innovative housing ideas including co-housing (essentially a micro-community with some centralized facilities), elder cottages (temporary housing units for healthy but aging family members), and shared living residences or group quarters.

Regulatory Controls

Many forces act to inhibit the availability of affordable housing. Among these are regulatory controls, including zoning, subdivision regulations, development standards, and critical areas requirements. In addition, growth management itself implies some restrictions to affordable housing, by excluding land from development by focusing growth in urban areas, avoiding environmentally sensitive areas, and other ways. Mechanisms are needed to balance these inhibitions to affordability, such as design variety promoted through covenants, conditions, and restrictions, relaxed infrastructure requirements, and zoning.

GOAL 3G:

Identify and remove impediments to affordable housing.

Policy 3G-1:

Create opportunities to provide more affordability by relaxing or eliminating some infrastructure requirements or impact fees where it is clearly demonstrated that such action does not create a safety hazard and is not contrary to the interests of the health and well-being of county residents.

Policy 3G-2:

Review and revise existing and proposed regulations for consistency with other housing goals.

Policy 3G-3:

Educate the public on equal opportunity laws specifically related to housing and housing conditions including options available to anyone discriminated against.

Policy 3G-4:

Allow development of smaller lots and creative options.

Preservation of Existing Housing Stocks

Destruction of existing housing units due to redevelopment may be counterproductive for housing affordability. Instead, redevelopment should be taken as an opportunity to increase affordable housing.

GOAL 3H:

Facilitate maintenance and rehabilitation of existing housing.

Policy 3H-1:

Wherever there is potential for destruction of existing structures, provide for preserving existing housing or creating new housing, whether by incorporation into the new project, moving, or recycling.

Policy 3H-2:

Support creation of one or more additional housing units, within permitted density, when existing housing is remodeled or commercial or light industrial facilities are redeveloped.

Policy 3H-3:

Identify and implement incentives to preserve and sensitively rehabilitate historic properties.

***A.3: Bellingham Comprehensive Plan, Housing Chapter
Part 7: Housing Visions (HV) and Goals (HG)***

Housing visions for Bellingham

HV-1 Bellingham's regulations encourage and provide incentives for innovative housing and mixtures of housing types that preserve natural resources and consolidate open space.

HV-2 Increased housing density and intensity exists in the downtown area and in other parts of the community which are appropriate for small lots or higher density housing, reflecting a variety of housing costs.

HV-3 Density bonuses for well-designed housing that complements existing neighborhood integrity supplement new opportunities for duplex or triplex options, subject to design review standards and neighborhood input.

HV-4 Rehabilitation and housing financing programs support the maintenance of older/historic housing, including programs to assist low income households to stay in their homes. .

HV-5 Increases in the supply of housing for low income households result from assistance and support to private non-profit groups and other organizations like the Housing Authority and Opportunity Council and from inclusionary zoning provisions that require a range of housing prices in new developments.

HV-6 On-going efforts to address housing affordability for all citizens include streamlining of the regulatory review and building permit process and reviewing costs of infrastructure improvements and their impact on housing costs.

Housing Goals

HG-1 Bellingham has a healthy mix of housing sizes, types, and prices, affordable at the wages of the jobs nearby. A balanced mix of housing will have housing costs in sync with wages and incomes in the community.

HG-2 Consider long-term lifecycle cost affordability through the use of cost-saving materials and low-impact development techniques.

HG-3 Increase housing opportunities for a broad range of income levels, including, options for both owner-occupied and rental housing.

HG-4 Consider minimum density requirements for residential zones, and commercial zones where residential development is allowed, to preserve future capacity for affordable housing opportunities.

HG-5 Encourage live-work development as a way to minimize housing costs and home-to-work trips.

HG-6 Encourage upper floor residential units above ground floor commercial and office uses, including large commercial shopping centers and high-volume retail big box" stores.

HG-7 Create and maintain sound, viable neighborhoods, and revitalize those that are declining.

HG-8 Encourage the elimination of discrimination from the housing market based on race, religion, ethnic origin, age, household composition or size, disability marital status, sexual orientation or economic circumstances.

HG-9 Enact clear land use and development procedures for the development of housing while ensuring that the public welfare is protected.

HG-10 Increase wages and reduce housing costs to a point where a family with an "average income" can afford an "average priced" home.

PART 8: Housing policies (HP)

Neighborhood Preservation

HP-1 Encourage public and private investment to keep existing neighborhoods safe and attractive.

HP-2 Promote housing development that is compatible with the overall style and character of the established neighborhood.

HP-3 Encourage the rehabilitation of historically and architecturally significant homes in deteriorated condition.

HP-4 Promote the maintenance and improvement of existing housing stock and neighborhoods in the city. Older neighborhoods contribute to Bellingham's unique character.

HP-5 Promote the use of innovative development patterns to better utilize land,

promote design flexibility, and preserve open space and natural features.

HP-6 Promote the development of housing that is compatible with surrounding land uses, traffic patterns, public infrastructure and environmentally sensitive areas.

HP-7 Encourage the upgrading and maintenance of public infrastructure in existing neighborhoods.

HP-8 Encourage the upgrade of older houses, including the removal of lead-based paint, asbestos, or other potentially harmful materials, to create additional housing opportunities that provide safe and affordable living environments.

Affordable Housing

HP-9 Promote increased housing opportunities for all economic segments and special needs groups in the community through the use of both private and public financing.

HP-10 Include options for both owner-occupied and tenant-occupied housing and facilities for those with special needs, through the use of innovative techniques supported by appropriate revisions to zoning codes and with the use of both private and public financing.

HP-11 Encourage housing programs which facilitate home ownership for all economic segments of the population, including lower income households.

HP-12 Encourage flexible and innovative financing techniques so that the private housing market is accessible to the widest possible range of income levels.

HP-13 Encourage a balanced distribution of affordable housing throughout the city.

HP-14 Seek perpetual affordability achievable through non-profit-owned rental housing and certain forms of homeownership including community land trusts, limited equity condominiums, deed restricted home ownership, and other models.

HP-15 Explore incentives, strategies, and requirements to achieve a healthy mix of housing sizes, types, and prices, such as expedited permit review for affordable housing projects, encouragement of employee-assisted housing, and "Inclusionary Zoning" requirements for affordable housing.

Fair Housing

HP-16 Encourage dissemination of information to the community concerning their housing rights.

HP-17 Support reasonable enforcement of all fair housing rules and regulations.

HP-18 Promote the fair share distribution of housing opportunities for all segments of the population throughout the city and county.

Land Use and Design

HP-19 Provide for attached accessory dwelling units as a means of securing diversification and affordability in single family zoning district, while meeting the complimentary needs of both homeowner and tenant.

HP-20 Encourage infill development on land which remains vacant or underutilized, in otherwise built-up areas.

HP-21 Ensure the availability of lot sizes that are small enough to be cost effective for developers and affordable for potential homeowners.

HP-22 Increase open space requirements for multi-family, high density development, either on site or in public park space.

HP-23 Promote new high density residential development within or near Urban Villages.

HP-24 Encourage flexible residential street standards that are appropriate to the density of the development and the expected use of the street, with the intent of lowering the cost of infrastructure, and have the effect of calming traffic speed and increasing public safety.

HP-25 Promote new and redeveloped residential units above existing non-residential uses and as mixed uses, large commercial shopping centers and "big box" retail stores.

HP-26 Provide a variety of densities to encourage a range of housing types to meet the needs of different household types and sizes.

HP-27 Allow for an adequate supply and more efficient use of land through such methods as substandard lots of record, flexible setbacks, flexible street frontage requirements, cluster-attached wall housing, cluster subdivisions, cottage housing, and skinny streets with alleys.

HP-28 Encourage the use of innovative design by builders and developers to produce a variety of desirable, lower cost housing, including non-traditional and "new-traditional" housing types, such as accessory units, boarding housing, starter houses, cluster houses.

HP-29 Establish criteria to allow developers flexibility with planned residential design regulations and increased density, in exchange for better quality site and building design and improved open space.

HP-30 Review regulations with the intent to eliminate redundancy, promote simplicity in the permitting and regulatory processes and eliminate barriers to affordable housing.

HP-31 Encourage the use of long-lived, low-maintenance building materials and high-efficiency energy systems to reduce housing life cycle costs.

HP-32 Promote the incorporation "Built Green" principles in all housing developments.

Public and Private Support

HP-33 Increase funding for the preservation and development of affordable housing.

HP-34 Plan for and support assisted housing using federal, state, and local funds.

HP-35 Encourage the maintenance of low income rental housing stock through public and private financing.

HP-36 Give priority emphasis in housing rehabilitation programs to assisting low and moderate income persons.

HP-37 Encourage means of increasing affordable housing opportunities in the downtown.

HP-38 Encourage renovation and conversion of existing buildings to residential uses, particularly in the downtown.

HP-39 Encourage greater involvement of public and private sectors to increase and preserve the stock of affordable housing.

HP-40 Monitor and influence state and federal legislation related to housing through organizations such as the Association of Washington Cities.

HP-41 Encourage public and private lending and real estate practices that support the rehabilitation and maintenance of housing.

HP-42 Encourage builders and developers to build for a range of income levels and housing preferences within projects.

HP-43 Encourage and support social and human services organizations which offer support programs for those with special needs.

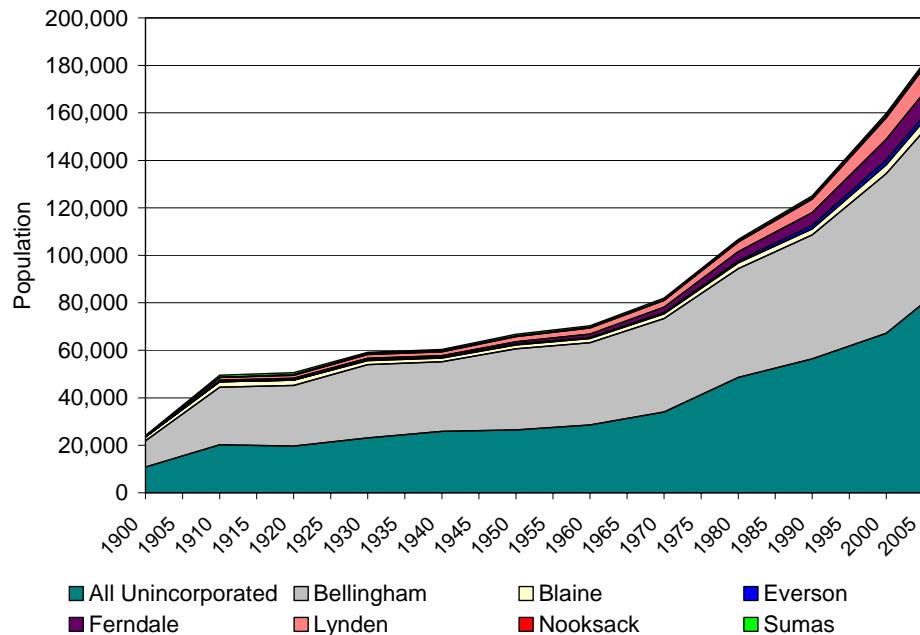
Appendix B: Housing market analysis

Demographic information was analyzed for Whatcom County, Bellingham, Blaine, Ferndale, Lynden, Nooksack, Sumas, and Washington State for comparison purposes. When available, information was also included for the Birch Bay Urban Growth Area (UGA) and Kendall/Columbia Valley UGA.

B.1: Population

Historical population and projected population are examined in this section of the report. Historical population is shown for Washington State, Whatcom County, Unincorporated Whatcom County, and the cities of: Bellingham, Blaine, Everson, Ferndale, Lynden, Nooksack, and Sumas in Table 1. The historical population numbers for cities do not include populations living in their associated UGAs. UGAs are included in the Unincorporated Whatcom County estimates.

Figure 1. Historical population growth in Whatcom County by jurisdiction 1900 to 2006



Sources: *Washington State Office of Financial Management. Historical Data Set: Decennial Population Counts for the State, Counties, and Cities, 1890 to 2000. September, 2002; and Washington State Office of Financial Management. Population of Cities, Towns, and Counties, April 1, 2006.*

In 2002, the City of Bellingham, in coordination with Whatcom County and cities, contracted with ECONorthwest to develop population projections for the 20-year planning horizon as required by RCW 36.70A. EcoNorthwest developed 3 forecast scenarios: baseline, high, and low. The population forecasts included all Whatcom County incorporated cities including associated UGAs, the Columbia Valley UGA, Point Roberts, Birch Bay UGA, and all Other Unincorporated Whatcom County.

Table 1. Historical population estimates 1900 to 2006

	Washington State	Whatcom County	Unincorporated Whatcom County							
			Bellingham							
				Blaine						
					Everson					
						Ferndale				
							Lynden			
								Nooksack		
										Sumas
1900	518,103	24,116	10,778	11,062	1,592	na	na	365	na	319
1910	1,141,990	49,511	20,183	24,298	2,289	na	691	1,148	na	902
1920	1,356,621	50,600	19,621	25,585	2,254	na	759	1,244	283	854
1930	1,563,396	59,128	23,112	30,823	1,642	295	752	1,564	293	647
1940	1,736,191	60,355	25,860	29,314	1,524	292	717	1,696	302	650
1950	2,378,963	66,733	26,462	34,112	1,693	345	979	2,161	323	658
1960	2,853,214	70,317	28,532	34,688	1,735	431	1,442	2,542	318	629
1970	3,143,250	81,983	34,004	39,375	1,955	633	2,164	2,808	322	722
1980	4,132,353	106,701	48,622	45,794	2,363	898	3,855	4,028	429	712
1990	4,866,669	127,780	56,433	52,179	2,489	1,490	5,398	5,709	584	744
2000	5,894,121	166,814	67,209	67,171	3,770	2,035	8,758	9,020	851	978
2005	6,256,400	180,800	79,848	72,320	4,240	2,080	9,750	10,480	970	1,112
2006	6,375,600	184,300	81,066	73,460	4,480	2,135	10,280	10,750	1,004	1,125
Average Annual Percent Change										
1900 to 2006	2.4%	1.9%	1.9%	1.8%	1.0%	na	na	3.2%	na	1.2%
1900 to 1910	8.2%	7.5%	6.5%	8.2%	3.7%	na	na	12.1%	na	11.0%
1910 to 1920	1.7%	0.2%	-0.3%	0.5%	-0.2%	na	0.9%	0.8%	na	-0.5%
1920 to 1930	1.4%	1.6%	1.7%	1.9%	-3.1%	na	-0.1%	2.3%	0.3%	-2.7%
1930 to 1940	1.1%	0.2%	1.1%	-0.5%	-0.7%	-0.1%	-0.5%	0.8%	0.3%	0.0%
1940 to 1950	3.2%	1.0%	0.2%	1.5%	1.1%	1.7%	3.2%	2.5%	0.7%	0.1%
1950 to 1960	1.8%	0.5%	0.8%	0.2%	0.2%	2.3%	3.9%	1.6%	-0.2%	-0.4%
1960 to 1970	1.0%	1.5%	1.8%	1.3%	1.2%	3.9%	4.1%	1.0%	0.1%	1.4%
1970 to 1980	2.8%	2.7%	3.6%	1.5%	1.9%	3.6%	5.9%	3.7%	2.9%	-0.1%
1980 to 1990	1.6%	1.8%	1.5%	1.3%	0.5%	5.2%	3.4%	3.5%	3.1%	0.4%
1990 to 2000	1.9%	2.7%	1.8%	2.6%	4.2%	3.2%	5.0%	4.7%	3.8%	2.8%
2000 to 2005	1.2%	1.6%	3.5%	1.5%	2.4%	0.4%	2.2%	3.0%	2.7%	2.6%
2005 to 2006	1.9%	1.9%	1.5%	1.6%	5.7%	2.6%	5.4%	2.6%	3.5%	1.2%

Sources: Washington State Office of Financial Management. Historical Data Set: Decennial Population Counts for the State, Counties, and Cities, 1890 to 2000. September, 2002; and Washington State Office of Financial Management. Population of Cities, Towns, and Counties, April 1, 2006

Table 2. EcoNorthwest population estimates: baseline, low and high scenarios 2002 - 2022

Baseline Forecasts	2002	2007	2012	2017	2022	annual ave growth rate
Bellingham (City & UGA)	81,454	88,565	95,756	102,866	109,818	1.5%
Blaine (City & UGA)	4,959	5,328	5,711	6,085	6,440	1.3%
Everson (City & UGA)	2,321	2,579	2,870	3,189	3,536	2.1%
Ferndale (City & UGA)	10,396	11,763	13,146	14,514	15,851	2.1%
Lynden (City & UGA)	10,186	11,684	13,191	14,684	16,153	2.3%
Nooksack (City & UGA)	997	1,169	1,373	1,610	1,881	3.2%
Sumas (City & UGA)	1,032	1,137	1,255	1,383	1,521	2.0%
Columbia Valley UGA	2,628	3,104	3,603	4,089	4,545	2.8%
Point Roberts	1,351	1,448	1,550	1,650	1,743	1.3%
Birch Bay (UGA)	4,721	5,265	5,835	6,391	6,912	1.9%
Other Unincorporated.	53,425	55,937	58,558	61,115	63,528	0.9%
Total Whatcom Co	173,470	187,979	202,848	217,576	231,928	1.5%
High Scenario	2002	2007	2012	2017	2022	annual ave growth rate
Bellingham (City & UGA)	81,741	90,700	99,629	108,439	117,472	1.8%
Blaine (City & UGA)	5,011	5,738	6,465	7,171	7,942	2.3%
Everson (City & UGA)	2,330	2,653	3,020	3,433	3,912	2.6%
Ferndale (City & UGA)	10,451	12,174	13,891	15,585	17,322	2.6%
Lynden (City & UGA)	10,217	11,899	13,573	15,234	16,900	2.5%
Nooksack (City & UGA)	1,002	1,219	1,482	1,798	2,189	4.0%
Sumas (City & UGA)	1,036	1,168	1,316	1,480	1,669	2.4%
Columbia Valley (UGA)	2,712	3,765	4,818	5,839	6,966	4.8%
Point Roberts	1,367	1,576	1,784	1,987	2,210	2.4%
Birch Bay (UGA)	4,815	6,004	7,193	8,347	9,619	3.5%
Other Unincorporated.	53,818	59,036	64,254	69,323	74,882	1.7%
Total Whatcom Co	174,500	195,932	217,425	238,636	261,083	2.0%
Low Scenario	2002	2007	2012	2017	2022	annual ave growth rate
Bellingham (City & UGA)	80,375	86,612	92,647	98,403	104,228	1.3%
Blaine (City & UGA)	4,886	5,136	5,364	5,565	5,775	0.8%
Everson (City & UGA)	2,285	2,508	2,746	2,995	3,269	1.8%
Ferndale (City & UGA)	10,188	11,388	12,548	13,655	14,776	1.9%
Lynden (City & UGA)	9,972	11,343	12,681	13,970	15,269	2.2%
Nooksack (City & UGA)	973	1,121	1,285	1,465	1,672	2.7%
Sumas (City & UGA)	1,017	1,109	1,205	1,305	1,415	1.7%
Columbia Valley (UGA)	2,526	2,816	3,075	3,291	3,522	1.7%
Point Roberts	1,331	1,392	1,447	1,494	1,544	0.7%
Birch Bay (UGA)	4,605	4,941	5,242	5,495	5,764	1.1%
Other Unincorporated.	52,908	54,535	56,009	57,278	58,616	0.5%
Total Whatcom Co	171,066	182,901	194,249	204,916	215,850	1.2%

Source: ECONorthwest, Whatcom County Population and Economic Forecasts. May, 2002.

After considering EcoNorthwest's population forecasts, the Whatcom County Council adopted 20-year population growth forecasts for Bellingham and other jurisdictions to update the respective comprehensive plans. The County Council approved forecast is shown in Table 3. The adopted County-wide forecast of 234,917 is between the mid and high growth scenarios provided by ECONorthwest.

Table 3. Whatcom County Council approved population growth forecasts 2002-2022

<i>Area</i>	<i>2002</i>	<i>2022</i>	<i>annual Ave growth rate</i>
Bellingham (City & UGA)	81,454	113,055	1.7%
Blaine (City & UGA)	4,959	7,942	2.4%
Everson (City & UGA)	2,321	3,912	2.6%
Ferndale (City & UGA)	10,396	17,322	2.6%
Lynden (City & UGA)	10,186	16,900	2.6%
Nooksack (City & UGA)	997	1,881	3.2%
Sumas (City & UGA)	1,032	1,669	2.4%
Other Unincorporated Whatcom County	62,125	72,236	0.8%
Whatcom County Total	173,470	234,917	1.5%

Source: Bellingham Planning Department. Population Growth Forecasts. February, 2004

Notes (Bellingham Planning Department, 2004):

2002 population estimates are from ECONorthwest report, Table 3-3.

The forecasts for cities include their urban growth areas.

Bellingham's 2022 growth estimate is a 3,237 increase to ECONorthwest's baseline scenario forecast of 109,818, reducing the forecast for unincorporated areas of the County.

Growth forecasts for Blaine, Everson, Ferndale, Lynden, and Sumas are based on ECONorthwest's high scenario estimate.

B.2: Socioeconomics characteristics

The following socioeconomic characteristics were compiled from the 1990 and 2000 US Census, the Washington State Office of Financial Management (OFM), and Whatcom County. Note that the Kendall/Columbia Valley area is approximately described by the Census Designated Places of Kendal and Peaceful Valley.

Characteristics described include:

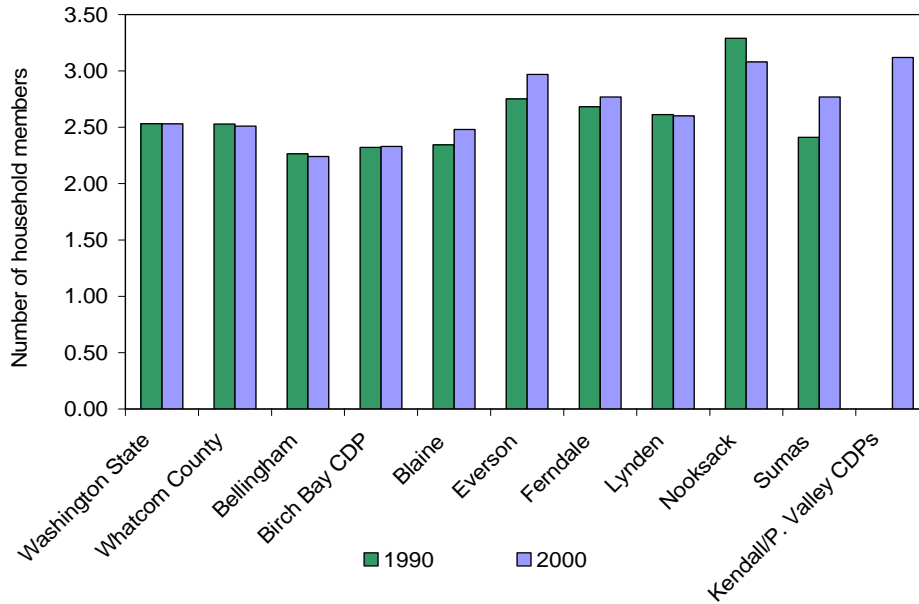
- **Household size:** The concept of household is based on the arrangements made by persons, individually or in groups, for providing themselves with food or other essentials for living (US Census, 2007).
- **Household in families:** A family household includes two more people living in the same household who are related to the householder by birth, marriage, or adoption (US Census, 2007).
- **Median age:** Age gives an indication of whether the population of a community is generally young or old, and increasing or decreasing in size (US Census, 2007).
- **Percent of population over 65:** The percent of population over 65 shows if number of people that are retirement age is increasing or decreasing. This statistic is also an indicator workforce and population needs (US Census, 2007).

- **Whatcom County population change by age group:** The Washington State Office of Financial Management tracks population change on an annual basis by gender and age.
- **Labor force participation and unemployment rate:** The labor force includes all people in the civilian labor force, plus members of the U.S. Armed Forces. The civilian labor force is further classified as employed and unemployed (US Census, 2007).
- **Employment by industry:** This is a measurement of employment by industry classification. Industries are classified by the kind of business conducted and/or products produced by the business. Employment by industry helps identify the level of employment in base industries including: mining, agriculture, forestry, fisheries, and manufacturing (US Census, 2007).
- **Travel time to work:** The travel time to work provides insight in to the location of employment of area residents (US Census, 2007).
- **Median household income estimate:** Median household income divides the income distribution into two equal groups: households with incomes above the median and households with incomes below the median (Washington State Office of Financial Management, 2006).
- **Population income ranges:** This statistic segments the population by total household income increments to provide more detail about household income levels.
- **Poverty thresholds:** Determined by size of family and number of children, poverty thresholds defines the household income below which, household members are considered in poverty.
- **Population below poverty level:** Following the Office of Management and Budget's (OMB's) Directive 14, the Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is poor (U.S. Census Bureau, 2007). If the total income for a family or unrelated individual falls below the relevant poverty threshold, then the family or unrelated individual is classified as being "below the poverty level."
- **Families below poverty level:** Families are defined as a group of two or more people who reside together and who are related by birth, marriage, or adoption. The poverty threshold is defined based upon size of family and number of children.
- **Residence location:** Describes the area of residence 5 years prior to Indicates the area of residence 5 years prior to the reference date for those who reported that they lived in a different housing unit (US Census, 2007).
- **Type of housing unit:** Describes type of housing unit by distinguishing between a house, apartment, mobile home or trailer, a group of rooms, or a single room occupied as separate living quarter (US Census, 2007).
- **Housing tenure:** Refers to the distinction between owner-occupied and renter-occupied housing units (US Census, 2007).
- **Percent of household income paid to rent**

- And percent of household income paid to mortgages

B.3: Households

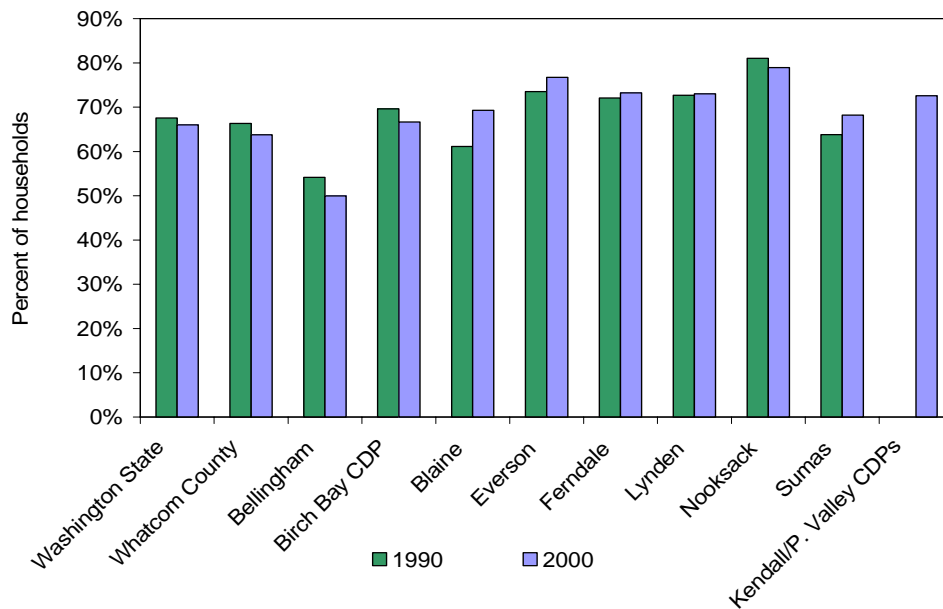
Figure 2. Average household size 1990 and 2000



Source: U.S. Census. Census 2000 and 1990 Inc.

Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP. (2) Information is not available for Kendall/P. Valley CDPs in 1990.

Figure 3. Percent of Households in Families, 1990 and 2000

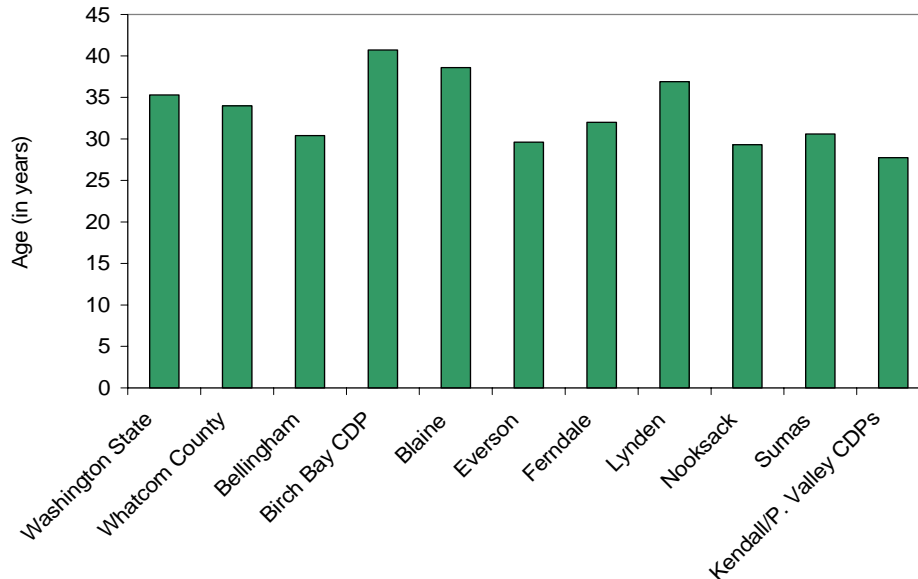


Source: U.S. Census. Census 2000 and 1990

Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP. (2) Information is not available for Kendall/P. Valley CDPs in 1990.

B.4: Population age characteristics

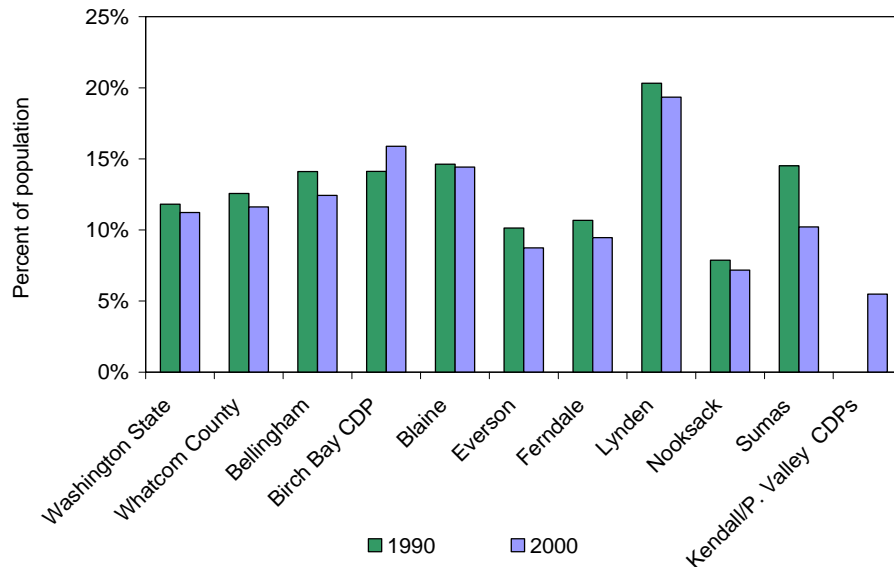
Figure 4. Median age 2000



Source: U.S. Census. Census 2000

Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP. (2) Information is not available for Kendall/P. Valley CDPs in 1990.

Figure 5. Percent of population 65 years and older 1990 and 2000

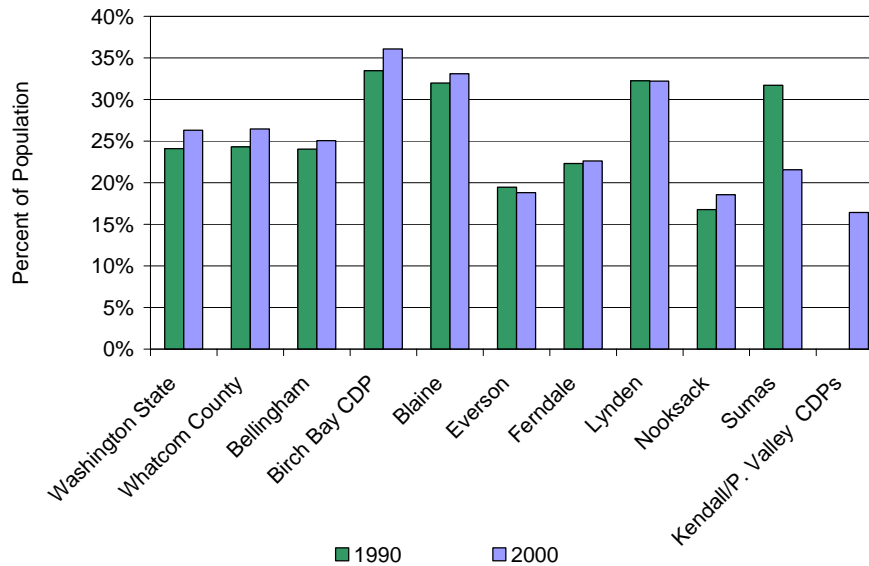


Source: U.S. Census. Census 2000 and 1990

Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP. (2) Information is not available for Kendall/P. Valley CDPs in 1990.

Figure 5 indicates the percentage of the population that is over 65 years old is decreasing. When the group is expanded to include persons down to the age of 50 years old the trend reverses and the population above 50 increases as a percent of the overall population.

Figure 6. Percent of population 50 years and older 1990 and 2000



Source: U.S. Census. Census 2000 and 1990

Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP. (2) Information is not available for Kendall/P. Valley CDPs in 1990

Table 4 and Figure 7 show population change by age group for Whatcom County between 1996 through 2006. The data indicate a population decline for residents between the ages of 30 and 39, while the population for all other age groups increased between 1996 and 2006. The age group of 50 to 59 year olds experienced the largest increase between 1996 and 2006, increasing by 75% from 14,207 residents in 1996 to 24,898 residents' ages 50 to 59 in 2006.

B.5: Labor force and employment characteristics

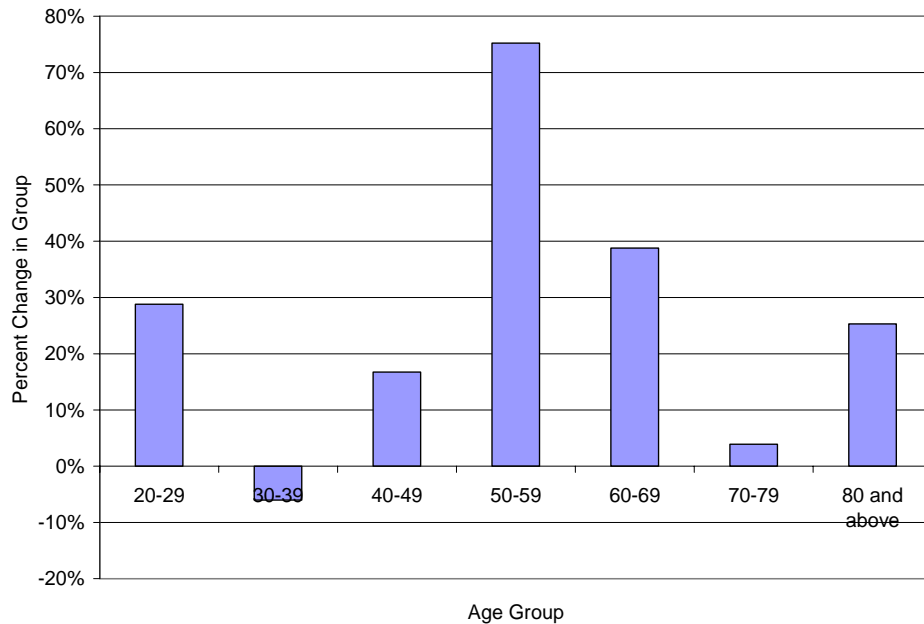
Table 5 depicts April 2007 unemployment data for Washington State and the Bellingham Metropolitan Statistical Area, which is effectively Whatcom County. The data indicate that in April 2007 the Bellingham MSA had a lower unemployment rate than the State as a whole.

Table 4. Whatcom County population change by age group 1996 to 2006

age	1996			2006			change total
	total	male	female	total	male	female	
0-9	21,112	10,769	10,343	22,054	11,206	10,848	4%
10-19	23,360	11,684	11,676	27,171	13,449	13,721	16%
20-29	24,636	12,471	12,165	31,725	16,074	15,651	29%
30-39	23,315	11,593	11,722	21,911	11,043	10,868	-6%
40-49	22,937	11,412	11,525	26,777	13,195	13,582	17%
50-59	14,207	7,162	7,045	24,898	12,410	12,488	75%
60-69	10,245	4,969	5,277	14,220	7,029	7,191	39%
70-79	8,648	3,815	4,833	8,984	4,151	4,833	4%
80 +	8,543	3,290	5,253	10,703	4,220	6,483	25%

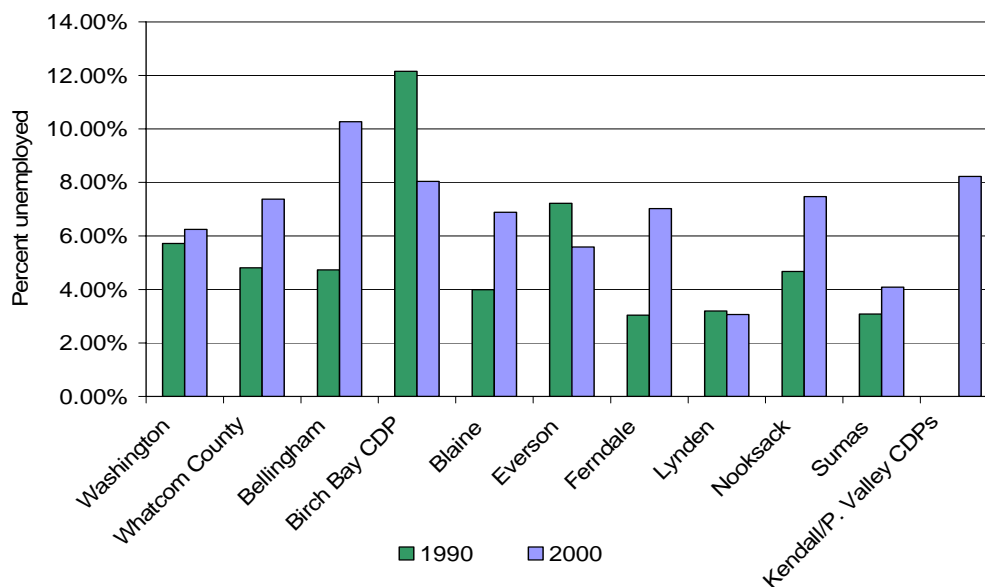
Source: Washington State Office of Financial Management, 2007

Figure 7. Whatcom County population change by age group 1996 to 2006



Source: Washington State Office of Financial Management, 2007

Figure 8. Percent of labor force unemployed 1990 and 2000



Source: U.S. Census. Census 2000 and 1990

Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP. (2) Information is not available for Kendall/P. Valley CDPs in 1990.

Table 5. Unemployment rates for Washington State and the Bellingham MSA for April 2007, March 2007 and April 2006

	labor force	employ	unemploy	unemploy rate
April 2007 Preliminary				
Washington State	3,350,200	3,204,800	145,400	4.3
Bellingham MSA	106,500	102,200	4,300	4.0
April 2006 Revised				
Washington State	3,297,500	3,137,300	160,200	4.9
Bellingham MSA	102,800	98,000	4,800	4.7

Source: Washington State Employment Security, May 30, 2007.

Table 6. Employment by industry 2000

	Washington State	Whatcom County	Bellingham	Birch Bay CDP	Blaine	Everson	Ferndale	Kendall/ Peaceful Valley CDPs	Lynden	Nooksack	Sumas
Total Employees	2,793,722	80,773	33,704	2,333	1,568	861	3,758	859	3,993	396	399
Agriculture, forestry, fishing and hunting	2%	3%	1%	3%	1%	9%	3%	6%	4%	11%	6%
Mining	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%
Construction	7%	8%	6%	7%	6%	14%	6%	11%	10%	7%	6%
Manufacturing	12%	12%	10%	14%	11%	13%	19%	16%	12%	13%	19%
Wholesale trade	4%	3%	3%	5%	4%	8%	6%	2%	4%	4%	2%
Retail trade	12%	14%	16%	14%	14%	13%	12%	10%	13%	13%	18%
Transportation and warehousing	5%	3%	3%	5%	4%	5%	2%	2%	4%	6%	6%
Utilities	1%	1%	0%	1%	1%	1%	1%	1%	0%	2%	1%
Information	3%	2%	3%	3%	2%	1%	1%	5%	2%	2%	0%
Finance and insurance	4%	3%	3%	5%	4%	2%	4%	2%	3%	5%	1%
Real estate and rental and leasing	2%	2%	2%	1%	5%	2%	3%	0%	2%	0%	0%
Professional, scientific, and technical services	6%	5%	5%	3%	6%	2%	3%	5%	3%	2%	2%
Management of companies and enterprises	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Administrative and support and waste management services	3%	3%	4%	5%	1%	2%	2%	3%	3%	2%	2%
Educational services	8%	10%	13%	6%	6%	6%	7%	10%	8%	10%	4%
Health care and social assistance	11%	11%	11%	10%	10%	9%	13%	11%	12%	10%	8%
Arts, entertainment, and recreation	2%	2%	3%	2%	1%	1%	2%	5%	1%	1%	2%
Accommodation and food services	6%	7%	9%	8%	11%	6%	8%	5%	5%	3%	12%
Other services (except public administration)	5%	5%	5%	3%	4%	5%	5%	4%	9%	9%	6%
Public administration	5%	4%	3%	5%	7%	2%	4%	2%	4%	2%	6%

Source: U.S. Census. Census 2000

Table 7. Travel time to work 2000

	Washington State	Whatcom County	Bellingham	Birch Bay CDP	Blaine	Everson	Ferndale	Kendall/ Peaceful Valley CDPs	Lynden	Nooksack	Sumas
Total employees	2,785,479	79,263	32,952	2,295	1,528	829	3,704	863	3,910	390	397
Worked at home	120,830	3,998	1,413	101	85	14	81	34	242	13	10
Did not work at home	2,664,649	75,265	31,539	2,194	1,443	815	3,623	829	3,668	377	387
Less than 5 minutes	3%	5%	5%	4%	10%	5%	7%	1%	10%	8%	21%
5 to 14 minutes	25%	37%	50%	21%	44%	23%	26%	5%	38%	22%	21%
15 to 24 minutes	31%	31%	28%	29%	21%	29%	44%	23%	17%	17%	18%
25 to 34 minutes	19%	15%	10%	29%	15%	26%	15%	9%	24%	24%	15%
35 to 44 minutes	6%	4%	2%	5%	1%	6%	2%	29%	5%	9%	14%
45 to 59 minutes	7%	3%	2%	4%	3%	6%	3%	0%	1%	8%	6%
60 minutes or more	8%	5%	5%	8%	5%	4%	2%	9%	5%	12%	4%

Source: US Census. Census 2000

Table 8. Residence Location, Comparison of 2000 to 1995

	Washington State	Whatcom County	Bellingham	Birch Bay CDP	Blaine	Everson	Ferndale	Kendall/ Peaceful Valley CDPs	Lynden	Nooksack	Sumas
Total:	5,501,398	156,441	63,389	4,716	3,442	1,843	7,867	2,310	8,278	777	888
Same house in 1995	49%	45%	35%	43%	44%	55%	38%	30%	44%	52%	41%
Different house in 1995:	51%	55%	65%	57%	56%	45%	62%	70%	56%	48%	59%
Different house in 1995:	2,825,884	85,447	41,359	2,689	1,924	832	4,871	1,617	4,595	371	467
In United States in 1995:	2,650,217	81,010	39,508	2,521	1,807	755	4,497	36	4,359	365	442
Same county	57%	54%	44%	47%	61%	64%	64%	43%	69%	71%	60%
Different county:	43%	46%	56%	53%	39%	36%	36%	57%	31%	29%	40%
Different county:	1,139,152	37,244	21,988	1,325	705	271	1,634	718	1,366	105	176
Same state	46%	59%	67%	48%	41%	44%	37%	42%	44%	74%	19%
Different state:	54%	41%	33%	52%	59%	56%	63%	58%	56%	26%	81%
Different state:	618,395	15,312	7,227	687	415	153	1,024	417	760	27	142
Northeast	7%	7%	9%	11%	7%	3%	4%	10%	5%	11%	2%
Midwest	12%	12%	14%	6%	17%	9%	4%	14%	14%	7%	14%
South	19%	17%	16%	18%	12%	7%	16%	36%	21%	0%	29%
West	62%	63%	62%	65%	64%	81%	76%	39%	61%	81%	55%
Elsewhere in 1995 (foreign country, U.S. Island Areas, or Puerto Rico)	175,667	4,437	1,851	168	117	77	374	356	236	6	25

Source: US Census. Census 2000 and 1990 as analyzed by Northern Economics, Inc. 2007.

B.6: Income levels

Table 9. Median household income estimates

Year	Washington State	Whatcom County
1989	\$31,183	\$28,367
1990	\$33,425	\$31,095
1991	\$34,397	\$31,951
1992	\$35,910	\$32,596
1993	\$36,718	\$32,954
1994	\$37,947	\$34,026
1995	\$39,060	\$34,887
1996	\$40,580	\$36,485
1997	\$42,401	\$37,545
1998	\$44,484	\$39,165
1999	\$45,776	\$40,005
2000	\$48,397	\$41,517
2001	\$49,301	\$42,537
2002	\$49,755	\$42,213
2003	\$50,496	\$43,175
2004	\$53,005	\$43,556
2005*	\$53,771	\$43,838
2006**	\$56,807	\$46,394

Sources: Washington State Office of Financial Management. Median Household Income Estimates by County: 1989 to 2005 and Projection for 2006. October, 2006.

**Preliminary estimates for 2005 are based on the 2004-05 payroll data compiled by the state Employment Security Department and the state total personal income data published by BEA.*

***Projection for the year 2006 is based mainly on the Forecast Council's September 2006 forecast of total state personal income.*

Population estimates are shown for Washington State, Whatcom County, Bellingham, Birch Bay Census Designated Place (CDP), Blaine, Everson, Ferndale, Kendall and Peaceful Valley CDPs (Kendall/P. Valley CDPs), Lynden, Nooksack, and Sumas in total and across a range of income. Income is defined as the sum of wages, salary, commissions and bonuses, investment income, net rental income, retirement income, Social Security, Supplemental Security Income, and any public assistance or welfare payments.

In comparison to Washington State, Whatcom County and several communities within Whatcom County have a higher percent of their population earning less than \$20,000. For example according to the 2000 Census, 19% of Washington State residents earned less than \$20,000 while 31% of Bellingham resident earned less than \$20,000, 31% of Kendall/P.Valley CDPs residents earned less than \$20,000, and 34% of Everson residents earned less than \$20,000.

The 2005 American Community Survey estimates that there were 74,183 households, 45,621 families, 37,101 married-couple families and 28,562 non-family households in Whatcom County in 2005. (Families are a subset set of households and married-couple families are a subset of families.) Figure 9 depicts the estimated number of family and non-family households within the income groups in Whatcom County in the year 2005.

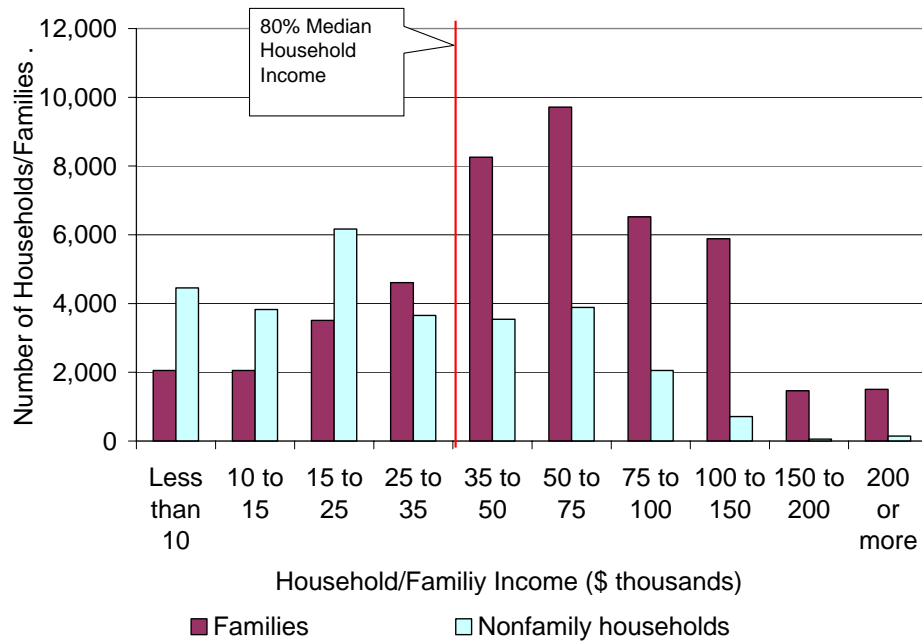
Table 10. Population income ranges 2000

	Washington State										
	Whatcom County										
	Bellingham										
	Birch Bay CDP										
	Blaine										
	Everson										
	Ferndale										
	Kendall/ Peaceful Valley CDPs										
	Lynden										
	Nooksack										
Income Category											Sumas
Total Households	2,272,261	64,464	28,012	2,133	1,485	679	3,133	837	3,420	272	357
Less than \$10,000	8%	10%	14%	6%	12%	6%	9%	15%	6%	3%	17%
\$10-19,999	11%	14%	17%	15%	14%	21%	13%	16%	12%	7%	17%
\$20-29,999	12%	14%	15%	13%	14%	14%	18%	16%	12%	15%	17%
\$30-39,999	12%	13%	12%	16%	14%	15%	13%	18%	14%	19%	15%
\$40-49,999	11%	12%	11%	17%	13%	15%	13%	12%	15%	17%	11%
\$50-59,999	10%	9%	8%	8%	8%	8%	9%	8%	10%	16%	7%
\$60-74,999	12%	11%	9%	11%	8%	11%	10%	5%	13%	9%	7%
\$75-99,999	12%	9%	7%	7%	10%	5%	9%	5%	12%	8%	4%
\$100-149,999	8%	6%	5%	4%	4%	4%	5%	4%	4%	4%	1%
\$150-199,999	2%	2%	2%	1%	0%	0%	0%	1%	1%	1%	1%
\$200,000 +	2%	2%	1%	2%	2%	0%	1%	1%	2%	0%	1%

Source: U.S. Census. Census 2000

Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP.

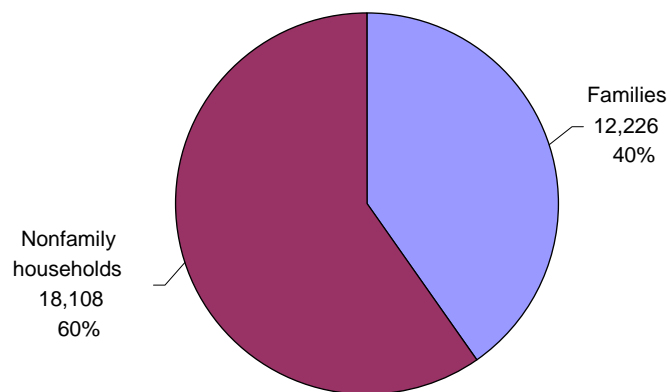
Figure 9. Family and non-family household incomes in Whatcom County 2005



Source: U.S. Census. 2005 American Community Survey.

Figure 10 shows the estimated number of family and non-family households with incomes under \$35,000 in Whatcom County in the year 2005.

Figure 10. Number of family and non-family households with income under \$35,000



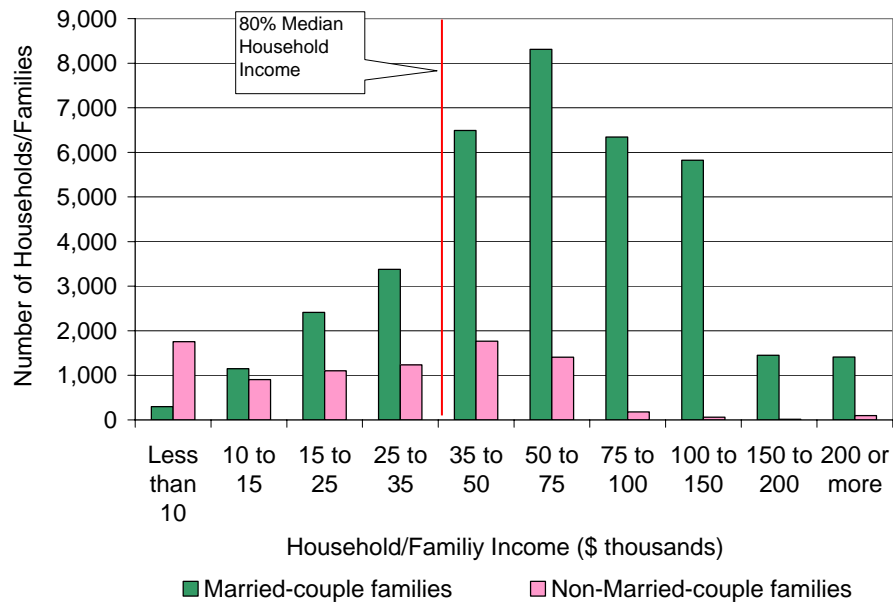
Source: U.S. Census. 2005 American Community Survey.

Figure 10 shows the estimated number of family and non-family households with incomes under \$35,000 in Whatcom County in the year 2005. This figure, combined with Figure 9, indicates there were nearly 6,000 more non-family than family households with incomes below 80% of median household income (\$35,000).

Figure 9 indicates there were a range of household types below 80% of median income indicating the different income groups may require different tools to meet their housing needs.

Figure 11 shows the estimated number of married couple and non-married couple family households within the income groups shown in Whatcom County in the year 2005.

Figure 11. Married couple and non-married couple family incomes in Whatcom County 2005



Source: U.S. Census. 2005 American Community Survey.

B.7: Poverty rates

The U.S. Census Bureau (Bureau) defines the poverty line or poverty threshold as the minimum income necessary for an adequate standard of living (US Census Bureau, 2007). The Bureau calculates thresholds that vary by family size and composition to determine who is living below the poverty line. The threshold is based upon the cost of a minimum adequate diet for families of various sizes multiplied by 3 to allow for other expenses. If a family's total income level is below the family's threshold (for its size), then that family and every individual in it is living below the poverty line. The poverty threshold calculation uses money income before taxes and does not include capital gains or non-cash benefits (such as public housing, Medicaid, and food stamps).

Examples of the poverty thresholds used for the 2000 Census are shown in Table 11. According to the US Census Bureau the thresholds provide a sense of family needs but are not a complete estimate of what people and families need to live (US Census Bureau, 2007).

The threshold varies depending upon the size of the family, the age of family members, and number of related children under 18. The poverty threshold increases with 1 child under 18 present, but decreases with the number of children. The threshold also varies dependent upon if family members are above or below 65 years old, with the threshold declining slightly if household members are above 65 years old.

Table 11. Poverty thresholds per 1999 income levels
Related children under 18

#		0	1	2	3	4	5	6+
1	\$8,501							
3	\$13,290	\$13,032	\$13,410	\$13,423				
4	\$17,029	\$17,184	\$17,465	\$16,895	\$16,954			
5	\$20,127	\$20,723	\$21,024	\$20,380	\$19,882	\$19,578		
6	\$22,727	\$23,835	\$23,930	\$23,436	\$22,964	\$22,261	\$21,845	
7	\$25,912	\$27,425	\$27,596	\$27,006	\$26,595	\$25,828	\$24,934	\$23,953
8	\$28,967	\$30,673	\$30,944	\$30,387	\$29,899	\$29,206	\$28,327	\$27,412
9+	\$34,417	\$36,897	\$37,076	\$36,583	\$36,169	\$35,489	\$34,554	\$33,708

Source: U.S. Census Bureau Poverty Thresholds, 2007.

Table 12 depicts the population living below the poverty line based upon 1999 income levels for Washington State, Whatcom County, Bellingham, Blaine, Everson, Lynden, Nooksack, Sumas, Birch Bay CDP, and the combined Kendall/Peaceful Valley CDPs.

As shown, 11% of Washington State's population lived below the poverty line compared with 14% of Whatcom County and 21% of Bellingham residents. The population residing in the Kendall and Peaceful Valley Census Designated Places (CDPs) had the highest population percentage living below the poverty with 36%.

Table 12. Population below poverty level 2000

	Population in poverty status	Population below poverty line	Percent below the poverty line
Washington State	5,765,201	612,370	11%
Whatcom County	161,817	23,003	14%
Bellingham	62,341	12,854	21%
Blaine	3,652	567	16%
Everson	2,032	366	18%
Ferndale	8,807	1,162	13%
Kendall/P. Valley CDPs	2,625	932	36%
Lynden	9,085	557	6%
Nooksack	840	27	3%
Sumas	962	173	18%
Birch Bay CDP	4,939	462	9%

Source: U.S. Census. Census 2000 Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP. (2) Poverty status based upon 1999 income levels

Families are defined as a group of 2 or more people who reside together and who are related by birth, marriage, or adoption. Table 14 depicts information for families and families with a female head of household, and families with a female head of household and children under 18 years of age.

Across Washington State 7% of families were below the poverty line in 2000 compared with 8% of families in Whatcom County. The percent of families

living below the poverty level in Everson, Sumas, and Kendall/Peaceful Valley CDPs was at least double the percent living below the poverty level across Washington State.

Table 13 provides an overview of the Economic Assistance Service programs administered by the State of Washington several of which are funded with federal grants.

- **The Basic Food Program** - is the “Food Stamp” program that provides food assistance to households below 130% of the federal poverty level.
- **The General Assistance Program** - provides assistance to unemployable people due to blindness, disability or age.
- **Temporary Assistance to Needy Families (TANF)** - is the replaced aid to families with dependent children also known as welfare. TANF is intended to last less than 2 years and recipients are required to enroll in WorkFirst, which is intended to help people rejoin the workforce.
- **The Supplemental Security Income** - is a federal program that provides cash assistance to low-income aged, blind or disabled persons in the United States. States may supplement the SSI benefits, and Washington State does as shown in Table 13.

According to the Risk and Protection Profile for Substance Abuse Prevention in Whatcom County, the patronage rate of the Basic Food Program and TANF are less than in comparable counties.

Table 13. State economic assistance service recipients in Whatcom County SFY 2002-2005

Program	2002	2003	2004	2005
Basic Food Program	18,258	20,357	22,084	23,493
Child Support	-	-	21,279	23,658
Consolidated Emergency Assistance	23	7	39	4
Diversion Cash Assistance	168	177	293	293
General Assistance	1,229	1,141	1,154	1,305
Refugee Grants	27	26	28	3
Supplemental Security Income-State (SSI)	3,279	392	999	908
TANF and State Family Assistance	6,353	6,441	6,157	5,729
Work First	2,369	2,766	2571	2,997
Working Connections Child Care	5,060	5,006	4,665	4,443
Additional Services (ESA Misc)	921	1,084	-	-

Source: Department of Social and Health Services, 2004-2007.

Table 14. Families below Poverty Line, 2000

	Washington State	Whatcom County	Bellingham	Birch Bay CDP	Blaine	Everson	Ferndale	Kendall/ Peaceful Valley CDPs	Lynden	Nooksack	Sumas
Total Families	1,509,395	41,330	13,969	1,431	1,058	511	2,352	612	2,510	214	238
Families below poverty level	110,663	3,231	1,319	96	108	73	245	166	103	5	33
% families below	7%	8%	9%	7%	10%	14%	10%	27%	4%	2%	14%
Families with female head of household below poverty line	52,290	1,374	676	49	27	27	102	36	43	3	14
% families below	3%	3%	5%	3%	3%	5%	4%	6%	2%	1%	6%
Families with female head of household and children under 18 below poverty line	48,358	1,204	607	42	27	26	102	20	33	3	14
% families below	3%	3%	4%	3%	3%	5%	4%	3%	1%	1%	6%

Source: U.S. Census. Census 2000 as analyzed by Northern Economics, Inc. 2007.

Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP. (2) Poverty status based upon 1999 income levels

Table 15. Whatcom County Supplemental Security Income Recipients, December 2005

Total	Category		Age			SSI also receiving OASDI	Payment amount (\$000)
	Aged	Blind & disabled	Under 18	18-64	65 or older		
3,342	346	2,996	372	2,295	675	1,076	1,759

Source: U.S. Social Security Administration, 2006.

Table 16. Number and amount of Whatcom County Old Age, Survivors & Disability Insurance (OASDI) benefits in Whatcom County December 2005

Benefit Category	Recipient Category	Number	Amount (\$000)	Estimated Annual Payment (\$000)
Total		29,870	28,054	\$11.3
Retirement	Retired workers	19,490	19,927	12.3
	Spouses	1,950	1,030	6.3
	Children	250	131	6.3
Survivors	Widow(er)s	2,575	2,590	12.1
	Children	860	573	8.0
Disability	Disabled workers	3,865	3,541	11.0
	Spouses	60	17	3.4
	Children	820	240	3.5
Aged 65 or older	Men	9,600	11,107	13.9
	Women	11,840	10,101	10.2

Source: U.S. Social Security Administration, 2006.

The Whatcom Prosperity Project released the pre-summit draft of its Experiences of Poverty in Whatcom County report on May 31, 2007. The report is largely based on interviews and a non-statistically validated survey of nearly 600 people who patronize social services in Whatcom County.

The report explains that the high cost of housing is the number 2 issue facing low-income families in Whatcom County, while employment, education and financial challenges in combination were the top issue. The report also explains that certain subgroups, such as single men, have very few if any options for housing assistance or shelter. Figure 12, Figure 13 and Figure 14 depict the results from the electronic version of the report.

Figure 12 indicates where low-income households receive their income by percentage of the responses. The data indicates over half of those surveyed do earn a wage, and that welfare programs are the next largest source of income.

Figure 12. Whatcom Prosperity Project Report - household income sources 2006

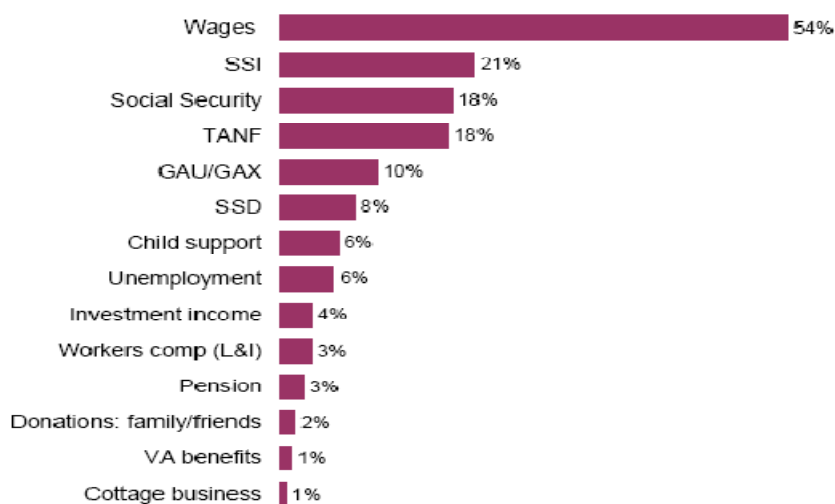


Figure 5 Household income sources (N=536)

Source: Whatcom Prosperity Project, 2007.

Figure 13 shows the type of housing that respondents live in by a percentage of the responses. This indicates that over half rent their housing.

Figure 13. Whatcom Prosperity Project Report - housing type 2006

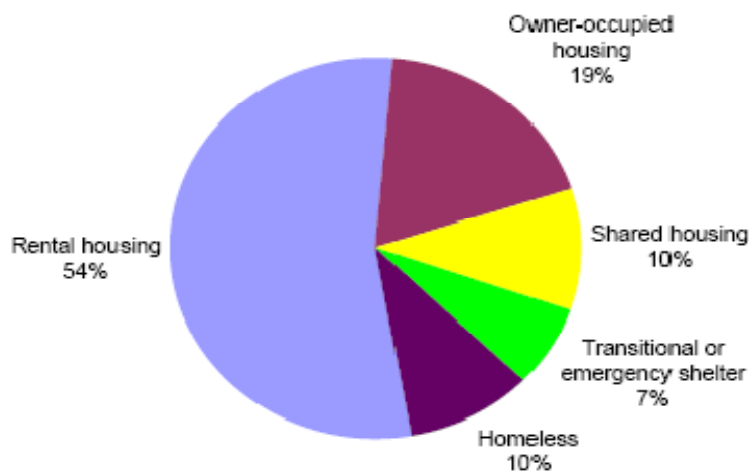


Figure 12 Respondent housing type (N=578)

Source: Whatcom Prosperity Project, 2007.

Figure 14 depicts the challenges low-income households indicated they faced in the past year, as percentage of the responses. Of those surveyed, 39% said that they had to choose between rent and meeting other needs.

Figure 14. Whatcom Prosperity Project Report - respondent housing situation 2006

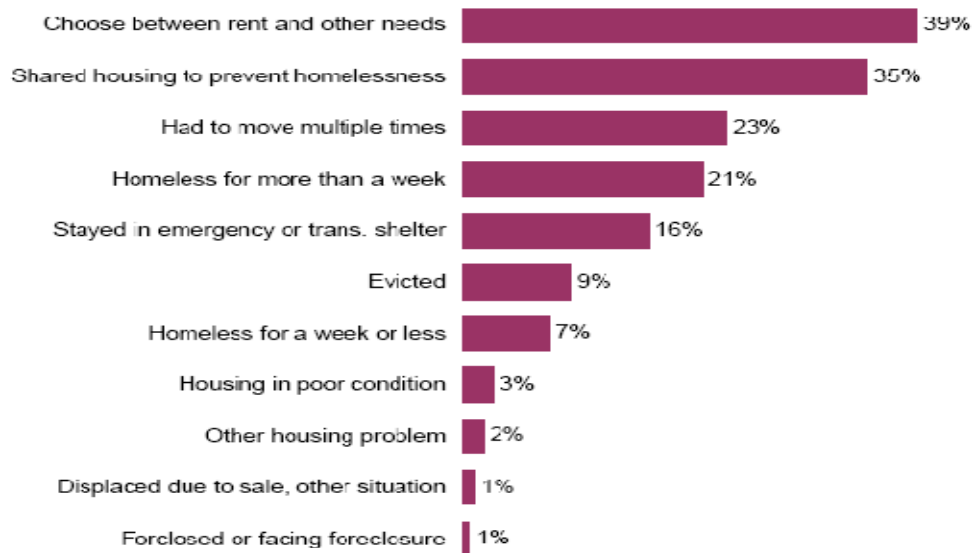


Figure 13 Respondent housing situations (N=582)

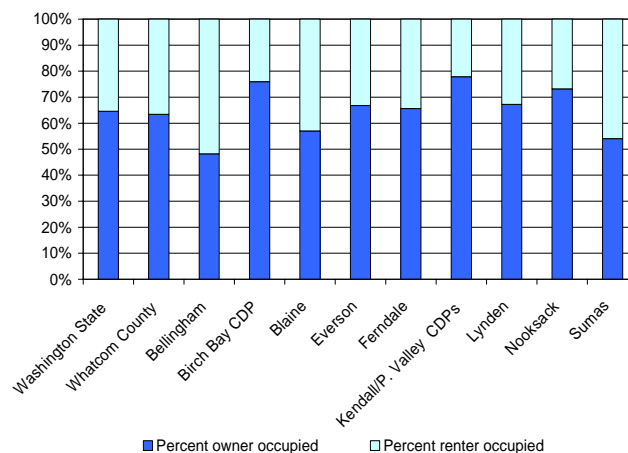
Source: Whatcom Prosperity Project, 2007.

B.8: Housing characteristics

Table 19 and Table 20 indicate the percent of household income paid to rent and the percent of household income paid to mortgage respectively (US Census, 2000). For renters in Whatcom County and several Whatcom County communities, the percent of households paying 30% or more of household income to rent is higher than the state.

For example, 55% of renter households in Bellingham and 48% of rental households in Everson, pay 30% or more of their household income to rent, while 42% of renter households across the state pay 30% or more of household income to rent.

Figure 15. Percent of housing units owner versus renter occupied 2000



Source: U.S. Census. Census 2000 as analyzed by Northern Economics, Inc. 2007.

Table 17. Type of housing units 2000

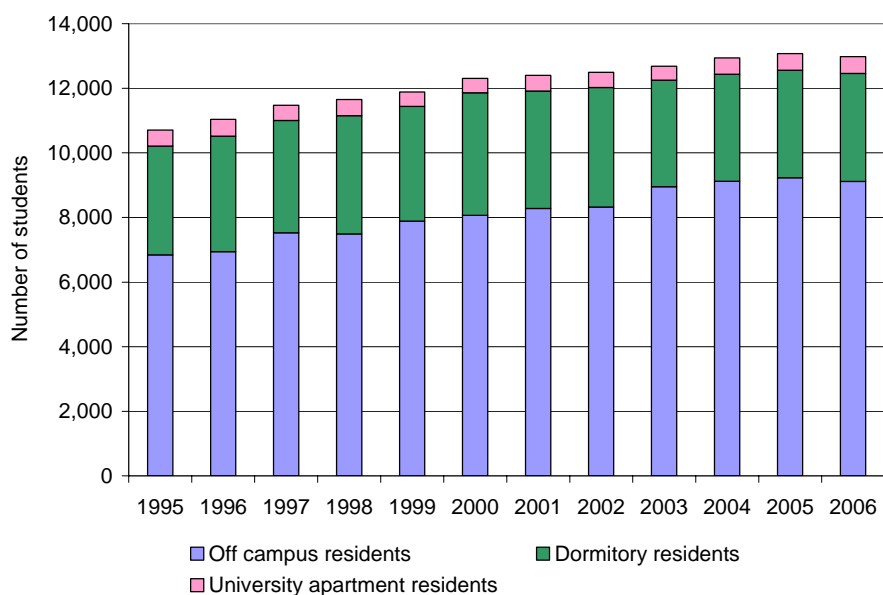
	Washington State	Whatcom County	Bellingham	Birch Bay CDP	Blaine	Everson	Ferndale	Kendall/ Peaceful Valley CDPs	Lynd	Nooksack	Sumas
Total units	2,451,075	73,893	29,425	5,094	1,740	728	3,264	1,214	3,614	296	405
Single family	65%	64%	55%	40%	67%	66%	65%	39%	72%	86%	63%
2 units	3%	3%	5%	1%	5%	4%	1%	0%	2%	4%	1%
3 to 4 units	4%	4%	6%	0%	9%	7%	5%	0%	8%	4%	10%
5 to 9 units	5%	4%	7%	1%	5%	4%	5%	0%	4%	2%	3%
10 to 19 units	5%	5%	10%	3%	6%	7%	6%	0%	4%	0%	8%
20 to 49 units	4%	3%	6%	3%	4%	3%	7%	0%	4%	0%	6%
50 +	5%	4%	8%	1%	0%	0%	0%	0%	6%	0%	0%
Mobile home	8%	12%	3%	35%	5%	9%	10%	55%	2%	4%	7%
Boat, RV, van	1%	1%	0%	15%	0%	0%	0%	5%	0%	0%	2%

Table 18. Owner and Renter Occupied Housing Units, 1990 and 2000

	Washington State	Whatcom County	Bellingham	Birch Bay CDP	Blaine	Everson	Ferndale	Kendall/ Peaceful Valley CDPs	Lynden	Nooksack	Sumas
2000											
Total units	2,451,075	73,893	29,425	5,094	1,740	728	3,264	1,210	3,614	296	405
% Vacant	7%	13%	5%	58%	14%	6%	4%	30%	5%	7%	15%
Total occupied	2,271,398	64,446	27,999	2,125	1,496	684	3,147	787	3,426	276	346
% owner	65%	63%	48%	76%	57%	67%	66%	78%	67%	73%	54%
% renter	35%	37%	52%	24%	43%	33%	34%	22%	33%	27%	46%
1990											
Total units	2,032,378	55,742	22,114	2,681	1,144	567	2,057	na	2,167	182	322
% vacant	8%	13%	4%	58%	10%	5%	4%	na	2%	4%	6%
Total occupied	1,872,431	48,543	21,189	1,127	1,034	540	1,985	na	2,126	174	304
% owner	63%	64%	51%	69%	59%	57%	63%	na	62%	83%	56%
% renter	37%	36%	49%	31%	41%	43%	37%	na	38%	17%	44%

Source: U.S. Census. Census 2000 and 1990 as analyzed by Northern Economics, Inc. 2007.

Figure 16. Western Washington students by location of residence 1995 - 2006



Sources: Years 1995 through 2005 are from Whatcom County Real Estate Research Committee, 2006. Years 2006 and 2007 are from University of Residences Registrar's Office, Western Washington University, 2007.

Table 19. Percent of household income paid to rent 2000

Area	Renter-occupied	% household income		
		30%+	40%+	50%+
WA State	795,523	42%	33%	27%
Whatcom Co	23,078	50%	40%	34%
Bellingham	14,546	55%	46%	39%
Birch Bay CDP	473	39%	33%	29%
Blaine	659	35%	23%	19%
Everson	220	48%	37%	29%
Ferndale	1,106	45%	33%	25%
Kendall/P. Valley CDPs	168	38%	35%	35%
Lynden	1,104	42%	34%	28%
Nooksack	72	38%	20%	16%
Sumas	170	43%	29%	28%

Source: U.S. Census. Census 2000 as analyzed by Northern Economics, Inc. 2007.

Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP.

Table 20. Percent of household income paid to mortgage 2000

Area	Total Units	Owner Occupied	Owner occupy w/ mortgage	% household income		
				30%+	40%+	50%
WA State	2,451,075	1,157,462	872,307	24%	12%	10%
Whatcom Co	73,893	30,212	21,858	24%	13%	11%
Bellingham	29,425	10,919	7,520	22%	11%	11%
Birch Bay CDP	5,094	959	682	33%	19%	17%
Blaine	1,740	691	409	25%	13%	10%
Everson	728	377	312	32%	14%	8%
Ferndale	3,264	1,637	1,334	26%	13%	10%
Kendall/P. Valley CDPs	1,214	255	236	39%	32%	19%
Lynden	3,614	2,065	1,481	24%	11%	10%
Nooksack	296	166	145	33%	15%	11%
Sumas	405	144	97	26%	12%	7%

Source: U.S. Census. Census 2000 as analyzed by Northern Economics, Inc. 2007.

Note: (1) Kendall/P. Valley CDPs is an approximation of the Columbia Valley UGA, and includes the Kendall CDP and the Peaceful Valley CDP.

Table 21 depicts the number of rental units, the average rent, and vacancy for spring and fall for rental housing units within Whatcom County as reported by the Washington Center for Real Estate Research (WCRER). The vacancy rate listed for the year 2000 differs from the vacancy rate listed in

Table 18 in that this table only includes rental housing units and

Table 18 is for both rentals and potentially owner-occupied housing.

Table 21 lists average rents by number of rooms for neighborhoods in Bellingham from survey results as reported by WCRER.

Table 21. Whatcom County rentals 2000 - 2006

	rental units	average rent	vacancy rate
2000 - fall	10,200	\$613	2.8%
2001 - spring	10,623	\$608	2.6%
fall	10,623	\$625	3.2%
2002 - spring	11,981	\$633	3.6%
fall	11,981	\$654	2.6%
2003 - spring	12,292	\$661	3.1%
fall	12,248	\$673	6.3%
2004 - spring	12,890	\$664	4.1%
fall	12,890	\$666	4.3%
2005 - spring	13,385	\$675	4.1%
fall	13,385	\$701	3.3%
2006 - spring	15,103	\$679	2.5%
fall	15,103	\$694	3.8%

Source: Washington Center for Real Estate Research, 2007.

Table 22. Bellingham neighborhood rents January, 2006.

neighborhood	number bedrooms	average rent
Mt Baker	1	\$652
	2	\$705
	3	\$804
Bellingham Airport	1	\$554
	2	\$669
	3	\$760
Birchwood	studio	\$430
	1	\$508
	2	\$602
	3	\$880
Columbia/Cornwall Park	studio	\$460
	1	\$479
	2	\$585
	3	\$600
Lettered Streets/Sunnyland/York	studio	\$515
	1	\$492
	2	\$553
Central Business District Roosevelet	studio	\$450
	studio	\$533
	1	\$656
	2	\$763
	3	\$810
Alabama Hill/Silver Beach	1	\$535
	2	\$710
	3	\$1,069
Samish/Lakeway	studio	\$430
	1	\$506
	2	\$599
	3	\$733
Sehome/WWU	studio	\$432
	1	\$449
	2	\$605
	4	\$1,060
Fairhaven/South Hill	studio	\$307
	1	\$505
	2	\$620
	3	\$786
	4	\$1,118
Happy Valley/South	studio	\$410
	1	\$593
	2	\$764
	3	\$920

Average for all areas	studio	\$441
	1	\$539
	2	\$652
	3	\$818
	4	\$1089

Average all sizes **\$708**

Source: Whatcom County Real Estate Research Committee, 2006.

B.9: Housing market trends

This section describes changes that occurred in the housing market in recent years and expected trends in the next few years. Historical trends for building permits and home sales are provided including details about the types of housing built, sales prices, and types of home sold. Current and possible future developments are described from information provided by County and City planning departments.

The affordability index and first-time affordability index shown in Table 23 was computed by the Washington Center for Real Estate Research (WCRR). The affordability index assumes a 20% down payment and a 30-year mortgage at the prevailing interest rate (for the year). It also assumed lending institutions will underwrite a loan that does not exceed 25% of the buyer's income.

The first time affordability index is for first time homebuyers. This index assumes a lower home price (85% of median), a lower down payment (10%) and a lower income (70% of median household income).

Table 23. Whatcom County housing affordability indicators 1998 - 2006

	<i>affordability index</i>	<i>first-time affordability index</i>	<i>median home price</i>
1998	130.30	na	\$139,075
1999	128.23	73.55	\$142,900
2000	121.93	70.15	\$146,400
2001	134.05	76.13	\$151,900
2002	138.68	77.83	\$159,425
2003	140.93	78.15	\$176,500
2004	110.20	64.18	\$215,350
2005	90.68	51.88	\$264,250
2006	85.55	47.43	\$279,425

Sources: Washington State Center for Real Estate Research, 2007; Washington State Office of Financial Management, 2007; and Freddie Mac, 2007.

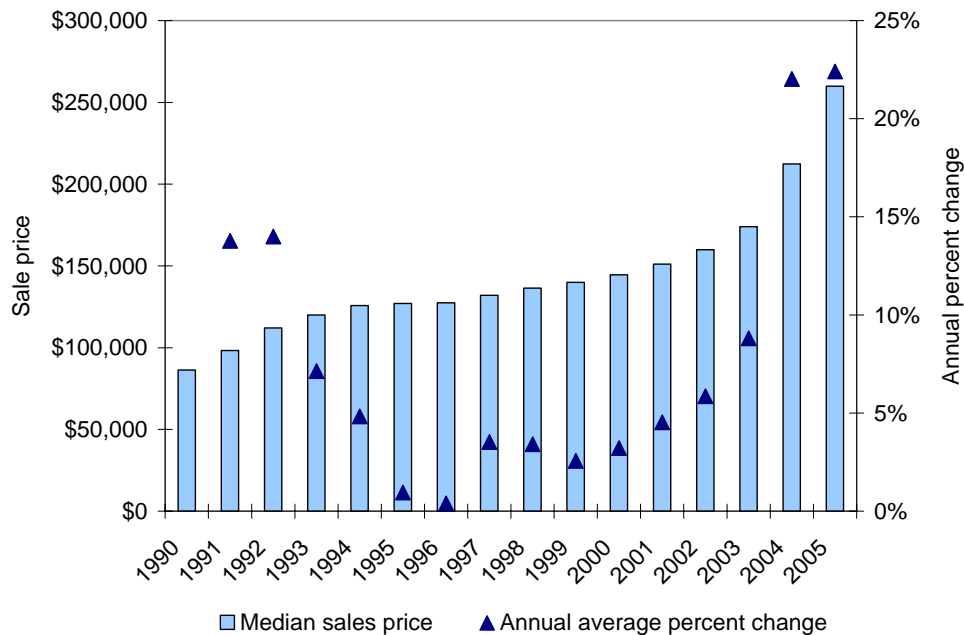
The number of single family home sales in Whatcom County has increased quickly since 1990. According to the Whatcom County Real Estate Research Committee, 2,683 single family homes sold in 1990. By 2005, 4,316 single family homes sold. As shown Figure 17, median home prices have been rising quickly too. Between 1990 and 2005 home prices grew from \$86,350 to \$259,900, an average annual growth rate of 7.1 percent. Prices jumped in 2004 and 2005, with both years experiencing average price increases of around 18 percent annually.

Table 24. Single-family home sales, Whatcom County 1990 - 2005

<i>year</i>	<i>number sold</i>	<i>median price</i>	<i>total sales</i>
1990	2,683	\$86,350	\$ 293,400,000
1991	2,431	\$98,250	282,900,000
1992	2,733	\$112,000	341,000,000
1993	2,623	\$120,000	346,500,000
1994	2,455	\$125,800	343,700,000
1995	2,154	\$127,000	303,100,000
1996	2,288	\$127,500	328,800,000
1997	2,539	\$132,000	384,000,000
1998	2,959	\$136,500	455,000,000
1999	3,051	\$140,000	479,900,000
2000	2,911	\$144,500	486,200,000
2001	3,190	\$151,050	557,900,000
2002	3,574	\$159,900	650,300,000
2003	4,213	\$174,000	846,500,000
2004	4,454	\$212,325	1,053,800,000
2005	4,316	\$259,900	\$ 1,244,200,000

Source: Whatcom County Real Estate Research Committee, 2005.

Figure 17. Median sales price for single family homes and percent change 1990 - 2005



Source: Whatcom County Real Estate Research Committee, 2005.

Figure 18 and Figure 19 show Whatcom County and Bellingham building permits by type for 1990 through 2006 recorded by the Whatcom County Real Estate Research Committee (WCRERC).

Figure 18 depicts the total number of building permits for the cities and unincorporated Whatcom County indicating that despite decreases in single family homes built, the largest number of dwelling units were added in Whatcom County in 2006 since 1990, and nearly twice as many multi-family units as any previous year.

Figure 19 provides greater detail of building permit activity in Bellingham, where the bulk of the county's multi-family housing was added. The graphic lists building permit activity from 2002 through 2006 for the cities and unincorporated county. The data show that Ferndale experienced the most dramatic change in permit activity, followed closely by Bellingham. Lynden has experienced declining building permit activity due in part to a subdivision moratorium that will soon end. Development in Blaine also shows a decline in 2006 although this is a short term event because there are 2 developments in the application process that propose to add over 1,300 dwelling units to the city over the next 20 years.

Table 25 lists the totals of all residential building permits for Whatcom County by dwelling type in terms of dwelling units from 1990 to 2006. Mobiles homes are being added in the county, but some percent of those permits are to replace older mobile homes. In Bellingham, there are roughly 780 mobile home "spaces" in mobile home parks in the city. These lots churn as homes are brought in and removed, but no spaces have been added for over 20 years. Mobile homes that were parked before code requirements disallowed them are slowly removed in favor of houses with foundations because they cannot be replaced with mobile homes (Beehee, 2007).

Table 26 provides additional building permit details by type for unincorporated Whatcom County. Table 27 provides further details about building permits by type and area for incorporated cities. Year 2006 data from the 2007 Whatcom County Real Estate Research Report was adjusted or provided in more detail based on conversations held by Northern Economics Inc with city officials. There was some confusion between the number of buildings build and the number of dwelling units.

Figure 18. Whatcom County residential building permits by type in dwelling units 1990 - 2006

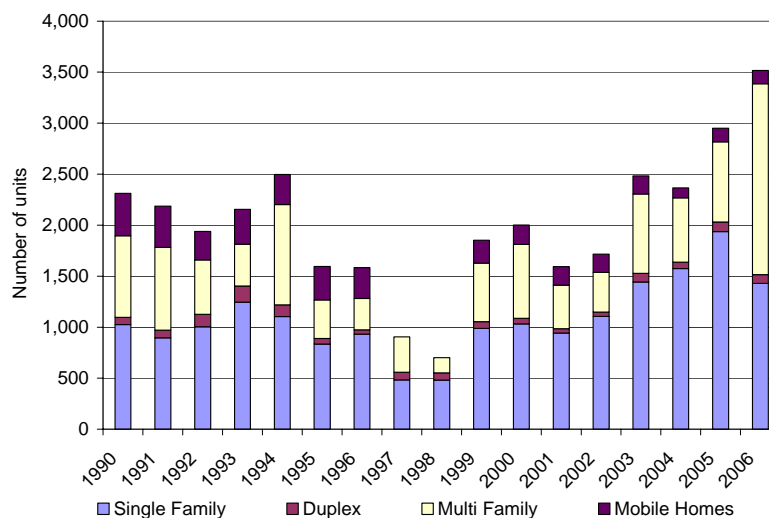
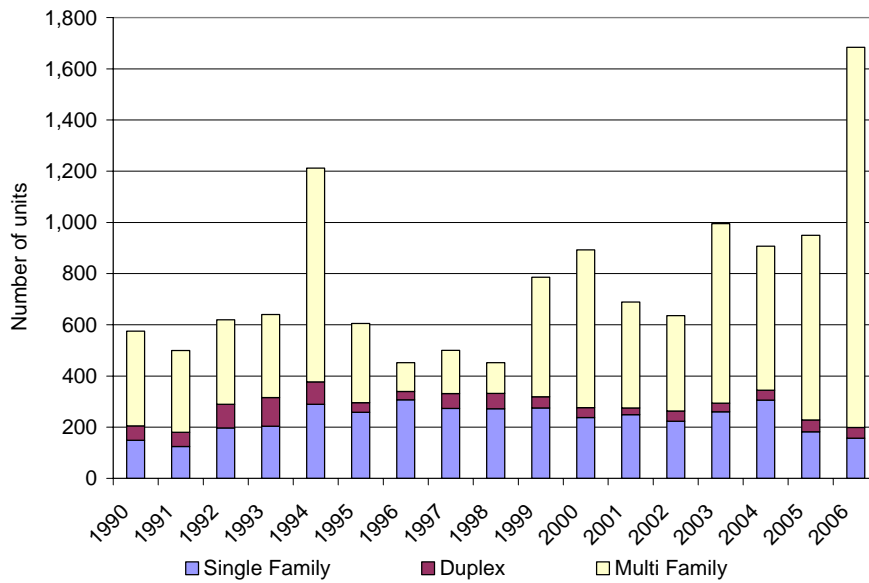
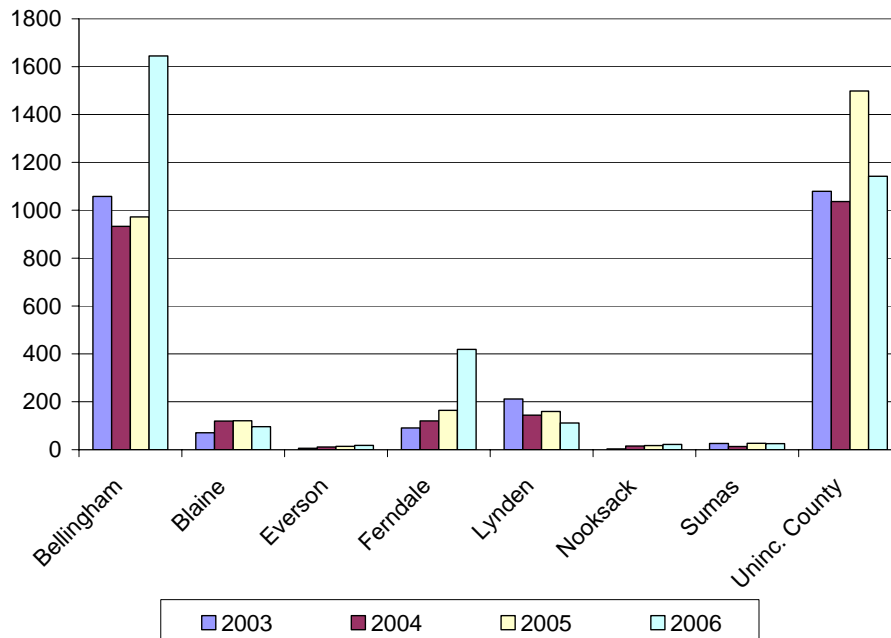


Figure 19. Bellingham residential building permits by type in dwelling units 1990 - 2006



Source: Whatcom County Real Estate Research Committee, 2007 and Northern Economics Inc adjustments

Figure 20. Total residential building permits for county and cities in dwelling units 2003 - 2006



Source: Whatcom County Real Estate Research Committee, 2007 and Northern Economics Inc adjustments

Table 25. Residential building permits for all of Whatcom County by type in dwelling units 1990 - 2006

<i>year</i>	<i>single family</i>	<i>duplex</i>	<i>multi family</i>	<i>misc</i>	<i>mobile homes</i>	<i>total units</i>	<i>const value (in \$1,000)</i>
1990	1,026	70	801	0	416	2,313	\$55,770
1991	895	76	810	0	405	2,186	\$51,565
1992	1,004	122	533	0	280	1,939	\$75,482
1993	1,245	158	410	0	342	2,155	\$88,885
1994	1,104	116	983	0	294	2,497	\$198,863
1995	834	56	378	0	328	1,596	\$132,349
1996	931	43	307	0	304	1,585	\$141,574
1997	483	76	346	0	0	905	\$82,596
1998	480	72	149	0	0	701	\$77,867
1999	987	66	576	0	223	1,852	\$99,704
2000	1,032	54	725	0	191	2,002	\$184,505
2001	942	43	427	0	182	1,594	\$166,501
2002	1,106	42	388	10	181	1,727	\$221,146
2003	1,443	86	777	63	176	2,545	\$325,255
2004	1,575	62	632	26	96	2,391	\$351,420
2005	1,938	93	787	22	133	2,973	\$405,593
2006	1,430	90	1,873	-39	131	3,478	\$357,361

Source: Whatcom County Real Estate Research Committee, 2007 and NEI adjustments.

Table 26. Building permits for unincorporated Whatcom County by type 1990 - 2006

<i>year</i>	<i>single family</i>	<i>duplex</i>	<i>multi-family</i>	<i>mobile homes</i>	<i>total units</i>	<i>const value (in \$1,000)</i>
1990	712	10	232	416	1,370	na
1991	537	0	414	405	1,356	na
1992	569	4	132	280	985	na
1993	822	2	38	342	1,204	na
1994	563	2	na	294	859	\$76,287
1995	389	2	15	328	734	\$55,051
1996	422	0	12	304	738	\$63,481
1997	na	na	na	na	na	na
1998	na	na	na	na	na	na
1999	502	8	79	223	812	na
2000	520	6	97	191	814	\$84,994
2001	525	10	0	182	717	\$77,048
2002	651	0	0	181	832	\$109,972
2003	883	2	18	176	1,079	\$164,779
2004	936	4	0	96	1,036	\$175,143
2005	1,361	4	0	133	1,498	\$206,207
2006	1,005	6	0	131	1,142	\$146,644

Source: Whatcom County Real Estate Research Committee, 2007.

Table 27. Building permits for cities by type 1990 - 2006

<i>year</i>	<i>single family</i>	<i>duplex</i>	<i>multi family</i>	<i>misc</i>	<i>total units</i>	<i>const value (in \$1,000)</i>
Bellingham						
1990	149	56	370	0	575	\$34,495
1991	124	56	319	0	499	\$30,589
1992	197	92	331	0	620	\$46,489
1993	204	112	324	0	640	\$59,677
1994	289	88	835	0	1,212	\$96,936
1995	258	38	309	0	605	\$56,784
1996	307	32	113	0	452	\$57,985
1997	273	58	169	0	500	\$55,188
1998	272	60	120	0	452	\$53,350
1999	275	44	467	0	786	\$72,570
2000	238	38	617	0	893	\$73,651
2001	249	26	414	0	689	\$64,562
2002	223	40	373	10	646	\$61,982
2003	260	34	701	63	1,058	\$105,269
2004	306	38	563	26	933	\$105,288
2005	182	46	722	22	972	\$118,592
2006	157	42	1485	-39	1645	\$158,797
Blaine						
1990	na	na	na	na	na	na
1991	27	12	0	na	39	na
1992	41	14	12	na	67	\$8,776
1993	21	10	4	na	35	\$4,959
1994	20	6	75	na	101	\$8,205
1995	25	4	0	na	29	\$4,516
1996	20	8	8	na	36	\$5,150
1997	26	6	4	na	36	\$7,030
1998	29	6	3	na	38	\$6,990
1999	24	8	11	na	43	\$8,298
2000	22	3	3	na	28	\$6,131
2001	28	0	6	na	34	\$6,777
2002	34	0	10	na	44	\$7,955
2003	52	12	7	na	71	\$11,661
2004	73	0	46	na	119	\$18,952
2005	72	28	21	na	121	\$23,183
2006	29	0	67	na	96	\$20,545
Everson						
1990	25	2	6	na	33	\$1,756
1991	14	0	0	na	14	\$1,441
1992	11	0	0	na	11	\$847
1993	17	4	0	na	21	\$1,368
1994	13	2	0	na	15	\$1,108

<i>year</i>	<i>single family</i>	<i>duplex</i>	<i>multi family</i>	<i>misc</i>	<i>total units</i>	<i>const value (in \$1,000)</i>
1995	2	2	0	na	4	\$364
1996	7	1	0	na	8	\$741
1997	4	0	0	na	4	\$406
1998	6	0	0	na	6	\$645
1999	4	0	0	na	4	\$409
2000	3	0	0	na	3	\$353
2001	3	0	0	na	3	\$388
2002	10	0	0	na	10	\$1,508
2003	6	0	0	na	6	\$941
2004	9	2	0	na	11	\$1,994
2005	14	0	0	na	14	\$2,534
2006 ²	11	10	4	na	25	\$3,488

Ferndale

1990	70	0	146	na	216	\$7,898
1991	98	2	30	na	130	\$8,213
1992	71	0	0	na	71	\$5,359
1993	47	2	0	na	49	\$4,149
1994	74	0	0	na	74	\$6,430
1995	52	2	15	na	69	\$5,565
1996	63	2	6	na	71	\$5,024
1997	82	0	51	na	133	\$9,420
1998	78	0	0	na	78	\$7,323
1999	101	0	1	na	102	\$6,321
2000	150	0	0	na	150	\$6,159
2001	48	1	0	na	49	\$5,240
2002	94	0	0	na	94	\$14,612
2003	90	0	0	na	90	\$15,204
2004	116	0	4	na	120	\$25,931
2005	164	0	0	na	164	\$20,753
2006 ³	110	0	309	na	419	Na

Lynden

1990	70	0	32	na	102	\$10,344
1991	87	0	42	na	129	\$10,205
1992	105	0	50	na	155	\$11,753
1993	110	4	24	na	138	\$13,653
1994	134	16	72	na	222	\$8,887
1995	98	8	39	na	145	\$9,225
1996	104	0	168	na	272	\$8,553
1997	86	12	122	na	220	\$9,554
1998	89	6	26	na	121	\$7,682
1999	73	2	14	na	89	\$10,976
2000	92	4	0	na	96	\$12,055
2001	87	6	7	na	100	\$12,340
2002	87	2	5	na	94	\$24,655

<i>year</i>	<i>single family</i>	<i>duplex</i>	<i>multi family</i>	<i>misc</i>	<i>total units</i>	<i>const value (in \$1,000)</i>
2003	139	38	35	na	212	\$24,655
2004	107	18	19	na	144	\$20,289
2005	104	14	42	na	160	\$27,602
2006	83	24	4	na	111	\$21,644

Nooksack

1990	0	2	15	na	17	\$1,277
1991	8	6	5	na	19	\$1,117
1992	9	12	0	na	21	\$1,759
1993	18	24	0	na	42	\$3,143
1994	9	2	1	na	12	\$795
1995	8	0	0	na	8	\$641
1996	5	0	0	na	5	\$370
1997	4	0	0	na	4	\$344
1998	5	0	0	na	5	\$1,787
1999	5	4	0	na	9	\$675
2000	2	3	0	na	5	\$198
2001	1	0	0	na	1	\$52
2002	5	0	0	na	5	\$234
2003	3	0	0	na	3	\$265
2004	15	0	0	na	15	\$1,776
2005	17	0	0	na	17	\$2,503
2006	22	0	0	na	22	\$2,913

Sumas

1990	0	0	0	na	0	\$0
1991	0	0	0	na	0	\$0
1992	1	0	8	na	9	\$499
1993	6	0	20	na	26	\$1,936
1994	2	0	0	na	2	\$215
1995	2	0	0	na	2	\$203
1996	3	0	0	na	3	\$270
1997	8	0	0	na	8	\$654
1998	1	0	0	na	1	\$90
1999	3	0	4	na	7	\$455
2000	5	0	8	na	13	\$964
2001	1	0	0	na	1	\$94
2002	2	0	0	na	2	\$228
2003	10	0	16	na	26	\$2,481
2004	13	0	0	na	13	\$2,047
2005	24	1	2	na	27	\$4,219
2006 ⁴	13	8	4	na	25	\$3,330

Source: Whatcom County Real Estate Research Committee, 2007 except where noted.

Note:

1 Spencer, Klif. City of Blaine. Personal communications with Northern Economics, Inc. May 18, 2007.

2 Faulkner, Jack. City of Everson. Personal communications with Northern Economics, Inc. August 14, 2007.

3 Segerman, Toni. City of Ferndale. Personal communications with Northern Economics, Inc. May 16, 2007.

4 Lewis, Geri. City of Sumas. Personal communications with Northern Economics, Inc. May 18, 2007.

Table 28 lists building permit activity researched by NEI for 2006 and the first quarter of 2007. Detailed information is shown on multi-family permits, indicating, where possible, if a permit was approved for a mobile, duplex, 3-plex or 4-plex, otherwise it is listed as "4+ Units". Table 29 provides an overview of building permit activity from 1990 through the first quarter of 2007.

Table 28. 2006 and 1st Qtr 2007 building permit activity

	city	single family	mobile home	duplex	3-plex	4-plex	4+ units	mix	misc	total
2006										
Bellingham ¹	157	-	42	-	-	1,448	37	-39		1,645
Blaine ²	29	-	-	-	-	66	1	-		96
Everson ³	11	-	10	-	-	4	-	-		25
Ferndale ⁴	110	-	-	3	148	158	-	-		419
Lynden ⁵	83	-	20	-	-	8	-	-		111
Nooksack ⁶	22	-	-	-	-	-	-	-		22
Sumas ⁷	13	-	8	-	4	-	-	-		25
Whatcom Co ⁸	1,005	131	6	-	-	-	-	-		1,142
Total	1,430	131	86	3	152	1,684	38	-39		3,485
Q1 2007										
Bellingham ¹	103	-	9	-	-	75	-	-		187
Blaine ²	3	-	-	-	-	-	-	-		3
Everson ³	1	-	-	-	-	4	-	-		5
Ferndale ⁴	-	-	-	-	4	-	-	-		4
Lynden ⁵	25	-	2	-	-	-	-	-		27
Nooksack ⁶	7	-	-	-	-	-	-	-		7
Sumas ⁷	-	-	4	-	4	-	-	-		8
Q1 2007 Total	139	-	15	-	8	79	-	-		241

Sources:

1 City of Bellingham Development Services Division. Permit Statistics Available at <http://www.cob.org/pcd/bsd/permit-statistics.htm>. May 14, 2007.

2 Spencer, Klif. City of Blaine. Personal communications with Northern Economics, Inc. May 18, 2007.

3 Faulkner, Jack. City of Everson. Personal communications with Northern Economics, Inc. August 14, 2007.

4 Segerman, Toni. City of Ferndale. Personal communications with Northern Economics, Inc. May 16, 2007.

5 Taylor-Byers, Jean. City of Lynden. Personal communications with Northern Economics, Inc. May 18, 2007.

6 Kline, Dale. City of Nooksack. Personal communications with Northern Economics, Inc. May 18, 2007.

7 Lewis, Geri. City of Sumas. Personal communications with Northern Economics, Inc. May 18, 2007.

8 Whatcom County Real Estate Research Report. 2007.

Table 29 provides an overview of development activity for the communities able to provide information. Information provided in the table includes: plat process detail, details about the units (expected future units, units built, and total anticipated units), year of plat process, and total units.

Table 29 shows three categories of plat process detail; 1) Applied - App, 2) Preliminary -PP and 3) Final - FP. The definitions for each category are.

App - the developer has applied or is expected to apply for a preliminary plat
 o These are in the application process and could be denied
 o Applications were not counted for 2006
 PP - developer received preliminary plat approval
 FP - developer received final plat approval and the lots are ready for development

This data comes from conversations with planning department staff and other city officials. No attempt made to predict when buildings will actually be built. The data shown is for the number of lots created by the subdivisions. The number of dwelling units will be higher.

Table 29. Subdivision activity - number of lots

	2006			Q1 2007			
City	PP	FP	Total	App	PP	FP	Total
Uninc.County	-	818	818	204		122	326
Bellingham ⁵	368	311	679		13	18	31
Blaine ¹	-	83	83	1,335	-	16	1,351
Everson ^{2,4}	69	13	82	67	30	5	102
Ferndale ³	488	212	700	-	65	150	215
Lynden	143	11	154	-	-	-	-
Nooksack	91	91	182	-	18	-	18
Sumas	-	16	16	-	26	-	26
County Total	1,159	1,555	2,714	1,606	152	311	2,069

Sources:

1Tomsic, Gary. City of Blaine City Manager. Personal communications with Northern Economics, Inc. May 18, 2007.

2 Harper, Rollin. City of Everson Planning Consultant. Personal communications with Northern Economics, Inc. May 18, 2007.

3 Johnson, Michael. City of Ferndale Planner. Personal communications with Northern Economics, Inc. May 16, 2007.

4Cline, Dale. City of Everson Public Works . Personal communications with Northern Economics, Inc. May 14, 2007

5 Bell, Kathy. City of Bellingham. COB Planning and Community Development Final Plat List.. July 11, 2007.

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B.11: Glossary of census definitions

The following definitions are abstracted from the US Census glossary of definitions for those terms of most interest to this housing analysis – a complete glossary of all Census definitions is available from the US Department of Commerce website.

Age

Age is generally derived from date of birth information, and is based on the age of the person in complete years.

American FactFinder (AFF)

An electronic system for access and dissemination of Census Bureau data on the internet. The system offers prepackaged data products and user-selected data tables and maps from Census 2000, the 1990 Census of Population and Housing, the 1997 Economic Census, and the American Community Survey. The system was formerly known as the Data Access and Dissemination System (DADS).

Annual payroll (in thousands of dollars)

Payroll includes all forms of compensation, such as salaries, wages, commissions, dismissal pay, bonuses, vacation allowances, sick-leave pay, and employee contributions, to qualified pension plans paid during the year to all employees. For corporations, payroll includes amounts paid to officers and executives; for unincorporated businesses, it does not include profit or other compensation of proprietors or partners. Payroll is reported before deductions for social security, income tax, insurance, union dues, etc. This definition of payroll is the same as that used by the Internal Revenue Service (IRS) on Form 941.

Average

The number found by dividing the sum of all quantities by the total number of quantities.

Related terms: [Mean](#), [Median](#)

Average family size

A measure obtained by dividing the number of members of families by the total number of families.

Related term: [Family](#)

Average household size

A measure obtained by dividing the number of people in households by the total number of households.

Related term: [Household](#)

Average household size of owner-occupied units

A measure obtained by dividing the number of people living in owner-occupied housing units by the number of owner-occupied housing units.

Related term: [Owner-occupied housing unit](#)

Average household size of renter-occupied units

A measure obtained by dividing the number of people living in renter-occupied housing units by the number of renter-occupied housing units.

Related term: [Renter-occupied housing unit](#)

Block

A subdivision of a census tract (or, prior to 2000, a block numbering area), a block is the smallest geographic unit for which the Census Bureau tabulates 100-percent data. Many blocks correspond to individual city blocks bounded by streets, but blocks – especially in rural areas – may include many square miles and may have some boundaries that are not streets. The Census Bureau established blocks covering the entire nation for the first time in 1990. Previous censuses back to 1940 had blocks established only for part of the nation. Over 8 million blocks are identified for Census 2000.

Related terms: [100-percent data](#), [Census block](#), [Census geography](#), [Census tract](#),

Block group (BG)

A subdivision of a census tract (or, prior to 2000, a block numbering area), a block group is the smallest geographic unit for which the Census Bureau tabulates sample data. A block group consists of all the blocks within a census tract with the same beginning number.

Example: block group 3 consists of all blocks within a 2000 census tract numbering from 3000 to 3999. In 1990, block group 3 consisted of all blocks numbered from 301 to 399Z.

Related terms: [Census block](#), [Census geography](#), [Census tract](#), [Sample data](#)

Block numbering area (BNA)

Prior to Census 2000, a statistical subdivision created for grouping and numbering blocks within a county for which census tracts had not been established. Beginning with Census 2000, all counties have census tracts, making block numbering areas unnecessary.

Related term: [Census tract](#)

Census

A complete enumeration, usually of a population, but also of businesses and commercial establishments, farms, governments, and so forth.

Census (decennial)

The census of population and housing, taken by the Census Bureau in years ending in 0 (zero). Article I of the Constitution requires that a census be taken every ten years for the purpose of reapportioning the U.S. House of Representatives.

Related terms: [Apportionment](#), [Reapportionment](#), [Redistricting](#)

Census (economic)

Collective name for the censuses of construction, manufactures, minerals, minority- and women-owned businesses, retail trade, service industries, transportation, and wholesale trade, conducted by the Census Bureau every five years, in years ending in 2 and 7.

Census area

The statistical equivalent of a county in Alaska. Census areas are delineated cooperatively by the state of Alaska and the Census Bureau for statistical purposes in the portion of Alaska not within an organized borough.

Census block

A subdivision of a census tract (or, prior to 2000, a block numbering area), a block is the smallest geographic unit for which the Census Bureau tabulates 100-percent data. Many blocks correspond to individual city blocks bounded by streets, but blocks -- especially in rural areas -- may include many square miles and may have some boundaries that are not streets. The Census Bureau established blocks covering the entire nation for the first time in 1990. Previous censuses back to 1940 had blocks established only for part of the nation. Over 8 million blocks are identified for Census 2000.

Related term: [Block](#)

Census county division (CCD)

A subdivision of a county that is a relatively permanent statistical area established cooperatively by the Census Bureau and state and local government authorities. Used for presenting decennial census statistics in those states that do not have well-defined and stable minor civil divisions that serve as local governments.

Census designated place (CDP)

A statistical entity, defined for each decennial census according to Census Bureau guidelines, comprising a densely settled concentration of population that is not within an incorporated place, but is locally identified by a name. CDPs are delineated cooperatively by state and local officials and the Census Bureau, following Census Bureau guidelines. Beginning with Census 2000 there are no size limits.

Related term: [Incorporated place](#)

Census geography

A collective term referring to the types of geographic areas used by the Census Bureau in its data collection and tabulation operations, including their structure, designations, and relationships to one another.

Census tract

A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tract boundaries normally follow visible features, but may follow governmental unit boundaries and other non-visible features in some instances; they always nest within counties. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time of establishment, census tracts average about 4,000 inhabitants. They may be split by any sub-county geographic entity.

Central city

The largest city of a Metropolitan area (MA). Central cities are a basis for establishment of an MA. Additional cities that meet specific criteria also are identified as central cities. In a number of instances, only part of a city qualifies as central, because another part of the city extends beyond the MA boundary.

Related term: [Metropolitan area \(MA\)](#)

Central place

The core incorporated place(s) or a census designated place of an urban area, usually consisting of the most populous place(s) in the urban area plus additional places that qualify under Census Bureau criteria. If the central place

is also defined as an extended place, only the portion of the central place contained within the urban area is recognized as the central place.

Related terms: [Urban](#), [Urbanized area](#)

Child

A son or a daughter by birth, an adopted child, or a stepchild, regardless of the child's age or marital status.

Related terms: [Own children](#), [Related children](#),

Children ever born - fertility

For data from the 1990 Census of Population and Housing and the American Community Survey for 1996-1998, this refers to the number of children born live to women. The item was asked of all women 15 years old and over regardless of marital status. Stillbirths, stepchildren, and adopted children are excluded from the number of children ever born. Ever-married women were instructed to include all children born to them before and during their most recent marriage, children no longer living, and children living away from home, as well as children who were still living in the home. Never-married women were instructed to include all children born to them.

Beginning in 1999, the item on the number of children ever born was deleted in the American Community Survey and replaced by a question asking if a woman has had a live birth in the 12-month period preceding the survey date. The universe for this item is all women 15 to 50 years of age, regardless of marital status.

Related term: [Universe](#)

Citizenship status

People who indicate that they were born in the United States, Puerto Rico, a U.S. Island Area, or abroad of a U.S. citizen parent(s) are citizens.

People who indicate that they are U.S. citizens through naturalization are also citizens.

Naturalized citizens are foreign-born people who identify themselves as naturalized. Naturalization is the conferring, by any means, of citizenship upon a person after birth.

Not a citizen

People who indicate they are not U.S. citizens.

Related terms: [Foreign born](#), [Place of birth](#),

City

A type of incorporated place in 49 states and the District of Columbia. In 23 states and the District of Columbia, some or all cities are not part of any Minor Civil Division (MCD), and the Census Bureau also treats these as county subdivisions, statistically equivalent to MCDs.

Related terms: [Incorporated place](#), [Minor civil division \(MCD\)](#)

Class of worker

All people over the age of 15 who have been employed at any time are asked to designate the type of work normally done or the work performed most regularly. Occupations and types of work are then broken down into the

following 5 classes.

Private Wage and Salary Workers--Includes people who worked for wages, salary, commission, tips, pay-in-kind, or piece rates for a private-for-profit employer or a private-not-for-profit, tax-exempt, or charitable organization.

Self-employed people whose business was incorporated are included with private wage and salary workers because they are paid employees of their own companies. Some tabulations present data separately for these subcategories: "For profit," "Not-for-profit," and "Own business incorporated."

Government Workers--Includes people who are employees of any local, state, or federal governmental unit, regardless of the activity of the particular agency. For some tabulations, the data are presented separately for the three levels of government.

Employees of foreign governments, the United Nations, or other formal international organizations controlled by governments should be classified as "Federal Government employee."

Self-Employed Workers--Includes people who worked for profit or fees in their own unincorporated business, profession, or trade, or who operated a farm.

Unpaid Family Workers--Includes people who worked 15 hours or more without pay in a business or on a farm operated by a relative.

Salaried/Self-Employed--In tabulations that categorize persons as either salaried or self-employed, the salaried category includes private and government wage and salary workers; self-employed includes self-employed people and unpaid family workers.

Related term: [Worker](#)

Consolidated city

An incorporated place that has combined its governmental functions with a county or sub-county entity but contains one or more other incorporated places that continue to function as local governments within the consolidated government.

Related term: [Incorporated place](#)

Consolidated metropolitan statistical area (CMSA)

A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies. An area becomes a CMSA if it meets the requirements to qualify as a metropolitan statistical area, has a population of 1,000,000 or more, if component parts are recognized as primary metropolitan statistical areas, and local opinion favors the designation.

Related terms: [Metropolitan statistical area \(MSA\)](#), [Primary metropolitan statistical area \(PMSA\)](#)

Contract rent

The monthly rent agreed to or contracted for, regardless of any furnishings, utilities, fees, meals, or services that may be included. For vacant units, it is the monthly rent asked for the rental unit at the time of interview.

Related term: [Gross rent](#)

County and equivalent entity

The primary legal subdivision of most states. In Louisiana, these subdivisions are known as parishes. In Alaska, which has no counties, the county equivalents are boroughs, a legal subdivision, and census areas, a statistical subdivision. In four states (Maryland, Missouri, Nevada and Virginia), there are one or more cities that are independent of any county and thus constitute primary subdivisions of their states. The District of Columbia has no primary divisions, and the entire area is considered equivalent to a county for statistical purposes. In Puerto Rico, municipios are treated as county equivalents.

Related terms: [Borough](#), [Municipio](#)

County subdivision

A legal or statistical division of a county recognized by the Census Bureau for data presentation. The two major types of county subdivisions are census county divisions and minor civil divisions.

County subdivision not defined- The name assigned to an area of unpopulated coastal water within a county that belongs to no county subdivision.

Related terms: [Minor civil division \(MCD\)](#), [Unorganized territory](#),

Demographic profile

A profile includes tables that provide various demographic, social, economic, and housing characteristics for the U.S., regions, divisions, states, counties, minor civil divisions in selected states, places, metropolitan areas, American Indian and Alaska Native areas, Hawaiian home lands and congressional districts. It includes 100-percent and sample data from the decennial censuses. It also is available on CD-ROM.

There are five tables in the Demographic Profile, labeled (DP-1 thru DP-5). For Census 2000 data, the DP-1 table will be available as part of the Summary File 1, and the other four tables will be available as part of the Summary File 3 data set.

Related terms: [Geographic comparison tables \(GCT\)](#), [Quick tables \(QT\)](#)

Disability

A long-lasting physical, mental, or emotional condition. This condition can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.

Earnings

Earnings is defined as the algebraic sum of wage or salary income and net income from self-employment. Earnings represent the amount of income received regularly before deductions for personal income taxes, Social Security, bond purchases, union dues, Medicare deductions, etc.

Related term: [Income](#)

Economic census

Collective name for the censuses of construction, manufactures, minerals, minority- and women-owned businesses, retail trade, service industries, transportation, and wholesale trade, conducted by the Census Bureau every five years, in years ending in 2 and 7.

Economic place

A statistical subdivision of a state delineated according to Census Bureau guidelines for the purpose of presenting economic census data. Economic places include incorporated places of 2,500 or more people, county subdivisions of 10,000 or more people in 12 designated states, and census designated places in Hawaii. Any residual area within a state is delineated into Economic places so as not to cross the boundaries of any consolidated city, county subdivision in 12 designated states, metropolitan area in New England, or county.

Educational attainment

Refers to the highest level of education completed in terms of the highest degree or the highest level of schooling completed.

Embedded housing unit (EHU)

An EHU is a housing unit within a group quarters where the occupants live separately from others living in the group quarters. An example of an EHU is a house parent's room in a dormitory. Embedded means located within the building and not free-standing.

Employed

Employed includes all civilians 16 years old and over who were either (1) "at work" -- those who did any work at all during the reference week as paid employees, worked in their own business or profession, worked on their own farm, or worked 15 hours or more as unpaid workers on a family farm or in a family business; or (2) were "with a job but not at work" -- those who did not work during the reference week but had jobs or businesses from which they were temporarily absent due to illness, bad weather, industrial dispute, vacation, or other personal reasons. Excluded from the employed are people whose only activity consisted of work around the house or unpaid volunteer work for religious, charitable, and similar organizations; also excluded are people on active duty in the United States Armed Forces. The reference week is the calendar week preceding the date on which the respondents completed their questionnaires or were interviewed. This week may not be the same for all respondents.

Related terms: [Labor force](#), [Unemployed](#), [Worker](#),

Employment status reference week

The data on employment status and journey to work relate to the calendar week preceding the date on which the respondents completed their questionnaires or were interviewed. This week may not be the same for all respondents.

Establishment

A business or industrial unit at a single location that distributes goods or performs services.

Experienced civilian labor force

Consists of the employed and the experienced unemployed.

Related term: [Unemployed](#)

Experienced unemployed

These are unemployed people who have worked at any time in the past.

Related term: [Unemployed](#)

Family

A group of two or more people who reside together and who are related by birth, marriage, or adoption.

Family household (Family)

A family includes a householder and one or more people living in the same household who are related to the householder by birth, marriage, or adoption. All people in a household who are related to the householder are regarded as members of his or her family. A family household may contain people not related to the householder, but those people are not included as part of the householder's family in census tabulations. Thus, the number of family households is equal to the number of families, but family households may include more members than do families. A household can contain only one family for purposes of census tabulations. Not all households contain families since a household may comprise a group of unrelated people or one person living alone.

Related terms: Household, Householder

Family size

Refers to the number of people in a family.

Family type

Refers to how the members of a family are related to one another and the householder. Families may be a "Married Couple Family," "Single Parent Family," "Stepfamily," or "Subfamily."

Female householder, no husband present

A female maintaining a household with no husband of the householder present.

Fertility

See [Children ever born - fertility](#)

Food stamp receipt

The data on participation in the Food Stamp Program are designed to identify households in which one or more of the current members received food stamps during the past 12 months. Once a food stamp household was identified, a question was asked about the total value of all food stamps received by the household during that 12 month period. The Food Stamp Act of 1977 defines this federally funded program as one intended to "permit low-income households to obtain a more nutritious diet." (From title XIII of P.L. 95-113, The Food Stamp Act of 1977, declaration of policy.) Providing eligible households with coupons that can be used to purchase food increases food purchasing power. The Food and Nutrition Service (FNS) of the U.S. Department of Agriculture (USDA) administers the Food Stamp program through state and local welfare offices. The Food Stamp program is the major national income support program to which all low-income and low-resource households, regardless of household characteristics, are eligible.

Foreign born

Foreign-born population

People who are not U.S. citizens at birth.

Native population

People born in either the United States, Puerto Rico, or a U.S. Island Area such as Guam or the U.S. Virgin Islands, or people born in a foreign country to a U.S. citizen parent(s).

Related terms: [Citizenship status](#), [Immigrants](#), [Native population](#), [Place of birth](#)

Foster children

Children receiving parental care and guidance although not related through blood or legal ties; placed in care by a government agency.

When a foster child is also a relative, such as a nephew or niece, the child is counted as a related individual rather than a foster child.

Related term: [Nonrelatives](#)

Free or reduced-price meals programs

The data on this topic are designed to measure the number of households where at least one member of the household received free or reduced-price lunches. The National School Lunch Program is designed "to help safeguard the health and well-being of the Nation's children by assisting the states in providing an adequate supply of foods" (P.L. 79-396, the National School Lunch Act of 1946) for all children at moderate cost. Additional assistance is provided for children determined by local school officials to be unable to pay the "full established" price for lunches. Like the Food Stamp program, the National School Lunch Program is administered by the Food and Nutrition Service of the U.S. Department of Agriculture through state educational agencies or through regional USDA nutrition services for some nonprofit private schools.

Full-time, year-round workers (in designated calendar year)

All people 16 years old and over who usually worked 35 hours or more per week for 50 to 52 weeks in the designated calendar year.

Related terms: [Employed](#), [Worker](#)

Full-time, year-round workers (in the past 12 months)

All people 16 years old and over who usually worked 35 hours or more per week for 50 to 52 weeks in the past 12 months.

Related terms: [Employed](#), [Worker](#)

Grade in which enrolled

The level of enrollment in school, nursery school through college and graduate or professional school.

Related term: [Educational attainment](#)

Grandparents as caregivers

Grandparent(s) who have assumed full care of their grandchildren on a temporary or permanent live-in basis. A new question/data category for Census 2000.

Gross rent

The amount of the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid for by the renter (or paid for the renter by someone else). Gross rent is intended to eliminate differentials which result from varying practices with respect to the inclusion of utilities and fuels as part of the rental payment.

Related term: [Contract rent](#)

Group quarters (GQ)

The Census Bureau classifies all people not living in households as living in group quarters. There are two types of group quarters: institutional (for example, correctional facilities, nursing homes, and mental hospitals) and non-institutional (for example, college dormitories, military barracks, group homes, missions, and shelters).

Related term: [Household](#)

Group quarters population

Those people residing in group quarters as of the date on which a particular survey was conducted. The Census Bureau recognizes two general categories of people in group quarters: (1) institutionalized population and (2) non-institutionalized population. The institutionalized population includes people under formally authorized supervised care or custody in institutions at the time of enumeration. Such people are classified as "patients or inmates" of an institution regardless of the availability of nursing or medical care, the length of stay, or the number of people in the institution. Generally, the institutionalized population is restricted to the institutional buildings and grounds (or must have passes or escorts to leave) and thus have limited interaction with the surrounding community. Also, they are generally under the care of trained staff who have responsibility for their safekeeping and supervision. The noninstitutionalized population includes all people who live in group quarters other than institutions.

Related terms: [Institutionalized population](#), [Noninstitutionalized population](#)

Homeowner vacancy rate

The homeowner vacancy rate is the proportion of the homeowner housing inventory which is vacant for sale. It is computed by dividing the number of vacant units for sale only by the sum of owner-occupied units and vacant units that are for sale only, and then multiplying by 100.

Related terms: [Owner-occupied housing unit](#), [Rental vacancy rate](#)

Household

A household includes all the people who occupy a housing unit as their usual place of residence.

Household size

The total number of people living in a housing unit.

Household type and relationship

Households are classified by type according to the sex of the householder and the presence of relatives. Examples include: married-couple family; male householder, no wife present; female householder, no husband present; spouse (husband/wife); child; and other relatives.

Householder

The person, or one of the people, in whose name the home is owned, being bought, or rented.

If there is no such person present, any household member 15 years old and over can serve as the householder for the purposes of the census.

Two types of householders are distinguished: a family householder and a nonfamily householder. A family householder is a householder living with one or more people related to him or her by birth, marriage, or adoption. The

householder and all people in the household related to him are family members. A nonfamily householder is a householder living alone or with nonrelatives only.

Housing unit

A house, an apartment, a mobile home or trailer, a group of rooms, or a single room occupied as separate living quarters, or if vacant, intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have direct access from outside the building or through a common hall. For vacant units, the criteria of separateness and direct access are applied to the intended occupants whenever possible.

Income

"Total income" is the sum of the amounts reported separately for wages, salary, commissions, bonuses, or tips; self-employment income from own nonfarm or farm businesses, including proprietorships and partnerships; interest, dividends, net rental income, royalty income, or income from estates and trusts; Social Security or Railroad Retirement income; Supplemental Security Income (SSI); any public assistance or welfare payments from the state or local welfare office; retirement, survivor, or disability pensions; and any other sources of income received regularly such as Veterans' (VA) payments, unemployment compensation, child support, or alimony.

Related term: [Earnings](#)

Industrial Classification

The Economic Census classifies establishments according to the new North American Industry Classification System (NAICS). NAICS codes replace the Standard Industrial Classification (SIC) codes used in previous censuses. NAICS classifies industries using 2-, 3-, 4-, 5-, and 6- digit levels of detail. 2-digit codes represent sectors, the broadest classifications. 6-digit codes represent individual industries in the U.S.

Related terms: [Economic census](#), [North American Industry Classification System \(NAICS\)](#)

Industry (economic)

In the 1997 economic census data, U.S. industries are classified using a 5- or 6- digit NAICS code. Industry groups are represented by classification using a 4 digit NAICS code.

Related term: [North American Industry Classification System \(NAICS\)](#)

Industry (population data)

Information on industry relates to the kind of business conducted by a person's employing organization. For employed people the data refer to the person's job during the reference week. For those who worked at two or more jobs, the data refer to the job at which the person worked the greatest number of hours. Some examples of industrial groups shown in products include agriculture, forestry, and fisheries; construction; manufacturing; wholesale or retail trade; transportation and communication; personal, professional and entertainment services; and public administration.

Related terms: [Economic census](#), [Employed](#)

Institutionalized population

People under formally authorized, supervised care or custody in institutions at

the time of enumeration. Generally, restricted to the institution, under the care or supervision of trained staff, and classified as "patients" or "inmates."

Related terms: [Group quarters \(GQ\)](#), [Group quarters population](#), [Noninstitutionalized population](#)

Journey to work

Includes data on where people work, how they get to work, how long it takes to get from their home to their usual workplace, when they leave home to go to their usual workplace, and carpooling.

Related terms: [Employed](#), [Worker](#)

Labor force

The labor force includes all people classified in the civilian labor force, plus members of the U.S. Armed Forces (people on active duty with the United States Army, Air Force, Navy, Marine Corps, or Coast Guard). The Civilian Labor Force consists of people classified as employed or unemployed

Related terms: [Employed](#), [Unemployed](#)

Language spoken at home

The language currently used by respondents at home, either "English only" or a non-English language which is used in addition to English or in place of English.

Living quarters

A housing unit is a house, an apartment, a mobile home or trailer, a group of rooms or a single room occupied as separate living quarters or, if vacant, intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any people in the building and which have direct access from outside the building or through a common hall.

Related term: [Housing unit](#)

Marital status

Adults are generally classified by marital status as being married, never married, separated, divorced or widowed.

Mean

This measure represents an arithmetic average of a set of numbers. It is derived by dividing the sum of a group of numerical items by the total number of items in that group. For example, mean family income is obtained by dividing the total of all income reported by people 15 years and over in families by the total number of families.

Related term: [Derived measures](#)

Mean income

Mean income is the amount obtained by dividing the total income of a particular statistical universe by the number of units in that universe. Thus, mean household income is obtained by dividing total household income by the total number of households. For the various types of income, the means are based on households having those types of income.

Related term: [Income](#)

Median

This measure represents the middle value (if n is odd) or the average of the two middle values (if n is even) in an ordered list of data values. The median divides the total frequency distribution into two equal parts: one-half of the cases fall below the median and one-half of the cases exceed the median.

Related term: [Derived measures](#)

Median age

This measure divides the age distribution in a stated area into two equal parts: one-half of the population falling below the median value and one-half above the median value.

Related term: [Age](#)

Median income

The median income divides the income distribution into two equal groups, one having incomes above the median, and other having incomes below the median.

Related term: [Income](#)

Metropolitan

Refers to those areas surrounding large and densely populated cities or towns.

Metropolitan area (MA)

A collective term, established by the federal Office of Management and Budget, to refer to metropolitan statistical areas, consolidated metropolitan statistical areas, and primary metropolitan statistical areas.

Metropolitan statistical area (MSA)

A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban. MSAs in New England are defined in terms of minor civil divisions, following rules concerning commuting and population density.

Related terms: [Consolidated metropolitan statistical area \(CMSA\)](#), [Primary metropolitan statistical area \(PMSA\)](#)

Migration

Migration includes all changes of residence including moving into, out of, or within a given area. Foreign country, or state, county and city of previous residence is collected and coded. In 12 states, minor civil division (MCD) is also coded.

Minor civil division (MCD)

A primary governmental and/or administrative subdivision of a county, such as a township, precinct, or magisterial district. MCDs exist in 28 states and the District of Columbia.

In 20 states, all or many MCD's are general-purpose governmental units: Connecticut, Illinois, Indiana, Kansas, Maine, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Dakota, Ohio, Pennsylvania, Rhode Island, South Dakota, Vermont, and Wisconsin. Most of these MCD's are legally designated as towns or townships.

Related Terms: [Census county division \(CCD\)](#), [County subdivision](#), [Unorganized territory](#)

Mortgage status

"Mortgage" refers to all forms of debt where the property is pledged as security for repayment of the debt, including deeds of trust, trust deed, contracts to purchase, land contracts, junior mortgages, and home equity loans.

Multi-unit structure

A building that contains more than one housing unit (for example, an apartment building).

Nationality

The status of belonging to a particular nation by birth, origin or naturalization.

Related terms: [Ancestry](#), [Place of birth](#)

Native population

The native population includes people born in the United States, Puerto Rico, or U.S. Island Areas; as well as those born in a foreign country who had at least one parent who was a U.S. citizen.

Related term: [Foreign born](#)

Noninstitutionalized population

Includes all people who live in group quarters other than institutions.

Examples: college dormitories, rooming houses, religious group homes, communes, and halfway houses.

Related terms: [Group quarters \(GQ\)](#), [Group quarters population](#), [Institutionalized population](#)

Nonmetropolitan

The area and population not located in any Metropolitan area (MA).

Related term: [Metropolitan area \(MA\)](#)

Nonrelatives

Any household member, including foster children, living in the housing unit but not related to the householder by birth, marriage, or adoption.

Related terms: [Family](#), [Foster children](#), [Household](#),

North American Industry Classification System (NAICS)

NAICS classifies industries using 2-, 3-, 4-, 5-, and 6- digit levels of detail. Two-digit codes represent sectors, the broadest classifications. Six-digit codes represent individual industries in the U.S. The North American Industry Classification System was developed by representatives from the United States, Canada, and Mexico, and replaces each country's separate classification system with one uniform system for classifying industries. In the United States, NAICS replaces the Standard Industrial Classification, a system that federal,

state, and local governments, the business community, and the general public have used since the 1930s.

Related term: [Economic census](#)

Not in labor force

Not in labor force includes all people 16 years old and over who are not classified as members of the labor force. This category consists mainly of students, housewives, retired workers, seasonal workers interviewed in an off season who were not looking for work, institutionalized people, and people doing only incidental unpaid family work (less than 15 hours during the reference week).

Related term: [Labor force](#)

Number of employees

Equivalent to the number of paid employees for census purposes. Paid employees consists of full-time and part-time employees, including salaried officers and executives of corporations. Included are employees on paid sick leave, paid holidays, and paid vacations; not included are proprietors and partners of unincorporated businesses. The definition of paid employees is the same as that used on IRS Form 941.

Related term: [Economic census](#)

Number of establishments

An establishment is a single physical location at which business is conducted and/or services are provided. It is not necessarily identical with a company or enterprise, which may consist of one establishment or more. Economic census figures represent a summary of reports for individual establishments rather than companies. For cases where a census report was received, separate information was obtained for each location where business was conducted. When administrative records of other federal agencies were used instead of a census report, no information was available on the number of locations operated. Each economic census establishment was tabulated according to the physical location at which the business was conducted. For the 1997 Economic Census data displayed in American FactFinder, the count of establishments represents those in business at any time during 1997.

When two activities or more were carried on at a single location under a single ownership, all activities generally were grouped together as a single establishment. The entire establishment was classified on the basis of its major activity and all data for it were included in that classification. However, when distinct and separate economic activities (for which different industry classification codes were appropriate) were conducted at a single location under a single ownership, separate establishment reports for each of the different activities were obtained in the census.

Related terms: [Economic census](#), [Establishment](#)

Number of workers in family in (designated calendar year)

The term "worker" as used for these data is defined based on the criteria for [Worked in \(designated calendar year\)](#).

Number of workers in family in the past 12 months

The term "worker" as used for these data is defined based on the criteria for [Worked in the Past 12 Months](#).

Occupation

Occupation describes the kind of work the person does on the job. For employed people, the data refer to the person's job during the reference week. For those who worked at two or more jobs, the data refer to the job at which the person worked the greatest number of hours. Some examples of occupational groups shown in this product include managerial occupations; business and financial specialists; scientists and technicians; entertainment; healthcare; food service; personal services; sales; office and administrative support; farming; maintenance and repair; and production workers.

Related term: [Employed](#)

Occupied housing unit

A housing unit is classified as occupied if it is the usual place of residence of the person or group of people living in it at the time of enumeration.

Related terms: [Housing unit](#), [Vacancy status](#)

Other relative

Any household member related to the householder by birth, marriage, or adoption, but not specifically included in any other relationship category. Can include grandchildren, parents, in-laws, cousins, etc.

Own children

A child under 18 years old who is a son or daughter by birth, marriage (a stepchild), or adoption. For 100-percent tabulations, own children consist of all sons/daughters of householders who are under 18 years of age. For sample data, own children consist of sons/daughters of householders who are under 18 years of age and who have never been married, therefore, numbers of own children of householders may be different in these two tabulations.

Related terms: [Child](#), [Related children](#)

Owner-occupied housing unit

A housing unit is owner occupied if the owner or co-owner lives in the unit even if it is mortgaged or not fully paid for.

Related term: [Housing unit](#), [Renter-occupied housing unit](#)

People in family

Total number of people living in one household and related to the householder.

Related terms: [Family](#), [Household](#)

People in household

Total number of people living in one housing unit.

Related terms: [Household](#), [Housing unit](#)

Per capita income

Average obtained by dividing aggregate income by total population of an area.

Period of military service

These periods represent officially recognized time divisions relating to wars or to legally-relevant peacetime eras. The data pertain to active-duty military service. In most tabulations of these data, people serving in combinations of wartime and peacetime periods are classified in their most recent wartime

period.

Related term: [Veteran status](#)

Place

A concentration of population either legally bounded as an incorporated place, or identified as a Census Designated Place (CDP) including comunidades and zonas urbanas in Puerto Rico. Incorporated places have legal descriptions of borough (except in Alaska and New York), city, town (except in New England, New York, and Wisconsin), or village.

Related terms: [Census designated place \(CDP\)](#), [City](#), [Comunidad](#), [Incorporated place](#), [Town](#), [Zona urbana](#)

Place of birth

The U. S. state or foreign country where a person was born. Used in determining citizenship.

Related terms: [Citizenship status](#), [Foreign born](#), [Native population](#),

Plumbing facilities

The data on plumbing facilities were obtained from both occupied and vacant housing units. Complete plumbing facilities include: (1) hot and cold piped water; (2) a flush toilet; and (3) a bathtub or shower. All three facilities must be located in the housing unit.

Population

All people, male and female, child and adult, living in a given geographic area.

Population density

Total population within a geographic entity divided by the number of square miles of land area of that entity measured in square kilometers or square miles.

Population Estimates

The Census Bureau's Population Estimates Program publishes population numbers between censuses. Estimates usually are for the past, while projections are estimates of the population for future dates. July 1 estimates are published for years after the last decennial census (2000), as well as those for past decades. Data for births, deaths, and domestic and international migration are used to update the decennial census base counts. These estimates are used in federal funding allocations; as inputs to other federal agencies' statistics and per capita time series; as survey controls; and in monitoring recent demographic changes. With each new issue of July 1 estimates, the estimates for the years since the last census are revised.

Additional population estimates that include components of change and rankings, are available at <http://www.census.gov/popest/>.

Poverty

Following the Office of Management and Budget's (OMB's) Directive 14, the Census Bureau uses a set of money income thresholds that vary by family size and composition to detect who is poor. If the total income for a family or unrelated individual falls below the relevant poverty threshold, then the family or unrelated individual is classified as being "below the poverty level."

Related term: [Income](#)

Privacy Act

A 1974 act that places restrictions on the collection, use, maintenance, and release of information about individuals. It gives individuals the right to see records about themselves, to obtain copies of their records, to have records corrected or amended with Census Bureau approval, and to have a statement of disagreement filed in their records if the Census Bureau does not approve the correction or amendment.

Race

Race is a self-identification data item in which respondents choose the race or races with which they most closely identify.

Related children

Includes all people in a household under the age of 18, regardless of marital status, who are related to the householder. Does not include householder's spouse or foster children, regardless of age.

Related terms: [Child](#), [Own children](#)

Rental vacancy rate

The proportion of the rental inventory which is vacant for rent. It is computed by dividing the number of vacant units for rent by the sum of the renter-occupied units and the number of vacant units for rent, and then multiplying by 100.

Related term: [Homeowner vacancy rate](#), [Renter-occupied housing unit](#)

Renter-occupied housing unit

All occupied units which are not owner occupied, whether they are rented for cash rent or occupied without payment of cash rent, are classified as renter-occupied.

Related term: [Owner-occupied housing unit](#)

Residence 5 years ago

Indicates the area of residence 5 years prior to the reference date for those who reported that they lived in a different housing unit.

Related term: [Migration](#)

Resident population

An area's resident population consists of those persons "usually resident" in that particular area (where they live and sleep most of the time).

Related term: [Apportionment population](#)

Respondent

The person supplying survey or census information about his or her living quarters and its occupants.

Rural

Territory, population and housing units not classified as urban. "Rural" classification cuts across other hierarchies and can be in metropolitan or non-metropolitan areas.

Related terms: [Metropolitan](#), [Urban](#)

School District

Geographic entities within which state, county, or local officials provide public educational services for the area's residents. The boundaries and names are provided by state officials.

School enrollment

Enrollment in regular school, either public or private, which includes nursery school, kindergarten, elementary school, and schooling which leads to a high school diploma or college degree.

Related terms: [Educational attainment](#), [Grade in which enrolled](#)

Sex

An individual's gender classification - male or female.

Sex ratio

A measure derived by dividing the total number of males by the total number of females, and then multiplying by 100.

Spanish/Hispanic/Latino

A self-designated classification for people whose origins are from Spain, the Spanish-speaking countries of Central or South America, the Caribbean, or those identifying themselves generally as Spanish, Spanish-American, etc. Origin can be viewed as ancestry, nationality, or country of birth of the person or person's parents or ancestors prior to their arrival in the United States.

Spanish/Hispanic/Latino people may be of any race.

Related terms: [Ancestry](#), [Race](#)

Spouse

A person legally married to another person.

Standard Industrial Classification (SIC)

Industry classification system that was used in Economic Censuses prior to 1997. This system identifies establishments by the principal activity in which they are engaged. SIC has been replaced by North American Industry Classification System (NAICS) in the 1997 Economic Census.

Related terms: [Economic census](#), [North American Industry Classification System \(NAICS\)](#)

Stepfamily

A "married couple" family in which there is at least one stepchild of the householder present. If the child has been adopted by the householder, that child is classified as an adopted child and the family is not classified as a stepfamily, unless another non-adopted stepchild is present.

Related terms: [Adopted child](#), [Family](#)

Subfamily

A married couple (with or without children) or a single parent with one or more never-married children under the age of 18, residing with and related to the householder, but not including the householder or the householder's spouse.

When grown children move back to the parental home with their own children or spouse, they are considered a subfamily.

Related terms: [Family](#), [Householder](#)

Tenure

Refers to the distinction between owner-occupied and renter-occupied housing units.

Related terms: [Housing unit](#), [Owner-occupied housing unit](#), [Renter-occupied housing unit](#)

Type of institution

Institutions are those facilities designed for group quarters living. Institutions may specialize in one specific type of service such as a prison, or may offer varied services such as Veteran's Administration hospitals.

Related terms: [Group quarters \(GQ\)](#), [Institutionalized population](#)

Type of school

Schools are designated as public or private institutions and are separated by levels of education offered, including: college, pre-primary, elementary or high school.

Related term: [Educational attainment](#), [School enrollment](#)

Unemployed

All civilians 16 years old and over are classified as unemployed if they (1) were neither "at work" nor "with a job but not at work" during the reference week, and (2) were actively looking for work during the last 4 weeks, and (3) were available to accept a job. Also included as unemployed are civilians who did not work at all during the reference week, were waiting to be called back to a job from which they had been laid off, and were available for work except for temporary illness.

Related terms: [Employed](#), [Labor Force](#)

Units in structure

A structure is a separate building that either has open spaces on all sides or is separated from other structures by dividing walls that extend from ground to roof. In determining the number of units in a structure, all housing units, both occupied and vacant, are counted.

Unmarried-partner household

Household in which the householder and his or her partner are not legally married or participating in a common law marriage.

Related terms: [Household](#), [Householder](#)

Unrelated individual

Person, sharing a housing unit, who is not related to the householder by birth, marriage or adoption. Includes foster children.

Related terms: [Foster children](#), [Householder](#), [Nonrelatives](#)

Urban

All territory, population and housing units in urbanized areas and in places of more than 2,500 persons outside of urbanized areas. "Urban" classification cuts across other hierarchies and can be in metropolitan or non-metropolitan areas.

Related terms: [Metropolitan](#), [Rural](#)

Urban Area

Collective term referring to all areas that are urban. For Census 2000, there are two types of urban areas: urban clusters and urbanized areas.

Urban Cluster

A densely settled territory that has at least 2,500 people but fewer than 50,000. New for Census 2000.

Urban Growth Area

Legally defined entity in Oregon. Defined around incorporated places and used to regulate urban growth. They are delineated cooperatively by state and local officials and then confirmed by state law. New for Census 2000.

Urbanized area

(UA) An area consisting of a central place(s) and adjacent territory with a general population density of at least 1,000 people per square mile of land area that together have a minimum residential population of at least 50,000 people. The Census Bureau uses published criteria to determine the qualification and boundaries of UAs.

Usual hours worked per week worked in (designated calendar year)

The data pertain to the number of hours a person usually worked during the weeks worked in the designated calendar year. The respondent was to report the number of hours worked per week in the majority of the weeks he or she worked in the designated calendar year. If the hours worked per week varied considerably during the designated calendar year, the respondent was asked to report an approximate average of the hours worked per week. People 16 years old and over who reported that they usually worked 35 or more hours each week during the weeks they worked are classified as "Usually worked full time"; people who reported that they usually worked 1 to 34 hours are classified as "Usually worked part time."

Related term: [Employed](#)

Usual hours worked per week worked in the past 12 months

The data pertain to the number of hours a person usually worked during the weeks worked in the past 12 months. The respondent was to report the number of hours worked per week in the majority of the weeks he or she worked in the past 12 months. If the hours worked per week varied considerably during the past 12 months, the respondent was asked to report an approximate average of the hours worked per week. People 16 years old and over who reported that they usually worked 35 or more hours each week during the weeks they worked are classified as "Usually worked full time"; people who reported that they usually worked 1 to 34 hours are classified as "Usually worked part time."

Related term: [Employed](#)

Usual residence

The living quarters where a person spends more nights during a year than any other place.

Related term: [Living quarters](#)

Usual residence elsewhere

A housing unit temporarily occupied at the time of enumeration entirely by

people with a usual residence elsewhere is classified as vacant. The occupants are classified as having a "Usual residence elsewhere" and are counted at the address of their usual place of residence.

Related term: [Housing unit](#)

Vacancy status

Unoccupied housing units are considered vacant. Vacancy status is determined by the terms under which the unit may be occupied, e.g., for rent, for sale, or for seasonal use only.

Related terms: [Housing unit](#), [Occupied housing unit](#),

Vacant housing unit

A housing unit is vacant if no one is living in it at the time of enumeration, unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere are also classified as vacant.

Related terms: [Housing unit](#), [Usual residence elsewhere](#), [Occupied housing unit](#)

Value

Value is the respondent's estimate of how much the property (house and lot, mobile home and lot, or condominium unit) would sell for if it were for sale.

Veteran status

A "civilian veteran" is a person 18 years old or over who has served (even for a short time), but is not now serving, on active duty in the U.S. Army, Navy, Air Force, Marine Corps, or the Coast Guard, or who served in the U.S. Merchant Marine during World War II. People who served in the National Guard or military Reserves are classified as veterans only if they were ever called or ordered to active duty, not counting the 4-6 months for initial training or yearly summer camps. All other civilians 16 years old and over are classified as nonveterans.

Related term: [Years of military service](#)

Weeks worked in (designated calendar year)

The data pertain to the number of weeks during the designated calendar year in which a person did any work for pay or profit (including paid vacation, paid sick leave, and military service) or worked without pay on a family farm or in a family business.

Related term: [Employed](#)

Weeks worked in the past 12 months

The data pertain to the number of weeks during the past 12 months in which a person did any work for pay or profit (including paid vacation, paid sick leave, and military service) or worked without pay on a family farm or in a family business.

Related term: [Employed](#)

Worked in (designated calendar year)

People 16 years old and over who did any work for pay or profit (including paid vacation, paid sick leave, and military service) or worked without pay on a family farm or in a family business at any time from January to December of the designated calendar year are classified as "worked in (designated calendar year)." All other people 16 years old and over are classified as "Did not work in

(designated calendar year)."

Related term: [Employed](#)

Worked in the past 12 months

People 16 years old and over who did any work for pay or profit (including paid vacation, sick leave, and military service) or worked without pay on a family farm or in a family business at any time during the past 12 months are classified as "worked in the past 12 months." All other people 16 years old and over are classified as "Did not work in the past 12 months."

Related term: [Employed](#)

Worker

This term appears in connection with several subjects: journey-to-work items, class of worker, work status in the past 12 months, weeks worked in the past 12 months, and number of workers in family in the past 12 months. Its meaning varies and, therefore, should be determined in each case by referring to the definition of the subject in which it appears.

Related terms: [Class of worker](#), [Employed](#), [Journey to work](#)

Year structure built

The data on year structure built were obtained from both occupied and vacant housing units. Year structure built refers to when the building was first constructed, not when it was remodeled, added to, or converted. The data relate to the number of units built during the specified periods that were still in existence at the time of enumeration.

Related term: [Housing unit](#)

Appendix C: Affordable housing inventory

The Whatcom County Public Health Department conducted a detailed inventory of affordable housing resource inventory in August 2007. Following is a summary of the Department's findings - which were contained in the Final Draft 07-11-2007 Whatcom County Affordable Housing Inventory by Cornerstone Strategies.

C.1: Housing types

The capacity of most housing categories can be described in terms of individual units - to estimate the number of households that can be accommodated - or number of bedrooms or beds (in the case of emergency shelters) - to estimate the number of individuals that can be accommodated. Following is a brief summary of each type:

<i>Subsidized housing type</i>	<i># bedrooms</i>	<i># housing units</i>
Rental housing units	5,229	2,861
Permanent rental assistance - housing vouchers	3,511	1,620
Homeownership assistance	175	89
Permanent supportive housing	219	185
Emergency shelter and transitional housing	743	146
Total	9,877	4,901

- **Subsidized rental housing** - includes apartments that were developed and/or operated by nonprofit organizations and/or constructed with tax credit financing for purposes of maintaining affordability at certain household income levels. In the case of tax credit financed units, the period of affordability is variable and usually expires within 30 years. At that time, the units may revert to market-rate rental units or be converted to condominiums and sold at market-rate prices.

Whatcom County includes 2,861 subsidized rental units with the capacity equal to 5,229 bedrooms. The vast majority of these units (85%) exist in Bellingham. According to HUD's analysis of census data, only 45% of all county households with incomes at 80% AMI or less (classified as "low-income") live in Bellingham.

Occupancy of all of the county's subsidized rental units is based on income-eligibility at 80% or less of the area median income (AMI). Nearly three quarters of these units target households at 60% AMI or less; 22% of the units are operated to serve households at or below 30% AMI.

- **Permanent rental assistance** - all of the rental assistance inventoried by this report consists of project-based or tenant-based Section 8 rent subsidies. In terms of bedrooms, rental assistance subsidy is slightly more widely distributed, geographically, than the subsidized rental apartments. Rental assistance targets, almost exclusively, "very low-income" households - those at or below 50% AMI.
- **Homeownership assistance** - Whatcom County organizations offer several programs to assist first-time, income-eligible homebuyers. All of the programs cited here are based on the "community land trust" strategy that provides for perpetual affordability of the housing units. The majority of these affordable units and bedrooms are located in Bellingham.

Other subsidized homeownership programs and assistance in Whatcom County

include Whatcom-Skagit Housing, USDA Rural Housing and Habitat for Humanity. These programs assist potential homeowners to purchase housing and may include some provision for subsidy recapture to help subsidize future units of housing; however, the existing units typically revert to market-rate housing upon first resale. For this reason, they are not included in this inventory; however, they do provide important homeownership resources for prospective low- to moderate-income households.

- ***Permanent supportive housing*** - includes subsidized rental housing that also offers various types of supportive services. Most of the supportive housing is operated by the Bellingham/Whatcom County Housing Authorities, in some cases in conjunction with other agencies (e.g. Whatcom Counseling and Psychiatric Clinic). Most of this type of housing is currently 1-bedroom units and increasingly renting to seniors, a fast growing segment of the population.
- ***Emergency shelter and transitional housing*** - provide an important safety net in the Whatcom County housing continuum. What distinguishes these housing units is the temporary nature of their occupancy. Nearly all of the emergency shelter and transitional housing facilities in Whatcom County are located in Bellingham.

C.2: Subsidized rental unit inventory

Program/facility	Population	AMI	Location	Units	Bdrms
Kateri Court		80%	Bellingham	1	1
Kateri Court		30%	Bellingham	8	8
Kateri Court		50%	Bellingham	23	23
Mt Baker Apartments		50%	Bellingham	30	30
Mt Baker Apartments		60%	Bellingham	29	29
Washington Grocery Building		80%	Bellingham	1	1
Washington Grocery Building		50%	Bellingham	36	36
Bay Townhouses		80%	Blaine	3	9
Baycrest Homes		80%	Blaine	18	55
Bridge Creek II		50%	Bellingham	13	21
Bridge Creek II		80%	Bellingham	18	41
Cascade Meadows		80%	Bellingham	216	420
Everson Meadows		80%	Everson	24	60
Falls Park Homes		60%	Bellingham	28	63
Laube Housing Project		80%	Bellingham	20	20
Orleans Place (non-section 8 units)		30%	Bellingham	7	17
Orleans Place (non-section 8 units)		60%	Bellingham	16	42
Pacific Rim North		80%	Bellingham	132	277
Parkway Homes		60%	Bellingham	24	55
Public Housing (Chuckanut Sq)	Elderly/ disabled	30%	Bellingham	101	101
Public Housing (Lincoln Sq)	Elderly/ disabled	30%	Bellingham	198	218
Public Housing (Washington Sq)	Elderly/ disabled	30%	Bellingham	97	97
River House Apartments	Elderly	30%	Lynden	27	32
River House Apartments	Elderly	60%	Lynden	23	26
Seabreeze (non-section 8 units)		60%	Blaine	11	25
SeaMist		80%	Blaine	12	36
Sumas Square		80%	Sumas	11	11
Texas Meadows		80%	Bellingham	28	63
The Birches		80	Bellingham	30	86
Trailside		60%	Bellingham	4	10
Varsity Village		50%	Bellingham	19	94
Varsity Village Extension		50%	Bellingham	14	96
Little Bear Creek	Elderly	50%	Lummi Rsvt	22	22
Little Bear Creek	Elderly	50%	Lummi Rsvt	4	4
Apple Valley	Disabled	80%	Lynden	29	38
Bayview Plaza	Disabled	80%	Blaine	30	30
Blair Gardens	Disabled	80%	Everson	16	18
Ferndale Four-Plex		80%	Ferndale	4	12
Ferndale Villa (HUD)		80%	Ferndale	38	76
Heritage	Disabled	80%	Lynden	32	34
Lone Pine (Crest)		80%	Everson	10	10
Oakwood Apts		80%	Lynden	36	50
Pinetree	Disabled	80%	Ferndale	19	23
Sunset Apts		80%	Sumas	9	9
Washington Plaza	Disabled	80%	Ferndale	23	27
Beacon Manor		30%	Ferndale	38	113
Beacon Manor		60%	Ferndale	12	36

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Creekside Meadows		50%	Sumas	12	30
Creekside Meadows		60%	Sumas	8	20
Deer Run Terrace	Elderly	30%	Bellingham	21	27
Deer Run Terrace	Elderly	60%	Bellingham	21	27
Evergreen Ridge		60%	Bellingham	143	270
Hamilton Place Senior Living	Elderly	60%	Bellingham	94	141
Harborview Apartments		50%	Bellingham	18	40
Heather Commons		30%	Bellingham	15	32
Heather Commons		50%	Bellingham	9	18
Heather Commons II		30%	Bellingham	9	19
Heather Commons II		60%	Bellingham	5	9
Larkin Place		60%	Bellingham	101	354
Laurel Village		30%	Bellingham	24	48
Laurel Village		40%	Bellingham	13	19
Laurel Village		50%	Bellingham	13	20
Lummi Homes I	Farmworkers	40%	Lummi Rsvt	24	94
Meadow Wood Townhomes		30%	Bellingham	10	20
Meadow Wood Townhomes		50%	Bellingham	25	75
Meadow Wood Townhomes		60%	Bellingham	5	15
Nooksack Homes I			Everson	24	24
Nooksack Homes II			Everson	25	25
Northbrook Place		60%	Bellingham	77	117
Oakland Apartments		30%	Bellingham	11	11
Oakland Apartments		50%	Bellingham	9	9
Prince Court Apartments		45%	Bellingham	25	59
Regency Park		60%	Bellingham	225	564
Sterling Meadows	Farmworkers	45%	Bellingham	50	142
Willow Creek		50%	Bellingham	16	16
Woodrose Apartments	Elderly	50%	Bellingham	69	90
Woodrose Apartments	Elderly	60%	Bellingham	124	197
Boundary Village		50%	Blaine	5	5
Voltaire Court		80%	Bellingham	11	11
Public Housing (Birchwood Manor)	Elderly/ disabled		Bellingham	38	38
Public Housing (Catherine May)	Elderly/ disabled		Bellingham	38	38

City totals

Bellingham	2,312	4,275
Blaine	79	160
Everson	99	137
Ferndale	134	287
Lummi Rsvation	50	120
Lynden	147	180
Sumas	40	70

Total 2,861 5,229
AMI

<80%	741	1,332
<60%	950	2,000
<50%	337	629
<30%	566	743

Total 2,594 4,704

C.3: Subsidized rental assistance inventory

<i>Program/facility</i>	<i>Population</i>	<i>AMI</i>	<i>Location</i>	<i>Units</i>	<i>Bdrms</i>
Section 8 - Project Based (Fernview)	Households	80%	Ferndale	30	74
Section 8 - Project Based (Orleans Place)	Households	30%	Bellingham	3	7
Section 8 - Project Based (Orleans Place)	Households	60%	Bellingham	4	9
Section 8 - Project Based (Riverhouse)	Households	30%	Lynden	22	26
Section 8 - Project Based (Riverhouse)	Households	60%	Lynden	6	6
Section 8 - Project Based (Seabreeze)	Households	60%	Blaine	3	7
Section 8 - Project Based (Varsity Village extension)	Households	80%	Bellingham	38	96
Section 8 - Project Based (Varsity Village)	Households	80%	Bellingham	30	94
Section 8 - Vouchers	Households	50%	Acme	2	5
Section 8 - Vouchers	Households	50%	Bellingham	1,238	2,457
Section 8 - Vouchers	Households	50%	Blaine	57	136
Section 8 - Vouchers	Households	50%	Custer	3	1
Section 8 - Vouchers	Households	50%	Deming	1	3
Section 8 - Vouchers	Households	50%	Everson	25	64
Section 8 - Vouchers	Households	50%	Ferndale	18	257
Section 8 - Vouchers	Households	50%	Lummi Island	1	3
Section 8 - Vouchers	Households	50%	Lynden	89	141
Section 8 - Vouchers	Households	50%	Maple Falls	31	86
Section 8 - Vouchers	Households	50%	Nooksack	4	1
Section 8 - Vouchers	Households	50%	Sumas	15	38

Totals

Acme	2	5
Bellingham	1,313	2,663
Blaine	60	143
Custer	3	1
Deming	1	3
Everson	25	64
Ferndale	48	331
Lummi Island	1	3
Lynden	117	173
Maple Falls	31	86
Nooksack	4	1
Sumas	15	38

Total 1,620 3,511
AMI

<80% AMI	98	264
<60% AMI	13	22
<50% AMI	1,484	3,192
<30% AMI	25	33

Total 1,620 3,511

C.4: Subsidized homeownership inventory

<i>Type housing</i>	<i>Status</i>	<i>Provider</i>	<i>Program/facility</i>	<i>AMI</i>	<i>Location</i>	<i>Units</i>	<i>Bdrms</i>
Homeownership	Existing	KulshanCLT	Condominium Program	<80%	Bellingham	14	14
Homeownership	Existing	KulshanCLT	First-time Homebuyer Program	<80%	Bellingham	36	72
Homeownership	Expected 2007	KulshanCLT	Mathei Place	<80%	Bellingham	14	32
Homeownership	Existing	KulshanCLT	Condominium Program	<80%	Everson	1	2
Homeownership	Existing	KulshanCLT	First-time Homebuyer Program	<80%	Everson	1	2
Homeownership	Existing	KulshanCLT	Kulshan Commons	<80%	Ferndale	1	3
Homeownership	Expected 2007	KulshanCLT	Kulshan Commons	<80%	Ferndale	5	12
Homeownership	Expected 2007	KulshanCLT	Kulshan Commons	<80%	Ferndale	1	2
Homeownership	Expected 2008	KulshanCLT	Kulshan Commons	<80%	Ferndale	1	2
Homeownership	Existing	KulshanCLT	First-time Homebuyer Program	<80%	Ferndale	3	9
Homeownership	Existing	Lummi Island CLT	Cedrus Cooperative	<50%	Lummi Island	9	18
Homeownership	Existing	KulshanCLT	First-time Homebuyer Program	<80%	Lummi Rsrst	2	4
Homeownership	Existing	KulshanCLT	First-time Homebuyer Program		Lynden	1	3

Totals

Bellingham	64	118
Everson	2	4
Ferndale	11	28
Lummi Island	9	18
Lummi Reservation	2	4
Lynden		3

Total

175

C.5: Permanent supportive housing inventory

<i>Program/facility</i>	<i>Type housing</i>	<i>Population</i>	<i>Target</i>	<i>AMI</i>	<i>Location</i>	<i>Units</i>	<i>Bdrms</i>
Shelter + Care (Sponsor Based)	Permanent Supportive Housing	SM/F				112	112
Shelter + Care (Veterans)	Permanent Supportive Housing	SM/F	VET			14	14
Shelter+ Care (Tenant Based)	Permanent Supportive Housing	SM/F				21	21
Kateri Court	Permanent Supportive Housing	FC		<30%	Bellingham	8	8
Permanent Supportive Housing	Permanent Supportive Housing	SM/F	AIDS	<50%	Bellingham	6	6
Tenant based Section 8 Permanent Housing	Permanent Supportive Housing	FC				14	28
Meadow Wood Townhomes	Permanent Supportive Housing		disabled	<30%	Bellingham	10	30
<i>Total</i>							
Permanent Supportive Housing						185	219

C.6: Emergency and transitional shelter inventory

Program/facility type housing

	Population	Target	AMI	Location	Family units/beds Individual units/beds
Emergency Housing Emergency Shelter	FC			Bellingham	4 16
Barney Wood Fund Emergency Shelter	SMF/ FC	AIDS		Bellingham	9
Motel Vouchers Emergency Shelter	SM/F	AIDS		Bellingham	26
Emergency Shelter Emergency Shelter	SM			Bellingham	80
Our Savior's House Emergency Shelter	WC			Bellingham	1 6
Safe Home Program Emergency Shelter	YM/YF			Bellingham	5
Stepping Stones - Seasonal Motel Vouchers Emergency Shelter	SM/F or FC			Bellingham	
Motel Vouchers Emergency Shelter	FC			Bellingham	68 226
Apartment (unnamed) Emergency Shelter	FC			Ferndale	1 4
Disciples House Emergency Shelter	FC			Bellingham	1 7
Garden St. House Emergency Shelter	FC			Bellingham	1 7
Interfaith Little House Emergency Shelter	FC			Bellingham	1 4
Womencare Shelter Emergency Shelter	SF/FC	DV	<80%	Bellingham	5 18
Larabee Residence Emergency Shelter	SF		<80%	Bellingham	9
Growing Together Transitional Housing	FC			Bellingham	2
Growing Together Transitional Housing	FC			Bellingham	2
Emergency Housing Transitional Housing	SM/F	SMI		Bellingham	67
Transitional Living Program Transitional Housing	FC		<50%	Bellingham	7 18
Housing for Single Mothers w/Children Transitional Housing	FC	DV		Bellingham	7 14
Transitional Housing Acquisition Transitional Housing	YM/F		<50%	Bellingham	1
Transitional Living Program Transitional Housing	YM/YF, FC			Bellingham	2 4 18
2060 units Transitional Housing	FC		<30%	Bellingham	4 16
Community Based Transitional Housing Transitional Housing	FC			Bellingham	8 26
Dorothy Arnold Giesecke Place Transitional Housing	SF, FC	DV		Bellingham	21 35 6
Rental Subsidies to Landlords using HOME TBRA Transitional Housing	FC				4 19
WA Families Fund units Transitional Housing	FC		<30%	Bellingham	4 16
Substance Abuse After-Treatment/ Clean and So Transitional Housing	SM/F			Bellingham	25
Transitional Housing Transitional Housing	FC			Bellingham	7 16
Gladstone House Transitional Housing	Mixed	SMI		Bellingham	5
Sun House Transitional Housing	SM/F	SMI		Bellingham	6
Rental Subsidies Supportive Living Program Transitional Housing	Mixed	SMI			3
Larabee Residence Transitional Housing			<50%	Bellingham	27
				Emergency Shelter	82 288 129
				Transitional Housing	64 168 158
				Total	146 456 287

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Appendix C: Affordable housing inventory
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C.7: Master inventory listing

Type	Status	Provider	Program/facility	Target Pop A	Pop B	AMI	Location	Fam Units	Fam Beds	Indiv units/ beds	Unit	Bdr ms
Emergency Shelter	Exist	Opportunity Council/Interfaith	Apartment (unnamed)	FC			Ferndale	1	4			
Emergency Shelter	Exist	Evergreen AIDS Foundation	Barney Wood Fund	SMF/FC	AIDS		Bellingham			9		
Emergency Shelter	Exist	Opportunity Council/Interfaith	Disciples House	FC			Bellingham	1	7			
Emergency Shelter	Exist	Agape Woman's Christian Home	Emergency Housing	FC			Bellingham	4	16			
Emergency Shelter	Exist	Lighthouse Mission	Emergency Shelter	SM			Bellingham			80		
Emergency Shelter	Exist	Opportunity Council/Interfaith	Garden St. House	FC			Bellingham	1	7			
Emergency Shelter	Exist	Opportunity Council/Interfaith	Interfaith Little House	FC			Bellingham	1	4			
Emergency Shelter	Exist	YWCA	Larabee Residence	SF		<80%	Bellingham			9		
Emergency Shelter	Exist	Evergreen AIDS Foundation	Motel Vouchers	SM/F	AIDS		Bellingham			26		
Emergency Shelter	Exist	Opportunity Council	Motel Vouchers	FC			Bellingham	68	226			
Emergency Shelter	Exist	Lydia Place/Interfaith Coalition	Our Savior's House	WC			Bellingham	1	6			
Emergency Shelter	Exist	Northwest Youth Services	Safe Home Program	YM/YF			Bellingham			5		
Emergency Shelter	Exist	Old Town Christian Ministries	Stepping Stones - Seasonal Motel Vouchers	SM/F or FC			Bellingham					
Emergency Shelter	Exist	Womencare Shelter	Womencare Shelter	SF/FC	DV	<80%	Bellingham	5	18			
Ownership	Exist	Lummi Island CLT	Cedrus Cooperative	Hshlds		<50%	Lummi Island				9	18
Ownership	Exist	KulshanCLT	Condominium Program	Hshlds		<80%	Bellingham				14	14

Ownership	Exist	KulshanCLT	Condominium Program	Hshlds		<80%	Everson				1	2
Ownership	Exist	KulshanCLT	First-time Homebuyer Program	Hshlds		<80%	Bellingham				36	72
Ownership	Exist	KulshanCLT	First-time Homebuyer Program	Hshlds		<80%	Everson				1	2
Ownership	Exist	KulshanCLT	1 st time buyer	Hshlds		<80%	Ferndale				3	9
Ownership	Exist	KulshanCLT	1 st time buyer	Hshlds		<80%	Lummi Res				2	4
Ownership	Exist	KulshanCLT	1 st time buyer	Hshlds		<80%	Lynden				1	3
Ownership	Exist	KulshanCLT	Kulshan Commons	Hshlds		<80%	Ferndale				1	3
Ownership	2007	KulshanCLT	Kulshan Commons	Hshlds		<80%	Ferndale				5	12
Ownership	2007	KulshanCLT	Kulshan Commons	Hshlds		<80%	Ferndale				1	2
Ownership	2007	KulshanCLT	Mathei Place	Hshlds		<80%	Bellingham				14	32
Ownership	2008	KulshanCLT	Kulshan Commons	Hshlds		<80%	Ferndale				1	2
Ownership	Exist	USDA	Apple Valley	Elderly	Disab led	<80%	Lynden				29	38
Ownership	Exist	BWCHA	Bay Townhouses	Hshlds		<80%	Blaine				3	9
Ownership	Exist	BWCHA	Baycrest Homes	Hshlds		<80%	Blaine				18	55
Ownership	Exist	USDA	Bayview Plaza	Elderly	Disab led	<80%	Blaine				30	30
Ownership	Exist	WSHFC Tax Credit Program	Beacon Manor	Hshlds		<30%	Ferndale				38	113
Ownership	Exist	WSHFC Tax Credit Program	Beacon Manor	Hshlds		<60%	Ferndale				12	36
Ownership	Exist	USDA	Blair Gardens	Elderly	disab led	<80%	Everson				16	18

Ownership	Exist	WSHFC TEBP	Boundary Village	Hshlds		<50%	Blaine				5	5
Ownership	Exist	BWCHA	Bridge Creek II	Hshlds		<50%	Bellingham				13	21
Ownership	Exist	BWCHA	Bridge Creek II	Hshlds		<80%	Bellingham				18	41
Ownership	Exist	BWHCA	Cascade Meadows	Hshlds		<80%	Bellingham				216	420
Ownership	Exist	WSHFC Tax Credit Program	Creekside Meadows	Hshlds		<50%	Sumas				12	30
Permanent Rental	Exist	WSHFC Tax Credit Project	Creekside Meadows	Hshlds		<60%	Sumas				8	20
Permanent Rental	Exist	WSHFC Tax Credit Project	Deer Run Terrace	Hshlds	Elder	<30%	Bellingham				21	27
Permanent Rental	Exist	WSHFC Tax Credit Project	Deer Run Terrace	Hshlds	Elder	<60%	Bellingham				21	27
Permanent Rental	Exist	WSHFC Tax Credit Project	Evergreen Ridge	Hshlds		<60%	Bellingham				143	270
Permanent Rental	Exist	BWCHA	Everson Meadows	Hshlds		<80%	Everson				24	60
Permanent Rental	Exist	BWCHA	Falls Park Homes	Hshlds		<60%	Bellingham				28	63
Permanent Rental	Exist	USDA	Ferndale Four-Plex	Family		<80%	Ferndale				4	12
Permanent Rental	Exist	USDA	Ferndale Villa (HUD)	Family		<80%	Ferndale				38	76
Permanent Rental	Exist	WSHFC Tax Credit Project	Hamilton Place Senior Living	Hshlds	Elder	<60%	Bellingham				94	141
Permanent Rental	Exist	WSHFC Tax Credit Project	Harborview Apartments	Hshlds		<50%	Bellingham				18	40
Permanent Rental	Exist	WSHFC Tax Credit Project	Heather Commons	Hshlds		<30%	Bellingham				15	32
Permanent Rental	Exist	WSHFC Tax Credit Project	Heather Commons	Hshlds		<50%	Bellingham				9	18
Permanent Rental	Exist	WSHFC Tax Credit Project	Heather Commons II	Hshlds		<30%	Bellingham				9	19
Permanent Rental	Exist	WSHFC Tax Credit Project	Heather Commons II	Hshlds		<60%	Bellingham				5	9

Permanent Rental	Exist	USDA	Heritage	Elderly	Disabled	<80%	Lynden				32	34
Permanent Rental	Exist	WSHFC Tax Credit Project	Larkin Place	Hshlds		<60%	Bellingham				101	354
Permanent Rental	Exist	WSHFC Tax Credit Project	Laurel Village	Hshlds		<30%	Bellingham				24	48
Permanent Rental	Exist	WSHFC Tax Credit Project	Laurel Village	Hshlds		<40%	Bellingham				13	19
Permanent Rental	Exist	WSHFC Tax Credit Project	Laurel Village	Hshlds		<50%	Bellingham				13	20
Permanent Rental	Exist	Lummi Indian Business Council	Little Bear Creek	Hshlds	Elder	<50%	Lummi Reservation				22	22
Permanent Rental	Exist	Lummi Indian Business Council	Little Bear Creek	Hshlds	Elder	<50%	Lummi Reservation				4	4
Permanent Rental	Exist	USDA	Lone Pine (Crest)	Family		<80%	Everson				10	10
Permanent Rental	Exist	WSHFC Tax Credit Project	Lummi Homes I	Hshlds	Farm work	<40%	Lummi Reservation				24	94
Permanent Rental	Exist	WSHFC Tax Credit Project	Meadow Wood Townhomes	Hshlds		<30%	Bellingham				10	20
Permanent Rental	Exist	WSHFC Tax Credit Project	Meadow Wood Townhomes	Hshlds		<50%	Bellingham				25	75
Permanent Rental	Exist	WSHFC Tax Credit Project	Meadow Wood Townhomes	Hshlds		<60%	Bellingham				5	15
Permanent Rental	Exist	Archdiocesan Housing Authority	Mt Baker Apartments	Hshlds		<50%	Bellingham				30	30
Permanent Rental	Exist	Archdiocesan Housing Authority	Mt Baker Apartments	Hshlds		<60%	Bellingham				29	29
Permanent Rental	Exist	WSHFC Tax Credit Project	Nooksack Homes I	Hshlds			Everson				24	24
Permanent Rental	Exist	WSHFC Tax Credit Project	Nooksack Homes II	Hshlds			Everson				25	25
Permanent Rental	Exist	WSHFC Tax Credit Project	Northbrook Place	Hshlds		<60%	Bellingham				77	117
Permanent Rental	Exist	WSHFC Tax Credit Project	Oakland Apartments	Hshlds		<30%	Bellingham				11	11

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Permanent Rental	Exist	WSHFC Tax Credit Project	Oakland Apartments	Hshlds		<50%	Bellingham				9	9
Permanent Rental	Exist	USDA	Oakwood Apts	Family		<80%	Lynden				36	50
Permanent Rental	Exist	BWCHA	Orleans Place (non-section 8 units)	Hshlds		<30%	Bellingham				7	17
Permanent Rental	Exist	BWCHA	Orleans Place (non-section 8 units)	Hshlds		<60%	Bellingham				16	42
Permanent Rental	Exist	BWCHA	Pacific Rim North	Hshlds		<80%	Bellingham				132	277
Permanent Rental	Exist	BWCHA	Parkway Homes	Hshlds		<60%	Bellingham				24	55
Permanent Rental	Exist	USDA	Pinetree	Elderly	Disab le d	<80%	Ferndale				19	23
Permanent Rental	Exist	WSHFC Tax Credit Project	Prince Court Apartments	Hshlds		<45%	Bellingham				25	59
Permanent Rental	Exist	BWCHA	Public Housing (Birchwood Manor)	Hshlds	Elder disab led		Bellingham				38	38
Permanent Rental	Exist	BWCHA	Public Housing (Catherine May)	Hshlds	Elderl disab led		Bellingham				38	38
Permanent Rental	Exist	BWCHA	Public Housing (Chuckanut Sq)	Hshlds	Elder disab led	<30%	Bellingham				101	101
Permanent Rental	Exist	BWCHA	Public Housing (Lincoln Sq)	Hshlds	Elder disab led	<30%	Bellingham				198	218
Permanent Rental	Exist	BWCHA	Public Housing (Washington Sq)	Hshlds	Elder disab led	<30%	Bellingham				97	97
Permanent Rental	Exist	WSHFC Tax Credit Project	Regency Park	Hshlds		<60%	Bellingham				225	564
Permanent Rental	Exist	BWCHA	River House Apartments	Hshlds	Elder	<30%	Lynden				27	32
Permanent Rental	Exist	BWCHA	River House Apartments	Hshlds	Elder	<60%	Lynden				23	26

Permanent Rental	Exist	BWCHA	Seabreeze (non-section 8 units)	Hshlds		<60%	Blaine				11	25
Permanent Rental	Exist	BWCHA	SeaMist	Hshlds		<80%	Blaine				12	36
Permanent Rental	Exist	WSHFC Tax Credit Project	Sterling Meadows	Hshlds	Farm workers	<45%	Bellingham				50	142
Permanent Rental	Exist	BWCHA	Sumas Square	Hshlds		<80%	Sumas				11	11
Permanent Rental	Exist	USDA	Sunset Apts	Family		<80%	Sumas				9	9
Permanent Rental	Exist	BWCHA	Texas Meadows	Hshlds		<80%	Bellingham				28	63
Permanent Rental	Exist	BWCHA	The Birches	Hshlds		<80	Bellingham				30	86
Permanent Rental	Exist	BWCHA	Trailside	Hshlds		<60%	Bellingham				4	10
Permanent Rental	Exist	BWCHA	Varsity Village	Hshlds		<50%	Bellingham				19	94
Permanent Rental	Exist	BWCHA	Varsity Village Extension	Hshlds		<50%	Bellingham				14	96
Permanent Rental	Exist	WSHFC TEBP	Voltaire Court	Hshlds		<80%	Bellingham				11	11
Permanent Rental	Exist	Archdiocesan Housing Authority	Washington Grocery Building	Resid Mgr		<80%	Bellingham				1	1
Permanent Rental	Exist	Archdiocesan Housing Authority	Washington Grocery Building	Hshlds		<50%	Bellingham				36	36
Permanent Rental	Exist	USDA	Washington Plaza	Elderly	Disabled	<80%	Ferndale				23	27
Permanent Rental	Exist	WSHFC Tax Credit Project	Willow Creek	Hshlds		<50%	Bellingham				16	16
Permanent Rental	Exist	WSHFC Tax Credit Project	Woodrose Apartments	Hshlds	Elder	<50%	Bellingham				69	90
Permanent Rental	Exist	WSHFC Tax Credit Project	Woodrose Apartments	Hshlds	Elder	<60%	Bellingham				124	197
Permanent Rental	2007	Archdiocesan Housing Auth	Kateri Court	Resid Mgr		<80%	Bellingham				1	1

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Permanent Rental	2007	Archdiocesan Housing Authority	Kateri Court	Hshlds		<30%	Bellingham				8	8
Permanent Rental	2007	Archdiocesan Housing Authority	Kateri Court	Hshlds		<50%	Bellingham				23	23
Permanent Rental	2007	BWCHA	Laube Housing Project	Hshlds		<80%	Bellingham				20	20
Permanent Supportive Housing	Exist	Opportunity Council	Kateri Court	FC		<30%	Bellingham				8	8
Permanent Supportive Housing	Exist	WSHFC Tax Credit Project	Meadow Wood Townhomes		Disab led	<30%	Bellingham				10	30
Permanent Supportive Housing	Exist	Sean Humphrey House	Permanent Supportive Housing	SM/F	AIDS	<50%	Bellingham				6	6
Permanent Supportive Housing	Exist	BWCHA	Shelter + Care (Sponsor Based)	SM/F							112	112
Permanent Supportive Housing	Exist	BWCHA	Shelter + Care (Veterans)	SM/F	VET						14	14
Permanent Supportive Housing	Exist	BWCHA	Shelter+ Care (Tenant Based)	SM/F							21	21
Permanent Supportive Housing	Exist	WCPC	Tenant based Section 8 Permanent Housing	FC							14	28
Rental Assistance	Exist	BWCHA	Section 8 - Project Based (Fernview)	Hshlds		<80%	Ferndale				30	74
Rental Assistance	Exist	BWCHA	Section 8 - Project Based (Orleans Place)	Hshlds		<30%	Bellingham				3	7
Rental Assistance	Exist	BWCHA	Section 8 - Project Based (Orleans Place)	Hshlds		<60%	Bellingham				4	9
Rental Assistance	Exist	BWCHA	Section 8 - Project Based (Riverhouse)	Hshlds	Elderl y	<30%	Lynden				22	26
Rental	Exist	BWCHA	Section 8 - Project	Hshlds	Elderl	<60%	Lynden				6	6

Assistance			Based (Riverhouse)		y							
Rental Assistance	Exist	BWCHA	Section 8 - Project Based (Seabreeze)	Hshlds		<60%	Blaine				3	7
Rental Assistance	Exist	BWCHA	Section 8 - Project Based (Varsity Village extension)	Hshlds		<80%	Bellingham				38	96
Rental Assistance	Exist	BWCHA	Section 8 - Project Based (Varsity Village)	Hshlds		<80%	Bellingham				30	94
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Acme				2	5
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Bellingham				123 8	245
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Blaine				57	136
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Custer				3	1
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Deming				1	3
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Everson				25	64
Rental Assistance	Exist	BWCHA	Section 9 - Vouchers	Hshlds		<50%	Ferndale				18	257
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Lummi Island				1	3
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Lynden				89	141
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Maple Falls				31	86
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Nooksack				4	1
Rental Assistance	Exist	BWCHA	Section 8 - Vouchers	Hshlds		<50%	Sumas				15	38
Transitional Housing	Exist	Opportunity Council	2060 units	FC		<30%	Bellingham	4	16			
Transitional Housing	Exist	Opportunity Council	Community Based Transitional Housing	FC			Bellingham	8	26			
Transitional Housing	Exist	Opportunity Council	Dorothy Arnold Giesecke Place	SF, FC	DV		Bellingham	21	35	6		

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Transitional Housing	Exist	Lake Whatcom RTC	Emergency Housing	SM/F	SMI		Bellingham			67		
Transitional Housing	Exist	Sun Community Services	Gladstone House	Mixed	SMI		Bellingham			5		
Transitional Housing	Exist	CCS	Growing Together	FC			Bellingham		2			
Transitional Housing	Exist	CCS	Growing Together	FC			Bellingham		2			
Transitional Housing	Exist	New Way Ministries	Housing for Single Mothers w/Children	FC	DV		Bellingham	7	14			
Transitional Housing	Exist	YWCA	Larabee Residence			<50%	Bellingham			27		
Transitional Housing	Exist	WCPC	Rental Subsidies Supportive Living Program	Mixed	SMI					3		
Transitional Housing	Exist	Opportunity Council	Rental Subsidies to Landlords using HOME TBRA	FC				4	19			
Transitional Housing	Exist	Oxford House	Substance Abuse After-Treatment/Clean and Sober Housing	SM/F			Bellingham			25		
Transitional Housing	Exist	Sun Community Services	Sun House	SM/F	SMI		Bellingham			6		
Transitional Housing	Exist	Project Hope	Transitional Housing	FC			Bellingham	7	16			
Transitional Housing	Exist	Lydia Place	Transitional Living Program	FC		<50%	Bellingham	7	18			
Transitional Housing	Exist	Northwest Youth Services	Transitional Living Program	YM/YF, FC			Bellingham	2	4	18		
Transitional Housing		Opportunity Council	WA Families Fund units	FC		<30%	Bellingham	4	16			
Transitional Housing	2007	Northwest Youth Services	Transitional Housing Acquire	YM/F		<50%	Bellingham			1		

	Fam unit	Fam beds	Indiv beds	Unit	Bdr ms
Emergency Shelter	82	288	129	0	0
Transitional	64	168	158	0	0

Housing					
Permanent Rental	0	0	0	2861	5229
Homeownership	0	0	0	89	175
Permanent Supportive Housing	6	6	0	185	219
Rental Assistance	0	0	0	1620	3511
Total	152	462	287	4755	9134

C.8: Sources:

- Washington State Housing Trust Fund and HOME Unit Report, September 2005
- Washington State Housing Finance Commission Property Database
- Bellingham Consolidated Plan, August 2005
- Bellingham Comprehensive Plan, January 2006
- Bellingham/Whatcom County Housing Authorities: Leased Housing Dept. Report to Board of Commissioners, July 2005
- Bellingham/Whatcom County Housing Authorities Project-Based Units: County Inventory, April 2006
- Personal communication and special data report, David Bergmann, Bellingham/Whatcom County Housing Authorities, February 2007
- Personal communication, Paul Schissler, Erika Malone, Kulshan Community Land Trust, June 2007
- Personal communication, Sue Davenport, USDA Rural Development and USDA Rural Development website (<http://www.rurdev.usda.gov/wa/>), April 2007

Appendix D: CHAS assessments & projections

D.1: Whatcom County CHAS tables – unmet needs alternatives 1-4

Homeless counts - information was compiled for Special Needs Populations including homeless residents using the results of the March 2007 point-in-time Whatcom County Homeless Count conducted by the Whatcom County Health Department, Whatcom County Homeless Coalition, Bellingham Planning & Community Development Department, and Cornerstone Strategies and reported in Everyone Counts, the Whatcom County Homeless Count. The results of the homeless count are incorporated into Appendix tables C.2-C.4 in the following pages. Following are major findings and implications:

Appendix table C.2 displays the Homeless Count data by type of homeless subpopulation including: chronically homeless, mentally disabled, alcohol and/or drug addictions, veterans, HIV/AIDS, domestic violence, youth under 18, physically disabled, seasonal agricultural worker, substance abuse and mental illness, and senior citizens over 65.

According to HUD definitions, a chronically homeless person is: 1) an unaccompanied individual who has been homeless for 12 months or more, or 2) has had more than 3 episodes of homelessness in the last 3 years, and 3) has been sleeping in a place not meant for human habitation, and 4) has one of the following disabling conditions (mental disorder, substance abuse, permanent physical or developmental disability).

Following are some of the summary conclusions made in the Homeless Count report:

Homeless numbers:

- 1,298 homeless persons (a person may be part of a family household, or an unaccompanied individual)
- 871 homeless households (a household may include 1 or more persons)

Characteristics:

- 72% of homeless households consist of 1 person
- 171 families had children, the median family size was 3 persons
- 78% of homeless families with children were single-family parents (92% of these were female-headed)
- 52% of all homeless person are female
- Ages ranged from less than 1 year to 80 years old
- Median age of all homeless persons was 24 years
- Median age of unaccompanied homeless persons was 37 years

According to the Homeless Count inventory, there were:

- 812 homeless housing units, rooms, or beds in shelters equal to 58% of all homeless individuals and families,
- 598 or 42% of all homeless individuals and families still had housing problems of some sort.

In spite of this inventory, however:

- Unmet housing needs were **still** greatest for youth under 18 (62%), chronically homeless (59%), senior citizens over 65 (50%), and alcohol and/or drug addicted or veterans (49%).

CHAS tables - the US Census Bureau compiled special tabulations of the 2000 Census information concerning housing needs for the Department of Housing & Urban Development (HUD). The “special tabulations” (CHAS) data are used for

housing planning as part of local government's Consolidated Planning process. HUD also uses some of the data to develop allocations formulas for distributing funds to local jurisdictions for housing purposes.

CHAS data are different from the standard 2000 Census data in the files are mostly comprised of a variety of housing need variables split by HUD-defined income limits, 30, 50, and 80% of median income) and HUD-specified household types.

The CHAS data were compiled for Whatcom County, Bellingham, and all the small cities and UGAs within the county for which there was corresponding CHAS data for assessment and comparison purposes. The data are depicted in Appendix tables C.2-C.4 in the following pages.

Appendix table C.2 also displays the CHAS data by: household type including elderly individuals and couples, family or related – small meaning between 2 and 5 persons, family or related – large meaning more than 5 persons, and all others including unrelated individuals (including college students).

The CHAS data is divided further into renter versus owner households, then into income criteria based on 0-30%, 31-50%, 51-80%, and 80+% of average median income (AMI), and then into with households any housing problems (paying more than 30% of household income for housing and/or overcrowding and/or lacking kitchen or plumbing, etc) and paying more than 50-80% of income for housing by income level.

Following are the some of the summary findings of the CHAS data:

Renter households:

- The existing low-cost rental housing inventory including Section 8 vouchers in the year 2000 was 4,078 rental units equal to 17% of all 23,569 renter households of an average assumed value of \$197,307 per unit and a gap or locally funded supplement of \$21,000 per unit.

In spite of this inventory, however:

- 50% or 11,741 of all Whatcom County 23,569 renter households of all income levels in the year 2000 *still* had some housing problem due to paying more than 30% of household income for housing and/or overcrowding and/or lacking kitchen or plumbing, etc.
- Housing problems increased as income decreased from 13% of all renter households with 80%+ AMI, to 49% with 51-80% AMI, to 83% with 31-50% AMI, to 81% under 30% AMI.

By low-income (under 80% AMI) household type consisting of:

Elderly individuals and couples:

- Between 61-78% of all elderly renter households had some household problems
- 27-46% of all elderly renter households were paying more than 50% of income for housing as income declined.

Small (2-5 person) families:

- Between 45-84% of all small family renter households had some household problems
- 2-65% of all small family renter households were paying more than 50% of income for housing as income declined.

Large (5+ person) families:

- Between 52-93% of all large family renter households had some household problems
- 15-69% of all large family renter households were paying more than 50% of income for housing as income declined.

Unrelated individuals (including college students):

- Between 48-86% of all unrelated individual renter households had some household problems
- 6-76% of all unrelated individual renter households were paying more than 50% of income for housing as income declined.

Owner households:

- The existing low-cost owner housing inventory including Kulshan and Lummi Island land lease units was 89 units equal to 0.2% of all 40,894 owner households.

In spite of this inventory, however:

- 29% or 11,744 of all 40,894 Whatcom County owner households in the year 2000 still had some housing problems due to paying more than 30% of household income for housing and/or overcrowding and/or lacking kitchen or plumbing, etc.
- Housing problems increase as income decreases from 19% of all owner households with 80%+ AMI, to 48% with 51-80% AMI, to 53% with 31-50% AMI, to 77% under 30% AMI.

By low-income (under 80% AMI) household type consisting of:

Elderly individuals and couples:

- Between 25-77% of all elderly owner households had some household problems
- 10-51% of all elderly owner households were paying more than 50% of income for housing as income declined.

Small (2-5 person) families:

- Between 65-75% of all small family owner households had some household problems
- 24-70% of all small family owner households were paying more than 50% of income for housing as income declined.

Large (5+ person) families:

- Between 70-94% of all large family owner households had some household problems
- 19-62% of all large family owner households were paying more than 50% of income for housing as income declined.

Unrelated individuals (including college students):

- Between 48-74% of all unrelated individual owner households had some household problems
- 19-61% of all unrelated individual owner households were paying more than 50% of income for housing as income declined.

Cost implications of unmet needs for Alternatives 1-4:

For assessment purposes, Appendix table C.2 projects the number of homeless, renter, and owner households who have unmet housing needs under 4 alternative responses:

- **Alternative 1** - meeting all housing problems for all households who have a housing problem regardless of income level equal to 598 homeless,

11,745 renters, and 11,749 owners or 24,092 households or 37% of all 65,873 Whatcom County households in the year 2000,

- **Alternative 2** - meeting all housing problems for households who are paying more than 50% of household income for housing and who have less than 80% of AMI equal to 256 homeless, 5,358 renter, and 3,325 owner households or 8,939 households or 14% of all Whatcom County households in the year 2000,
- **Alternative 3** - same as Alt 2 except limited to households who have less than 50% of AMI equal to 256 homeless, 5,030 renter, and 2,283 owner households or 7,569 households or 11% of all Whatcom County households in the year 2000,
- **Alternative 4** - same as Alt 2 except limited to household who have less than 30% of AMI equal to 256 homeless, 3,737 renter, and 1,378 owner households or 5,371 households or 8% of all Whatcom County households in the year 2000.

Total housing development costs are estimated for each type of homeless, renter, and owner household based on what public and nonprofit agencies are generally building for each household type – and the gap cost per unit or local subsidy cost that is being provided by local public and nonprofit housing agencies and organizations.

For example, the average development cost for a homeless unit varies from \$10,500 with a gap cost per unit of 10% or \$10,500 for youth under 18 to \$210,000 with a gap cost per unit of 10% or \$21,000 for domestic violence families. The same range of costs are estimated for rental housing and owner housing based on the type of unit (single family versus an apartment or condo in a mixed use building) with 10% local gap financing requirement.

As shown, the potential gap cost or local subsidy requirement necessary to provide for households with unmet needs in the year 2000 assuming existing housing would be acquired and finance or new housing would be constructed and financed would be:

Alternative 1 - \$701,824,659

Alternative 2 - \$242,534,026

Alternative 3 - \$195,123,386

Alternative 4 - \$133,651,244

D.2: Whatcom County CHAS tables – unmet needs alternatives 2-3 with housing matrix

Appendix table C.3 narrowed the alternatives to 2-3 considered to be potentially financially feasible and focused on households in most or critical needs resulting from paying more than 50% of household income for housing with less than 80% and 50% of AMI respectively.

The table depicts the type of housing products assumed to be the most cost and functionally effective for each household type including mobile and modular products, accessory dwelling units, cottage and detached housing, row or townhouse and manor or flats, apartments, mixed use up to 5 stories, high rise, group home, and extended care facilities.

As shown, housing products (and presumed housing development and gap financing costs in table C.2) are matched to different household types

assuming:

Elderly individuals and couples – are cost and functionally efficient in detached, mixed use, high rise, and extended care facilities in urban locations with easy access to public transportation, health and social services.

Small families, especially female headed households – are cost and functionally efficient in detached and attached single family housing products in close-in neighborhoods with easy access to daycare, schools, public transportation, and employment opportunities.

Large families – are cost and functionally efficient in single family detached housing products in close-in neighborhoods with easy access to daycare, schools, public transportation, and employment opportunities.

Other unrelated individuals including college students – are cost and functionally efficient in accessory and cottage housing as well as apartment flats, mixed use, and high rise in urban centers with easy access to recreational facilities, public transportation, employment opportunities.

Current housing programs, especially federal programs, have tended to group different household types into the same projects assuming mixed households achieve social integration. The table (and development cost assumptions), however, assume social integration may be more functionally and equitably achieved by mixed income levels, including market rate housing, of the same household type with the same functional, family cycle, and social interests and needs.

D.3: County and cities CHAS tables – unmet needs alternatives 2

Appendix table C.4 depicts the CHAS data for Whatcom County, Bellingham, and the small cities in the county for which CHAS data is available for alternative 2 – households with incomes below 80% AMI and housing costs over 50% of household income.

As shown, 8,939 households or 14% of all county households in the year 2000 with incomes under 80% of AMI were in this unmet need alternative compared with 18% in Bellingham, 16% in Sumas, 14% in Nooksack and in other places, 13% in Lynden, 12% in Ferndale, 11% in Everson, 10% in other urbanizing areas, and 9% in Blaine.

The percentages are greater of the subpopulations of renting households with incomes below 80% of AMI and housing costs over 50% of household income in all areas but most pronounced at 27% in Bellingham, 21% in Sumas, 20% in Lynden, 16% in Ferndale, 15% in Nooksack and in other places, 14% in Everson, and 11% in Blaine compared with 23% in the county overall.

The percentages of owner households with incomes below 80% of AMI and housing costs over 50% of household income are less than renter households but significant nonetheless with 18% in Bellingham, 16% in Sumas, 14% in Nooksack, 13% in Lynden, 12% in Ferndale, 11% in Everson, 10% in other places, and 9% in Blaine compared with 14% in the county overall.

The data indicates households with unmet needs is a problem on a countywide basis and includes the smaller cities, unincorporated, and rural areas and not just in Bellingham.

D.4: Whatcom County CHAS table projections to 2025

The year 2000 CHAS data was extrapolated to estimate housing requirements by the year 2025 assuming:

- Whatcom County population increases due to natural changes and in-migration as estimated by the Washington State Office of Financial Management (OFM),
- Whatcom County population age composition reflects the age specific projections assumed in OFM's projections,
- The number of persons per household declines slightly in accordance with national trends,
- Household formation rates for family and non-family households for age-specific groups remains similar to that found by the year 2000 Census,
- Household income distribution remains in the same 30, 50, and 80% of AMI percentages found in the CHAS tables, and
- Percent of household income spent on housing remains in the same over 30% and 50% percentages found in the CHAS tables.

In actuality, these variables will likely be different than is assumed in the extrapolations though the net result could very well be very similar to the extrapolations made here.

Nonetheless, in spite of the limitations of the variables, the extrapolations indicate:

- Whatcom County's total population will increase by 79,822 persons or 48% by the year 2025 compared with the year 2000 population of 166,814 persons.
- Based on age-specific extrapolations, the number of households will increase by 39,568 or 61% compared with 64,446 households in the year 2000.
- Based on age-specific household formation rates, the number of households will increase by 42,374 or 66% of which 27,139 or 64% will be family households and 15,234 or 36% will be non-family households including elderly and other unrelated individuals.
- The number of households paying more than 50% of household income for housing costs with incomes under 80% of AMI will increase by 5,435 or 62% compared with 8,761 in the year 2000.

The extrapolations indicate households with incomes below 80% of AMI with housing costs over 50% of household income will increase at a rate faster than the population growth rate between 2000 and 2025 if present trends continue - meaning the housing crisis will get worse over time due to the combination of aging, household formation, income levels, and factors within the housing market proper.

		Criteria - %AMI		Total population in category - 2000 (1)(2)		Existing inventory - 2007 (4)		Total dypmnt cost/unit(7)		Gap cost/unit(7)		Alt 1: Unmet need w/any housing problems - 2000 (1)(2)(3)		Percent of population in subgroup		Gap cost requirement		Alt 2: w/housing costs >50% <80% - 2000 (1)(2)(3)(6)		Percent of population in subgroup		Gap cost requirement		Alt 3: w/housing costs >50% AMI <50% - 2000 (1)(2)(3)(6)		Percent of population in subgroup		Gap cost requirement		Alt 4: w/housing costs >50% AMI <30% - 2000 (1)(2)(3)(6)		Percent population in subgr		Gap cost requirem						
		0-30%	31-50%	51-80%	80+%	0-30%	31-50%	51-80%	80+%	0-30%	31-50%	51-80%	80+%	0-30%	31-50%	51-80%	80+%	0-30%	31-50%	51-80%	80+%	0-30%	31-50%	51-80%	80+%	0-30%	31-50%	51-80%	80+%	0-30%	31-50%	51-80%	80+%	0-30%	31-50%	51-80%	80+%			
15 All others		3,184	2,030	2,424	3,459																																			
		204	1,782	298		\$210,000	\$210,000	\$210,000	\$210,000	\$21,000	\$21,000	\$21,000	\$21,000	2,735	1,685	1,164	253	2,426	656	133	0	2,426	656	0	0	2,426	656	0	0	2,426	656	0	0	2,426	656	0	0			
		\$210,000	\$210,000	\$210,000	\$210,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$57,436,176	\$35,382,900	\$24,433,920	\$5,302,647	\$50,950,368	\$13,769,490	\$2,799,720	\$0	\$50,950,368	\$13,769,490	\$0	\$0	\$50,950,368	\$13,769,490	\$0	\$0	\$50,950,368	\$13,769,490	\$0	\$0	\$50,950,368	\$13,769,490	\$0	\$0			
3: Low-income owner households - by subpopulation		40,894	88							11,749	29%	\$458,198,442		3,325	8%	\$129,659,283		2,283	6%	\$89,028,381		1,378	3%	\$53,752,569																
16 Elderly individuals and couples		944	1,673	2,379	5,603					729	77%	\$28,421,952		485	51%	\$18,923,424		485	51%	\$18,923,424		485	51%	\$18,923,424		485	51%	\$18,923,424		485	51%	\$18,923,424		485	51%	\$18,923,424		485	51%	\$18,923,424
(includes KCLT & Lummi Island lease)						n/a	\$39,000			622	37%	\$24,271,884		269	16%	\$10,504,767		269	16%	\$10,504,767		269	16%	\$10,504,767		269	16%	\$10,504,767		269	16%	\$10,504,767		269	16%	\$10,504,767		269	16%	\$10,504,767
17 Family or related - small 2-5 persons		654	655	2,124	17,309					489	75%	\$19,078,488		460	70%	\$17,930,718		460	70%	\$17,930,718		460	70%	\$17,930,718		460	70%	\$17,930,718		460	70%	\$17,930,718		460	70%	\$17,930,718		460	70%	\$17,930,718
(includes KCLT & Lummi Island lease)						n/a	\$39,000			480	73%	\$18,724,485		315	48%	\$12,287,145		315	48%	\$12,287,145		315	48%	\$12,287,145		315	48%	\$12,287,145		315	48%	\$12,287,145		315	48%	\$12,287,145		315	48%	\$12,287,145
18 Family or related - large 5+ persons		135	228	710	2,885					805	28%	\$31,391,685		83	62%	\$3,237,975		83	62%	\$3,237,975		83	62%	\$3,237,975		83	62%	\$3,237,975		83	62%	\$3,237,975		83	62%	\$3,237,975		83	62%	\$3,237,975
(includes KCLT & Lummi Island lease)						n/a	\$39,000			173	76%	\$6,749,028		100	44%	\$3,903,588		100	44%	\$3,903,588		100	44%	\$3,903,588		100	44%	\$3,903,588		100	44%	\$3,903,588		100	44%	\$3,903,588		100	44%	\$3,903,588
19 All others		578	534	924	3,559					428	74%	\$16,681,080		350	61%	\$13,660,452		350	61%	\$13,660,452		350	61%	\$13,660,452		350	61%	\$13,660,452		350	61%	\$13,660,452		350	61%	\$13,660,452		350	61%	\$13,660,452
(includes KCLT & Lummi Island lease)						n/a	\$39,000			349	65%	\$13,620,204		220	41%	\$8,580,312		220	41%	\$8,580,312		220	41%	\$8,580,312		220	41%	\$8,580,312		220	41%	\$8,580,312		220	41%	\$8,580,312		220	41%	\$8,580,312
4: First-time buyer/critical skills households		0	0							794	22%	\$30,952,623		0	0%	\$0		0	0%	\$0		0	0%	\$0		0	0%	\$0		0	0%	\$0		0	0%	\$0		0	0%	\$0
20 First-time buyer		80%																																						
21 Critical skills		80%																																						
TOTAL (excludes 1.1-1.2 to avoid double-counting)		65,873	5,730							24,092	37%	\$701,824,659		8,939	14%	\$242,534,026		7,569	11%	\$195,123,386		5,371	8%	\$133,651,244																

Sources:

- (1) HUD CHAS Data Report, SOCDs CHAS Data: Housing Problems Output for All Households, 2000 Census, Whatcom County
- (2) Whatcom County Homeless Count, A Point-in-Time Census of Homeless Residents, March 2007
- (3) Includes households with any housing problems including paying over 30% of income and/or overcrowding and/or lacking kitchen or plumbing, etc.
- (4) Whatcom County Affordable Housing Resource Inventory, Draft 11 July, 2007
- (5) Includes temporarily living with family or friends
- (6) Does not include temporarily living with family or friends.
- (7) Based on development costs for Laurel Village.

Note:

Total population minus existing inventory will not equal unmet needs as they are derived from different sources for different years.
Also - inventory only includes assisted housing units and not private market units for which housing needs are met.
Elderly households = 1 or 2 person household with either person over 62 years.
Cost burden = the % of a household's total gross income spent on housing costs including utilities, and for owners mortgage taxes and insurance.
Renter = does not include households living on boats, RVs, or vans.

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*Appendix D.2 Whatcom County CHAS Tables Unmet Needs Alts 2-3 with product matrix
Bellingham/Whatcom County Housing Action Plan*

[illegible]

Assumptions:

Appendix D.3: County and cities CHAS tables - unmet needs for Alt 2 hsnsg costs>50% AMI(FMI) >80%

Criteria - %AMI		Alt 2: w/hsnsg costs>50% AMI<80% - 2000 (1)(2)(3)(6)										Percent of total population in subgroup									
		Whatcom County										Whatcom County									
		Bellingham										Bellingham									
		Ferndale										Ferndale									
		Blaine										Blaine									
		Lynden										Lynden									
		Sumas										Sumas									
		Nooksack										Nooksack									
		Everson										Everson									
		Other										Other									
DETAILED household needs by subpopulations																					
1: Special needs populations - individuals by subpopulations		256	0	0	0	0	0	0	0	0	0	18%									
1 Chronically homeless	100%	46										59%									
2 Mentally disabled	100%	52										15%									
3 Alcohol and/or drug addictions	100%	38										16%									
4 Veterans	100%	29										31%									
5 HIV/AIDS	100%	2										29%									
6 Domestic Violence	100%	32										11%									
7 Youth under 18	100%	7										7%									
8 Physically disabled	100%	25										20%									
9 Seasonal agricultural worker	100%	0										0%									
10 Substance abuse & mental illness	100%	20										15%									
11 Senior citizens over 65	100%	5										42%									
2: Low-income renter households - by subpopulations		5,358	3,986	180	75	224	40	16	38	800		23%	27%	16%	11%	20%	21%	15%	14%	15%	
12 Elderly individuals and couples	0-30%	360	170	40	20	35	8	4	4	79		46%	39%	57%	31%	58%	50%	50%	25%	65%	
	31-50%	345	209	0	0	80	0	4	0	52		44%	46%	0%	0%	57%	0%	100%	0%	75%	
	51-80%	164	100	0	0	40	0	0	0	24		27%	28%	0%	0%	67%	0%	0%	0%	23%	
	80+%											0%	0%	0%	0%	0%	0%	0%	0%	0%	
13 Family or related - small 2-5 persons	0-30%	755	470	55	20	15	8	4	12	171		65%	67%	69%	33%	100%	40%	100%	60%	66%	
	31-50%	235	160	0	0	15	0	0	4	56		21%	26%	0%	0%	33%	0%	0%	20%	18%	
	51-80%	31	20	0	0	0	0	0	0	11		2%	2%	0%	0%	0%	0%	0%	0%	2%	
	80+%											0%	0%	0%	0%	0%	0%	0%	0%	0%	
14 Family or related - large 5+ persons	0-30%	195	65	35	0	0	8	0	0	87		69%	69%	100%	0%	0%	100%	0%	0%	65%	
	31-50%	58	30	0	0	4	0	0	0	24		15%	24%	0%	0%	100%	0%	0%	0%	15%	
	51-80%	0	0	0	0	0	0	0	0	0		0%	0%	0%	0%	0%	0%	0%	0%	0%	
	80+%											0%	0%	0%	0%	0%	0%	0%	0%	0%	
15 All others	0-30%	2,426	2,099	40	35	15	8	0	10	219		76%	79%	80%	70%	44%	67%	0%	46%	62%	
	31-50%	656	564	10	0	20	8	4	4	46		32%	34%	17%	0%	44%	50%	100%	25%	19%	
	51-80%	133	100	0	0	0	0	0	4	29		6%	5%	0%	0%	0%	0%	0%	17%	8%	
	80+%	0										0%	0%	0%	0%	0%	0%	0%	0%	0%	
3: Low-income owner households - by subpopulation		3,325	908	183	64	223	24	32	42	1,849		8%	7%	9%	7%	10%	11%	13%	9%	9%	
16 Elderly individuals and couples	0-30%	485	220	14	10	34	4	0	4	199		51%	52%	36%	29%	53%	33%	0%	50%	56%	
	31-50%	269	55	0	0	35	4	8	0	167		16%	10%	0%	0%	39%	25%	67%	0%	19%	
	51-80%	233	35	25	10	15	0	4	0	145		10%	4%	16%	16%	11%	0%	25%	0%	13%	
	80+%											0%	0%	0%	0%	0%	0%	0%	0%	0%	
17 Family or related - small 2-5 persons	0-30%	460	104	35	20	40	4	0	14	243		70%	73%	64%	100%	100%	33%	0%	100%	66%	
	31-50%	315	95	25	10	15	4	4	4	158		48%	56%	43%	50%	100%	33%	50%	25%	44%	
	51-80%	499	80	35	10	30	0	4	8	332		24%	16%	22%	33%	33%	0%	25%	19%	26%	
	80+%											0%	0%	0%	0%	0%	0%	0%	0%	0%	
18 Family or related - large 5+ persons	0-30%	83	19	0	0	0	4	0	0	60		62%	100%	0%	0%	0%	100%	0%	0%	56%	
	31-50%	100	10	0	0	30	0	0	0	60		44%	100%	0%	0%	75%	0%	0%	0%	48%	
	51-80%	135	25	4	4	10	0	4	4	84		19%	20%	22%	22%	13%	0%	25%	9%	21%	
	80+%											0%	0%	0%	0%	0%	0%	0%	0%	0%	
19 All others	0-30%	350	105	20	0	14	4	4	0	203		61%	53%	100%	0%	100%	50%	100%	0%	62%	
	31-50%	220	125	0	0	0	0	0	4	91		41%	56%	0%	0%	0%	0%	0%	33%	37%	
	51-80%	175	35	25	0	0	0	4	4	107		19%	12%	50%	0%	0%	0%	50%	25%	21%	
	80+%											0%	0%	0%	0%	0%	0%	0%	0%	0%	
TOTAL (excludes 1.1-1.2 to avoid double-counting)		8,939	4,894	363	139	447	64	48	80	2,648		14%	18%	12%	9%	13%	16%	14%	11%	10%	

Sources:

- (1) HUD CHAS Data Report, SOCDs CHAS Data: Housing Problems Output for All Households, 2000 Census, ¹Total population minus existing inventory will not equal unmet needs as they are derived from different sources for different years.
- (2) Whatcom County Homeless Count, A Point-in-Time Census of Homeless Residents, March 2007
- (3) Includes households with any housing problems including paying over 30% of income and/or overcrowding
- (4) Whatcom County Affordable Housing Resource Inventory, Draft 11 July, 2007
- (5) Includes temporarily living with family or friends
- (6) Does not include temporarily living with family or friends.
- (7) Based on development costs for Laurel Village.

Note:

Also - inventory only includes assisted housing units and not private market units for which housing needs are met.

Elderly households = 1 or 2 person household with either person over 62 years.

Cost burden = the % of a household's total gross income spent on housing costs including utilities, and for owners mortgage taxes and insurance.

Renter = does not include households living on boats, RVs, or vans.

Appendix D.4: Whatcom County CHAS table extrapolations 2025

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Increase % 2000-2025	
Population by age group																												
0-14	33,229	33,333	33,437	33,542	33,646	33,750	34,038	34,325	34,613	34,900	35,188	35,882	36,577	37,271	37,966	38,660	39,438	40,217	40,995	41,774	42,552	43,242	43,931	44,621	45,310	46,000	12,771 38%	
15-24	30,722	31,738	32,754	33,770	34,786	35,802	36,165	36,529	36,892	37,256	37,619	37,707	37,794	37,882	37,969	38,057	38,103	38,149	38,195	38,241	38,287	38,648	39,009	39,371	39,732	40,093	9,371 31%	
25-64	83,463	84,764	86,064	87,365	88,665	89,966	91,611	93,257	94,902	96,548	98,193	99,557	100,921	102,286	103,650	105,014	105,882	106,751	107,619	108,488	109,356	110,098	110,840	111,583	112,325	113,067	29,604 35%	
65+	19,400	19,709	20,018	20,327	20,636	20,945	21,657	22,369	23,080	23,792	24,504	25,906	27,308	28,711	30,113	31,515	33,219	34,922	36,626	38,329	40,033	41,522	43,010	44,499	45,987	47,476	28,076 145%	
Total	166,814	169,544	172,274	175,003	177,733	180,463	183,471	186,479	189,486	192,496	195,504	199,052	202,601	206,149	209,698	213,246	216,642	220,039	223,435	226,832	230,228	233,510	236,791	240,073	243,354	246,636	79,822	
Persons by household by age of householder																												
15-24	4,866.47	4,792.42	4,721.98	4,649.74	4,577.50	4,505.26	4,508.15	4,511.04	4,513.94	4,516.83	4,519.73	4,490.91	4,462.09	4,433.27	4,404.45	4,375.63	4,346.81	4,317.99	4,289.17	4,260.35	4,231.53	4,202.71	4,173.89	4,145.07	4,116.25	4,087.43	-0.77904 -16%	
25-64	1,826.12	1,821.39	1,816.66	1,811.93	1,807.20	1,802.47	1,801.02	1,799.56	1,798.11	1,796.65	1,795.20	1,794.42	1,793.64	1,792.86	1,792.08	1,791.30	1,790.52	1,789.74	1,788.96	1,788.18	1,787.40	1,786.62	1,785.84	1,785.06	1,784.28	1,783.50	-0.04262 -2%	
65+	1,560.99	1,557.02	1,553.04	1,549.06	1,545.09	1,541.11	1,540.00	1,538.90	1,537.79	1,536.68	1,535.57	1,535.93	1,536.29	1,536.65	1,537.01	1,537.37	1,537.73	1,538.09	1,538.45	1,538.81	1,539.17	1,539.53	1,539.89	1,540.25	1,540.61	1,540.97	-0.02002 -1%	
Household projections by age of householder																												
15-24	6,313	6,620	6,936	7,263	7,599	7,947	8,022	8,098	8,173	8,248	8,323	8,396	8,470	8,545	8,621	8,697	8,766	8,835	8,905	8,976	9,048	9,196	9,346	9,498	9,652	9,809	3,496 55%	
25-64	45,705	46,538	47,375	48,216	49,062	49,913	50,866	51,822	52,779	53,737	54,698	55,482	56,266	57,052	57,838	58,624	59,135	59,646	60,157	60,669	61,182	61,624	62,066	62,509	62,952	63,396	17,691 39%	
65+	12,428	12,658	12,890	13,122	13,356	13,591	14,063	14,535	15,009	15,483	15,958	16,867	17,776	18,684	19,592	20,499	21,602	22,705	23,807	24,908	26,010	26,970	27,931	28,891	29,850	30,809	18,381 148%	
Total	64,446	66,816	67,201	68,601	70,017	71,450	72,952	74,455	75,961	77,469	78,978	80,745	82,512	84,280	86,050	87,821	89,592	91,363	93,134	94,905	96,676	98,447	100,218	101,989	103,760	105,531	39,568 61%	
Implied number of persons per household																												
	2.59	2.58	2.56	2.55	2.54	2.53	2.51	2.50	2.49	2.48	2.48	2.47	2.46	2.45	2.44	2.43	2.42	2.41	2.41	2.40	2.39	2.39	2.38	2.38	2.38	2.37	-0.22 -8%	
Family household by age of householder																												
15-24	1,587	1,664	1,744	1,826	1,910	1,998	2,017	2,036	2,055	2,073	2,092	2,111	2,129	2,148	2,167	2,186	2,204	2,221	2,239	2,256	2,275	2,312	2,349	2,388	2,426	2,466	879 55%	
25-64	32,787	33,384	33,985	34,589	35,195	35,805	36,490	37,175	37,862	38,549	39,238	39,800	40,363	40,927	41,491	42,055	42,421	42,788	43,155	43,522	43,889	44,206	44,524	44,842	45,160	45,478	12,691 39%	
Non Elderly	34,374	35,049	35,729	36,414	37,106	37,803	38,506	39,211	39,916	40,623	41,330	41,911	42,492	43,073	43,654	44,241	44,625	45,009	45,393	45,778	46,164	46,518	46,873	47,229	47,586	47,944	13,570 39%	
Total	68,748	70,097	71,457	72,829	74,211	75,606	77,013	78,421	79,832	81,245	82,661	84,078	85,495	86,912	88,329	89,746	91,163	92,580	94,001	95,420	96,840	98,260	99,680	101,100	102,520	103,940	27,139	
Non-family households by age of householder																												
15-24	4,726	4,956	5,193	5,437	5,689	5,949	6,006	6,062	6,118	6,175	6,231	6,286	6,341	6,397	6,454	6,511	6,562	6,614	6,666	6,720	6,773	6,884	6,997	7,110	7,226	7,343	2,617 55%	
25-64	12,918	13,153	13,390	13,628	13,867	14,107	14,377	14,647	14,917	15,188	15,460	15,681	15,903	16,125	16,347	16,570	16,714	16,858	17,003	17,147	17,292	17,417	17,542	17,668	17,793	17,918	5,000 39%	
Non Elderly	17,644	18,109	18,583	19,065	19,556	20,056	20,382	20,709	21,036	21,363	21,691	21,967	22,244	22,522	22,801	23,081	23,362	23,643	23,924	24,205	24,486	24,767	25,048	25,329	25,610	25,891	7,617 43%	
Total	35,288	36,218	37,165	38,110	39,112	40,113	40,765	41,418	42,071	42,726	43,381	44,034	44,688	45,044	45,601	46,161	46,552	46,944	47,338	47,734	48,132	48,603	49,078	49,556	50,037	50,522	15,234	
Total	104,036	106,316	108,623	110,958	113,323	115,719	117,777	119,839	121,904	123,971	126,042	127,756	129,473	131,193	132,917	134,644	136,371	138,125	139,829	141,459	143,089	144,719	146,349	147,979	149,609	151,239	42,374	
Average annual growth rate 2000-2025 by age of householder																												
15-24	1.78%																											
25-64	1.32%																											
65+	3.70%																											
Percent of all households by age of householder																												
15-24	9.8%	10.1%	10.3%	10.6%	10.9%	11.1%	11.0%	10.9%	10.8%	10.6%	10.5%	10.4%	10.3%	10.1%	10.0%	9.9%	9.8%	9.7%	9.6%	9.5%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	-0.4%	
25-64	70.9%	70.7%	70.5%	70.3%	70.1%	69.9%	69.7%	69.6%	69.5%	69.4%	69.3%	68.7%	68.2%	67.7%	67.2%	66.8%	66.1%	65.4%	64.8%	64.2%	63.6%	63.0%	62.5%	62.0%	61.4%	60.9%	-10.0%	
65+	19.3%	19.2%	19.2%	19.1%	19.1%	19.0%	19.3%	19.5%	19.8%	20.0%	20.2%	20.9%	21.5%	22.2%	22.8%	23.3%	24.1%	24.9%	25.6%	26.3%	27.0%	27.6%	28.1%	28.6%	29.1%	29.6%	10.3%	54%
Households paying more than 50% of income for housing costs																												
Where income is under 30% of AMI																												
Family	1,507	1,537	1,567	1,597	1,627	1,658	1,689	1,720	1,750	1,781	1,812	1,838	1,863	1,889	1,915	1,940	1,967	1,994	1,991	2,008	2,024	2,040	2,056	2,071	2,087	2,102	595 39%	
Non-Family	2,935	3,012	3,091	3,171	3,253	3,336	3,390	3,445	3,499	3,553	3,608	3,654	3,700	3,746	3,793	3,839	3,872	3,904	3,937	3,970	4,003	4,042	4,082	4,121	4,162	4,202	1,267 43%	
Elderly	765	780	794	808	823	837	866	895	924	954	983	1,039	1,095	1,151	1,207	1,262	1,310	1,398	1,466	1,534	1,602	1,661	1,720	1,779	1,838	1,897	1,132 148%	
Total	5,208	5,329	5,452	5,576	5,703	5,831	5,945	6,059	6,174	6,288	6,403	6,531	6,658	6,786	6,914	7,042	7,159	7,276	7,394	7,511	7,629	7,747	7,865	7,972	8,087	8,202	2,994	
Where income is between 30-50% of AMI																												
Family	715	729	744	758	772	787	801	816	831	845	860	872	884	896	909	921	929	937	945	953	961	968	975	983	990	998	282 39%	
Non-Family	926	950	975	1,000	1,026	1,052	1,069	1,086	1,104	1,121	1,138	1,152	1,167	1,182	1,196	1,211	1,221	1,231	1,242	1,252	1,263	1,275	1,287	1,300	1,313	1,325	400 43%	
Elderly	556	566	576	587	597	608	629	650	671	692	714	754	795	835	876	917	966	1,015	1,065	1,114	1,163	1,212	1,260	1,309	1,358	1,407	822 148%	
Total	2,197	2,245	2,295	2,345	2,395	2,447	2,499	2,552	2,605	2,658	2,712	2,779	2,846	2,913	2,981	3,048	3,116	3,183	3,251	3,319	3,386	3,449	3,512	3,575	3,638	3,701	1,504	
Where income is above 50% of AMI																												
Family	671	684	698	711	725	738	752	766	779	793	807	818	830	841	853	864	871	879	886	894	901	908	915	922	929	936	265 39%	
Non-Family	326	334	343	352	361	370	376	382	388	394	400	405	410	416	421	426	429	433	437	440	444	448	453	457	462	466	141 43%	
Elderly	359	366	373	379	386	393	407	420	434	448	462	488	514	540	567	593	625	657	689	720	752	780	808	836	863	891	532 148%	
Total	1,356	1,385	1,413	1,442	1,472	1,501	1,535	1,568	1,602	1,635	1,669	1,711	1,754	1,797	1,840	1,883	1,926	1,969	2,012	2,055	2,098	2,137	2,176	2,215	2,254	2,293	937	
Total	8,761	8,959	9,160	9,363	9,570	9,779	9,979	10,180	10,381	10,582	10,784	11,021	11,258	11,496	11,734	11,973	12,200	12,428	12,656	12,885	13,113	13,329	13,545	13,762	13,978	14,196	5,435	
Households paying more than 30% of income for housing costs																												
Where income is under 30% of AMI																												
Family	1,743	1,777	1,811	1,846	1,881	1,917	1,952	1,988	2,024	2,060	2,095	2,125	2,154	2,184	2,213	2,243	2,262	2,282	2,301	2,321	2,340	2,358	2,376	2,394	2,413	2,431	688 39%	
Non-Family	3,313	3																										

Appendix E: Housing cost analysis

A cost analysis was completed of an urban 5-story mixed use structure and suburban townhouse development using information provided by the Bellingham/Whatcom County Housing Authority for the purpose of determine which factors most affected final development costs – and the extent to which cash and non-cash cost off-sets affected the final project outcomes.

E.1: Laurel Village – 5-story mixed use downtown Bellingham

The Bellingham/Whatcom County Housing Authority completed Laurel Village in 2006. The “green build” structure is located on a 0.5 acre site at 210 East Laurel Street in downtown Bellingham and consists of a single floor underground parking deck with 52 stalls, and 5 floors of 45,578 square feet of residential units for families, disabled individuals, and supportive homeless earning between 30-50% AMI or \$12,150 for an individual to \$28,950 for a 4-person family.

The structure provides 50 low income units and 1 manager unit in 24 one-bedroom units ranging from 606-630 square feet and renting between \$268-487, 15 two-bedroom units ranging from 813-1,039 square feet and renting between \$322-585, and 12 three-bedroom units ranging from 1,318-1,337 square feet and renting between \$365-668.

Construction financing was provided by Wells Fargo, development services by Beacon Development Group, and professional management by American Management Service, dba Pinnacle. The project was financed by the following combination of funding:

Bellingham Land Loan (CDBG, HOME Program)	\$ 450,000
Enterprise 2006 Tax Credit Equity	6,415,359
Enterprise Green Fund Grant Program	50,000
WA Community Reinvestment Association Permanent Loan	1,050,000
WA Housing Trust Fund	1,450,000
Housing Authority Deferred Developer Fee	450,000
Total funding sources	\$ 9,865,359

Based on final development cost accounting, the total development cost of the project was \$10,229,233 including:

- cost of land at \$656,548 or 6.4% of the total development cost,
- all direct costs including land, site improvements, building construction at \$6,810,066 or 66.6% of the total development cost ,
- indirect costs of Washington State sales tax, AE fees, interim insurance and loan fees, permanent financing fees, soft costs, developer and consultant fees, and operating reserves and replacement reserves at \$2,690,425 or 26.3% of the total development cost, and
- operating reserves and replacement reserves at \$72,194 or 0.7% of the total development cost,
- equal to \$200,573 per unit for the 51 rental units (not including the manager’s unit) averaging 894 square feet per unit or \$224.43 per square foot of gross building (including the manager’s unit).

Four cost and cash off-sets were analyzed for their impact on overall development costs:

Option 1: cash off-sets - eliminated all building permits, fees, and hook-ups, utility connection fees, and traffic, parking, and school impact fees, and the developer’s fees worth \$1,065,624 of indirect development costs or 10.4% of

the total development cost as an incentive to develop affordable housing.

These cash off-sets reduced the total development cost to \$9,153,079 or to \$179,472 per unit or to \$200.82 per square foot for the same 894 square feet per unit average equal to a savings of \$21,101 or by 10.5% per unit.

However, these cash off-sets must still be paid from some other source, if not from the project and developer, as the city, utilities, schools, and developers still incur these costs in support of the development project. Cash off-sets, when used in other jurisdictions, have usually been repaid from General Funds, special property tax levies, real estate excise taxes, and other special financing. The costs and payments still apply, but are repaid from a source other than the project – in this case an average cash gap financing amount of \$21,101 per unit.

Option 2: density off-set – allowed the project to include 10 more units or 61 total rental units equal to 20% more units as a noncash incentive to develop affordable housing.

The option assumed, however, that the same height, parking, and other development regulations would still apply and therefore, realized the added density bonus by reducing the average size of the units from 894 to 750 square feet each or by 16%. The cost of the structure remained the same as the original project but the parking deck was increased to provide parking for the 10 additional units.

This density off-set increased the total development cost to \$9,393,233 and the average cost per square foot to \$206.09 due to the added cost of the parking structure but reduced the average per unit cost to \$154,569 – albeit for smaller units which would likely include 1 and 2-bedroom and no 3-bedroom unit options equal to a savings of \$24,904 or 12.4% per unit.

Were this density option combined with the cash off-set in option 1, the combined savings would be \$46,005 or 22.9% per unit – but would also require an average cash gap financing amount of \$17,642 per unit since there would be more units realized for the original cash off-set.

Option 3: pre-manufactured off-set - used pre-assembled manufactured units instead of on-site traditional stick-built construction and 9 more dwelling units since manufactured units would be smaller than typical stick-built units in a 5-story mixed use structure.

Like option 2, this option assumed that the same height, parking, and other development regulations would still apply and therefore, realized the added density bonus by reducing the average size of the units from 750 to 650 square feet each or by another 15% - also because manufactured units are typically more compact. The cost of the structure remained the same as the original project but interim financing costs were reduced to reflect the shorter construction time savings provided by manufacturing off-site equal to an estimated savings of \$200,000 overall or \$2,817 per each of the 71 total rental units. The parking deck cost, however, was increased again to provide parking for the 9 additional units.

This technology off-set increased the total development cost to \$9,438,979 and the average cost per square foot to \$207.10 due to the added cost of the parking structure but reduced the average per unit cost to \$134,611 – albeit for smaller units which would likely include studio, 1 and some 2-bedroom but no 3-bedroom unit options equal to a savings of \$19,957 or 9.9% per unit.

Were this technology option combined with the cash and density off-sets in options 1 and 2, the combined savings would be \$65,961 or 32.9% per unit – but would also require an average cash gap financing amount of \$15,373 per unit since there would be more units realized for the original cash off-set.

Option 4: land lease off-set - used a land trust instead of a fee simple sale of the property occupied by the project's structure. Typically, land trusts charge lease fees included in the unit rent that is amortized to recapture the initial land cost over a long term (typically 50-99 years) even as the trust retains the title and value of the land. On owned units, the owner is charged a similarly amortized lease fee where the trust retains title to the land though the owner may build equity in the increasing value of the structure.

The costs of the structure, parking, and all other factors remain the same as option 3 except that the \$656,548 in land and title costs is assumed by another entity.

This land off-set reduced the total development cost to \$8,782,431 and the average cost per square foot to \$192.69 and the average per unit cost to \$125,249 – albeit the land subsidy would be compensated in a slight increase in rent or lease fees **equal to a savings of \$9,363 or 4.7% per unit.**

Were this land option combined with the cash, density, and technology off-sets in options 1-3, the combined savings would be \$75,325 or 37.6% per unit – but would also require an average cash gap financing amount of \$15,373 per unit for construction and \$9,379 per unit for land ownership though the ownership gap financing would be a permanent long term asset.

E.2: Meadow Wood Townhomes Phase 1 – urban infill

The Bellingham/Whatcom County Housing Authority completed the first phase of Meadow Wood Townhomes in 2007. The master planned project is located at Bakerview Road and Northwest Avenue in Bellingham.

The first phase includes 3 buildings totaling 63,750 square feet providing 50 low-income 1, 2, and 3-bedroom rental units and 1 manager unit with surface parking, a playground, play area, picnic, and barbeque amenity for families, disabled individuals, and supportive homeless earning between 30-50% AMI or \$12,150 for an individual to \$28,950 for a 4-person family.

Based on final development cost accounting, the total development cost of the project was \$8,289,016 including:

- cost of land at \$390,566 or 4.7% of the total development cost,
- all direct costs including land, site improvements, building construction at \$5,262,741 or 63.5% of the total development cost , and
- indirect costs of Washington State sales tax, AE fees, interim insurance and loan fees, permanent financing fees, soft costs, developer and consultant fees, and operating reserves and replacement reserves at \$2,635,709 or 31.8% of the total development cost,
- equal to \$162,530 per unit for the 50 rental units averaging 1,250 square feet per unit or \$130.02 per square foot of gross building (including the manager's unit).

Four cost and cash off-sets were analyzed for their impact on overall development costs:

Option 1: cash off-sets - eliminated all building permits, fees, and hook-ups,

utility connection fees, and traffic, parking, and school impact fees, and the developer's fees worth \$1,305,263 of indirect development costs or 15.7% of the total development cost as an incentive to develop affordable housing.

These cash off-sets reduced the total development cost to \$6,960,268 or to \$136,476 per unit or to \$109.18 per square foot for the same 1,250 square feet per unit average equal to a savings of \$26,054 or by 16.0% per unit.

However, these cash off-sets must still be paid from some other source, if not from the project and developer, as the city, utilities, schools, and developers still incur these costs in support of the development project. Cash off-sets, when used in other jurisdictions, have usually been repaid from General Funds, special property tax levies, real estate excise taxes, and other special financing. The costs and payments still apply, but are repaid from a source other than the project – in this case an average cash gap financing amount of \$26,054 per unit.

Option 2: density off-set – allowed the project to include 4 more units or 55 total rental units equal to 7.8% more units as a noncash incentive to develop affordable housing.

The option assumed, however, that the same height, parking, and other development regulations would still apply and therefore, realized the added density bonus by reducing the average size of the units from 1,250 to 1,150 square feet each or by 8.0%. The cost of the structure remained the same as the original project but the parking area was increased to provide parking for the 4 additional units.

This density off-set increased the total development cost to \$6,969,705 and the average cost per square foot to \$109.33 due to the added cost of the parking requirement but reduced the average per unit cost to \$125,728 – albeit for smaller units which would likely still include 2-bedroom and 3-bedroom unit options equal to a savings of \$10,748 or 6.6% per unit.

Were this density option combined with the cash off-set in option 1, the combined savings would be \$36,802 or 22.6% per unit – but would also require an average cash gap financing amount of \$24,159 per unit since there would be more units realized for the original cash off-set.

Option 3: pre-manufactured off-set - used pre-assembled manufactured units instead of on-site traditional stick-built construction and 6 more dwelling units since manufactured units would be smaller than typical stick-built units even in townhome structures.

Like option 2, this option assumed that the same height, parking, and other development regulations would still apply and therefore, realized the added density bonus by reducing the average size of the units from 1,150 to 1,050 square feet each or by another 9% - also because manufactured units are typically more compact. The cost of the structure remained the same as the original project but interim financing costs were reduced to reflect the shorter construction time savings provided by manufacturing off-site equal to an estimated savings of \$177,313 overall or \$2,907 per each of the 61 total rental units. The parking cost, however, was increased again to provide parking for the 6 additional units.

This technology off-set increased the total development cost to \$6,801,832 but reduced the average cost per square foot to \$106.70 and the average per unit cost to \$112,030 – albeit for smaller units which would still likely include

2 and 3-bedroom unit options equal to a savings of \$13,698 or 8.4% per unit.

Were this technology option combined with the cash and density off-sets in options 1 and 2, the combined savings would be \$50,500 or 31.1% per unit – but would also require an average cash gap financing amount of \$21,782 per unit since there would be more units realized for the original cash off-set.

Option 4: land lease off-set - used a land trust instead of a fee simple sale of the property occupied by the project's structure. Typically, land trusts charge lease fees included in the unit rent that is amortized to recapture the initial land cost over a long term (typically 50-99 years) even as the trust retains the title and value of the land. On owned units, the owner is charged a similarly amortized lease fee where the trust retains title to the land though the owner may build equity in the increasing value of the structure.

The costs of the structure, parking, and all other factors remain the same as option 3 except that the \$390,566 in land and title costs is assumed by another entity.

This land off-set reduced the total development cost to \$6,411,266 and the average cost per square foot to \$100.57 and the average per unit cost to \$105,597 – albeit the land subsidy would be compensated in a slight increase in rent or lease fees equal to a savings of \$6,433 or 4.0% per unit.

Were this land option combined with the cash, density, and technology off-sets in options 1-3, the combined savings would be \$56,932 or 35.0% per unit – but would also require an average cash gap financing amount of \$21,782 per unit for construction and \$6,403 per unit for land ownership though the ownership gap financing would be a permanent long term asset.

E.3: Implications

All of the variables considered including cash, density, technology, and land off-sets reduce the total development cost and cost per unit significantly although the extent of cost reduction varies by the type of development.

In Laurel Village, the 5-story mixed use structure in downtown Bellingham, density off-sets were more significant reducing total development costs by 12.4% compared with 10.5% for cash, 9.9% for technology, and 4.7% for land off-sets.

In Meadow Wood Townhomes, the infill project in north Bellingham, cash off-sets, particularly developer fees, however, reduced the cost the most at 16.0% compared with 8.4% for technology, 6.6% for density, and 4.0% for land off-sets.

However, the cash and land off-sets must still be paid from some other public monies, whereas the density and technology off-sets are of no direct monetary cost in comparison.

When all off-sets are applied in combination, however, the overall cost reductions are significant ranging from 35.0% for the townhome infill project to 37.6% for the 5-story mixed use in the downtown area.

Depending on site particulars, further proportional cost reductions are possible were:

- *Mixed use structures in the downtown cores, particularly 5-story and up* - be composed of smaller studio, 1, and some 2-bedroom units to reflect the higher costs associated with this building construction and the type households most suited to live in this type of structure and urban environment.
- *Parking requirements* - to be reduced or at least reflect the likelihood that occupants of mixed use structures in downtown locations, especially elderly, homeless, and other households, may not require cars and/or use transit more heavily.
- *Design and development regulations* - allow variances from the maximum site height, coverage, and other particulars where the units are to provide affordable housing using density off-sets where the resulting design and development characteristics can be made to fit the surrounding neighborhood.
- *BWCHA and other nonprofit groups* - be encouraged to buy and/or lease affordable units created with off-sets in order to achieve even greater cost reduction, and therefore, housing for very low income groups.

Appendix E.4: Housing cost analysis - 5 story mixed use

Development costs - Laurel Village (downtown site - platform building)
Bellingham/Whatcom County Housing Authority Model

9 November 2007

Development costs - Laurel Village (downtown site - platform building) Bellingham/Whatcom County Housing Authority Model					permits + fees cash reimbursement	+ smaller units density incentive	+ manufactured units market incentive	+ land cash reimbursement					
Property	unit	quantity	unit cost	qnty cost	% of total	qnty cost	% of total	qnty cost	% of total	qnty cost	% of total	qnty cost	% of total
1 acquire property	acre	0.50	\$1,300,000	\$650,000	6.4%	\$650,000	7.1%	\$650,000	6.9%	\$650,000	6.9%		0.0%
2 title and recording fees, legal, land appraisal	each	1	\$6,548.00	\$6,548	0.1%	\$6,548	0.1%	\$6,548	0.1%	\$6,548	0.1%		0.0%
SUBTOTAL LAND COSTS				\$656,548	6.4%	\$656,548	7.2%	\$656,548	7.0%	\$656,548	7.0%	\$0	0.0%
Site improvements													
3 site preparation, site clearing, soil removal, piling	sq feet	14,243	\$33.27	\$473,939	4.6%	\$473,939	5.2%	\$473,939	5.0%	\$473,939	5.0%	\$473,939	5.4%
4 utilities and infrastructure improvements	sq feet	14,243	\$14.74	\$210,000	2.1%	\$210,000	2.3%	\$210,000	2.2%	\$210,000	2.2%	\$210,000	2.4%
5 street and access paving	sq feet	14,243	\$4.21	\$60,000	0.6%	\$60,000	0.7%	\$60,000	0.6%	\$60,000	0.6%	\$60,000	0.7%
Subtotal				\$743,939	7.3%	\$743,939	8.1%	\$743,939	7.9%	\$743,939	7.9%	\$743,939	8.5%
Building													
6 construct lower level parking platform	stall	52	\$19,711.54	\$1,025,000	10.0%	\$1,025,000	11.2%	\$1,197,883	12.8%	\$1,382,173	14.6%	\$1,382,173	15.7%
7 construct upper level stick-built dwelling units	sq feet	45,578	\$74.05	\$3,374,890	33.0%	\$3,374,890	36.9%	\$3,374,890	35.9%	\$3,374,890	35.8%	\$3,374,890	38.4%
8 change orders	sq feet	45,578	\$16.15	\$736,127	7.2%	\$736,127	8.0%	\$736,127	7.8%	\$736,127	7.8%	\$736,127	8.4%
Subtotal				\$5,136,017	50.2%	\$5,136,017	56.1%	\$5,308,900	56.5%	\$5,493,190	58.2%	\$5,493,190	62.5%
9 contractor mgt, mobilization, bonds, insurance		11.5%		\$678,110	6.6%	\$678,110	7.4%	\$698,048	7.4%	\$719,301	7.6%	\$719,301	8.2%
10 contractor profit		4.3%		\$252,000	2.5%	\$252,000	2.8%	\$259,409	2.8%	\$267,308	2.8%	\$267,308	3.0%
Subtotal				\$930,110		\$930,110		\$957,457		\$986,609		\$986,609	
SUBTOTAL DIRECT DEVELOPMENT COSTS				\$6,810,066	66.6%	\$6,810,066	74.4%	\$7,010,297	74.6%	\$7,223,738	76.5%	\$7,223,738	82.3%
Washington State Sales Tax													
11 Washington State sales tax (direct + furnishings)		8.2%		\$557,621	5.5%	\$557,621	6.1%	\$574,016	6.1%	\$591,493	6.3%	\$591,493	6.7%
Architectural, engineering, and other fees (direct development)													
12 architectural/engineering fees		4.2%		\$288,529	2.8%	\$288,529	3.2%	\$297,012	3.2%	\$306,055	3.2%	\$306,055	3.5%
13 environmental assessment		0.2%		\$13,558	0.1%	\$13,558	0.1%	\$13,558	0.1%	\$13,558	0.1%	\$13,558	0.2%
14 geotechnical study		0.6%		\$37,981	0.4%	\$37,981	0.4%	\$37,981	0.4%	\$37,981	0.4%	\$37,981	0.4%
15 building permits, fees, and hook-ups		0.5%		\$33,630	0.3%		0.0%		0.0%		0.0%		0.0%
16 utility connection fees/demands		1.4%		\$92,957	0.9%		0.0%		0.0%		0.0%		0.0%
17 impact fees - traffic, parks, schools		0.6%		\$40,351	0.4%		0.0%		0.0%		0.0%		0.0%
18 bid costs		0.0%		\$345	0.0%	\$345	0.0%	\$345	0.0%	\$345	0.0%	\$345	0.0%
19 survey fees		0.1%		\$5,000	0.0%	\$5,000	0.1%	\$5,000	0.1%	\$5,000	0.1%	\$5,000	0.1%
20 legal fees		0.2%		\$14,473	0.1%	\$14,473	0.2%	\$14,473	0.2%	\$14,473	0.2%	\$14,473	0.2%
21 accounting and auditing feeds		0.2%		\$11,500	0.1%	\$11,500	0.1%	\$11,500	0.1%	\$11,500	0.1%	\$11,500	0.1%
22 development period utilities		0.0%		\$1,613	0.0%	\$1,613	0.0%	\$1,660	0.0%	\$1,711	0.0%	\$1,711	0.0%
23 construction testing		0.4%		\$25,422	0.2%	\$25,422	0.3%	\$26,169	0.3%	\$26,966	0.3%	\$26,966	0.3%
Subtotal				\$565,359	5.5%	\$398,421	4.4%	\$407,699	4.3%	\$417,590	4.4%	\$417,590	4.8%
Interim costs (direct development, sales tax, AE fees)													
24 construction insurance		0.2%		\$13,005	0.1%	\$12,731	0.1%	\$13,102	0.1%	\$13,496	0.1%	\$13,496	0.2%
25 interest		3.8%		\$302,459	3.0%	\$296,094	3.2%	\$304,707	3.2%	\$310,629	3.2%	\$310,629	3.5%
26 construction loan fees		0.6%		\$47,122	0.5%	\$46,130	0.5%	\$47,472	0.5%	\$48,903	0.5%	\$48,903	0.6%
27 other loan fees (impact capital, state HTF, etc)		1.2%		\$97,990	1.0%	\$95,928	1.0%	\$98,718	1.1%	\$101,693	1.1%	\$101,693	1.2%
Subtotal				\$460,576	4.5%	\$450,884	4.9%	\$463,999	4.9%	\$478,721	5.1%	\$478,721	5.3%
Permanent financing fees (direct development, sales tax, AE fees, interim costs)													
28 permanent loan origination fee		0.5%		\$39,825	0.4%	\$38,987	0.4%	\$40,121	0.4%	\$40,337	0.4%	\$40,337	0.5%
29 permanent loan legal fee		0.0%		\$2,500	0.0%	\$2,500	0.0%	\$2,500	0.0%	\$2,500	0.0%	\$2,500	0.0%
30 permanent loan title fee		0.2%		\$19,755	0.2%	\$19,755	0.2%	\$19,755	0.2%	\$19,755	0.2%	\$19,755	0.2%
Subtotal				\$62,080	0.6%	\$61,242	0.7%	\$62,376	0.7%	\$62,592	0.7%	\$62,592	0.7%
Other soft costs													
31 appraisal and market study				\$4,500	0.0%	\$4,500	0.0%	\$4,500	0.0%	\$4,500	0.0%	\$4,500	0.1%
32 LIHTC tax credit fees				\$65,402	0.6%	\$65,402	0.7%	\$65,402	0.7%	\$65,402	0.7%	\$65,402	0.7%
33 marketing and leasing				\$5,201	0.1%	\$5,201	0.1%	\$5,201	0.1%	\$5,201	0.1%	\$5,201	0.1%
Subtotal				\$75,103	0.7%	\$75,103	0.8%	\$75,103	0.8%	\$75,103	0.8%	\$75,103	0.9%
Developer/consultant fees (land, direct, all other indirect costs)													
34 developer fees		9.8%		\$898,686	8.8%		0.0%		0.0%		0.0%		0.0%
35 technical assistance, nonprofit donation		0.8%		\$71,000	0.7%	\$71,000	0.8%	\$71,000	0.8%	\$71,000	0.8%	\$71,000	0.8%
Subtotal				\$969,686	9.5%	\$71,000	0.8%	\$71,000	0.8%	\$71,000	0.8%	\$71,000	0.8%
SUBTOTAL INDIRECT DEVELOPMENT COSTS				\$2,690,425	26.3%	\$1,614,271	17.6%	\$1,654,194	17.6%	\$1,486,499	15.7%	\$1,486,499	16.9%
36 operating reserves and replacement reserves		0.8%		\$72,194	0.7%	\$72,194	0.8%	\$72,194	0.8%	\$72,194	0.8%	\$72,194	0.8%
TOTAL DEVELOPMENT COSTS INCLUDING LAND				\$10,229,233	100.0%	\$9,153,079	100.0%	\$9,393,233	100.0%	\$9,438,979	100.0%	\$8,782,431	100.0%
Cost per dwelling unit (including 2-bedroom managers unit)		51		\$200,573.20		\$179,472.13		\$154,568.53		\$134,611.80		\$125,248.59	
Cost per square foot of housing		45,578		\$224.43		\$200.82		\$206.09		\$207.10		\$192.69	
Average square footage per dwelling unit		894				894		750		650		650	
Number of dwelling units		51				51		61		70		70	
Cost reduction/amount of gap financing per unit - per measures						\$21,101	\$24,904	\$19,957	\$9,363				
Percent savings over conventional						10.5%	12.4%	9.9%	4.7%				
Cost reduction/amount of gap financing per unit - cumulative						\$21,101	\$46,005	\$65,961	\$75,325				
Percent savings over conventional						10.5%	22.9%	32.9%	37.6%				

Appendix E.5: Housing cost analysis - suburban townhous

Development costs - Meadow Wood Townhomes Phase 1 - urban infill sit
Bellingham/Whatcom County Housing Authority Cost Model

9 November 2007

Development costs - Meadow Wood Townhomes Phase 1 - urban infill siii						permits + fees cash reimbursement		+ smaller units density incentive		+ manufactured units market incentive		+ land cash reimbursement				
Bellingham/Whatcom County Housing Authority Cost Model																
Property						unit	quantity	unit cost	qnty cost	% of total	qnty cost	% of total	qnty cost	% of total	qnty cost	% of total
1 acquire property						acres	0	#DIV/0!	\$390,000	4.7%	\$390,000	5.6%	\$390,000	5.6%	\$390,000	5.7%
2 title and recording fees						each	1	\$566.00	\$566	0.0%	\$566	0.0%	\$566	0.0%	\$566	0.0%
SUBTOTAL LAND COSTS									\$390,566	4.7%	\$390,566	5.6%	\$390,566	5.6%	\$390,566	5.7%
Site improvements						unit <th>quantity</th> <th>unit cost</th> <th>qnty cost</th> <th>% of total</th> <th>qnty cost</th> <th>% of total</th> <th>qnty cost</th> <th>% of total</th> <th>qnty cost</th> <th>% of total</th>	quantity	unit cost	qnty cost	% of total	qnty cost	% of total	qnty cost	% of total	qnty cost	% of total
3 off-site utilities - sewer, storm, and water						lr feet			\$80,000	1.0%	\$80,000	1.1%	\$80,000	1.1%	\$80,000	1.2%
4 road improvements						sq feet			\$20,000	0.2%	\$20,000	0.3%	\$20,000	0.3%	\$20,000	0.3%
5 curb/gutter/sidewalk and ROW landscape improvemen						sq feet			\$24,000	0.3%	\$24,000	0.3%	\$24,000	0.3%	\$24,000	0.4%
6 on-site clearing and grading, site excavation and fill						sq feet			\$505,000	6.1%	\$505,000	7.3%	\$505,000	7.2%	\$505,000	7.9%
7 utilities - sewer, storm, water, and fire service						lr feet			\$84,536	1.0%	\$84,536	1.2%	\$84,536	1.2%	\$84,536	1.3%
8 asphalt driveways and parking						stalls			\$97,000	1.2%	\$97,000	1.4%	\$105,435	1.5%	\$115,476	1.8%
9 curb, gutter, fencing, and landscaping						sq feet			\$120,150	1.4%	\$120,150	1.7%	\$120,150	1.7%	\$120,150	1.9%
10 playground, play area, picnic and barbecue						each	1	\$23,700.00	\$23,700	0.3%	\$23,700	0.3%	\$23,700	0.3%	\$23,700	0.4%
11 building pads-excavate and backfill						sq feet			\$95,000	1.1%	\$95,000	1.4%	\$95,000	1.4%	\$95,000	1.5%
Subtotal									\$1,049,386	12.7%	\$1,049,386	15.1%	\$1,057,821	15.2%	\$1,067,862	16.7%
Building																
12 construct townhome dwelling units						sq feet	63,750	\$36.85	\$2,349,215	28.3%	\$2,349,215	33.8%	\$2,349,215	33.7%	\$2,349,215	34.5%
13 install equipment and furnishings						each	63,750	\$16.49	\$1,051,050	12.7%	\$1,051,050	15.1%	\$1,051,050	15.1%	\$1,051,050	16.4%
14 construct other plus change orders						each	63,750	\$7.43	\$473,808	5.7%	\$473,808	6.8%	\$473,808	6.8%	\$473,808	7.4%
Subtotal							63,750	\$60.77	\$3,874,073	46.7%	\$3,874,073	55.7%	\$3,874,073	55.6%	\$3,874,073	60.4%
15 contractor overhead and profit (site and building)									\$339,282	4.1%	\$339,282	4.9%	\$339,282	4.9%	\$339,282	5.3%
SUBTOTAL DIRECT DEVELOPMENT COSTS									\$5,262,741	63.5%	\$5,262,741	75.6%	\$5,271,176	75.6%	\$5,281,217	77.6%
Washington State Sales Tax																
16 Washington State sales tax (direct + furnishings)									\$563,769	6.8%	\$563,769	8.1%	\$563,769	8.1%	\$563,769	8.8%
Architectural, engineering, and other fees (direct development)																
17 architectural/engineering fees									\$254,748	3.1%	\$254,748	3.7%	\$255,157	3.7%	\$255,643	4.0%
18 environmental report									\$10,578	0.1%	\$10,578	0.2%	\$10,595	0.2%	\$10,615	0.2%
19 building permits									\$41,478	0.5%		0.0%		0.0%		0.0%
20 utility connection fees/demands - water, sewer, storm									\$307,768	3.7%		0.0%		0.0%		0.0%
21 impact fees - school and traffic only									\$49,650	0.6%		0.0%		0.0%		0.0%
22 bid costs									\$268	0.0%	\$268	0.0%	\$269	0.0%	\$269	0.0%
23 survey fees									\$3,900	0.0%	\$3,900	0.1%	\$3,906	0.1%	\$3,913	0.1%
24 accounting and auditing									\$8,973	0.1%	\$8,973	0.1%	\$8,987	0.1%	\$9,004	0.1%
25 utilities and cost estimate									\$3,689	0.0%	\$3,689	0.1%	\$3,695	0.1%	\$3,702	0.1%
26 construction testing									\$15,615	0.2%	\$15,615	0.2%	\$15,640	0.2%	\$15,669	0.2%
Subtotal									\$696,667	8.4%	\$297,771	4.3%	\$298,248	4.3%	\$298,817	4.7%
Interim costs (direct development, sales tax, AE fees)																
27 construction insurance									\$10,796	0.1%	\$10,136	0.1%	\$10,150	0.1%	\$10,168	0.2%
28 interest									\$283,125	3.4%	\$265,812	3.8%	\$266,199	3.8%	\$88,886	1.4%
29 construction loan fees									\$38,669	0.5%	\$36,305	0.5%	\$36,358	0.5%	\$36,420	0.6%
30 construction loan title fees									\$541	0.0%	\$541	0.0%	\$541	0.0%	\$541	0.0%
31 construction loan legal fees									\$9,132	0.1%	\$9,132	0.1%	\$9,132	0.1%	\$9,132	0.1%
Subtotal									\$342,265	4.1%	\$321,926	4.6%	\$322,381	4.6%	\$145,149	2.3%
Permanent financing fees (direct development, sales tax, AE fees, interim costs)																
32 permanent loan origination fee									\$33,064	0.4%	\$31,045	0.4%	\$31,090	0.4%	\$30,288	0.5%
33 permanent loan legal fee									\$2,073	0.0%	\$1,947	0.0%	\$1,950	0.0%	\$1,899	0.0%
34 permanent loan title fee									\$16,402	0.2%	\$15,400	0.2%	\$15,422	0.2%	\$15,024	0.2%
Subtotal									\$51,539	0.6%	\$48,392	0.7%	\$48,462	0.7%	\$47,211	0.7%
Other soft costs																
35 market study									\$4,500	0.1%	\$4,500	0.1%	\$4,500	0.1%	\$4,500	0.1%
36 tax credit fees									\$65,402	0.8%	\$65,402	0.9%	\$65,402	0.9%	\$65,402	1.0%
37 rent-up									\$5,201	0.1%	\$5,201	0.1%	\$5,201	0.1%	\$5,201	0.1%
Subtotal									\$75,103	0.9%	\$75,103	1.1%	\$75,103	1.1%	\$75,103	1.2%
Developer/consultant fees (land, direct, all other indirect costs)																
38 developer management fees and profit							10.0%		\$906,367	10.9%		0.0%		0.0%		0.0%
39 consultant fees							0.0%		\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Subtotal									\$906,367	10.9%	\$0	0.0%	\$0	0.0%	\$0	0.0%
SUBTOTAL INDIRECT DEVELOPMENT COSTS									\$2,635,709	31.8%	\$1,306,961	18.8%	\$1,307,963	18.8%	\$1,130,049	17.6%
40 project contingency (direct and indirect)							0.0%		\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
TOTAL DEVELOPMENT COSTS INCLUDING LAND									\$8,289,016	100.0%	\$6,960,268	100.0%	\$6,969,705	100.0%	\$6,801,832	100.0%
Cost per dwelling unit (including 2-bedroom managers unit)								51	\$162,529.73		\$136,475.85		\$125,728.01		\$112,030.17	
Cost per square foot of housing								63,750	\$130.02		\$109.18		\$109.33		\$106.70	
Average square footage per dwelling unit								1,250			1,250		1,150		1,050	
Number of dwelling units								51			51		55		61	
Cost reduction/amount of gap financing per unit - per measure											\$26,054		\$10,748		\$13,698	
Percent savings over conventional											16.0%		6.6%		8.4%	
Cost reduction/amount of gap financing per unit - cumulative											\$26,054		\$36,802		\$50,500	
Percent savings over conventional											16.0%		22.6%		31.1%	

E.5-1

F.1: Prototype project sheets

The following site and housing land ownership, design, development, construction, financing, and other examples represent prototypes of possible application to Bellingham and Whatcom County.

Where possible, the examples have been selected from projects that have been completed or underway within the Puget Sound or Washington housing market.

Where appropriate, the examples include links to websites or pages that provide additional information, floor plans, photos, or other materials of interest to the proposed housing action plans and projects under consideration in this report.



New Holly Phase 1 (Seattle)

Upzoning, infill, mixed use,

Year Completed: 2002

The Seattle Housing Authority has removed 871 units of aging, dilapidated housing and is replacing it with a mix of low-income, moderate-income and market-rate housing. New Holly is designed to blend into the surrounding neighborhood, ending the stigma and challenges often associated with high concentrations of public housing. All 871 units of low-income housing will be replaced; many will be included in New Holly, while others will be created off-site.

Primary Contact

Ed Rose
206-615-3561
erose@sea-pha.org

Owner

Seattle Housing Authority

Developer

Architect

Weinstein Copeland Architects

New Holly Phase 1 (Seattle)

Innovative Land Use/Zoning

The original Holly Park was within a residential Urban Village area as preliminarily designated under the City of Seattle's Comprehensive Plan. The Urban Village, which is generally centered on the intersection of MLK Jr. Way South at South Holly Street, encompasses an area totaling 380 acres. Prior to the redevelopment of Holly Park, there were 1,500 existing households within the area with an approximate density of 3.3 households per gross acre. The estimated density for the Urban Village area for the year 2014 is 5.4 households per acre per the Seattle Comprehensive Plan.

When New Holly is completed, the housing density level will be at approximately 10 homes per acre. Designation of this area as Residential Urban Village is reflected in the redevelopment plans for Holly Park and the proposed transit hub at South Othello Street and MLK Jr. Way South. The comprehensive plan provided a rezone of the Holly Park redevelopment to primarily L3 in Phases I and II and L2 and some commercial zoning in Phase III. This initial rezone of Holly Park was completed prior to the redevelopment design planning process. A further rezone of Holly III was initiated through the Station Area Planning process.

The city's Strategic Planning Office established a Station Area Overlay to encourage transit-oriented development, and included some zoning changes such as Pedestrian Overlays (allowing lower parking ratios for development closest to the light rail) station. Solomon E.T.C. put together the final rezone application for Holly III, which was approved by the City Council as a legislative rezone. The main thrust of the rezone was to allow higher densities and mixed-use development adjacent to the station area and the existing neighborhood shopping area.



F.1-2

Appendix F.1: Prototype project sheets

Bellingham/Whatcom County Housing Action Plan



Greenbrier (Woodinville)

Small lot, small lot district,
performance based zoning,
cottage housing

Year Completed: 2002

Mixed-income development
including senior rental
housing, workforce rental
housing, and for-sale housing.

Primary Contact

Art Sullivan
425-861-3677
asullivan@ci.bellevue.wa.us

Developer

Owner

Cam West / DASH / Shelter
Resources

Architect

Bumgardner / Dahlin Group
120 units rental / senior housing
Bumgardner 2111 Third Avenue
Seattle, WA 98121 50 unit for sale
Dahlin Group
Scott Schreffler
206.223.1361
scotts@bumgardnerseattle.com



Greenbrier (Woodinville)

Zone Description

"(1) The purpose of the Urban Residential zones (R) is to implement Comprehensive Plan goals and policies for housing quality, diversity and affordability, and to efficiently use residential land, public services and energy. These purposes are accomplished by:

(b) Providing, in the moderate density zones (R-5 through R-8), for a mix of predominantly single-family attached and detached dwelling units. Other development types, such as apartments, duplexes, and townhomes would be allowed so long as they contribute to Woodinville's small town atmosphere as articulated in the vision statement found in the City's Comprehensive Plan and conform to all applicable regulations;..." [WMC 21.04.080]

The density achieved averages 17+ units per acre in the developed area (excluding the wetlands) on a site zoned R-8. This was achievable due to City regulations allowing transfer of portion of density from wetland areas, and bonuses for providing affordable housing. This average was achieved while also including a one acre neighborhood park and including roads serving the site. This was achievable by having a higher density building for seniors (30+ unit per acre), the ownership homes being on small lots (< 4,000 s.f), and including a cluster of cottages.





Madison Avenue Cottages (Bainbridge Island)

Cottages

Year Completed: 1994

One of the earliest cottage housing developments in the region.

Primary Contact

Greg Hackworth

206-443-1181

Greg@Hackwortharch.com

Owner

Developer

Madison Development LLC

Architect

Hackworth Architecture & Planning
Terminal Sales Bldg Seattle , WA

Greg Hackworth

206-443-1181

Greg@Hackwortharch.com



Madison Avenue Cottages (Bainbridge Island)

Zone Description

While attached apartment style housing was permitted, the developer looked to build small, high quality, cottage type housing





Taluswood Townhomes (Redmond)

Cluster, mixed income, RFP,
infill

Year Completed: 2001

Taluswood Townhomes,
located in Redmond, WA, is the
Private-developed component
of a three-part co-development

with Habitat of Humanity and Eastside Housing Association, both a
non-profit housing developers.

Taluswood is a cluster of 85 townhouses, both two- and three-stories
with parking on the ground-floor within each unit.. Individual front
yards and entry porches face a central quarter-acre park, retaining
small-scale livability while responsibly achieving a higher density of
dwellings. The site was purchased from the City of Redmond with the
agreement that the private development contribute to the
infrastructure improvement, roadway development, and park
construction for the non-profit housing components. Major portions
of the existing infrastructure, including roadways and utilities, have
been reused in the overall development.

Primary Contact

Brian Runberg
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Owner

Mosaic Homes
#104 -1290 Homer Street Vancouver,
BC V6B2Y5 Canada
Robert McCarthy/ Max Bruce
1-604-985-3888

Developer

Mosaic Homes
#104 -1290 Homer
Street Vancouver, BC
V6B2Y5 Canada
Robert McCarthy/ Max
Bruce
1-604-985-3888

Architect

Formwerks Architectural Inc. and
Runberg Architecture Group
Formwerks Architectural Inc. 101-1290
Homer Street, Vancouver, B.C. V6B2Y5
..... Runberg
Architecture Group, 1932 First Avenue,
Suite 303, Seattle, WA 98101
Contact: Alex Glegg (Formwerks), Brian
Runberg (Runberg Arch)
(604) 683-5441, (206) 956-1970
alex@formwerks.net;
brianr@runberg.com

Comprehensive/Subarea Planning

Taluswood Townhomes is part of a larger development plan for the
former U.S. Coast Guard property in Redmond. The City acquired the
10 acre site from the federal government with the intent of building a
mix of housing types, styles and affordability levels. A plan was
developed that would address four main components: 1) Transitional
housing for individuals and families (4 acres); 2) first-time home
ownership through Habit for Humanity for low-income households
(1.4 acres); 3) a one-acre community park; and 4) ownership and/or
rental housing for moderate and middle income households on the
remaining 3.7 acres.

Taluswood was selected for development of the fourth component



through a Request for Proposals process in which there were 3 other competitors. Taluswood includes high- quality design that was well integrated with the other planned uses on the site, affordability of the units, a mix of unit sizes and types, coordination with other partners on the site, and willingness to construct needed infrastructure on the site including new water and sewer mains to service the site and construction of the one-acre park.





Cambridge Court (Bellevue)

PUD,
Year Completed: 2000

20 units of senior rental
housing on land owned by a
church.

Primary Contact

Art Sullivan
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ASullivan@ci.bellevue.wa.us

Owner

Developer

Resurrection Housing
Foundation
15220 Main Street Bellevue
WA 98004

Architect

Architects Northwest
18915 - 142 Ave NE, Suite 100
Woodinville, WA 98072
Jefrey DeRoulett
425.485.4900
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Cambridge Court (Bellevue)

Innovative Land Use/Zoning

Located on church property. Creative use of City's PUD ordinance
used to allow the 20 units to be built on a small portion of the overall
site to create a dense group of homes.





Poulsbo Place
Cottages, mixed use, infill,

Year Completed: 2002

The Poulsbo Place Cottages are the first phase of a 34- acre mixed-use development. This first phase of this 164-unit development consists of 45 cottage homes at a net density

of 14.2 units per acre. The detached two- and three-bedroom homes range in size from 870 to 1265 gross square feet. The homes were designed to attract a diverse market of retirees, empty nesters, young couples and single parents who wanted small, detached homes within close proximity to downtown and open space..

Poulsbo Place offers traditional design, affordability and pedestrian amenities just a ferry ride away from downtown Seattle. Within walking distance to historic downtown Poulsbo, this community combines both single-family attached and detached housing, blending seamlessly with the surrounding neighborhood.

Key design concepts centered upon contextually appropriate site planning fostering connectivity with the existing street and pedestrian circulation fabric, and architectural design creating a "neighborhood that has always been there" character. Because product pricing was important as well, the goal was to deliver a higher quality home on a smaller footprint for a moderate price. At \$149,000 to \$180,000, the completed homes sell for 1/3 to 1/2 of the cost of similar sized homes in Seattle.



Primary Contact

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Owner

Security Properties, Inc.
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WA 98101
Mr. Tom Curran
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Developer

Architect

Mithun
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WA 98101
Dick Bruskrud
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Innovative Land Use/Zoning

The concept is intended to provide flexibility in the design and distribution of uses to attain a greater overall benefit than what would be achieved by a strict application of a particular zoning designation. Smaller side yard setbacks reduced the wasted land between buildings while still providing visual separation, sufficient light and ventilation opportunities and sufficient Fire safety. Reduced rear yards allowed larger common open space without sacrificing density and reduced front yards created a more urban context with front porches providing opportunity for pedestrian interaction while maintaining separation between public and private spaces. Although the yards have been reduced, they still provide enough area for landscaping to visually soften the built environment.

F.1-8

Appendix F.1: Prototype project sheets
Bellingham/Whatcom County Housing Action Plan



Overlake Station, The Village at (Redmond) Mixed use,

Year Completed: 2001

The Village at Overlake Station is a transit-oriented development (TOD) that integrates 308 units of workforce housing, a mass transit facility consisting of a major bus terminal and park-and-ride lot, and a child day care center, all on a single site. Located in the midst of a major Eastside employment hub, the project's mix of density, mass transit access and creative re-use of publicly owned land serves as an important model for development in the region's suburban cores. The project provides affordable housing for the area's growing employment base, and helps ease traffic congestion and slow regional sprawl.

Primary Contact
Rhonda R.
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Owner
King County Housing Authority

Developer

Architect
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119 Pine Street - Suite 400 Seattle,
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206.624.8154
Information@HewittArchitects.com

There were primarily two special zoning/regulatory tools used by this project.

First, was the City's special FAR provisions developed specifically for the small neighborhood (Housing Emphasis Area) where the project is located. While capping the FAR for commercial only use in order to discourage redevelopment with only commercial development, the City allowed a very high FAR for mixed- use properties that include residential uses. The intent of establishing a high FAR is essentially to create an allowable building envelope that would be dictated by allowed building heights and setbacks, and design review considerations. Also, though the City does allow 'big box' retail in the larger neighborhood, 'big box' retail is not allowed in the Housing Emphasis Area because the FAR limitation effectively precludes it. This was to done with the goal that this small neighborhood over time will be developed with pedestrian/residential friendly projects.

Second, the City used special parking provisions for the site. The City allowed the standard residential parking requirements to be met through a 'shared' parking arrangement with the park-and-ride lot.





Lion's Gate (Redmond) Mixed use, infill

Year Completed: 1996

Lions Gate is an innovative mixed-use community with 200 townhouses and flats, twenty-two of the townhouses having street level business/ office spaces, and two retail anchor spaces. This urban infill site provided the potential for easy

access to restaurants, shopping, banks, city parks, transit, and public facilities, but no pedestrian connections existed. The challenge was to create a residential community that integrated a small scale commercial component into a pedestrian-oriented experience, both for residents and for people in the surrounding community.

Primary Contact
Tom Sheldon AIA
(206) 902-5464
tsheldon@gglo.com

Owner
Trammell Crow Residential

Developer

Architect
GGLO



Innovative Land Use/Zoning

The "Planned Residential Development" (PRD) process in Redmond's zoning code allowed for creative solutions for parking, density, and zero-lot line setbacks. One of the major site improvements was relocating the public right-of-way that ran through the middle of the site to the south end, creating 83rd Street.





Mixed use - LIHTC

Delridge Library and Vivian McLean Place Apartments (Seattle)

Year Completed: 2002

Innovative mixed-use project consisting of affordable apartments above a branch of the Seattle Public Library. The project, located on an infill site at a key node in the Delridge neighborhood, benefits from an informal shared parking arrangement.

The ground floor use of this building is a 5,600 square foot branch library for the Seattle Public Library system. The inclusion of this use had much more impact on the plan and aesthetic of the project than a retail use would have had.

The project was structured as a two-unit condominium, with separate financing and construction contracts. The Library was financed by the Seattle Public Library Foundation through private donations, and transferred to that entity on completion.

The housing was financed with tax-exempt bonds and Low Income Housing Tax Credits (LIHTC), a loan from the City of Seattle Office of Housing, and a loan from the State Housing Trust Fund. Seattle City Light also provided funding through its Built Smart program. Predevelopment financing was provided by Impact Capital.

The project serves residents at 31 to 60 percent of Area Median Income.

Rents/Sales Prices:

	Number of Units	Percent of Total	Rent/Sales Price
Studio	0 units	0	N/A
1BR	8 units	42%	\$475-582
2BR	7 units	37%	\$560-710
3BR	4 units	21%	\$637-824
4BR	0 units	0	N/A

Average % of AMI needed to live here: 44

Primary Contact

Peter Goodall

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pgoodall@smrarchitects.com



Energy efficiency – Green Communities Initiative

Denny Park Apartments

The Green Communities initiative is a 5-year, \$550,000,000 nationwide effort to demonstrate the long-term social and economic value of building environmentally friendly low-income and affordable housing.

The initiative was launched in 2004 by the private non-profit Enterprise Foundation in partnership with the Natural Resources Defense Council. The program aims to build 8,500 units of energy-efficient housing using sustainable designs and materials. Partners include the US Green Building Council, architects, lenders, local and state governments, and private organizations such as the Seattle-based Bullitt Foundation, Paul G Allen Family Foundation, and the Bill & Melinda Gates Foundation's Sound Families program.

The Columbia, Maryland-based Enterprise Foundation has invested nearly \$6,000,000,000 in affordable housing in the US over the past 20 years.

Information:

www.enterprisefoundation.org

www.greencommunitiesonline.org

Local example

Denny Park Apartments – a 50-unit, 6-story building located a half-block north of Denny Park, is owned and operated by the Low Income Housing Institute (LIHI) of Seattle www.lihi.org.

The award-winning 55,000 square foot mixed-use structure provides 4,400 square feet of retail uses on the street level, 35 platform garage parking stalls, and 5 floors of residential units including 26 studio apartments, 11 one-bedroom units, 8 two-bedroom units, and 5 three-bedroom units. 8 units provide transitional housing for homeless families with children.

Rent is determined by a low-income housing formula based on the 2004 King County median income of \$70,100 for a family of 3 and a percentage of the tenant's annual income. Over 40% of the units serve the working poor making 30% of AMI, 50% for households at or below 50% of AMI, and 10% for households at or below 60% of AMI.

The project includes a number of green features such as natural, energy-efficient lighting, cleaner air from low-toxicity paints and building materials, and storm-water diversion to help irrigate tenants' vegetable gardens on a south-facing terrace. Tenants must sign a lease addendum which prohibits smoking anywhere on the premises – a policy aimed to protect the building's green character.

The Denny Park Apartments cost \$10,800,000 to develop, including \$5,500,000 in tax credit investment from Enterprise Community Investment, \$2,100,000

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Appendix F.1: Prototype project sheets

Bellingham/Whatcom County Housing Action Plan

from the city of Seattle's Office of Housing, \$1,400,000 from the State Housing Trust Fund, and the balance from a variety of other funding partners including the Federal Home Loan Bank, WA Housing Finance Commission, WA Community Reinvestment Assn, Bill & Melinda Gates Foundation's Sound Families Program, Seattle Housing Authority, and Wells Fargo Bank.

Sharon Lee, LIHI Executive Director
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sharonl@lihi.org



Kitsap County Consolidated Housing Authority – Mutual Self-Help Housing Program

Sweat-equity construction - USDA

Kitsap and Skagit Counties-USDA

USDA's Rural Community Assistance Corporation (RCAC) of Washington was established in 1978 and provides a wide range of environmental and housing services. These services improve water, wastewater and solid waste management; build capacity of local officials and community-based organizations; increase the availability of safe and affordable housing; support building and renovating rural community facilities; and develop the knowledge base of the agricultural workers, Native Americans and partner communities.

USDA Rural Development's Self-Help Housing program provides technical assistance and construction oversight to groups of families who construct each others homes. The program also provides financing for each household in the form of a subsidized mortgage.

Each self-help household contributes approximately 65% of the labor required to build each house. They work through the year for the 12-plus months it takes to build a house contributing around 35 hours of physical labor each work. This is in addition to whatever hours the household works at their usual place of employment.

Participating households must have stable, dependable, and reliable income and good credit. Their income must be too low to qualify for a loan from a conventional lender, but high enough to afford a USDA Rural Development mortgage. Their mortgage payments are subsidized based on the family's income level and size. Unlike other government-subsidized programs, however, the borrowers agree that if they sell or rent their home they will repay the subsidy they received under the program.

Local example

Rural Community Assistance Corporation – Washington State: www.rcac.org.

Local example

Through the Kitsap County Consolidated Housing Authority, the Mutual Self Help Housing Program has served Kitsap and surrounding counties since 1973. Over 700 homes have been completed. Contact Norman McLoughlin (360-692-5596, kccha@kccha.com)

Local example

Whatcom Skagit Housing's Self-Help program. Call Marc Ramme, Portfolio Manager of the USDA Rural Development Single Family Housing program, Mount Vernon (360-424-0333, shh@cnw.com), or Nancy Larsen-Kolakowski in Bellingham, WA (360-398-0223, njlkwshh@premier1.net).



Lopez Community Land Trust - Morgantown



Lopez Community Land Trust - Innisfree



San Juan Community Home Trust - Salal Neighborhood

Land trusts

Lopez, San Juan, and Kulshan

Community Land Trusts either rehabilitate existing housing or build new units. The trust retains ownership of the land (99-year renewal lease) while selling the house to a moderate-income, first-time buyer that could not otherwise afford to purchase a home. In the process, buyers gain equity (though at a slower rate than usual) and the community gains a home that will always be affordable.

Land trusts offer an advantage over most subsidized housing – they bring diverse groups together to collaborate in decision-making. The project is governed by a board composed of land trust residents, other homeowners from the surrounding community, and stakeholders such as government or foundation officials.

There are estimated to be between 125-175 land trusts operating nationwide at the present time ranging from as few as 8 units to more than 800 units. The defining characteristics are the separation of land and housing, and the homeowner representation on the board.

Land trusts calculate the homeowner's share of an increase in equity over time. The trust typically awards the seller 100% of the principal that has been paid down with each month's mortgage payment. Sellers also receive 100% of the appraised value of any capital improvements, and 25% of the property's appreciation based on a comparison of appraisals at the time of purchase and sale. The formula provides the seller some benefit, the new buyer often pays close to the same price as the seller originally did, and the trust ends up with a considerably larger subsidy than it had the first time around.

For example, consider a homeowner whose house cost \$100,000 but who received a subsidy of \$20,000, and who decides to sell 10 years later. If the house is appraised at \$180,000, the seller receives \$105,000: the original \$80,000 mortgage, another \$20,000 for the 25% of the \$80,000 increase in value, plus about \$5,000 for the principal pay-down over the 10 years.

The trust can then sell to a new buyer for the same \$105,000, effectively gaining a built-in subsidy of \$75,000, based on the home's increase in open-market value to \$180,000.

The seller will not receive the full gain in equity that a household would receive if they bought a market-rate unit, but will be able to buy a first-time house and gain equity that they would not otherwise have the opportunity to do.

Tax assessments must be adjusted also to reflect the limited resale value of the homes. The assessments will increase based on the resale formula.

Land trusts can be very flexible tools and have recently been applied to condominium purchases, for combined



housing and open space conservation, and for shared and limited equity in housing rehabilitation programs, among others.

Local Example - single family

San Juan Community Home Trust -

www.hometrusted.org provides a one-time subsidy to the cost of land, infrastructure and construction. Homebuyers must agree to limit the eventual resale price of the home so that it is perpetually affordable to working people. Five new, perpetually affordable homes in the Salal Neighborhood of Friday Harbor are nearing completion, and will be ready for occupancy at the end of January, 2006. This will bring to a total of 15, the number of homes in Salal, and will complete the first project of the Community Home Trust. The homes are being sold to islanders whose income is below 80% of the area median income. Of the five homes, three are 2-bedroom homes selling for \$125,000, and two are 3-bedroom homes, one of which is wheelchair accessible, both selling for \$135,500.

Opal Community Land Trust - www.opalclt.org

founded in 1989, has been working to maintain the character, vibrancy and diversity of the Orcas Island community by acquiring land and creating permanently affordable homes. Since 1989 they have built or renovated 56 single-family homes, as well as seven rental apartments and 3,600 square feet of rental office space. They are committed to using Green Built standards in all projects.

Lopez Community Land Trust - www.lopezclt.org

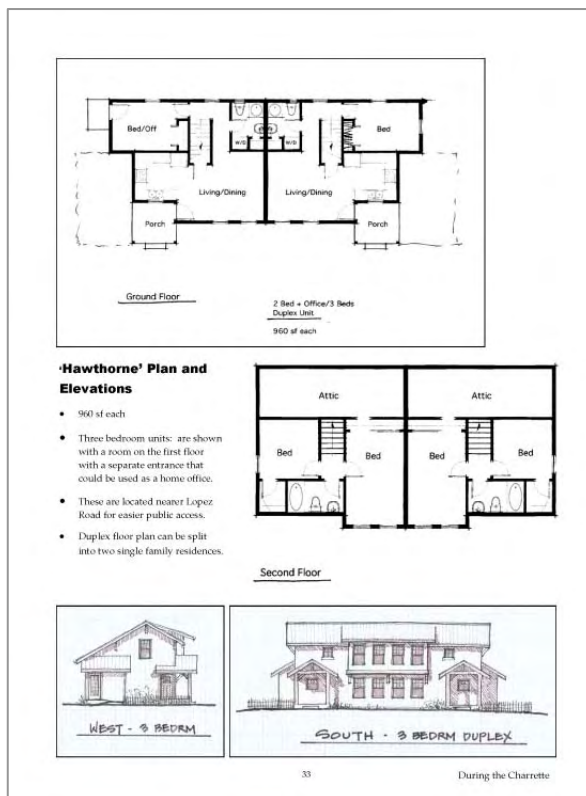
created three low-income single-family housing cooperatives (Morgantown, Coho, and Innisfree), a total of 22 small homes in the Lopez Village. Homes were built with sweat equity and professional tradespeople. These homes were financed with assistance from Community Block Development Grants, the Washington Housing Trust Fund, private banks, churches, foundations and private individuals. In November 2005, LCLT acquired seven acres in Lopez Village and in Spring 2006 will hold a design charrette to plan for the next project.

Kulshan Community Land Trust - provides resources to acquire land and remove it from the speculative, for-profit market. Its parent organization is the Institute for Community Economics (www.iceclt.org). With an inventory of 43 units (9 are condos), KCLT creates ownership or lien holder status on all properties in order to assure compliance with affordable and equity increase agreements. They are beginning their first development project in south Bellingham with 14 units.

Local Example - condos

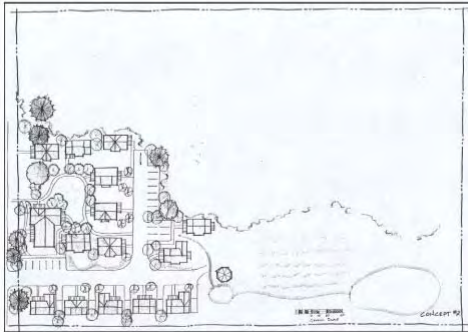
Homestead Community Land Trust -

www.homesteadclt.org provides subsidies (up to \$110,000) for purchase of condominiums in Seattle and King County. Homestead requires condo buyers to sign affordability covenants in which the owner agrees that when the unit is resold, it is offered first to buyers making less than 80% of median income. In any resale,



Concept Plan # 2

- On this plan parking is dispersed throughout the site, with some adjacent to the homes and some nearby.
- In terms of phasing, there could be a shared drive with LOHRO, which could access future development on the north end of the property.
- The plan clusters the homes, allowing more open spaces.
- They include private garden areas.
- Water flow is shown that represent swales that accommodate seasonal movement.
- The architecture on Lopez has the shared characteristic of having a human scale. These detached homes with close parking are similar to existing Lopez homes.
- Cobo and Morgantown are both 'behind' parking lots and berms, with their backs turned to the community. This plan shows the village centering around a green common area, with views toward the SE and the pond.
- The orientation of the buildings responds to light for passive solar access.



During the Charrette

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condo owners get back their original investment and a share of appreciation of the unit, which is calculated on the amount of subsidy and the number of years the client owned the condo. If the condo depreciates, Homestead absorbs the loss. Homestead received funds from the Seattle housing levy and city policy does not allow the money to be spent on housing that displaces renters.

Example – land conservation

Addison County Community Trust – combines affordable housing with land conservation – one of about 40 known affordable conservation developments in the US. In typical conservation-based affordable housing developments, the conservation and housing aspects are considered simultaneously and on the same parcel. See Conservation-Based Affordable Housing at www.conservationfund.org.



Shorewood Apartments – Cannon Beach, OR

Tax credits – Homestead Capital Cannon Beach/The Fortson

Homestead Capital is a nonprofit syndicator investing in affordable housing in 9 Western states. They form investment partnerships with major corporations to fund quality multi-family housing for income-qualified people of all backgrounds, including working families, agricultural laborers, the elderly, and populations with special needs. In return, investors receive tax credits and other benefits. Homestead works with nonprofit and for-profit development partners who share a dedication to addressing affordable housing needs.

Established in 1993 in Portland, OR, Homestead Capital has raised over \$350 million to build more than 3,800 units of affordable housing for low-income people in the West www.homesteadcap.com.

Local example

Cannon Beach, OR – Shorewood Apartments, nestled amidst 3.5 wooded acres along the Oregon Coast, is a 34-unit project including one-, two-, and three-bedroom townhouse style units. This project targets singles, couples, and families living and working in and around Cannon Beach, Oregon, and earning less than 60 percent of median family income. Residents have access to services through the Clatsop Community Resource Development agency including legal aid, dental care, and courses in parenting and budget management. Amenities include a community garden and children's playground.

Local example

Seattle, WA – The Fortson, a 13-story mixed-use building in Pioneer Square, will provide affordable housing for downtown service workers and those with entry-level jobs. Of the 132 studio and one-bedroom units, twenty-seven are designed for people with disabilities. There will also be 1500 square feet of ground-floor commercial space. Homestead Capital invested \$10.8 million of equity in the project on behalf of investors who earn tax credits for subsidizing affordable housing. Other financing includes a \$13.8 million construction loan from Washington Mutual and tax-exempt bonds. Completion is set for spring 2007.

Apartments will be available for households earning 60 percent or less of area median income for King County, up to \$32,700 for an individual or \$35,040 for a couple. Rents are based on household size and income, and will range from \$812 to \$871, including utilities.



Development packaging with design/develop RFP with affordable housing components **Tierra Contenta**

Tierra Contenta is a 501(c)(3) corporation formed by the City of Santa Fe to provide builder-ready tracts of land within a master plan mixed use, mixed income community that includes low and moderate priced housing for under-served families of Santa Fe, New Mexico.

The current population of the development is 1,213 households with 3,280 persons with an estimated build-out of 3,800 households with 9,500 persons. The master plan also provides for the Santa Fe Business Incubator, elementary and middle schools, library, youth facility, rape and crisis center, and 324 acres of open space, parks, and trails dedicated to the city of Santa Fe.

Tierra Contenta is designed to be efficient and eco-friendly. Each neighborhood is served by 1 or 3 village centers containing schools, apartments, retail stores, parks, and public plazas. The centers are all within walking distance reducing the need for automobile traffic.

Lots are offered to a variety of builders including some that specialize in green buildings that are attractive and energy efficient. Architectural standards ensure conceptual uniformity.

All builders are required to provide housing that can be purchased by homebuyers who are qualified as "most affordable" and provide information concerning how purchasers may become certified. Some low-cost loans and subsidies are also available through "soft 2nd-mortgage packages offered by the Corporation.

Examples of current builder profiles, products, and services include:

BT Homes	www.bthomes.com
Centex Homes	www.centexhomes.com
Colonia Prisma/Allied Homes	www.alliedhomesonline.com
Homewise	www.homewise.org
Santa Fe Community Housing Trust	www.santafecommunityhousingtrust.com
Habitat for Humanity	www.sfhfh.org

James Hicks

Tierra Contenta Executive Director
(505) 471-4551
www.tierracontenta.org

THE KATRINA COTTAGE is a small, sturdy house that can be delivered at the cost of a FEMA trailer. It may be temporary or permanent. Some permanent models are designed to expand into full-sized dwellings.



Prefabricated and kit houses Katrina Cottages

The Katrina Cottage was designed to be an alternative to the FEMA trailer following Hurricane Katrina. It is a small permanent house that can be assembled quickly as a self-help project or with the assistance of a builder. The units are engineered to withstand hurricane force winds and can be constructed with wood or steel framing finished with fiber cement siding and a metal roof.

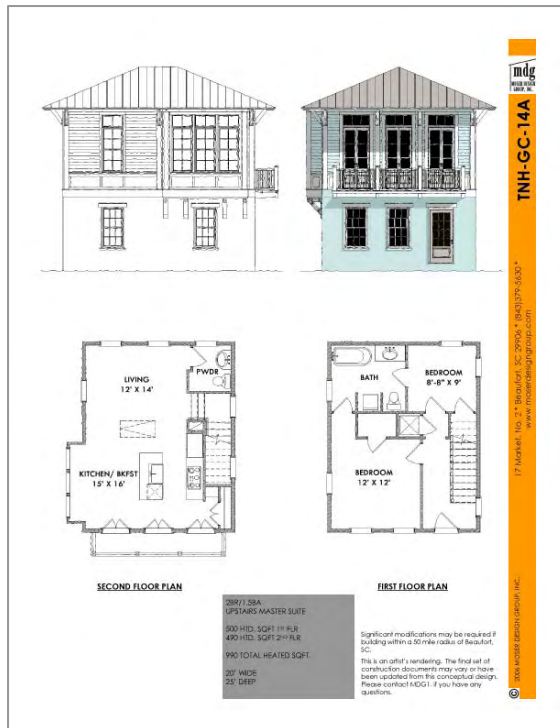
The original Katrina Cottage I was a 308 square foot cottage designed by Marianne Cusato that debuted at the 2006 International Builders Show (www.cusatocottages.com or www.katrinacottagehousing.org/original). The demand for the unit, however, has surpassed the emergency housing market, and is currently being marketed by Lowe's as an affordable stand-alone or grow-house for the elderly, as accessory dwelling units for in-laws and guest houses, and vacation homes (see www.cusatocottages.com for Lowe's tie-in).

The first 4 floor plans in the Lowe's Katrina Series are now available in select Lowe's stores in Mississippi and Louisiana – and will be available nationwide by spring 2007.

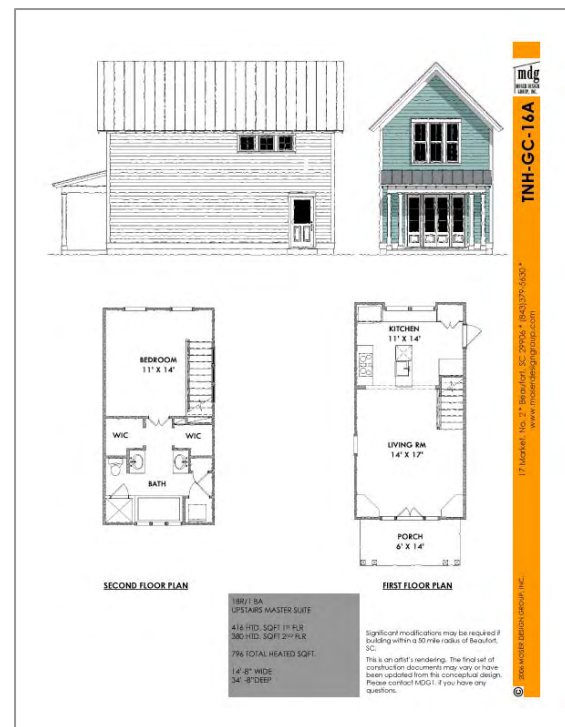
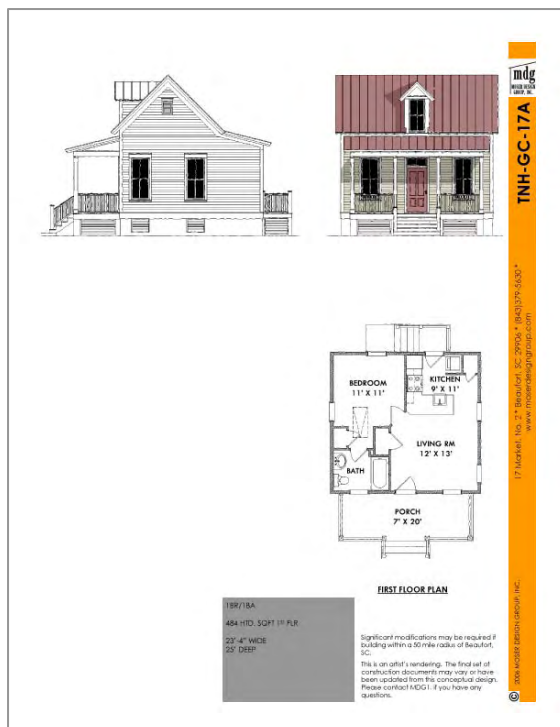
The cottages will be sold a blueprints and materials packages. The material packages will cost approximately \$55/square foot including all materials necessary to build the cottage from the foundation plat up including studs, insulation, fixtures, electrical, plumbing, and appliances. The homeowner will need to supply the foundation, HVAC system, and furniture. Materials packages will require a contractor to assemble.

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Appendix F.1: Prototype project sheets
Bellingham/Whatcom County Housing Action Plan



Lowe's will also be providing a series of Katrina Cottages designed by the Moser Design Group (MDG) – www.moserdesigngroup.com/katrina as material packages. Lowe's will also publish a book of Katrina Cottage construction documents plans that will be available for purchase for conventional construction. Material kits for these products may be available at a later date.

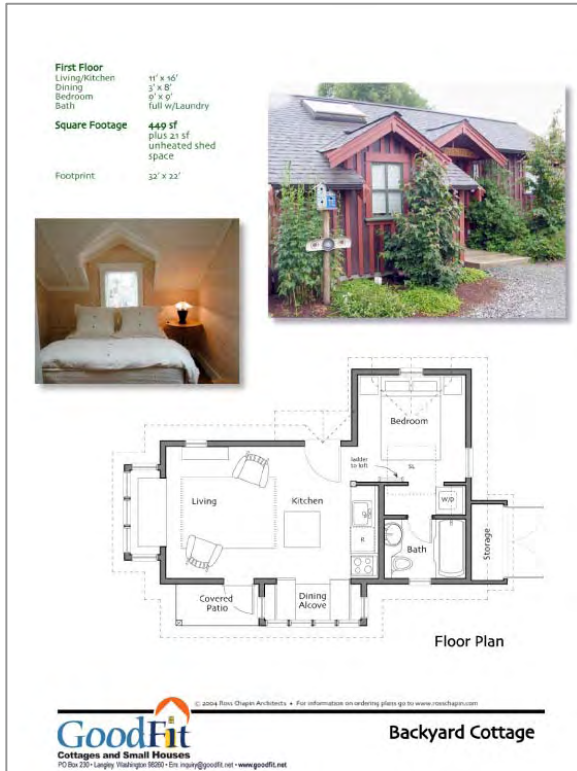


Pre-approved housing plans Cottage Houses

Cottage housing designers (Ross Chapin Architects (www.rosschapin.com) and the Cottage Company (www.cottagecompany.com)) within the region have begun to market building plans for a variety of cottage housing sizes and styles ranging from 449 to 2,000 square feet in size.

Ross Chapin's plans include accessory dwelling unit/garage plans, detached small cottage or accessory dwelling unit infill structures, to 2,000+ square foot small houses. Building plans range in price from \$750 for the smallest accessory dwelling unit structures to \$1,150 or more for customized schemes for the larger of the "small house" plans. In addition, for a fee, Chapin will also customize any of the plans to fit particular sites.

All of the plans have been used in cottage housing developments within the immediate area including Bainbridge Island, Shoreline, Kirkland, Langley, and others – and thereby conform to state and most local building codes.





Pre-fabricated housing Place Architects/Transform LLC

Pre-fabricated houses include a range of construction methodologies from kit houses built of prefabricated components that are erected on-site (Place Architects – www.placearchitects.com) to complete fabrication in industrial warehouse facilities to be transported and mounted on-site (Transform LLC a subsidiary of Cabochon Construction & Development Company www.transform-llc.com). Pre-fabricated houses cost between 20-30% less than “stick-built” houses completely built on-site.

The variety of pre-fabricated house choice has increased considerably in the past few years with both firms above having entered the market in the past year.

Place Architects and builder DLH Inc offer one of the higher end choices including tiny, small, medium, and large. Their kit houses range in cost from \$250,000 for a 1-bedroom cottage with a loft to \$450,000 for a 3-bedroom family house. Three material finish packages are offered including Urban, Vanguard, and Naturalist with different inter and exterior color and finish palettes. The houses are assembled on-site and generally take from 6-9 months to complete from time of order.

Manufactured homes (typically called a “mobile home” is built to HUD standards which may differ from state to state. HUD code homes have a permanent chassis, with removable axles, wheels and hitches to transport it to the installation site.

Transform LLC builds modular homes – which are built to the current IBC code – the same code as site-built or “stick-built” homes. Modular construction has the following advantages: 1) speed – 7 days compared to 9 months for stick-built, 2) no weather delays, 3) better quantity costing, 4) superior quality since modular homes are built with computerized equipment and material quality specifications, resulting in reduced cost – typically 5-20% less than traditional site-built homes.

Modular home are constructed in modules (3-dimensional sections measuring up to 16x68x12.5 feet (to transport on the highway) and are up 85% complete when they leave the factory. Modules are shipped to the site, attached to a standard foundation and other sections using the same techniques as site-built construction.

Toyota Motor Company, a subsidiary of Toyota Motor Company, will build assembly-line housing components to sale in Japan and the US.



WA CTED/HAP Channel Cove (Southfield)

This 3.2-acre, 22-unit development of apartments, condos, and homes was built in 2001 in the 900 block of South Park Street in LaConner by Skagit Housing Solutions – a non-profit including LaConner leaders and the Skagit Housing Authority. The concept was to create a mixed-income community that included rental apartments and sweat-equity homes funded by the Department of Agriculture’s Rural Development program.

The initial project was stalled for a number of years due to wetland disputes with the Corp of Engineers and DOE, after which the USDA funding fell through for the sweat-equity component. In 2001, 8 buildings were finally built with 22 living units reserved for seniors, families, and single individuals who earn below 50% of the AMI. The project was foreclosed in 2003, however, when the original partnership failed to repay the city for storm drainage improvements.

Community Action acquired the development in 2007 with \$1,500,000 in CTED loans – half of which are deferred for 40 years. The remaining loan half is funded by 2 no-interest loans from CTED. Besides managing the project, Community Action will offer classes in GED preparation, budgeting, tax preparation, and parenting to Channel Cove and area residents.

Habitat for Humanity may build on the remaining 7 empty lots that were originally reserved for the USDA’s Rural Development sweat-equity program. Community Action may also use a land trust component for the Habitat for Humanity sites to ensure resale remains to qualifying low-income individuals at a price that is reasonable to the buyer’s income.

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Bellingham Housing Authority Oakland Block Building

The Oakland Block Building has rehabilitated and converted to housing in 2002 by the Bellingham Housing Authority. The building was preserved in an historic manner and has been placed on the National Register of Historic Places.

The conversion provides 5 ground floor retail units and 20 upper floor studio and 1-bedroom units of which 11 are reserved for persons earning under 30% of the annual median income (AMI) and 9 units for persons under 50% of the AMI. The average annual income range for occupants is currently \$11,396.

Median tenant rents range from \$230 to \$395 for a studio (for under 30% to 50% of AMI respectively, to \$250 to \$420 for a 1-bedroom (for under 30% to 50% of AMI respectively). The units range in size from 50 square feet for a studio to 420 square feet for a 1 bedroom unit.

Project financing was provided by:

WA CTED (loan)	\$423,518
Oregon Corp of Affordable Housing (equity)	\$1,587,978
City of Bellingham (loan)	\$200,000
WA Community Reinvestment Assn	\$51,605
Federal Home Loan Bank (grant)	\$99,000
Total	\$3,867,106

The facility is professionally managed by American Management Services (dba Pinnacle).

John Harmon

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HOME Investment Partnership Programs Laurel Village

Acting as the General Partner, the Bellingham Housing Authority developed Laurel Village at 210 East Laurel Street in 2006 for families, disabled individuals, and supportive homeless persons.

The 50-unit urban infill community is located next to city parks and trail systems. The rental apartments overlook Bellingham Bay and the future site of the Bellingham Waterfront Redevelopment Project. Facility features include controlled access to apartments, a skylit underground parking garage, and expansive courtyards that provide an outdoor gathering place for tenants.

Net tenant rents (less utility allowances):

12	1-bedroom	30% AMI	\$274
6	1-bedroom	40% AMI	\$383
6	1-bedroom	50% AMI	\$491
7	2-bedroom	30% AMI	\$329
4	2-bedroom	40% AMI	\$459
4	2-bedroom	50% AMI	\$589
6	3-bedroom	30% AMI	\$372
3	3-bedroom	40% AMI	\$523
2	3-bedroom	50% AMI	\$673
1	manager unit	na	na

Financing was provided by:

City of Bellingham Land Loan (CDBG, HOME)	\$450,000
Enterprise 2006 Tax Credit Equity	\$6,415,359
Enterprise Green Fund Grant Program	\$50,000
WA Community Reinvestment Assn (loan)	\$1,050,000
WA State Housing Trust Fund	\$1,450,000
Housing Authority Deferred Developer Fee	\$450,000
Total	\$9,865,359

The facility is managed by American Management Service (dba Pinnacle), developed by Beacon Development Group, and financing by Wells Fargo.

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Bellingham Community Development Dept Housing Programs

Bellingham's Community Development Housing Programs focus on low and moderate-income households, including elderly and disabled. The Department funds 6 program categories:

Home & Rental Rehabilitation Loan Programs

These programs use Community Development Block Grants (CDBG) and Key Bank funds to provide 0 and low-interest loans for the rehabilitation of 1 to 4-unit family residences for owner or tenant households with incomes at or below 80% of AMI.

In addition to loans, the programs also provide:

- Credit and financial counseling
- Technical assistance including:
 - Inspections
 - Scope of works
 - Bid solicitation, contractor selection, and preparation
 - Construction oversight
 - Dispute resolutions
 - Social service referrals
 - Fair housing complaint referrals
 - Lead-base paint hazard information

Homebuyer Assistance

The city and Kulshan Community Land Trust (KCLT) sponsor a program to help low and moderate-income households buy single-family homes. KCLT acquires and provides long-term leases to the buyer while the city provides 0% interest, deferred payment loans for the down payment while a commercial bank provides the primary loan.

The program is reserved for low-income households (80% of AMI) with adjustments for household size. Eligible households must not have owned a home in the qualifies as a "displaced homemaker or single parent".

The city loan is due upon sale of the home, change of use, or failure to comply with the terms of the bank note or deed of trust. Home purchases must not exceed a maximum value set in the HOME program.

The loan may be assumed, at the city's option, if upon resale, the house is purchased by a buyer that qualifies

Tenant Based Rental Assistance Program

The city and the Opportunity Council sponsor a Tenant Based Rental Assistance (TBRA) program for homeless families with children, and to families on Temporary Assistance for Needy Families (TANF) that do not qualify for Section 8 housing through the Federal Housing & Urban Development Program (HUD).

The program is reserved for households making less than 50% of AMI with adjustments for household size.





The rent subsidy amount is determined by Section 8 Voucher Program guidelines that specify the participating household will pay no more than 30% of the household's monthly-adjusted income (subject to a maximum allowable rent standard) and no less than 10%. The unit must meet HOME TBRA quality standards.

Bellingham Housing Development Fund (BHDF)

The city assists, through public/private partnerships, for-profit and nonprofit firms or agencies create affordable low or moderate-income housing units. Funding sources include CDBG and HOME 's Investment Partnership Program.

Previous BHDF partners have included:

- Catholic Community Services
- YWCA/Opportunity Council
- Bellingham Whatcom County Housing Authorities
- Daylight Properties
- Kulshan Community Land Trust

BHDF activities may include:

- Purchase of vacant property to be used at a later date for development by for-profit or non-profit entities,
- Acquisition or renovation of existing housing units with for-profit or non-profit entities,
- Infrastructure improvements to bring low and moderate-income housing projects into production,
- Pre-development expenses needed to advance projects.

BHDF criteria favor loans that show the greatest potential for long-term housing benefit to the lowest-income households by:

- Providing housing units to low and moderate-income households for the longest terms possible,
- Leveraging the largest amounts of other public and private sector funds,
- Meets other city non-housing goals, and
- Provides for repayment or reimbursement of fund participation.

BHDF participates only in projects where funds are available but not sufficient from equity and other public/private financing to allow the project to proceed. BHDF is not a substitute for private financing, and can not participate in projects in which other sources of financing are available.

BHDF project funding allocations can provide:

- up to \$40,000 per housing unit in BHDF funds for individuals and families making between 30-50% of AMI
- up to \$20,000 per housing unit in BHDF funds for individuals and families making between 50-80% of AMI

Community Housing Development Organization Assistance (CHDO) and HOME Assistance Programs

CHDOs are specially qualified non-profit organizations (The Opportunity Council and Kulshan Community Land Trust) that deliver housing assistance to low and moderate-income households. 15% of the city's annual federal HOME grants are set aside for these qualified organizations.

CHDO funding may be used to acquire, develop, or rehabilitate housing owned and operated by CHDOs. Some funding may also be used for operational costs.

The Opportunity Council is a local Community Action Agency serving homeless and low-income families, children, seniors, and persons with disabilities. OC programs range from helping people in crisis with immediate needs to addressing long-term support issues. OC programs shelter the homeless, feed the hungry, prepare children for school, provide messaging services for people who do not have a phone, and more.

Homelessness and the Continuum of Care

Homelessness is often caused by a series of events or health issues that impact the lives of individuals or families who are vulnerable due to poverty, illness, or dysfunction. Domestic violence, sudden health problems, rising housing costs, the loss of income, and ultimately eviction, substance abuse, and disabilities are contributing causes.

At least 800 persons, including individuals and persons in families with children, are considered to be homeless in Whatcom County with the bulk residing in Bellingham.

The Whatcom County Coalition for the Homeless (WCCH) is a consortium of public and private agencies and non-profits that collaborate to provide a system of housing and services to move homeless families and individuals to permanent housing and self-sufficiency in a system called "The Continuum of Care".

HUD's Continuum of Care model recognizes that all homeless persons are not at the same level of stability. The Continuum of Care is a community plan to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximum self-sufficiency.

The COC includes the following action steps to end homelessness and prevent a return:

- Prevention – including income supports, rental assistance, and one-time emergency funds to prevent eviction, and crisis intervention
- Outreach and assistance – including street outreach
- Emergency shelter – is usually provided for up to 90 days along with assessment and case management
- Transitional housing – usually up to 24 months with varying degrees of support services,
- Permanent and permanent supportive housing – in a single structure or a scattered sites

- Support services – including substance abuse treatment, employment education and job readiness, budgeting workshops, parenting classes, childcare, transportation as part of an emergency shelter or transitional housing program.

The WCCH is supported by the Whatcom County Human Services Division and the City of Bellingham who work with the agencies to secure federal homeless housing and service program grants.

HUD funds have been used to fund:

- Dorothy Place – a 41-bed transitional housing facility for victims of domestic violence and their children,
- Northwest Youth Services Transitional Housing – a 6-bed program for homeless youth
- Opportunity Council case management services for an average of 400 homeless families per year
- Sun Community Services' Gladstone House – a 5-bed transitional housing facility for chronically mentally ill, substances abusers, and dually-diagnosed individuals
- Whatcom Counseling & Psychiatric Clinic 0 20-beds of permanent housing and up to 20-beds of emergency housing

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Adams Apts – 22 SRO, 1 and 2-bedroom units



Bel/Boy Building A – 30 SRO units



Casa Pacifica Apartments – 65 studio, 1 and 2-bedroom units

Affordable Housing Organization Seattle Housing Resources Group

The (Seattle) Housing Resources Group (SHRG) was incorporated in 1980 by the Downtown Seattle Association to “...serve as a catalyst in making Seattle more livable for all her residents by creating and managing affordable housing in and around Downtown.” This partnership made Housing Resource Group unique within the non-profit housing community.

HRG is a 501©3 non-profit organization governed by a volunteer Board of Directors drawn from the downtown business community with experience in real estate development, management, and finance. A staff of 82 operates under a 5 persons Leadership Team structure to develop, construct, finance, and manage affordable housing inventory.

During the past 24 years, HRG has:

- Created more than 2,200 units of affordable housing at a cost of over \$140,000,000
- Provided affordable housing service over 42,000 low-income persons over 40 years – the minimum HRG commitment to affordability
- Raised \$65,000,000 in equity from bank and corporate investors to construct or preserve affordable housing
- Manages 1,600 units of affordable housing in 25 locations within and adjacent to the Downtown including buildings ranging from 10 units to 164 units.
- Accomplished this with an overhead of 10% - the remaining 90% going directly into production and management of affordable housing

HRG renovates or constructs multi-family housing that offers a balanced range of apartment types from studios to large family townhouses. HRG’s goal is to provide a variety of affordable housing options for people with various needs:

- For those with jobs earning between \$10-20 per hour
- For people in need of service enriched housing
- For others unable to pay market rents

Because most of HRG’s buildings are located in or near downtown Seattle, residents generally do not own cars, using public transportation instead – and reducing requirements for on-site parking.

HRG assembles complicated and creating financial packages to product quality housing and keep rents affordable for the long-term – at least 40 years and often longer. HRG uses the combination of several of the following for each project:

- Tax-exempt bonds
- Federal low-income housing tax credits
- State housing trust funds
- Seattle’s housing levy
- Transfer of development rights
- Housing bonus programs



Graham/Terry Apartments - 121 studio and 1-bedroom units



Sterling Court Apartments - 10 studios



Oregon Apartments - 83 studios

- Bargain sales, land leases, and leases

Some of HRG's partners have included:

Downtown Seattle Association (DSA), A Contemporary Theater (ACT), Nordstrom, Clise Properties, Historic Seattle, University of Washington, AF Evans - California Developer, City of Seattle, Seattle Housing Authority (SHA), Bill & Melinda Gates Foundation, and Vulcan.

In addition to providing shelter, HRG also participates in Downtown Seattle Association's Human Services Committee to address the needs of homeless individuals and families.

HRG's service provides have included:

YWCA, The Urban League, AIDS Housing of Washington, Downtown Emergency Service Center, Lifelong AIDS Alliance, Jewish Family Service, Housing Innovations for Persons with Developmental Disabilities (HIPDD), and Plymouth House of Healing (PHH).

HRG provides apartments to individuals and families whose incomes range from 30% to 80% of the King County AMI (\$40,600 in 2005). Affordable housing is the centerpiece of healthy neighborhoods - communities that work. HRG provides:

- Workforce housing for Seattle employers - more than 75% of current HRG residents work downtown or in surrounding neighborhoods
- Housing for people with a variety of needs such as formerly homeless families, people with HIV/AIDS, and individuals with chronic mental illness

HRG has provided housing for 44,000 people of all ages including 5,000 children and 3,200 seniors. Resident criteria include:

Income

- All sources of income must be disclosed and verifiable
- Applicants must earn at least 2.5 times the rent/month
- Or have a history of having paid similar rent on time with similar income
- Document at least 90 days of verifiable employment

Credit

- Total household debt can not exceed annual household gross income
- Any bankruptcy must be discharged

Public record

- No felony pending charges or convictions
- No registered sex offenders
- No controlled substance convictions
- No violent crimes or crimes involving weapons
- No criminal convictions in the last 2 years
- No history of domestic violence

Students

- Full-time students are eligible at specified buildings
- Student households in tax credit (LIHTC) buildings where all members are full-time students must: a) married filing joint tax returns, b) single parent with a minor child not dependents of a third party, c) receiving benefits under TANF, and d) enrolled



Pardee Townhouses - 9 three-five bedroom units



Heg/Phillips House - 11 studio, 1 and 2-bedroom units



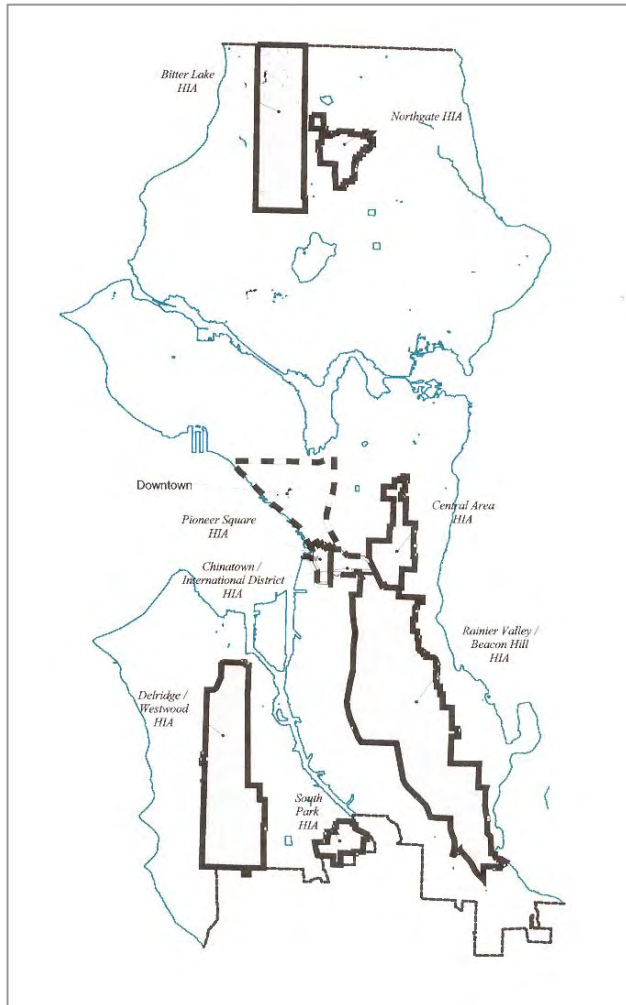
Stewart Court Apartments - 65 studio, 1-bedroom units

in a job training program funded by the state or local government.

Security deposits

- Are required and range from \$250 for a single room occupant (SRO) to \$450 for a 5-bedroom unit.

HRG operates nearly 1,600 apartments in 25 different locations in Seattle including buildings ranging in size from 10 units to 164 units. Building styles are equally diverse with garden court, restored brick, classic frame, as well as contemporary high-rise building styles.



Seattle Housing Investment Areas

Tax Levy Referendum ***Seattle Housing Levy***

Seattle submitted and passed a 7-year housing levy in 2002 to raise \$86,000,000 to leverage with state, federal, and private funds to produce 2,044 units of affordable and low-income housing. The levy increased the property tax for housing from \$0.11 (under the 1995 levy) to \$0.15 (or by \$0.04) per \$1,000 of assessed valuation or from \$34 to \$49 per year for the average Seattle homeowner (\$300,000 house value) for the 2002 housing levy.

Seattle residents previously passed housing levies in 1981, 1986, and 1995 (for \$59,000,000 in 1995). In over 20 years of housing levies, Seattle has preserved and created over 4,000 units of housing affordable to persons below 80% of AMI.

The 2002 housing levy allocated:

- 65% of the fund to rental preservation and production throughout the city,
- 9% to home ownership assistance,
- 8% to low-income housing within mixed-use, mixed-income projects in targeted (primarily distressed neighborhoods,
- 8% for operation and maintenance support for housing for very low income persons (up to 30% of AMI),
- 3% for emergency rental assistance to prevent homelessness, and
- 5% for administration (federal requirements for similar fund expenditures are 10%).

The housing levy proposal was developed through a lengthy process that began with a citizen and stakeholder advisory committee, and continued with debate and refining by the Mayor and City Council after significant public input, ultimately producing a smaller comprise package with proportionately more funding allocated to people with the lowest incomes.

The levy is administered by the Seattle Office of Housing, which was established in 1982. The levy proposal also approved an Oversight Committee, for the purpose of monitoring the progress of Levy Programs and reporting to the Mayor and City Council on that progress.

The Levy Oversight Committee is also responsible for recommending policy changes to the Levy Administrative & Financial (A&F) Plan that guides implementation of the 5 levy-funded programs:

- Rental preservation and production
- Neighborhood housing opportunity program
- Homebuyer assistance
- Rental assistance
- Operation and maintenance program

The 13 members of the Housing Levy Oversight Committee are confirmed by City Council and include:

- 1 city employee appointed by the Mayor

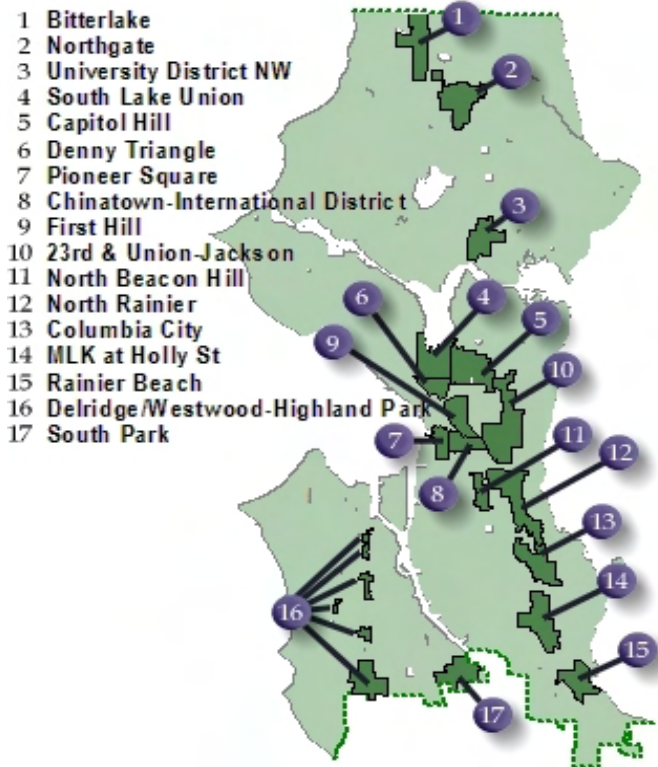
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Appendix F.1: Prototype project sheets
Bellingham/Whatcom County Housing Action Plan

- 6 non-government employees appointed by the Mayor
- 5 non-government employees appointed by City Council

The Levy Oversight Committee and Office of Housing report to the City Council twice a year on the housing levy's performance.

Tax Exemption Target Areas



Seattle Office of Housing

Incentive Programs

The Seattle Office of Housing funds affordable workforce housing, rental and ownership, as well as supportive housing that helps vulnerable people achieve stability and move along a path toward self-sufficiency. The program includes a number of incentive provisions:

Multifamily Tax Exemption (MFTE) Program

The MFE program allows developers to receive a property tax exemption on the residential portion of a development for 10 years. In exchange, a certain number of the housing units must be affordable for modest-income households. The program is available in 17 target areas in the city.

The purpose of the MFE program is to encourage development of multifamily housing opportunities including new construction or rehabilitation for low and moderate-income households, particularly workforce housing in mixed-income projects.

- A project approved for the property tax exemption will receive a certificate of tax exemption for the assessed value of the residential improvements.
- The assessed value of the land and any non-residential component of the improvements (retail, office, etc) are not eligible for the exemption and will be taxed at full assessed value.
- The property tax exemption will remain in place for a maximum of 10 years, assuming the property remains in compliance.
- The tax exemption is transferable to a new property owner as long as the new owner continues to meet compliance requirements.

The development must be a residential or mixed-use project with a minimum of 50% of the gross floor area for residential use. New construction projects must have a minimum of 4 dwelling units, rehab must include the addition of at least 4 dwelling units, rehab or conversion must not displace existing tenants.

If rental:

- 20% of the units must be rented with basic utilities to households with incomes below 60% of AMI
- 25% to households below 65% of AMI
- 30% to households below 70% of AMI

If for-sale units:

- Units eligible for the exemption must be priced not to exceed the FHA mortgage limit for Seattle
- Must be sold to households below 80% of AMI

Downtown Transferable Development Rights (TDR) Program

The TDR program allows density to be moved from one site to another within the designated receiving areas within the 17 investment areas. Owners of certified housing TDR sites can sell excess development rights to commercial developers and use the proceeds for

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Appendix F.1: Prototype project sheets

Bellingham/Whatcom County Housing Action Plan

renovation of the housing. Rental units that are preserved must remain affordable for households with incomes up to 50% of AMI for 50 years.

Unlike bonus incentive programs, which help mitigate impacts of higher density development, the TDR program helps the city achieve a more variable scale of buildings within the downtown by allowing density to be moved from one site to another.

Purchasers (commercial developers) and sellers (owners of certified TDR – which include lots of affordable housing, landmark buildings, or open space) can negotiate sales directly. Or the city can purchase TDR and hold it in its TDR Bank for later resale.

All transactions, whether private or through the city, must be executed and recorded between the owner of the TDR site and the city.

The TDR agreement includes covenants that will run with the land for 50 years of affordable housing primarily affordable to households with incomes up to 50% of AMI.

TDR is validly transferred by Statutory Warrant Deed and is recognized by the courts as real property.

Downtown Commercial Bonus Program for Housing and Childcare

This program allows additional density for office and hotel developments in exchange for affordable housing and childcare for lower-wage workers.

The housing and/or childcare can be built by the commercial developer or paid to the city as a fee in lieu of \$18.75 per square foot for housing and \$3.25 per square foot for childcare.

These amounts are based on a fraction of the housing mitigation costs identified in nexus analysis done in 2001 and may be adjusted periodically to reflect changes in key variables such as construction costs and wages.

Downtown Residential Bonus Program

This program allows additional residential gross floor area and height in developments in exchange for affordable housing.

The developer can provide affordable housing units in or adjacent to the new residential tower or make a financial contribution to the city to fund new affordable housing in the downtown.

Affordable housing units are intended to primarily service modest-wage service workers in the downtown. Rental units must be affordable to households with incomes up to 800% of AMI and for-sale units must be affordable to households with incomes up to 100% of AMI.

Example project:

New 39-story residential tower in the designated zone will provide 50% in studios and 50% in 1-bedroom averaging 700 square feet in size. Staff calculates that the new residential floor area sought as bonus development = 105,360 square feet of which the Code specifies that 11% would need to be provided as low-income housing under the performance option.

- Affordable units may be smaller in size than market-rate units. If affordable units average 600 square feet then 11,590 square feet/600 square feet per unit = 19.3 units or 20 units rounded up.
- Generally, the type of affordable units provided must be similar (proportional) to those in the entire building, so that 50% would be studio and 50% would be 1-bedroom.
- Maximum annual household income at the time of initial occupancy is 80% of AMI depending on household size. Maximum monthly rents with utilities can not exceed 30% of gross monthly income.

Reference:

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Seattle Teacher Homebuyer Program

The city provides up to \$45,000 in additional financing for eligible teachers' for first home purchase. Evergreen Home Loans, the Office of Housing's lending partner for the Teacher homebuyer program, will also waive lender fees and discount closing costs.

The \$45,000 in additional financing is available at a 3% interest rate with no payments required for 30 years, or until the home is sold. If the home is kept for 30 years the interest rate and any shared appreciation is forgiven.

Any home within the Seattle city limits up to \$362,790 in value may be considered for purchase under the program.

The program is designed to support new, Seattle Public Schools full-time teachers who have not owned a home for 3 or more years and who meet the income parameters. Full-time Seattle Public School instructional assistants enrolled in a teacher certification program also qualify.

Income limits are based on HUD's median incomes for the Seattle area and allow \$41,700 for a 1-person household and up to \$59,600 for a 4-person household.

Reference:

Evergreen's Partnership Lending Department
800-459-5331 or 206-938-8900
www.emoneysource.com/teacher.asp

HomeWise Home Improvement Services: Repairing and Weatherizing

Weatherization Grants – can insulate single-family homes with low-income households as well as apartment buildings that qualify. Weatherization work may include:

- Insulation of the attic, walls, and crawlspace
- Venting of bathrooms, kitchens, and roofs
- Pipe wrapping to avoid freezing
- Weatherstripping of exterior doors
- Window caulking
- High-efficiency lighting in common areas for apartment buildings
- Partial payments for other measures that add value by energy conservation benefit

Home Repair Loans – provide 3% interest loans for a loan closing cost of approximately \$150, which is part of the loan, and a term of up to 20 years. Very low-income households may qualify for deferred payment loans (no monthly payments) with the principal gathering only simple interest. Repair work may include:

- Accessibility modifications
- Bathroom and kitchen upgrades
- Code and health and safety repairs
- Electrical
- Plumbing
- Roof and gutters
- Sewer or water lines

Reference

www.seattle.gov/housing/HomeWise

Voluntary versus mandatory examples

▪ **California experience** – of 107 jurisdictions using inclusionary zoning, 101 are mandatory and 6 are voluntary according to a 2003 report by the Nonprofit Housing Association of Northern California (www.nonprofithousing.org/index.atomic).

The 6 voluntary programs have produced little affordable housing. One “voluntary” program in Morgan Hill produced 300 units over 26 years – but is functionally mandatory because the program uses a tight growth management policy to make it difficult for developers to obtain permits without including affordable housing.

By comparison, the 15 top producing jurisdictions in California (including Santa Barbara County, Monterey County, and Roseville, have produced over 16,000 units of affordable housing through mandatory requirements.

The different results achieved between voluntary and mandatory programs have caused some jurisdictions with voluntary programs to amend ordinances to become mandatory programs as a result of low production (Cambridge, Massachusetts and Boulder, Colorado).

- **Boulder, Colorado experience** – the city adopted a voluntary program in 1980. The program produced 1 private development project with affordable units. The city changed to a mandatory policy in 2000. Since then, private developers have built 150 on-site affordable units and another 150 through in-lieu fees.
- **Cambridge, Massachusetts experience** – the city adopted a voluntary program from 1988-1998 with density bonuses for affordable housing in select zoning districts. No affordable housing units were produced. The city shifted to a mandatory program in 1999 and has since realized construction of 131 units with another 130 in the permitting stages.

Cost offset examples

- **Density bonus** – Santa Fe, New Mexico varies its set-aside and therefore, its density bonus between 11-16% depending on the character of the market-rate units.
- **Unit size reduction** – Burlington, Vermont requires that inclusionary units be no smaller than 750 square feet for 1-bedroom, 1,000 square feet for 2-bedroom, etc.
- **Relaxed parking requirements** – Denver waives 10 required parking spaces for each additional affordable unit up to a total of 20% of the total original parking requirement.

Inclusionary zoning (IZ)

How jurisdictions structure an inclusionary zoning (IZ) policy depends on development patterns in the community, the affordable housing needs of residents, and political feasibility. There are trade-offs between different components of an IZ policy – tailoring it to meet local needs is the hallmark of its effectiveness. Following is an outline of major variables:

Voluntary versus mandatory

Voluntary or incentive-based programs allow developers to “opt-in” while mandatory programs require developers to build affordable housing units in exchange for development rights. While voluntary programs have been received more favorably by the development community, mandatory programs have produced more affordable units in the communities that have adopted inclusionary zoning. National program analysis has determined that voluntary programs only produce affordable units if they offer substantial subsidies to the developer, or function as a mandatory policy by making it difficult for developers to obtain discretionary building permits without including affordable units in the projects.

Developer compensation

Effective inclusionary zoning programs usually offer developers a range of cost offsets to achieve a double bottom line – affordable housing for residents **and** a reasonable, overall return for developers. Minimum profitability is critical to ensure developers and their investors will actually build housing projects.

Jurisdictions typically conduct an economic feasibility analysis to determine the various aspects of development costs – such as land costs, construction costs, fees, normal profit margins, etc – and the jurisdictions housing needs and goals.

Subsidies are rarely used as cost offsets, rather various jurisdictions have employed a variety of cost-offset methods to make projects economically feasible.

Cost offsets – typically include the following:

- **Density bonus** – allowing developers to build to a greater density and thereby avoid additional land costs for the affordable units. Density bonuses typically equal the mandatory affordable housing set-aside.
- **Unit size reduction** – allowing developers to build smaller or differently configured affordable units compared with market rate units in order to reduce construction and land costs. Most programs that allow unit size reduction also establish a minimum affordable unit size.
- **Relaxed parking requirements** – allowing developers to reduce the number or size of spaces or even tandem parking.
- **Design flexibility** – allowing reduced setbacks from the street or property line, or waived minimum lot

Cost offset examples

- Design flexibility - Boston allows for greater floor-to-area ratios. Sacramento allows varied road widths, lot coverage, and minimum lot size.
- Fast track permitting - Sacramento expedites inclusionary zoning projects within 90 days compared to 9-12 months resulting in an average savings of about \$250,000 per project.
- Fee waivers or reductions - Longmont, California waives up to 14 fees of a value of about \$3,250 for single family and \$2,283 for apartment units if more affordable units (or units at deeper levels of affordability) are provided.

size requirement in order to maximize land use efficiency.

- Fee waivers or reductions - where the fees support infrastructure development and municipal services. The offset fees, however, must be made up by other municipal governmental funds.
- Fee deferrals - allows delayed payment of impact and/or permit fees until occupancy to reduce finance carrying costs.
- Fast track permitting - streamlines the permitting process reducing finance carrying costs.

Set-asides

The percentage set-aside can vary but is typically from 10-25%. Some jurisdictions have set-asides that vary based on the incomes targeted.

In California redevelopment areas, for example, 6% must serve very-very-low-income households, 3% low income, and 6% moderate income.

Project trigger

Some jurisdictions apply inclusionary zoning based on project size - beginning at 5, 10, or 20 unit projects or buildings.

Some jurisdictions apply inclusionary zoning to all new developments within the community, requiring that larger developments project units while smaller developments pay a fee in-lieu of construction.

Income targets

Inclusionary zoning policy achieves affordable housing in 2 ways: 1) defining the income target(s) at which the developer must produce housing and 2) authorizing housing authorities to purchase units to serve even lower-income households.

Jurisdictions with affordability challenges across income categories often tier income targets to serve diverse needs - such as 50% of the units at 50% of AMI, 50% at 80% of AMI, etc.

Target income levels should be guided by housing needs and goals and must be balanced with the ability for the developer to make a profit. Nationally, inclusionary zoning has been most successful when requiring developers to deliver affordable housing units at 50-120% of AMI in combination with public resources that acquire and make units available to households between 0-50% of AMI.

There are 3 ways jurisdictions can achieve deeper levels of affordability:

- Mandate some proportion of inclusionary units go to housing choice voucher holders (Section 8),
- Offer homebuyer assistance to purchasers of IZ for-sale units, and
- Enable public agencies or non-profit organizations to purchase and further subsidize inclusionary units.

Acquiring and renting inclusionary units also saves the voucher and homebuyer assistance program monies as

Income targets

- Montgomery County, Maryland - asks developers to produce units at 65% of AMI then authorizes its housing authority to purchase up to 33% of those.
- Cambridge - requires that 50% of all units created by inclusionary zoning go to Housing Choice Voucher Holders (Section 8). The Cambridge Community Development Department and Housing Authority provide managers of inclusionary units with prospective tenants that have already been screened and approved for the Section 8 program. As a result, Cambridge inclusionary zoning program regularly reaches households earning between 10-30% of AMI. The remaining 50% goes to a waiting list of income-verified households who are prioritized by: 1) having children or 2) facing an emergency housing need such as eviction, living in overcrowding units, or paying more than 50% of income on housing.
- Fairfax, Virginia - couples inclusionary zoning with homebuyer assistance using funds from the state Housing Development Authority. The Authority loans households that meet minimum credit criteria and make less than 70% of AMI 3.5% interest rate mortgages covering 100% of housing - costs (ie., no down payment is required). The program makes homeownership accessible to very low and even extremely low-income households. About 30% of Fairfax County's inclusionary zoning homebuyers earned less than 40% AMI and 5% earned less than 30% AMI.

Income targets

▪ Montgomery County, Maryland - grants public housing authorities first right of refusal for purchasing up to 33% of a project's inclusionary units, with the understanding the units will be rented or sold to very-low income households. Non-profits have second rights of refusal on an additional 7% of inclusionary units. The policy has enabled the Authority to make approximately 1,500 inclusionary units available to very-low and extremely low-income renters since the program's initiation in 1974.

well as the units are cheaper than if they were built conventionally for the programs. In addition, it ensures the programs will place eligible buyers and renters in mixed-income projects with less possible discriminatory screening by sellers and landlords.

On-site versus off-site construction

Some inclusionary zoning programs require developers to construct affordable housing units within the larger development, while other programs allow developers to build the units off-site.

Historically, affordable housing has been concentrated in the same neighborhoods creating a concentration of poverty isolating low-income households from social and economic opportunities available to the larger population. Building affordable units on-site within the larger development in mixed-income projects better integrates the receiving household with the larger community and the area opportunities.

However, depending on the project and the cost of land and other underlying improvements, there may be some instances where building the units on-site is not economically or politically feasible.

Mandating affordable units versus in-lieu fees

Depending on the pattern of community developments, land costs and improvements, there may be instances where it will be easier to allow in-lieu fees.

However, the in-lieu fees must be sufficient to produce resources that will actually construct the affordable housing units and within reasonable benefit areas of the type of households to be served. Otherwise, the policy will not produce the same number of inclusionary units on sites that actually meet housing goals, thereby seriously weakening the inclusionary policy.

Similarity and compatibility in outward appearance

Many jurisdictions inclusionary zoning policies require developers to construct affordable units that are similar and compatible in outward appearance to market rate units. This requirement helps achieve neighborhood cohesiveness in physical appearances and overcome the negative perceptions of what constitutes "low-income" housing.

Developers generally have a vested interest in making the units similar and compatible so as not to detract from and lower pricing considerations for market rate housing in the project.

Terms of affordability

Most inclusionary zoning programs require a minimum of 30 years for ownership units and 45 or more years for rental units.

Cost to the jurisdiction

Inclusionary zoning programs result in few "hard costs" beyond the costs of administering the program. However, some costs offsets, such as fee waivers, can

Terms of affordability

Boulder, Cambridge, and Newton, Massachusetts require affordability into perpetuity. Programs with long affordability terms can build in a limited equity requirement for homeownership units. The limited equity requirement allows the owner to build equity but limits the profit so that the unit remains affordable.

result in lost revenue that must be made up from general funds or other sources.

Costs can be more substantial when a jurisdiction supplements inclusionary zoning with purchase or rental subsidies. However, even when coupled, the final cost of providing housing for low and very low-income households is still below what it would cost the jurisdiction to produce the units otherwise.

Cost to developer

To be effective, inclusionary zoning programs must set a developer's compensation at a level that allows a profit or break even from the construction of affordable units if developers are to participate in the program.

Policy options to consider

- **Mandate inclusionary zoning in areas of reinvestment and redevelopment** – areas undergoing reinvestment often plan for market-rate development as a strategy to re-infuse the tax base and build mixed-income communities. However, if only market rate housing is developed the impacts can cause an upward pressure on costs that eventually displaces current residents through gentrification or creates significant housing disparities where the choices result in new market rate units or dilapidated affordable units.

- **Require inclusionary zoning in mixed-use developments** – to demonstrate best practices of smart growth and equity by placing a range of jobs and housing in close proximity.

Common misconceptions

- **Inclusionary zoning discourages private development** – a recent study by Paul Rosen & Associates of the impact of inclusionary zoning housing programs in California from 1981-2000 for 28 cities found that inclusionary housing programs had no negative effect on housing production. The study compared the programs to the effects of other variables including changes in the prime rate, the 30-year mortgage rate, the unemployment rate, the area median home prices, and the 1986 Tax Reform Act, among others, and found inclusionary zoning had no negative affect outside of these variables.

- **Inclusionary zoning commits an illegal "taking"** – since the requirement to build affordable units diminishes profits. The Home Builders Association of Northern California vs Napa found that the incentives offered by the city in the inclusionary zoning ordinance (as well as the possibility of a waiver in case of extreme hardship) provided enough benefits and options to developers that the ordinance did not constitute a taking. The various forms of compensation granted to developers under the program off-set the cost associated with producing affordable units.

- **Inclusionary zoning promotes over-development and congestion** – presumes the density bonus can overwhelm the underlying neighborhood compared to what the project(s) would do if built to allowable density instead. Density bonuses must be reasonable

Reinvestment – California has a mandatory, statewide inclusionary zoning policy in place for redevelopment areas where private developers are required to have a 15% set-aside and public agencies a 30% set-aside.

Inclusionary zoning benefits

- **Creates mixed-income, diverse, integrated communities – particularly where developers build the affordable units on-site and provide external comparability between affordable and market-rate units.**
- **Partners with the private sector to meet affordable housing needs** – by providing non-monetary compensation in the form of density bonuses, deferred and waived fees schedules, fast track permitting, and other incentives.
- **Protects against displacement when new investment occurs** – maintaining affordability as areas and districts or redeveloped and reinvested.

and limited to areas that can accommodate the increased number of aggregated households.

- **Private developers are not responsible for producing affordable housing** – the argument being this is a public responsibility that should be resolved by the public sector. Inclusionary zoning is a public policy that compensates developers accordingly for their production of housing units.

Other criticisms (Reason Institute)

- **Inclusionary zoning produces few overall housing units** – concern being that inclusionary zoning imposes major burdens on developers and potential buyers of market rate housing without producing many affordable units.

The total number of inclusionary housing units that are produced is determined by the number produced in the overall market in the area and is subject to the same factors as the overall market – such as population growth, land supply, mortgage rates, etc.

The ratio of affordable to market rate units within any project is determined by public policy which considers the ratio of affordable needs and the incentives that can be offered to offset the cost to the developer of producing such a ratio.

Inclusionary zoning is one tool that can be used to provide affordable housing, but can not be considered or depended upon to be the only tool.

- **Inclusionary zoning has high costs** – by forcing developers to sell market rate housing at a reduced price to meet affordable housing quotas.

Inclusionary ordinances allow more housing to be built than would be otherwise with set-aside bonuses that allow for increased density, reduced unit and lot sizes, reduced parking requirements, waived or deferred fees, and other measures that lower the production cost of affordable units over market rate housing.

Consequently, the developer is not paying the same cost to build affordable housing units as the developer is to build market rate housing – and is therefore, not providing or pricing an affordable unit at the same cost and price compared to a market rate unit.

Most ordinances also compute the cost of the affordable unit production to make sure the developer realizes some profit return on the affordable units built.

- **Inclusionary zoning makes market-priced housing more expensive** – assuming the cost of producing and discounting the price of affordable units is added to the costs of market rate housing in a project in order for the developer to recover costs and some profit.

California experience

Inclusionary zoning has not been found to restrict or stimulate the production of housing units in California markets any more or less than other market variables including the supply of land (particularly within densely developed market areas, mortgage rates, and other external variables).

California experience

Inclusionary zoning off-sets allow affordable units to be 1) smaller, 2) without land costs, 3) with density, parking, fee waivers, and other incentives, and in some instances, with in some ordinances, 4) added market-rate density bonuses means that affordable units do not cost the same to produce as market rate units and therefore do not need to be priced the same in order for the developer to make a profit.

California experience

A statewide survey of inclusionary zoning ordinances in California showed 95% included automatic density bonuses. Most or all provided density bonuses at least equal to the inclusionary set-aside and most provided higher density market-rate bonuses that yield additional units as well. The marginal cost of land is therefore 0 and the marginal cost for any bonus market-rate units is 0 greatly increasing the developer's profitability.

See response above - the developer is not paying the same cost to build affordable housing units as the developer is to build market rate housing - and is therefore, not providing or pricing an affordable unit at the same cost and price compared to a market rate unit.

The sale or rental price for an affordable unit, once offset bonuses are calculated, is the same as the production cost including some developer profit and is not transferred onto the cost of the market rate units in the project.

Developers will continue to build in a community so long as there is market demand, a predictable development process, and a profit to be made. An effective inclusionary zoning policy should be predictable, equitable, and ensure some profitable return.

▪ **Inclusionary zoning restricts the supply of new homes** - by driving away developers and making landowners less interested in selling. While inclusionary zoning may change the rules or regulations that govern land development, it does not change the overall marketplace.

Landowners will sell property so long as there is a value to be made in the land - inclusionary zoning actually allows more units to be built than would be otherwise making the land more valuable.

In fact, were public housing authorities and non-profit organizations to build units on market rate housing land without any market rate units, there would be more of an actual loss in tax revenue compared to the inclusionary zoning approach.

▪ **Inclusionary zoning costs government revenue** - by building lower value housing units and requiring such units to remain affordable for 30-45 years, or in some instances, into perpetuity.

Inclusionary zoning bonus allowances allow more units to be built than would be otherwise, actually producing more units with a combined value and therefore, tax revenue, higher than the market would produce otherwise on the same property or total marketplace.

Some affordable units may be purchased and rented by public housing authorities and non-profit organizations that will not generate tax revenues. However, since these units are generally in addition to what would be produced by market rate projects without inclusionary zoning, they may be no net loss.

▪ **Price controls do not address the cause of the affordability problem** - causing the market to produce less not more housing and deflating the value (even as it increases the price) of what is built. The solution should be to increase market production allowing the trickle-down principle to free up older housing stock for those in most need.

Inclusionary zoning policies do not institute price controls or added price burdens onto market rate housing. Nor does inclusionary zoning restrict the supply or value of land or lessen the demand for housing production - see previous responses and definitions.

New housing production, finance, operating and other cost trends are pricing an increasing percent of all households out of the ability to purchase or rent in the marketplace regardless of how many units are built. Producing more units at prices that local households can not afford is not a solution, particularly if the

However, older housing stock per se will not meet the needs of all low-income households, particularly those with special needs. The ratio of households with special needs or limited incomes that can not afford or fit into existing older stock will continue to increase commensurate with overall population growth and will not be accommodated by simply growing more supply if the supply is beyond the means of most, and particularly, moderate to very low-income households.

developers of such units reach a point of diminishing returns and the ability of the marketplace to absorb the product.

Older housing stock is the most affordable, and in most instances, in most danger of being lost to redevelopment or deterioration if not protected. Affordable housing programs must provide measures that will protect and retain existing housing units.

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F.2: Matrix of housing program applications by market segment

Service Sector Workers
 | Empty Nesters
 | | First Time Home Buyers
 | | | Elderly
 | | | | Special Populations*
 | | | | | Low/very low income
 | | | | | | Homeless
 | | | | | | | Lenders
 | | | | | | | | Owners/
 | | | | | | | | Operators
 | | | | | | | | Only

Federal housing programs									
Rural Housing Loans Section 502						X			
Rural Housing Site/Self Help Loans Sec 523/524						X			X
Rural Rental Housing Loans Sec. 515				X	X		X		
Rural Rental Housing Loans Sec. 521						X			
Very Low Income Repair Loans/Grants Sec 504						X			
Rural Housing Preservation Grants Sec. 533						X			X
Rural Rental Housing Guaranteed Loans Sec. 538					X	X		X	
Mortgage Insurance Homes Sec. 203(b)	X	X	X	X					X
Rehabilitation Mortgage Insurance Sec. 203(k)	X	X	X	X					X
Manufactured Home Purchase Insure. (Title 1)	X	X	X	X					X
Mortgage Ins. For Condo Projects Sec. 234(d)	X	X	X	X					X
Mortgage Insurance COOP Projects Sec. 213	X	X	X	X					X
Mortgage Insurance for Purchase of Condo's Sec.234 ©	X	X	X	X					X
Mortgage Insurance Rental Housing Sec. 207	X	X	X	X					X
Mortgage Insurance Rental/COOP Housing Sec. 221 (d)(3)				X	X	X			X
Mortgage Insurance Rentals for Elderly Sec. 231				X					X
Supplemental Loan Ins. Multi family Rental Sec 241 (a)				X	X				X
Mortgage Ins.for Purchase/Refi of Multi family Sec. 223(f)/207	X	X		X					X
Mortgage Insure. Manufactured Home & Lot (Title 1)									X
Mortgage Insure. Single Fam. COOP Sec. 203 (n)	X	X	X	X					X
Mortgage Insure. Military Impacted Areas Sec 238 ©	X	X	X	X					X
Mortgage Insure. For SRO's Sec. 221(d)					X	X			X
Supportive Housing for Elderly Sec. 202				X					X
Graduated Payment Mortgage Sec. 245 (9) (a)	X	X	X	X					
Operating Assistance for Multi family									X
Supportive Housing for Persons/Disabilities Sec. 811					X				X
Emergency Shelter Grants					X	X	X		X
Supportive Housing - Homeless					X	X	X		X
Shelter Plus Care					X	X	X		X
Home Investment Partnership Program HOME					X	X	X		X
Self Help Homeownership Opportunity Program	X	X	X			X			X
CDBG Section 108 Loan Guarantee	X	X	X	X	X	X			X
Teacher Next Door Initiative	currently doesn't apply in Whatcom County								
Single Family Property Disposition	X	X	X	X	X	X			X
Dollar Home Sales	X	X	X	X	X	X	X		X
Assisted Living Conversion of Multi Family				X					X
Public and Indian Housing - Loan Guarantee	X		X	X		X			X
Specially Adopted Housing for Disabled Veterans					X				
Veterans Housing - Guaranteed and Insured Loans	X	X	X	X	X	X			
Veterans Housing Direct Loans for Disabled Vets					X				
Veterans Housing Manufactured Home Loans	X	X	X	X					
Transitional Living Program for Homeless Youth					X				
State housing programs									
Low Income Housing Tax Credits				X	X	X	X	X	X
Washington Housing Trust Fund				X	X	X	X	X	X
Housing Enhancement Grant Program (linked above)				X	X	X	X	X	X
Washington State Operating & Maintenance (linked)				X	X	X	X		X
Housing Rehabilitation Grant Program	X	X		X		X			X
Home Repair and Rehabilitation HOME						X			X
Tenant Based Rental Assistance HOME					X	X			X

Private/federal third party programs									
Impact Capital Predevelopment Fund						X			X
Affordable Housing Program						X		X	X
Community Investment Fund/ED Development Fund	X	X	X	X				X	
Home\$tart Program			X					X	
Multifamily Permanent Loans Special Needs				X	X				X
Tax Exempt Bonds for Housing Development	X	X	X	X					X
1st Time Buyers, Multi Family, Single Family	X	X	X	X				X	

F.2-2

*Appendix F.2: Matrix of housing program applications by market segment
Bellingham/Whatcom County Housing Action Plan*

F.3: Catalogue of housing programs

F.3.1: Federal housing programs

RURAL HOUSING LOANS (10.410) (Section 502)

Rural Housing Service, Department of Agriculture

Assist very low, low, and moderate-income households obtain modest, decent, safe, and sanitary housing for use as a permanent residence in rural areas.

Type of assistance

Direct Loans; Guaranteed/Insured Loans.

Uses and use restrictions

Direct and guaranteed loans may be used to buy, build, or improve the applicant's permanent residence. New manufactured homes may be financed when they are on a permanent site, purchased from an approved dealer or contractor, and meet certain other requirements. The property must be located in an eligible rural area. Guaranteed loans may be made to refinance either existing RHS Guaranteed Housing Loans or RHS Section 502 Direct Housing loans. Guaranteed loans are amortized over 30 years. The interest rate is negotiated with the lender.

Eligibility requirements

Applicants must have very low-, low- or moderate incomes. Very low-income is defined as below 50% of the area median income (AMI); low-income is between 50 and 80% of AMI; moderate income is below 115% of AMI.

RURAL HOUSING SITE LOANS AND SELF-HELP HOUSING LAND

DEVELOPMENT LOANS (10.411) (Section 523 and 524 Site Loans)

Rural Housing Service, Department Of Agriculture

Assist public or private nonprofit organizations interested in providing sites for housing; to acquire and develop land in rural areas to be subdivided as adequate building sites and sold on a cost development basis to families eligible for low and very low income loans, cooperatives, and broadly based nonprofit rural rental housing applicants.

Type of assistance

Direct Loans.

Uses and use restrictions

For the purchase and development of adequate sites, including necessary equipment that becomes a permanent part of the development; for water and sewer facilities if not available; payment of necessary engineering, legal fees, and closing costs; for needed landscaping and other necessary facilities related to buildings such as walks, parking areas, and driveways. Restrictions: loan limitation of \$200,000 without national office approval. Repayment of loan is expected within 2 years.

Eligibility requirements

A private or public nonprofit organization that will provide the developed sites to qualified borrowers on a cost of development basis in open country and towns of 10,000 population or less and places up to 25,000 population under certain conditions.

Beneficiary Eligibility

Sites developed with Section 524 loans must be for housing low and very low income families and may be sold to families, nonprofit organizations, public

agencies and cooperatives eligible for assistance under any Section of Title V of the Housing Act of 1949. Sites developed with Section 523 loans must be for housing to be built by the self-help method

RURAL RENTAL HOUSING LOANS (10.415) (Section 515)

Rural Housing Service, Department of Agriculture

Provide economically designed and constructed rental and cooperative housing and related facilities suited for rural residents.

Type of assistance

Direct Loans, Project Grants.

Uses and use restrictions

Loans can be used to construct, or to purchase and substantially rehabilitate rental or cooperative housing or to develop manufactured housing projects. Housing as a general rule will consist of multi-units with 2 or more family units and any appropriately related facilities. Funds may also be used to provide approved recreational and service facilities appropriate for use in connection with the housing and to buy and improve the land on which the buildings are to be located.

Eligibility requirements

Applicants may be individuals, cooperatives, nonprofit organizations, State or local public agencies, profit corporations, trusts, partnerships, limited partnerships, and be unable to finance the housing either with their own resources or with credit obtained from private sources.

Beneficiary Eligibility

Occupants must be very low-, low- or moderate-income family households, elderly, handicapped, or disabled persons

RURAL RENTAL HOUSING LOANS (10.415) (Section 521)

Rural Housing Service, Department of Agriculture

The Rural Rental Assistance (RA) program provides an additional subsidy for households with incomes too low to pay the Rural Housing Service (RHS) subsidized (basic) rent from their own resources. RHS pays the owner the difference between the tenant's contribution (30% of adjusted income) and the monthly rental rate, including the cost of all utilities and services.

Type of assistance

Monthly rental assistance

Uses and use restrictions

Priority for RA in housing financed by Section 515 is given to a project either if a market study indicates the greatest percentage of prospective tenants need RA or if the area has the greatest housing need within the state and is selected for funding in accordance with the weighted criteria

Eligibility requirements

Persons with very low and low incomes, elderly persons, and persons with disabilities are eligible if they are unable to pay the basic monthly rent within 30% of adjusted monthly income.

VERY LOW-INCOME HOUSING REPAIR LOANS AND GRANTS (10.417) (Section 504)

Rural Housing Service, Department of Agriculture

To give very low-income rural homeowners an opportunity to make essential repairs to their homes to make them safe and to remove health hazards to the family or the community.

Type of assistance

Direct Loans, Project Grants.

Uses and use restrictions

The Very Low-Income Housing Repair program provides loans and grants to very low-income homeowners in rural areas to repair, improve, or modernize their dwellings or to remove health and safety hazards. Grant funds are only available to homeowners aged 62 or older who cannot repay a Section 504 Loan. This includes repairs or replacement of heating, plumbing or electrical services, roof or basic structure as well as water and waste disposal systems, and weatherization

Eligibility requirements

Applicants must own and occupy a home in a rural area; and be a citizen of the United States or reside in the United States after having been legally admitted for permanent residence or on indefinite parole. Loan recipients must have sufficient income to repay the loan. Grant recipients must be 62 years of age or older and be unable to repay a loan for that part of the assistance received as a grant.

RURAL HOUSING PRESERVATION GRANTS (10.433) (Section 533)

Rural Housing Service, Department of Agriculture

Provide very low- and low-income rural residents, individual homeowners, rental property owners (single/multi-unit) or consumer cooperative housing projects (co-ops) the necessary assistance to repair or rehabilitate their dwellings.

Type of assistance

Project grants.

Uses and use restrictions

Organizations may use up to 20% of the Housing Preservation Grant funds for program administration purposes, such as to hire the personnel to carry out a housing rehabilitation project; to pay necessary and reasonable office and administrative expenses; and to pay reasonable fees for training of organization personnel. 80% or more of funds must be used for loans, grants or other assistance for individual homes, homeowners, rental properties or co-ops

Eligibility requirements

Eligible organizations include a state or political subdivision, public nonprofit corporation, Indian tribal corporations, private nonprofit corporation, or a consortium of such eligible entities. Applicants must provide assistance under this program to persons residing in unincorporated areas and communities with a population of 10,000 or less.

SECTION 538 RURAL RENTAL HOUSING GUARANTEED LOANS (10.438) (Section 538)

Rural Housing Service, Department of Agriculture

This program has been designed to increase the supply of affordable multifamily housing in rural areas through partnerships between RHS and major lending sources, as well as State and local housing finance agencies and bond insurers. The program provides Federal credit enhancement to encourage private and public lenders to make new loans for affordable rental properties that meet program standards.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

The guarantee will encourage the construction of new rural rental housing and appropriate related facilities. Housing as a general rule will consist of projects with 5 or more dwellings.

Eligibility requirements

The applicant in this program is the lender. The lender must be approved and currently active with Fannie Mae, Freddie Mac, HUD/FHA insurance programs, Ginnie Mae or be a State or local Housing Finance Agency. A member of the Federal Home Loan Bank System or other lender may be able to participate if they can demonstrate satisfactory experience with multifamily lending.

Beneficiary Eligibility

Occupants must be families or persons with income not in excess of 115% of the Median Income at the time of initial occupancy.

MORTGAGE INSURANCE_HOMES (14.117) (Section 203(b))

Department of Housing and Urban Development

Help people undertake home ownership.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

HUD insures lenders against loss on mortgage loans. These loans may be used to finance the purchase of proposed, under construction, or existing 1-to 4-family housing, as well as to refinance indebtedness on existing housing.

Maximum insurable loans are as follows: 1-family \$172,632; 2-family \$220,992; 3-family \$267,120; and 4-family \$312,895.

Eligibility requirements

All persons intending to occupy the property are eligible to apply.

Beneficiary Eligibility

Individuals/families

REHABILITATION MORTGAGE INSURANCE (14.108) (Section 203(k))

Department of Housing and Urban Development

Help families repair or improve, purchase and improve, or refinance and improve existing residential structures more than 1 year old.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

HUD insures lenders against loss on loans. These loans may be used to rehabilitate an existing 1 to 4 unit dwelling in one of four ways: (1) Purchase a structure and the land on which the structure is located and rehabilitate it; (2) purchase a structure on another site, move it onto a new foundation on the mortgaged property and rehabilitate it; (3) refinance the existing indebtedness and rehabilitate such a structure; or (4) rehabilitate such a structure. Maximum insurable mortgage loans for an occupant mortgagor are the same as prescribed for Section 203(b) -

Eligibility requirements

Individual purchasers are eligible to apply.

**MANUFACTURED HOME PURCHASE LOAN INSURANCE- AS PRINCIPAL
RESIDENCES OF BORROWERS (14.110) (Title I)
Department of Housing and Urban Development**

Make possible reasonable financing of manufactured home purchases.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

HUD insures lenders against loss on loans. Insured loans may be used to purchase manufactured home units by buyers intending to use them as their principal places of residence. The maximum amount of the loan is \$48,600, whether single or multiple modules. The borrower must give assurance that the unit will be placed on a site which complies with local zoning and land development requirements.

Eligibility requirements

All persons are eligible to apply.

**MORTGAGE INSURANCE FOR CONSTRUCTION OR SUBSTANTIAL
REHABILITATION OF CONDOMINIUM PROJECTS (14.112) (Section 234(d)
Condominiums)**

Department of Housing and Urban Development

Enable sponsors to develop condominium projects in which individual units will be sold to home buyers.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

HUD insures lenders against loss on mortgage loans. These loans may be used to finance the construction or rehabilitation of multifamily housing structures by a sponsor intending to sell individual units as condominiums that also would be eligible for the benefits of mortgage insurance under Section 234(c). The program has statutory per unit mortgage limits which vary according to the size of the unit, the type of structure, and the location of the project.

Eligibility requirements

Eligible sponsors include private for-profit developers, public bodies, and other sponsors who meet FHA requirements for mortgagors. All families are eligible to purchase condominium units. Mortgages for individual units may be insured under Section 234(c).

**MORTGAGE INSURANCE COOPERATIVE PROJECTS (14.126)
(Section 213 Cooperatives)**

Department of Housing and Urban Development

Enable nonprofit cooperative ownership, housing corporations or trusts to develop or sponsor the development of housing projects to be operated as cooperatives. Section 213 allows investors to provide good quality multifamily housing to be sold to such nonprofit corporations or trusts upon completion of construction or rehabilitation.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

Section 213 insures lenders against loss on mortgages. Insured mortgages may be used to finance construction, acquisition of existing, or rehabilitation

of detached, semidetached, row, walk-up, or elevator type housing consisting of 5 or more units. The program has statutory per unit mortgage limits that vary according to the size of the unit, the type of structure, and the location of the project. There are also loan-to-replacement cost and debt service limitations. Contractors for new construction and substantial rehabilitation housing projects must comply with prevailing wage requirements under the Davis-Bacon Act.

Eligibility requirements

Eligible mortgagors are nonprofit cooperatives, ownership housing corporations or trusts which may either sponsor projects directly, sell individual units to cooperative members, or purchase projects from investor-sponsors (builders, developers, or others who meet HUD requirements).

Beneficiary Eligibility

Individuals/families

***MORTGAGE INSURANCE-PURCHASE OF UNITS IN CONDOMINIUMS (14.133)
(Section 234(c))***

Department of Housing and Urban Development

Enable families to purchase units in condominium projects

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

HUD insures lenders against loss on mortgage loans. These loans may be used to finance the acquisition of individual units in proposed or existing condominium projects containing 4 or more units. The maximum insurable loan for an occupant mortgagor is the same as Section 203(b).

Eligibility requirements

All families are eligible to apply.

***MORTGAGE INSURANCE_RENTAL HOUSING (114.134)
(Section 207)***

Department of Housing and Urban Development

Increase the supply of quality rental housing for middle-income families

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

Section 207 insures lenders against the loss on mortgage defaults. Section 207 mortgage insurance, although still authorized, is no longer used for new construction and substantial rehabilitation. It is however, the primary vehicle for the Section 223(f) refinancing program. Multifamily new construction and substantial rehabilitation projects are currently insured under Section 221(d)(3) and Section 221(d)(4) programs. Insured mortgages may be used to finance the construction or rehabilitation of rental detached, semidetached, row, walk-up, or elevator type structures with 5 or more units. The program has statutory per unit mortgage limits that vary according to the size of the unit, the type of structure, and the location of the project. There are also loan-to-value and debt service limitations.

Eligibility requirements

Eligible mortgagors include investors, builders, developers, and others who meet HUD requirements for mortgagors

MORTGAGE INSURANCE-RENTAL AND COOPERATIVE HOUSING FOR MODERATE INCOME FAMILIES AND ELDERLY (14.135) (Section 221(d)(3) and (4) Multifamily

Department of Housing and Urban Development

Provide quality rental or cooperative housing for moderate income families, the elderly, and handicapped.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

Section 221(d)(3) and Section 221(d)(4) insures lenders against loss on mortgage defaults for market rate rental projects. Insured mortgages may be used to finance construction or rehabilitation of detached, semidetached, row, walkup, or elevator-type rental or cooperative housing containing 5 or more units. The program has statutory mortgage limits that vary according to the size of the unit, the type of structure, and the location of the project. There are also loan-to- replacement cost and debt service limitations..

Eligibility requirements

Public, for-profit sponsors, nonprofit cooperative, builder-seller, investor-sponsor, and general mortgagors

MORTGAGE INSURANCE-RENTAL HOUSING FOR THE ELDERLY (14.138) (Section 231)

Department of Housing and Urban Development

Provide quality rental housing for the elderly.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

Section 231 insures lenders against loss on mortgages. Section 231 was designed to increase the supply of rental housing specifically for the use and occupancy of elderly persons and/or persons with disabilities. Insured mortgages may be used to finance construction or rehabilitation of detached, semidetached, walk-up, or elevator type rental housing designed for occupancy by elderly or handicapped individuals and consisting of 8 or more rental units. The program has statutory per unit mortgage limits which vary according to the size of the unit, the type of structure, and the location of the project.

Eligibility requirements

Eligible mortgagors include private profit-motivated developers, and nonprofit sponsors.

Beneficiary Eligibility

All elderly or handicapped persons are eligible to occupy apartments in a project whose mortgage is insured under the program

SUPPLEMENTAL LOAN INSURANCE-MULTIFAMILY RENTAL HOUSING (14.151) (Section 241(a))

Department of Housing and Economic Development

Finance repairs, additions and improvements to multifamily projects, group practice facilities, hospitals, or nursing homes already insured by HUD or held by HUD. Major movable equipment for insured nursing homes, group practice facilities or hospitals may be covered by a mortgage under this program.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

Section 241(a) insures lenders against loss on loans made either (1) to finance additions and improvements of multifamily housing projects, nursing homes, hospitals and group practice facilities already subject to HUD/FHA insured mortgages or mortgages held by HUD, or (2) to finance energy conservation improvements. The proceeds of a loan involving an insured nursing home, hospital or a group practice facility may also be used to purchase equipment to be used in the operation of such nursing home or facility.

Eligibility requirements

Owners of a multifamily project or facility already subject to a mortgage insured by HUD or held by HUD.

MORTGAGE INSURANCE FOR THE PURCHASE OR REFINANCING OF EXISTING MULTIFAMILY HOUSING PROJECTS (14.155) (Section 223(f)/207)

Department of Housing and Urban Development

Provide mortgage insurance to HUD-approved lenders for the purchase or refinancing of existing multifamily housing projects, whether conventionally financed or subject to federally insured mortgages at the time of application for mortgage insurance

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

Section 223(f) insures lenders against loss on mortgage loans. These loans may be used to purchase or refinance existing multifamily housing projects. Only projects not requiring substantial rehabilitation are acceptable under this section. The program has statutory per unit mortgage limits that vary according to the size of the unit, the type of structure, and the location of the project.

Eligibility requirements

Mortgagors may be either private or public.

SUPPORTIVE HOUSING FOR THE ELDERLY (14.157) (Section 202)

Department of Housing and Urban Development

Expand the supply of housing with supportive services for the elderly, including the frail elderly.

Type of assistance

Direct Payments for Specified Use.

Uses and use restrictions

Capital advances shall be used to finance the construction or rehabilitation of a structure or portion thereof, or the acquisition of a structure to provide supportive housing for the elderly, which may include the cost of real property acquisition, site improvement, conversion, demolition, relocation and other expenses of supportive housing for the elderly.

Eligibility requirements

Eligible Sponsors include private nonprofit organizations and nonprofit consumer cooperatives. Eligible Owner entities include private nonprofit corporations, nonprofit consumer cooperatives, and if the proposed project

involves mixed-financing, for-profit limited partnerships with a nonprofit entity as the sole general partner. Public bodies and their instrumentalities are not eligible Section 202 applicants.

Beneficiary Eligibility

Beneficiaries of housing developed under this program must be elderly (62 years of age or older) and have very low-incomes

GRADUATED PAYMENT MORTGAGE PROGRAM (14.159) (Section 245 9 (a))
Department of Housing and Urban Development

Facilitate early home ownership for households that expect their incomes to rise. Program allows homeowners to make smaller monthly payments initially and to increase their size gradually over time.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

HUD insures lenders against loss on mortgage loans. These mortgage loans may be used by owner-occupant mortgagors to finance the purchase of proposed, under construction, or existing single family housing, and condominiums.

Eligibility requirements

All persons intending to occupy the property are eligible to apply for Section 245(a).

MORTGAGE INSURANCE-COMBINATION AND MANUFACTURED HOME LOT LOANS (14.162) (Title I)
Department of Housing and Urban Development

Make possible reasonable financing for the purchase of a manufactured home and a lot on which to place the home.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

HUD insures lenders against loss on mortgage loans. Insured loans may be used to purchase manufactured homes and lots for buyers intending to use them as their principal places of residence.

Eligibility requirements

All persons are eligible to apply.

MORTGAGE INSURANCE-SINGLE FAMILY COOPERATIVE HOUSING (14.163) (203(n))
Department of Housing and Urban Development

Provide insured financing for the purchase of the Corporate Certificate and Occupancy Certificate for a unit in a cooperative housing project.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

HUD insures lenders against loss on mortgage loans. These insured loans may be used to assist individuals or families in acquiring corporate certificates and occupancy certificates in a cooperative housing project that is covered by a blanket mortgage insured under the National Housing Act.

Eligibility requirements

Applicant Eligibility

Potential owner-occupant mortgagors are eligible to apply.

**OPERATING ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING
PROJECTS (14.164) (Flexible Subsidy Fund; Troubled Projects)**
Department of Housing and Urban Development

Provide loans to restore or maintain the physical and financial soundness of certain low-to moderate-income projects assisted or approved for assistance under the National Housing Act or under the Housing and Urban Development Act of 1965.

Type of assistance

Direct Payments for Specified Use.

Uses and use restrictions

Flexible Subsidy funds can be lent to eligible projects in an amount based on the project's total needs. It may be used to correct physical deficiencies resulting from deferral of regular maintenance; to reduce deficiencies in replacement reserve funds; and to fund operating deficits. Flexible Subsidy assistance is limited to certain specially funded projects

Eligibility requirements

Eligible owners are nonprofits, with existing loans from HUD under the Section 202 program.

MORTGAGE INSURANCE-HOMES-MILITARY IMPACTED AREAS (14.165)
(Section 238(c))
Department of Housing and Urban Development

Help families undertake home ownership in military impacted areas.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

HUD insures lenders against loss on mortgage loans. These loans may be used to finance the purchase of proposed, under construction, or existing 1- to 4-family housing, as well as to refinance indebtedness on existing housing.

Eligibility requirements

All families intending to occupy the property are eligible to apply.

SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES (14.181)
(Section 811)
Department of Housing and Urban Development

Provide for supportive housing for persons with disabilities.

Type of assistance

Direct Payments for Specified Use.

Uses and use restrictions

Capital advances may be used to construct, rehabilitate or acquire structures to be used as supportive housing for persons with disabilities. Project rental assistance is used to cover the difference between the HUD-approved operating costs of the project and the tenants' contributions toward rent (30% of adjusted income).

Eligibility requirements

Eligible Sponsors or owners are nonprofit organizations with a Section 501(c)(3) tax exemption from the Internal Revenue Service and, if the proposed project involves mixed financing, for-profit limited dividend organizations with a nonprofit entity as the sole general partner.

Beneficiary Eligibility

Beneficiaries of housing developed under this program must be very low income persons with a physical disability, developmental disability or chronic mental illness (18 years of age or older).

MORTGAGES INSURANCE FOR SINGLE ROOM OCCUPANCY (SRO) PROJECTS (14.184) (Section 221(d) Single Room Occupancy)
Department of Housing and Urban Development

The Single Room Occupancy (SRO) Program provides mortgage insurance for multifamily properties consisting of single-room units. It is aimed at those tenants who have a source of income but are priced out of the rental apartment market. SRO projects will generally require assistance from local governing bodies or charitable organizations in order to reduce the rents to affordable levels.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

The SRO Program insures lenders against loss on mortgages used to finance construction or substantial rehabilitation of projects consisting of 5 or more units comprised primarily of 1 room residential units. Projects must be designed primarily for residential use. Any commercial activity must be compatible with the use of the project and primarily for the benefit of the residents. Commercial space is limited to 10% of the total gross floor area (20% in substantial rehabilitation projects), and 15% of gross rental income in a project.

Eligibility requirements

Eligible applicants may be nonprofit entities; builder/sellers teamed with a nonprofit purchaser, a limited distribution entity, for-profit entities or public entities. Cooperative lenders or investors are not eligible.

Beneficiary Eligibility

Residents are subject to normal tenant selection procedures. There are no income limits for admission.

EMERGENCY SHELTER GRANTS PROGRAM (14.231) (ESG)
Department of Housing and Urban Development

The program is designed to help improve the quality of emergency shelters and transitional housing for the homeless, to make available additional shelters, to meet the costs of operating shelters, to provide essential social services to homeless individuals, and to help prevent homelessness.

Type of assistance

Formula Grants

Uses and use restrictions

Grantees may use the grant for 1 or more of the following activities relating to emergency shelter and transitional housing for the homeless: (1) renovation, major rehabilitation, or conversion of buildings for use as shelters for the homeless; (2) provision of essential services to the homeless (not more than

30% of the grant, unless waived by HUD); (3) payment of operations (not more than 10% of the grant for staff management costs), maintenance, rent, repair, security, fuel, equipment, insurance, utilities, and furnishings; and (4) homeless prevention activities (not more than 30% of the grant), and (5) administrative costs not to exceed 5% of the ESG grant.

Eligibility requirements

Eligible grantees include states, metropolitan cities, urban counties, and territories. State grantees must distribute ESG funds to local governments, or directly to nonprofit organizations with the approval of the local government. Only local governments and nonprofit organizations may apply for ESG funds directly from States.

Beneficiary Eligibility

Eligible grantees include homeless families and individuals, and low-income persons in immediate risk of losing their housing due to eviction, foreclosure, or utility shutoffs.

SUPPORTIVE HOUSING PROGRAM (14.235)

(Transitional Housing; Permanent Housing for Homeless Persons with Disabilities; Innovative Supportive Housing; Supportive Services for Homeless Persons not in Conjunction with Supportive Housing; Safe Havens; and HMIS.)

Department of Housing and Urban Development

The Supportive Housing Program is designed to promote the development of supportive housing and supportive services to assist homeless persons in the transition from homelessness and to enable them to live as independently as possible.

Type of assistance

Project Grants; Direct Payments for Specified Use

Uses and use restrictions

8 types of assistance may be provided for Supportive Housing: 1) acquisition of structures for use as supportive housing or in providing supportive services; 2) rehabilitation of structures for use as supportive housing or in providing supportive services; 3) new construction of buildings for use as supportive housing under limited circumstances; 4) leasing of structures for use as supportive housing or in providing supportive services; 5) operating costs of supportive housing; 6) costs of providing supportive services to homeless persons; 7) costs of implementing and operating management information systems; and 8) administrative costs not to exceed 5% of the SHP grant.

Eligibility requirements

Eligible entities include states, local governments, other governmental entities, private nonprofit organizations, and community mental health associations that are public nonprofit organizations.

SHELTER PLUS CARE (14.238)

Department of Housing and Urban Development

The Shelter Plus Care Program provides rental assistance, in connection with supportive services funded from sources other than this program, to homeless persons with disabilities (primarily persons who are seriously mentally ill; have chronic problems with alcohol, drugs, or both, or have acquired immunodeficiency syndrome and related diseases) and their families. The program provides assistance through four components: (1) Tenant-based Rental Assistance (TRA); (2) Sponsor-based Rental Assistance (SRA); (3) Project-

based Rental Assistance (PRA); (4) and Single Room Occupancy for Homeless Individuals (SRO).

Type of assistance

Project Grants

Uses and use restrictions

Grants can only be used for rental assistance for homeless persons with disabilities and their families.

Eligibility requirements

An eligible applicant is a State, unit of general local government, or public housing agency (PHA).

Beneficiary Eligibility

Eligible beneficiaries include homeless persons with disabilities and their families except in single room occupancy dwellings that are only for homeless individuals with disabilities.

HOME INVESTMENT PARTNERSHIPS PROGRAM (14.239)

(HOME Program)

Department Of Housing and Urban Development

The HOME program has the following objectives: (1) expand the supply of affordable housing, particularly rental housing, for low and very low income Americans; (2) strengthen the abilities of local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing; (3) provide both financial and technical assistance to participating jurisdictions, including the development of model programs for developing affordable low income housing; and (4) extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of affordable housing.

Type of assistance

Formula Grants.

Uses and use restrictions

For use by participating jurisdictions for housing rehabilitation, tenant-based rental assistance, assistance to homebuyers, acquisition of housing and new construction of housing and reasonable activities related to the development of non-luxury housing including site acquisition, site improvements, demolition and relocation.

Eligibility requirements

States, cities, urban counties, and consortia (of contiguous units of general local governments with a binding agreement) are eligible to receive formula allocations.

Beneficiary Eligibility

For rental housing, at least 90% of HOME funds must benefit low and very low income families at 60% of the area median income; the remaining 10% must benefit families below 80% of the area median. Assistance to homeowners and homebuyers must be to families below 80% of the area median.

SELF-HELP HOMEOWNERSHIP OPPORTUNITY PROGRAM (14.247)
(Self-Help Homeownership Opportunity Program-SHOP)
Department of Housing and Urban Development

Facilitate and encourage innovative homeownership opportunities through the provision of self-help housing where the homebuyer contributes a significant amount of sweat equity toward the construction of the dwellings.

Type of assistance

Project Grants

Uses and use restrictions

Eligible expenses for program funds are land acquisition and infrastructure improvements, which taken together may not exceed an average of \$15,000 in assistance per dwelling. Additionally, up to 20% of the grant amount may be used for administrative costs.

Eligibility requirements

Funds are awarded competitively to national or regional nonprofit organizations or consortia that have experience in providing self-help housing homeownership opportunities.

COMMUNITY DEVELOPMENT BLOCK GRANTS-SECTION 108 LOAN GUARANTEES (14.248) (Section 108)

Department of Housing and Urban Development

Provide communities with a source of financing for economic development, housing rehabilitation, public facilities, and large scale physical development projects.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

For purposes of determining eligibility, the Community Development Block Grant (CDBG) rules and requirements apply. As with the CDBG program, all projects and activities must either principally benefit low and moderate-income persons, aid in the elimination or prevention of slums and blight, or meet urgent needs of the community. The President's FY 2006 budget requests no funding for the CDBG program in FY 2006. The budget proposes a new program, Strengthening America's Communities Initiative (SACI), to be established at the U.S. Department of Commerce that will encompass certain CDBG eligible activities.

Eligibility requirements

Eligible Applicants include: non-entitlement communities that are assisted in their submission of applications by States that administer the CDBG program. Furthermore, the public entity may be the borrower or it may designate a public agency to be the borrower.

RURAL HOUSING AND ECONOMIC DEVELOPMENT (14.250)

Department of Housing and Urban Development

Build capacity at the State and local level for rural housing and economic development and to support innovative housing and economic development activities in rural areas.

Type of assistance

Project Grants

Uses and use restrictions

Grants can be used for capacity building, and support for innovative housing and economic development activities for these programs. The President's FY 2006 Budget proposes consolidating RHEC into a new economic and community development program to be administered by the Department of Commerce.

Eligibility requirements

Local rural nonprofit organizations, community development corporations, federally recognized Indian Tribes, State Housing Financing Agencies and State Community and/or Economic Development Agencies.

TEACHER NEXT DOOR INITIATIVE (14.310)

Department of Housing and Urban Development

The program is designed to strengthen America's communities by encouraging public and private school teachers to live in low and moderate income neighborhoods.

Type of assistance

Sale, Exchange, or Donation of Property and Goods

Uses and use restrictions

Teachers (State-certified in grades Kindergarten through 12th grade) may purchase HUD-owned single unit properties located in designated revitalization areas at a 50% discount off list price. Teachers must agree to occupy homes as their sole residence for a period of 3 years.

Eligibility requirements

The Teacher Next Door program is limited to a specialized group. To be eligible for this program, participants must be employed full-time by a public school, private school, or federal, state, county, or municipal educational agency as a state-certified classroom teacher or administrator in grades K-12. In addition, eligibility requires participants to certify that they are employed by an educational agency that serves the school district/jurisdiction in which the home they are purchasing is located.

Beneficiary Eligibility

Teachers purchasing a HUD-owned home in a designated revitalization area within their school district, for use as their residence.

SINGLE FAMILY PROPERTY DISPOSITION (14.311)

Department of Housing and Urban Development

Sell the inventory of HUD-acquired properties in a manner that expands home ownership opportunities, strengthens neighborhoods and communities, and ensures a maximum return to the FHA mortgage insurance fund.

Type of assistance

Sale, Exchange, or Donation of Property and Goods

Eligibility requirements

Applicant Eligibility

Local Governments and Nonprofit Organizations: HUD contractors in the specific area should be contacted regarding eligibility requirements.

Beneficiary Eligibility

Eligible beneficiaries include local governments, public nonprofit institution/organizations, and potential homeowners.

DOLLAR HOME SALES (14.313)

Department of Housing and Urban Development

Expand HUD's partnership with local governments in helping to foster housing opportunities for low- to moderate-income families and address specific community needs.

Type of assistance

Sale, Exchange, or Donation of Property and Goods

Uses and use restrictions

Single family homes that are acquired in foreclosure actions by the Federal Housing Administration (FHA) will be eligible for sale to local governments across the nation for \$1 plus closing costs when the properties have been listed for at least 6 months and remain unsold. Local governments buying HUD properties for \$1 plus closing costs may sell or rent them to low- and moderate-income families, to first-time homebuyers, or to groups that will use the properties to provide services such as child-care centers, domestic abuse shelters, job training centers, etc.

Eligibility requirements

Local governments must identify the intended disposition strategies and clear public purpose goals and objectives it will pursue with properties purchased through this program.

ASSISTED LIVING CONVERSION FOR ELIGIBLE MULTIFAMILY HOUSING PROJECTS (14.314) (ALCP)

Department of Housing and Urban Development

Provide private nonprofit owners of eligible developments designed for the elderly with a grant to allow the conversion of some or all of the dwelling units in the project into Assisted Living Facilities (ALFs) serving frail elderly, as defined in Section 232(B)(6) of the National Housing Act.

Type of assistance

Project Grants

Uses and use restrictions

Assisted living facilities (ALFs) are designed to accommodate frail elderly persons and people with disabilities who can live independently but need assistance with activities of daily living (e.g., assistance with eating, bathing, grooming, dressing and home management activities.) ALFs must provide support services such as personal care, transportation, meals, housekeeping, and laundry. Typical funding will cover basic physical conversion of existing project units, common and services space. The ALCP provides funding for the physical costs of converting some or all of the units of an eligible development into an ALF.

Eligibility requirements

Only private nonprofit owners of eligible multifamily assisted housing developments specified in Section 683(2) (B), (C), (D), (E), (F), and (G), that are designated primarily for occupancy by elderly persons and have been in occupancy for at least 5 years are eligible for funding. Eligible projects are Section 202 projects for the elderly, Rural Housing Services Section 515 projects receiving Section 8 rental assistance, projects receiving project-based rental assistance under Section 8, projects financed by a below-market interest rate loan or mortgage insured under Section 221(d)(3) of the Housing Act, or housing financed under Section 236 of the National Housing Act.

Beneficiary Eligibility

Eligible residents who meet the admissions/discharge requirements as established for assisted living by state and local licensing, or HUD frailty requirements under 24 CFR891.205 if more stringent.

***PUBLIC AND INDIAN HOUSING-INDIAN LOAN GUARANTEE PROGRAM
(14.865) (Loan Guarantees for Indian Housing)***

Department of Housing and Urban Development

Provide homeownership opportunities to Native Americans, Tribes, Indian Housing Authorities including Tribally Designated Housing Entities (TDHEs), and Indian Housing Authorities on Indian land, through a guaranteed mortgage loan program available through private financial institutions.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

Mortgage loans are for the acquisition or rehabilitation of existing homes, purchase and rehabilitation of a home or construction of a new home; and refinancing of existing debt.

Eligibility requirements

The loan applicant must be a Native American, which includes Alaska Natives, or an Indian Housing Authority including a Tribally Designated Housing Authority (TDHE) or a Tribe which meets certain requirements.

Beneficiary Eligibility

The homeowner is the ultimate beneficiary of the program. When the Indian Housing Authority, TDHE or Tribe is the homebuyer, they may then rent the property. In these cases, the person renting the home would be an indirect beneficiary.

***SPECIALLY ADAPTED HOUSING FOR DISABLED VETERANS (64.106)
(Paraplegic Housing)***

Department of Veterans Affairs

Help certain severely disabled veterans acquire a home that is suitably adapted to meet the special needs of their disabilities.

Type of assistance

Direct Grants for Specified Use

Uses and use restrictions

The Specially Adapted Housing (SAH) program provides 50% of the cost to the veteran of the adapted house, land and allowable expenses, not to exceed a maximum grant of \$50,000. The money may be used to help (1) construct a suitable home on suitable land either already owned or to be acquired by the veteran, or (2) remodel an existing home if it can be suitably adapted, or (3) reduce the outstanding mortgage on a suitably adapted home already owned by the veteran.

Eligibility requirements

Permanently and totally disabled veterans

***VETERANS HOUSING-GUARANTEED AND INSURED LOANS (64.114)
(VA Home Loans)***

Department of Veterans Affairs

Assist veterans, certain service personnel, and certain unmarried surviving spouses of veterans, in obtaining credit for the purchase, construction or

improvement of homes on more liberal terms than are generally available to non-veterans.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

VA may guarantee or insure home loans made to eligible applicants for any of the following purposes: (a) buy or build a home; (b) simultaneously purchase and improve a home; (c) repair, alter or improve a home; (d) improve a home through installation of a solar heating and/or cooling system, or other energy conservation improvements; (e) buy a 1-family residential unit in an approved condominium housing project; (f) refinance a mortgage or other lien on a house owned by the applicant; (g) refinance an existing VA loan to reduce the interest rate (h) purchase a manufactured home to be permanently affixed to a lot that is already owned by the applicant; (i) purchase a manufactured home and a lot to which the home will be permanently affixed; (j) refinance at a lower interest rate an existing VA-guaranteed loan that is secured by a manufactured home permanently affixed to a lot owned by the applicant; (k) refinance an existing loan that was made for the purchase of, and that is secured by, a manufactured home that is permanently affixed to a lot and to purchase the lot to which the manufactured home is affixed.

Eligibility requirements

Eligible applicants include veterans who served on active duty on or after September 16, 1940, and were discharged or released under conditions other than dishonorable.

Beneficiary Eligibility

Service personnel, unmarried surviving spouses of veterans

VETERANS HOUSING-DIRECT LOANS FOR CERTAIN DISABLED VETERANS (64.118)

Department of Veterans Affairs

Provide veterans who are eligible for a Specially Adapted Housing with a loan directly from the VA in certain circumstances.

Type of assistance

Direct Loans

Uses and use restrictions

VA may make loans up to \$33,000 to eligible applicants if (a) the veteran is eligible for a VA Specially Adapted Housing grant, and (b) a loan is necessary to supplement the grant, and (c) home loans from a private lender are not available in the area where the property involved is located.

Eligibility requirements

Eligible applicants include permanently and totally disabled veterans who served on active duty on or after September 16, 1940 and are eligible for a Specially Adapted Housing grant.

VETERANS HOUSING-MANUFACTURED HOME LOANS (64.119)

Department of Veterans Affairs

Assist veterans, servicepersons, and certain unmarried surviving spouses of veterans in obtaining credit for the purchase of a manufactured home on more liberal terms than are available to non-veterans.

Type of assistance

Guaranteed/Insured Loans

Uses and use restrictions

VA may guarantee a lender against loss on a loan made to an eligible applicant to buy a new or used manufactured home and/or to buy or improve a lot for placement of a manufactured home, or to refinance an existing VA guaranteed or insured loan previously obtained on the same manufactured home and/or lot

Eligibility requirements

Eligible applicants include veterans who served on active duty on or after September 16, 1940, and were discharged or released under conditions other than dishonorable.

Beneficiary Eligibility

Eligible beneficiaries include veterans, servicepersons, and certain unmarried surviving spouses of veterans.

TRANSITIONAL LIVING PROGRAM FOR HOMELESS YOUTH

Department of Health and Human Services

The overall purpose of the Transitional Living Program (TLP) for Homeless Youth is to establish and operate transitional living projects for homeless youth, including pregnant and parenting youth. This program is structured to help older homeless youth achieve self-sufficiency and avoid long-term dependency on social services.

Type of assistance

Grants

Uses and use restrictions

Transitional Living Programs are required to provide youth with stable, safe living accommodations and services that help them develop the skills necessary to move to independence. Living accommodations may be host family homes, or "supervised apartments". Grants are awarded competitively for project periods of 3 to 5 years. Grantee must provide matching funds equal to at least 10% of the Federal share. The nonfederal share may be in cash or in-kind. (The non-Federal share may be met by cash or in-kind contributions, although applicants are encouraged to meet their match requirements through cash contributions.)

Eligibility requirements

Eligible applicants include states, localities, private entities, and coordinated networks of such entities unless they are part of the law enforcement structure or the juvenile justice system

F.3.2: State housing programs

LOW INCOME HOUSING TAX CREDITS

State Housing Trust Fund

The low-income housing tax credit is an incentive program created to encourage the construction or rehabilitation of buildings for low-income tenants. It provides a dollar-for-dollar reduction in tax liability to property owners and investors who agree to provide low-income housing for up to 40 years.

Type of assistance

Tax credits to investors

Uses and use restrictions

Non-profit agencies participating in the program generally form partnerships with private investors who make equity capital investments in exchange for an ownership interest and tax credits. Non-profits must have an ownership interest (usually 1%) and materially participate in the development and operation of the projects, usually as the managing general partner. Private investors (i.e. banks, corporations) buy tax credits from the affordable housing developer; developer then uses proceeds (equity) to construct or rehab units. Credits are claimed by the project owner and/or investors over a 10-year period, although the units must remain affordable for at least 30 years. The legal requirements related to forming tax credit partnerships, selling the tax credits to investors and annual reporting to the Internal Revenue Service are relatively complicated, making the Tax Credit Program more often used for projects greater than 25 units.

Eligibility requirements

At least 20% of units must be either reserved for households earning below 50% of AMI, or 40% of units must be for households earning up to 60% AMI.

WASHINGTON STATE HOUSING TRUST FUND

Office of Community Development, CTED

The Housing Trust Fund works to provide safe, decent, and affordable housing in communities throughout the state in partnership with private lenders, other state agencies, local governments, and community-based housing developers.

Type of assistance

Grants and loans

Uses and use restrictions

Funds are awarded through a competitive process. Applications are submitted to the State in response to requests for proposals. Housing projects using HTF monies typically are obligated to house low-income households for 40 years.

Eligibility requirements

There are set-aside funds in the Housing Trust Fund for special populations including: homeless families with children (transitional or emergency shelter projects) and domestic violence victims

HOUSING ENHANCEMENT GRANT PROGRAM

CDBG/Office of Community Development, CTED

Community Development Block Grant (CDBG) Housing Enhancement Grants offer flexible companion grants in coordination with the Housing Finance Unit (HFU) by providing eligible Washington State cities and counties the opportunity to partner with non-profit, low-income housing developers to assist in the development or preservation of housing projects. TYPES OF

Types of assistance

Grants

Uses and use restrictions

Only projects receiving Housing Trust Fund dollars may apply for Housing Enhancement Grants. Housing Enhancement Grants may only be used for activities that are not eligible for funding through the Housing Trust Fund. Eligible applicants are Washington State cities and towns with less than 50,000 in population or counties with less than 200,000 in population that are non-entitlement jurisdictions or are not participants in HUD Urban County Entitlement Consortium. Non-profit organizations, Indian tribes, and special

purpose organizations such as public housing authorities, port districts, community action agencies, and economic development councils, are not eligible to apply directly to the CDBG Program for funding. However, eligible jurisdictions may choose to serve Indian tribes within their jurisdiction or to involve the other organizations in the operation of projects funded under the program.

Eligibility requirements

Projects must principally benefit low- and moderate-income persons. Low- and moderate-income is defined as 80% of county median income.

HOUSING REHABILITATION GRANT PROGRAM
CDBG/Office of Community Development, CTED

The Community Development Block Grant (CDBG) Housing Rehabilitation Grant Program provides funding to eligible Washington State communities to support housing rehabilitation activities that principally benefit low- and moderate-income persons.

Type of assistance
Grants

Uses and use restrictions

Applications must meet one of the following program priorities:

- Address public health and safety issues
- Improve essential services to low- and moderate-income persons
- Complete a necessary and specific step within a broader community development strategy
- Assist communities in meeting the planning requirements that will principally benefit low- and moderate-income persons

Eligibility requirements

Eligible applicants are Washington State cities and towns with less than 50,000 in population or counties with less than 200,000 in population that are non-entitlement jurisdictions or are not participants in a HUD Urban County Entitlement Consortium. Projects must principally benefit low- and moderate-income persons. Low- and moderate-income is defined as 80% of county median income.

HOME REPAIR AND REHABILITATION
HOME/Office of Community Development, CTED

Through the HOME Program, established under Title II (Home Investment Partnerships Act) of the National Affordable Housing Act, the U.S. Department of Housing and Urban Development (HUD) distributes financial assistance to states and local governments to implement housing strategies that address the affordable housing needs of low- and very low-income individuals and families.

Type of assistance
Grants

Uses and use restrictions

HOME dollars are used in conjunction with state, private and federal weatherization dollars to perform home repair and rehabilitation. Very low-income occupants of single-family dwellings are eligible for grants and loans under this program. Repair costs may not exceed \$24,999 per unit.

Eligibility requirements

Eligible organizations are community action agencies, local governments and housing authorities who currently provide weatherization services.

WASHINGTON STATE HB 2006 STATE OPERATING & MAINTENANCE FUND
Office of Community Development, CTED

The Operations and Maintenance (O&M) Fund is part of the Housing Trust Fund (HTF) and is used to support projects that have received capital dollars from the HTF. Priority is given to new projects awarded HTF money. Funds to be awarded are for not more than \$25,000 per year for 40 years or \$50,000 per year for 20 years.

Type of assistance

Loans

Uses and use restrictions

The purpose of the funds is to support operations and maintenance costs of housing projects or units within housing projects that are affordable to extremely low-income persons and that require a supplement to rent-revenue to cover on-going operating expenses.

Eligibility requirements

Eligible applicants are very low-income populations (30% or below of AMI). Priority is given to seasonal farm worker projects and projects for persons with special needs, including disabilities and homelessness

TRANSITIONAL HOUSING OPERATING AND RENT PROGRAM (THOR)
Office of Community Development, CTED

The purpose of the THOR program is to provide transitional housing for homeless families with children so they can find suitable, affordable permanent housing.

Type of assistance

Grants

Uses and use restrictions

An Operating Subsidy Program for transitional housing facilities and a Rental Assistance Program that provides partial payments for rent assistance to homeless families with children is included in the program. For operating assistance, eligible transitional housing projects must provide transitional housing for the targeted population of homeless families with children whose incomes are at or below 50% of the area median income. Operating subsidies shall not exceed 50% of the project's core operating budget for the year, and rents shall not exceed 30% of the income of the targeted population. For rental assistance, eligible programs must provide rental assistance to homeless families with children whose incomes are at or below 50% of the area median.

Eligibility requirements

Eligible applicants are very low and low income families with children.

TENANT BASED RENTAL ASSISTANCE (TBRA)
Office of Community Development, CTED

US Department of HUD HOME program funds awarded to WA State and used to assist low-income renters. Under the TBRA program low-income households are assisted with a portion of their rent for a period of up to 2 years.

Type of assistance

Grants

Uses and use restrictions

Eligible tenants under a TBRA program receive direct rental subsidies that enable them to live in rental units of their own choosing, provided that the units meet basic program requirements. Within the bounds of certain HOME Program rules, WA state HOME funds are awarded through a competitive Request for Proposal process. Client-targeted populations in order of priority are:

- Foster children transitioning to independence;
- Chronically mentally ill, developmentally disabled, or other special needs populations such as those recovering from alcohol or substance abuse;
- Farm workers seeking permanent year round rental housing
- Households transitioning to self-sufficiency, especially those in TANF, Welfare to Work, or Work First

Eligibility requirements

Eligible organizations are cities, counties, non-profit organizations, and public housing authorities that have administered or who can partner with an agency or technical assistance provider that has experience with Tenant Based Rental Assistance or a Section 8 Rental Assistance Program

WASHINGTON STATE'S HOMECCHOICE PROGRAM

Housing Finance Commission

HomeChoice is a down payment assistance program for low- and moderate-income people with a disability or who have a family member with a disability living with them and qualify for a conventional mortgage loan using HomeChoice guidelines.

Type of assistance

Loans

Uses and use restrictions

The Program offers up to \$15,000 per household in a payment deferred second mortgage. Second mortgages are due when home is sold, or if home is refinanced or after 30 years. The Commission will forgive the interest on a HomeChoice second mortgage only if borrower is not in default on the first mortgage. HomeChoice down payment requirement is 3%. The borrower's contribution is \$500.00. The rest of the down payment can come from a gift, grant or grant-like down payment assistance.

Eligibility requirements

Low- and moderate-income people with a disability

HOUSE KEY RURAL PROGRAM

Housing Finance Commission

House Key Rural is a first time home buyers program providing a second mortgage with a 3% simple interest rate. There are no monthly payments with the balance due and payable when the Borrower(s) (1) sells, refinances, transfers the property; (2) fails to maintain as principal place of residence; or (3) when the home is paid off (on or before 30 years).

Type of assistance

Loans

Uses and use restrictions

Borrowers must be first-time homebuyers and meet the program's purchase price and income limits. Proceeds must be used with the state's House Key Program 1st mortgage program. Borrowers must earn 80% or less of their participating county's area median income based on family size. Borrowers

may qualify for a maximum loan amount of 6% of purchase price or \$10,000, whichever is higher based upon need and availability of funds. (Minimum amount of assistance is \$1,000)

Eligibility requirements

Moderate income or below families

NONPROFIT FACILITIES BOND PROGRAM

Housing Finance Commission

Tax-exempt bonds issued for capital facilities and equipment that serve the mission of nonprofit organizations

Type of assistance

Streamlined Tax Exempt Placement Program bonds

Uses and use restrictions

Nonprofit organizations can use tax-exempt bonds to finance facilities and equipment that meet the nonprofit's stated 501(c)(3) mission, including:

- Construction and rehabilitation of buildings
- Purchase of land, equipment and buildings
- Refinancing of existing capital debt
- Lease or purchase of equipment
- Development and feasibility study costs, such as architectural, engineering, fundraising consulting, accounting, and legal costs directly related to the project and its development can also be financed.

Projects that include religious activities, i.e. churches and synagogues are not eligible. However, projects that serve nonsectarian purposes that are sponsored by religious organizations are often eligible.

Eligibility requirements

To be eligible for the Nonprofit Facilities Program an owner must be a nonprofit organization, as certified by the IRS under Section 501(c)(3) of the tax code. It must own 100% of the project, or that portion of the project that is financed with tax-exempt bonds.

NONPROFIT HOUSING PROGRAM

Housing Finance Commission

Assist the private nonprofit organizations in Washington State in financing housing projects that meet their organizations mission.

Type of assistance

Streamlined Tax Exempt Placement Program bonds; Larger projects, when borrowing typically exceeds \$3,000,000, investments banks market the bonds to retail and institutional investors.

Uses and use restrictions

Nonprofit organizations can use tax-exempt bonds to finance housing that is directly related to their mission, including:

- Construction and rehabilitation of buildings
- Purchase of land and buildings
- Refinancing of existing capital debt
- Development and feasibility study costs, such as architectural, engineering, fundraising consulting, accounting, and legal costs directly related to the project and its development can also be financed.
- Low Income Housing Tax Credits cannot be used in conjunction with this type of bonds

Eligibility requirements

Organizations with a 501(c)(3) determination letter from the IRS.

MULTIFAMILY HOUSING

Housing Finance Commission

Program finances multifamily housing for people with low to moderate income with for-profit developers.

Type of assistance

Access to tax exempt bonds

Uses and use restrictions

The proceeds from tax-exempt bonds can be used to finance new construction, rehabilitation, acquisition and rehabilitation, and predevelopment costs incurred for projects financed.

Developers may use the proceeds from tax-exempt bonds to develop:

- Independent living units (apartments)
- Congregate care facilities
- Assisted living facilities.

Eligibility requirements

A project must be located in the state of Washington and be a residential rental project that provides a significant public benefit. Internal Revenue Code requires users of multifamily tax-exempt bonds to reserve a percentage of the total units for low-income residents. The minimum requirement under the Code is either: 20% of the total units set aside for households with incomes at or below 50% of median income; OR 40% of the units set aside for households with incomes at or below 60% of median income.

LOW INCOME HOUSING TAX CREDIT PROGRAM

Housing Finance Commission

The 1986 Tax Reform Act created the Credit under Section 42 of the Internal Revenue Code to assist the development of low-income rental housing by providing qualified Owners with Credit to reduce their federal tax obligations.

Type of assistance

Federal Tax Credit

Uses and use restrictions

The Credit is a dollar for dollar reduction of federal income tax liability for Owners of or investors in low-income rental housing. The Credit is available for a 10-year period subject to compliance with the requirements of the IRS Code and the Washington State Housing Finance Commission. The amount of Credit is based on the type of Project, the costs of developing a Project, the percentage of Qualified Low-Income Housing Units in a Project, and the nature and amount of financing for a Project.

Eligibility requirements

The "Owner" of a Project (an individual, corporation, Limited Liability Company or, most commonly, a Limited Partnership) that receives Credit from an allocating agency is eligible to use the Credit. Individuals are subject to the passive income and loss and at-risk limitations in the federal tax law. Certain for-profit corporations not subject to the passive income and loss and at-risk limitations are able to use an unrestricted amount of Credit each year.

F.3.3: Private /federal third party programs-

IMPACT CAPITAL PREDEVELOPMENT FUND

Impact Capital

Predevelopment Loans are short-term, low-interest loans designed to assist eligible applicants cover costs associated with preparing site-specific real estate development project funding applications.

Type of assistance

Loans

Uses and use restrictions

This and other loan products are designed to help non-profit organizations identify real estate opportunities, conduct due diligence inspections, purchase property, pay for predevelopment activities, and construct projects that will benefit low-income people.

Eligibility requirements

Most loans are made for projects that include affordable housing for low income persons.

AFFORDABLE HOUSING PROGRAM (AHP)

Federal Home Loan Bank – Seattle

Stimulate affordable rental and homeownership opportunities for low-income households.

Type of assistance

Grants to member institutions

Uses and use restrictions

FHLB members make grants to community partners that may:

- Reduce mortgage principal
- Fund rehabilitation and new construction
- Cover down payment and closing costs
- Lower the interest rate on a loan

A sponsor must partner with a Seattle Bank financial institution member.

Project must include the purchase, construction, or rehabilitation of owner-occupied or rental housing. Transitional housing and overnight shelter projects are also eligible. Homeownership projects must serve households earning 80% or less of area median income, adjusted for family size. Rental projects must serve households earning 80% or less of area median income. At least 20% of the total units must be occupied by and affordable to households earning 50% or less of area median income, adjusted for family size.

Eligibility requirements

Sponsors of rental housing must have some ownership in the property once a project is completed. Sponsors of homeownership projects are not required to maintain an ownership interest, but must be integrally involved in the project's development. Applications from nonprofits, government agencies and Native American organizations are more competitive than those from for-profit entities

COMMUNITY INVESTMENT FUND (CIF)-ECONOMIC DEVELOPMENT FUND (EDF)

Federal Home Loan Bank – Seattle

Program supports Seattle Bank members with a lower-cost loan who assist affordable housing and economic development initiatives.

Type of assistance

Loans to member institutions, with access to cost of funds LOC's

Uses and use restrictions

Seattle Bank members can apply for advances priced at cost of funds, for terms from 5 to 30 years. Rate locks are available for periods up to 24 months.

CIP/EDF loans can be used to finance affordable homes, multi-family rental projects, new small businesses, new roads and bridges, and sewage treatment plants.

Eligibility requirements

CIP loans supporting affordable housing must benefit households that earn up to 115% of area median income. EDF loans supporting business or commercial projects must benefit households earning up to 115% of area median income in rural areas and up to 100% of area median income in urban areas.

HOME\$TART PROGRAM

Federal Home Loan Bank – Seattle

Home\$tart promotes homeownership by helping first-time homebuyers earning up to 80% of their area's median income purchase a home.

Type of assistance

Grants to member institutions with pass through to prospective first time home buyers

Uses and use restrictions

Home\$tart grants may be used for down payments, closing costs, or rehabilitation of an owner-occupied housing unit, including a condominium or cooperative housing unit, to be used as the household's primary residence. Grants may be used in combination with funds from other sources. The Home\$tart Program provides \$3 for every \$1 a family contributes up to \$5,000. The Home\$tart Plus Program provides households receiving public housing assistance with \$2 for every \$1 of the household's funds, up to \$10,000.

MULTIFAMILY PERMANENT LOANS, SPECIAL NEEDS HOUSING, ASSISTED LIVING PROJECTS

Washington Community Reinvestment Corporation

Provide loans for acquisition, rehabilitation and permanent loans for a variety of affordable housing projects in Washington State.

Type of assistance

Loans

Uses and use restrictions

Nonprofit borrowers are all entities with an IRS designation of 501(3) c and public entities such as housing authorities and community action councils or limited liability corporations where the managing member is a 501(3) c, housing authority or community action council or a limited partnership where the general partner is a nonprofit entity, a housing authority or a community action council.

TAX EXEMPT BONDS FORHOUSING DEVELOPMENT

Washington Community Reinvestment Corporation

Provide loans for acquisition, rehabilitation and permanent loans for a variety of affordable housing projects in Washington State.

Type of assistance

Purchase of tax exempt bonds

Uses and use restrictions

Nonprofit borrowers are all entities with an IRS designation of 501(3) c and public entities such as housing authorities and community action councils or limited liability corporations where the managing member is a 501(3) c, housing authority or community action council or a limited partnership where the general partner is a nonprofit entity, a housing authority or a community action council.

SINGLE FAMILY, MULTI FAMILY, FRIST TIME HOME BUYERS PROGRAMS
Fannie Mae

Assist families in obtain quality affordable housing

Type of assistance

Loans and grants

Uses and use restrictions

Fannie Mae is a shareholder-owned company with a mission to expand homeownership opportunities for low- and moderate-income families and to make the cost of mortgage credit as affordable as possible.

Fannie Mae's makes sure mortgage money is available in all communities. Fannie Mae does not lend money directly to home buyers. Instead, they operate in the secondary market, providing lenders with a reliable supply of capital to serve the needs of home buyers and affordable housing development.

Fannie Mae does this primarily in two ways. First, Fannie Mae purchases mortgage loans that lenders make to home buyers, re-supplying lenders with capital, which they can use to make additional loans. They also package pools of mortgages with similar characteristics into mortgage backed securities, which lenders, in turn, can sell to investors on Wall Street and throughout the world. In addition, Fannie Mae works with lenders to develop new mortgage initiatives, investments and business strategies that help lenders and other housing partners expand opportunities for affordable housing. Check directly with Fannie Mae.

Appendix G.1: Interview and focus group results

G.1.1: Non-profit housing stakeholder interviews

Personal interviews were conducted with the following non-profit agencies between 7 May and 11 June 2007.

- Building Industry Association – Bill Quehrn and Mary Dickinson
- Whatcom Skagit Self Help Homes – Nancy Larsen
- Kulshan Community Land Trust – Paul Schissler, Executive Director
- Coalition for Healthy Communities – Susan Anderson
- Bellingham Housing Authority – John Harmon
- Director Opportunity Council – Dave Finet
- Archdioceses' Housing Authority – Steve Powers
- Habitat for Humanity – John Shorthill
- Mobile Home Owners Association – Dick Wilcoxon
- Whatcom County farmer – Marv Enfiled
- Womencare Shelter – Janice Holt
- Lummi Nation Housing – Dianne Pheir
- County Health Department – Gary Williams
- Whatcom County Builder – Dick Skeers

The interviews were generally 45 minutes in duration and consisted of a series of 5 – 6 questions. Interviewees were asked to be candid and were assured that their responses would not be attributed to them in the final document. The non-profit housing providers were also asked to expand on the state of their organization, the details of the programs being provided in Whatcom County, and the likely future direction of their organization. These detailed responses were reported under separate cover.

Note – many answers were similar from interview to interview – only one response is recorded in the following even if the comment was repeated.

1: How would you describe the housing market here in Bellingham and Whatcom County?

- Market demands it/market gets it
- Cost increasing
- Outside money coming in
- Outside investment
- Lack of consistency, clarity, and certainty is lacking in governmental regulations
- Land in short supply
- Sprawl
- UGA growing too slowly
- People are paying too high a percent of income for housing
- Increasing commute times/expense
- Increasing demand for rentals
- Demand is driving affordable low income out
- Construction costs rising
- Rental rates not keeping pace with costs
- Wages not increasing with to match housing cost increases
- Affordable housing units not being built
- Other living expenses are rising

2:- Why do you suppose this is occurring? Name three possible causes.

- Material cost
- Lack of easily buildable
- Many fixed income residents
- Service industry wages
- Population increases
- Newcomers with large incomes
- Newcomers with large equities
- Unnecessary governmental fees and charges
- Poor planning
- Land cost skyrocketing
- NIMBYism slows project s down drives up costs
- Older homes being converted to affordable home purchases
- Older affordable housing not being replaced
- College students affect rental market
- Speculation
- Environmental regulations
- Fees
- Governmental interference
- Overly strict environmental standards

3: What do you see as the major roadblocks to adequate choice for the housing consumer?

- Buyer's preference for larger and larger
- Uncertainty in permitting process
- Low incomes
- No overall economic development plan
- Long term affordability after purchase
- NIMBYism
- Lack of acceptance of alternative building types
- Lack of marketing alternative building types
- Cost of funds
- Cost of living overall
- Inadequate direct rental assistance
- Working poor don't qualify for much
- Automobile dependence
- Little community support for increased density

4: What role should be played by government, lenders and builders in addressing the roadblocks?

- Provide incentives to developers
- Plan county as a whole
- Carrot and stick landuse controls
- Be more receptive to alternative building techniques
- Lenders should retain a portion of loans locally
- Incorporate green building requirements
- Streamline permitting
- Reevaluate impact fees
- Acquire and service land for affordable housing
- Assist in existing building rehabilitation
- Establish a trust fund to acquire land
- Provide additional rent assistance
- Focus efforts on lowest income groups
- Support consumer education
- Create a predictable, consistent and fair review process
- Require builders to provide a certain number of affordable units

5: What would you like to see as the final product from the Task Force's work?

- Doable/realistic/practical
- Deal with living wage issue
- Employer assisted housing
- Increase public transportation to affordable areas
- Comprehensive approach across income groups
- Assign follow up responsibility
- Create a consensus on action items
- Countywide in scope
- Minimize environmental impacts
- Incentives that are passed on to buyers
- A provision for displaced mobile homes
- Incentives for smaller and greener housing
- Clusters near employment
- Recognize interrelatedness of housing, employment and quality of life
- Local housing trust fund
- Ensure conformance with other policies
- Better coordination between groups
- A realistic role for Bellingham neighborhood groups
- Recognize the social costs of not acting
- Address loss of affordable housing over time
- Develop a clear definition of the problem

G.1.2: Focus group workshops – builders/developers

Focused topic workshops were held for builders/developers, lenders, and realtors/property managers. Representatives for each group were invited to 90 minute sessions to share their observations, thoughts and suggestions.

Attendees were assured of the confidentiality of their comment and that no comments would be attributed. Below are the summary comments of each workshop. Many points were made several times or reinforced by others. If repeated the point is listed below only once.

Builders/Developers

Homestead Northwest – Doug Ellis
Pacific Crest Partners LLC – Bob Libolt
Cabochon Construction and Development – Chris Benner
Synergy Construction – Jeff Hendrickson
Alliance Properties LLC – Ralph Black
A-I Builders –Rick Dubrow
Opportunity Council – Dave Finet
Developer - Ted Mischaikov

- CHAT needs to define the problem. What is the issue?
- Is it the housing market's responsibility to solve the 80% of AMI housing affordability problem?
- Of the housing targets how many are targeted for the various income groups? 40%, 50% 80%, etc.
- Given current income levels new housing units should cost no more than \$160k to \$180k to be affordable
- If affordable single family homeownership is still a goal then all of the community's goals need to aligned to further this
- Broad agreement that given current conditions traditional (detached, small yard) housing can't be built at the affordable level
- Need to look to marketing smaller units – 900 square foot to 1100 square foot

- LAND COST is THE major issue.
- Traditional ratios of 1:3 land to house cost can't provide affordable units when an average lot is costing \$100k to \$150K
- 20% to 30% of housing cost are attributed to permitting and governmental regulations
- Impact fees should be paid at occupancy not at application
- Impact fees should vary depending not unit size
- Government needs to be clear, consistent and quick in regulating – not necessarily less regulation
- Not enthusiastic about inclusionary zoning – should look at King County experience
- Green smaller housing needs to be given preference by reviews to encourage use
- A land trust program based on a new excise tax or recording fee to used for affordable housing targets should be investigated
- CHAT outcome needs to be real and practical with clear follow up

G.1.3: Focus group workshops – lenders

Lenders

Horizon Bank – Carla Williams, Grace Peschek, Marjorie LaValley
 American Home Mortgage – Jack DeCook
 Washington Mutual – Marty Schroeder
 Wells Fargo – Linda Elliott
 USDA Rural Development – Jennifer Hoiness

- The Land Trust model is not a wealth-building model.
- Land cost is a form of rent control.
- Concern that Bellingham will turn into “Carmel.”
- Need Home Buyer Education to start in middle and high school.
- Need to change attitudes about material things and money earlier.
- It appears that many residents are self-employed – where are the jobs that pay the higher salaries?
- Previously 25 to 33% of income goes to house payments, now 40 to 45% is common and 60% is occasionally approved in some markets.
- New loan products have placed homebuyers into a very high risk category, and bankruptcy rates have escalated as a result (predatory lending).
- Current trend is to “return to fundamentals” where good credit scores and down payments are required.
- Cost of land development/infrastructure.
- Regulation is 20 to 25% of cost – must be passed on.
- Homestead can sell within the \$160K range as they purchased the land several years ago.
- Why does it cost \$18k for a 1500 square foot SFR building permit?
- Conflicting priorities and compounded well intentioned programs (fish, shorelines**, wetlands**, etc)
- Are we after wealth or housing?
- European model is to provide SFR for 80% of the population – which family may pass along the equity in their estate, as long as a family member resides in the home.
- Builder preferences are to not to build small – economies of scale. Prefer a 3:1 (house value to lot value).
- Only expensive lots remain available in Bellingham/Whatcom County.
- Bill Krueger “Honey I Shrunk the Lot” similar to cottage style homes by DR Horton. Zoning and economics still need to work. Note that some neighborhoods have ‘down zoned’ (York and Wood neighborhoods). Krueger example: Orcas Island.
- Rents have not pushed up to match housing – but it will happen.

G.1-4

***Appendix G.1: Interview and focus group results
 Bellingham/Whatcom County Housing Action Plan***

- If American Dream is gone, hope is lost – home is the security of the family, feel part of the community, equity trickles to generations. If gone, no middle class.
- Where is “lending” as an industry standing?
- Will keep chasing demand; change programs to fit (i.e. 50 year terms,
- Note: Wall Street kept buying marginal loan products, causing a market for ‘predatory lending products.’
- Given the CHAT mission
- Incentives for builders to develop housing that are affordable. All banks have programs for special buyers, but math doesn’t work. Help needs to come from other source such as pricing.
- Everyone has affordable housing programs but based on Median Income levels. If in underserved area, could modify programs such as reduce requirement for mortgage insurance.
- Consider Feds reviewing what areas are “underserved.”. Consider changing current level of <80% of Median threshold to 120% of Median.
- Have an aggressive ADU (accessory dwelling units) program.
- Ask lenders to assist in marketing/education – USDA cannot advertise.
- Educate at HS and college levels
- Encourage builders to collaborate to create something that makes sense.

G.1.4: Focus group workshops – realtors/property managers

Realtors/Property Managers

Muljat – Lylene Johnson

Windermere – David Hovde, Douglas Wight, Bill Henshaw, Mike Kent

Whatcom County Association of REALTORS® – Jon Soine, President, and Perry Eskridge, Attorney and Political Affairs Director

- Kruger – speaker tonight (brought by Kulshan Community Land Trust) has interesting points, but implementation requires local regulations need to be changed. Local attitudes (will of the neighborhoods) are not open to this. For example: fire suppression requirements.
- Question: What’s happening with the housing market?
- System is broken
- Councils (City/County) not agreeing on UGAs. Due to GMA, utilities and infrastructure cannot be extended. This is driving costs up on the limited supply of serviced lands.
- Urban Growth Forums appeared to have pre-conceived results
- Shoreline Management height limits (45’)
- Dept of Ecology – increased size of stormwater detention – land remaining is too costly (>\$5/sf)
- Parks: 47 acres per 1000 population – unsustainable
- Regs such as required setbacks (25’ is now 100’) causes what was affordable to now not be affordable
- Some jurisdictions are able to deliver services (i.e., issue timely building permits) – why not similar in all jurisdictions?
- Be careful to observe Seattle’s problems: they have created 56,000 jobs but only 12,000 home sites within the City
- Need to create and keep affordable housing for all workers not just those in poverty
- Work on Affordable Housing has been done for decades. Recommend these be incorporated into this process. Many action items are still relevant.
- Issues are with a full bureaucratic system – not just one agency. While all intentions are good (water, critical areas, GMA, etc), the culmination is not.
- Work with what is available to create affordable housing. I

- The current MH is now the modular, but modular is not incorporated into regulatory language so benefits are limited (i.e., “modular” not OK for MH Parks).
- Example: Cabochon Construction & Development is building modular units that are very comparable to stick built. These units go into specifically designed developments.
- Question: what is government going to do to help people buy these units?
- Perceptions/political will of elected officials?
- Question: recent actions by neighborhoods (York, Birchwood, Lettered Streets, Chuckanut)
- Suggestion: allocate affordable housing units by neighborhood – have them recommend how they might incorporate them (plan)
- It appears that local government doesn’t want to provide housing that will attract new people.
- Strategy needs to be developed before we start to target the audience, price, who is backing the financing, etc. Create a climate or model of what affordable housing would look like.
- Example: Kulshan has been offered a parcel setup for 37 units within our future development corridor. Offer is excellent but who will finance? They need funds to leverage/buy product and resell.
- Bellingham/Whatcom County Housing Action Plan 5
- Downside of Kulshan’s program: unit remains affordable forever – how does the person realize the equity gain, as is allowed in Self-Help program?
- Solution lies in shrinking lots
- Young buyers want a yard, 3Bc/2Bth – they are buying the 70s split level homes and in Homestead developments.
- This will change the way Bellingham looks – cannot add 5000 affordable units and look the same
- Onerous process: short plat with density bonus automatically puts into long plat process.
- State: Mean income increasing, however single moms with kids is much less. Having stated criteria is a problem – one-size does not fit all.
- Incentives are available if the City was proactive in dealing with affordable.
- Need to treat everyone fairly, openly and honestly. Without these, private enterprise will not play. Anyone should be able to build affordable.
- Example: London city owned walk-ups (85% unemployment) – public areas not cared for while inside each unit was well maintained.
- Financing is the key: must have backbone to waive impact fees. FHA 265 Program (fund costs above bond issue). Need to maximize space or get financial incentives.
- Fannie Mae/Freddie Mac: offer reverse mortgages for first time home buyers.
- Currently, we’re not building what the buyer can afford. Sudden Valley was affordable, now lots are gone.
- Question: what is our capacity to offer affordable housing? We are not the same as towns in Eastern Washington.
- Reminder: need to execute studies already completed – much still pertinent from past projects
- Trend: young, educated professionals are leaving as they can’t afford to live here; and empty-nesters are only here part-time. Must have vital economics to keep professionals here.
- Permit fees are same for small units and large – need variable scale for those interested in building smaller units. Currently, there is disincentive.
- Example: \$35K impact fees on a 2500 s.f lot
- Perception: “affordable housing” is a negative term. Assumption is that it is low quality and poorly maintained units.
- Question: are we working on a problem that has no solution?

- There is an ‘entitlement’ attitude about the types of homes we ‘should’ be able to buy and live in. However, this is unsustainable.
- “Affordable” means having choices for a wide variety of groups
- Issues: Sandwich generation (taking care of children and parents) and our changing demographics (i.e., living longer)
- Kruger concept: incorporate Planned Unit Developments (PUDs) into options.

Appendix G.2: Mail-out/phone-back survey

In December 2007 a random sample of resident voter households in Whatcom County were contacted to participate in a controlled sample survey concerning the housing needs, trends, policy and project proposals, and financing options.

450 households agreed to participate in the survey and were mailed a copy of a summary description of the plan and a copy of the questionnaire. Survey results were compiled for the first 200 households who completed the surveys by follow-up telephone call - the number planned for in the original survey scope.

The resulting survey results are accurate to within +/-8 % of the opinions of the general registered voter household population (the statistics are rounded and may not add to 100%). The statistics also account for undecided, did not know, or refused a response.

The respondents were asked to rate their responses on a scale of 1 to 5 where 1 was the lowest, poorest, or disagree and 5 was the highest, best, or agree. For the sake of comparison, the responses were grouped into low or poor (scores 1-2) and high or best (4-5) - a score 3 was considered neutral or on the fence, and then ranked from highest or most agreement to the lowest or most disagreement by category. Following are the rank-ordered results for the total sample group.

G.2.1: Background

The federal government estimates an average household should pay no more than 30% of all household income (including all wages, salaries, pensions, stock and bond interest, and other income) for housing costs (including rent or mortgage payments, utilities, insurance, and other incidentals) if a household is to be able to pay for food, health, clothing, transportation, and other basic needs.

At the present time (2007), Whatcom County has a population of 186,479 persons that reside in 74,455 households countywide (**the county or countywide in this survey refers to the total county including all cities and unincorporated areas of the county**). Approximately 18,785 households or 25% of all countywide households are paying more than 30% of their total household income for housing. Approximately 10,180 households or 14% of all countywide households are paying more than 50% of their total household income for housing.

As a result of these conditions, we are developing a countywide housing action plan to address rising housing costs for all kinds of housing products, for all kinds of households, for all areas of all cities and the county. **Our objective is to develop policies and programs that provide housing that is affordable for all countywide resident households – and to develop strategies for assisting with housing solutions for households that can not live affordably** (those paying more than 30-50% of their household income for housing).

We would like to know your opinions about current housing conditions, preferences, and priorities. Please read these questions carefully, circle the appropriate response, and be prepared to read your answers when we call.

G.2.2: Existing countywide housing conditions

How would you rate housing conditions in general countywide?

poorest/best
1- 2 3 4-5

11	Common areas – parks, playgrounds, and open spaces?	18% 25% 56%
9	Environment – woodlands and natural area retention or preservation areas within housing developments?	25% 30% 45%
10	Amenities – street lights, trees, landscaping, and signage?	20% 40% 39%
5	Quality – construction, design, and visual appearance?	6% 59% 35%
6	Density – range of lot sizes and housing types including single and multi-family housing units?	26% 47% 28%
7	Hazard management – floodplains, mud and landslide risks, septic and well contamination?	28% 44% 26%
8	Infrastructure – roads, curbs, gutters, storm water management, and sidewalk improvements?	30% 45% 25%

How would you rate your own current housing conditions?

poorest/best
1- 2 3 4-5

15	Location – community and neighborhood you live in?	3% 14% 84%
12	Overall satisfaction – with your apartment or house?	4% 14% 83%
17	Features – kitchen, family room, fireplace, garage?	6% 21% 74%
16	Space – number of bedrooms and bathrooms?	5% 23% 73%
20	Services – schools, fire, police or sheriff, roads?	13% 26% 63%
13	Cost – for rent or mortgage payments?	13% 22% 61%
19	Amenities – playgrounds, parks, landscaping?	22% 26% 52%
18	Infrastructure – roads, curbs and gutters, sidewalks?	29% 29% 42%
14	Cost for housing related services – including utilities and property taxes?	34% 39% 28%
21	What percent of your household's gross monthly income – do you pay for rent or a mortgage?	27% 0% 10% 10% 21% 20% 20% 30% 10% 40% 4% 50% 2% 50%+ 7% nr
22	What percent of your household's gross monthly income – do you pay for sewer, water, power, natural or propane gas, and other utilities?	4% 1% 6% 2% 16% 3% 6% 4% 14% 5% 6% 6% 6% 7% 12% 8% 4% 9% 20% 10%+ 0% nr

23	What percent of your household's gross monthly income - do you pay for transportation including gas, ferry, and transit?	12% 9% 12% 9% 16% 5% 4% 10% 4% 17% 5%	1% 2% 3% 4% 5% 6% 7% 8% 9% 10%+ nr
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G.2.3: Countywide housing trends

The results of the housing analysis indicate the following factors may contribute in various ways to rising housing costs on a countywide basis. To what extent do you disagree or agree with the trends where 1 is where you most disagree and 5 where you most agree with the statement?

		disagree/agree 1- 2 3 4-5			
Market trends					
29	Low interest, variable interest, and principal only loans – are allowing households to buy higher priced homes, sometimes beyond their ability to repay?	4%	10%	86%	
30	Population growth from in-migration – is increasing as people move into our area and buy available houses driving up market prices on a countywide basis?	8%	14%	77%	
24	Construction materials – wood, asphalt, insulation, and other materials are rising in cost increasing the average price of a house or apartment countywide?	7%	21%	72%	
25	Permit application times and fees – are time consuming and expensive increasing the average price of an apartment or house countywide?	12%	24%	62%	
26	Sewer, water, and storm water utility connection fees and charges – are necessary but expensive increasing the average price of an apartment or house countywide?	10%	30%	57%	
27	School, traffic, and park growth impact fees – that pay the costs of providing facilities that will be ultimately required by a housing development are necessary but nonetheless expensive increasing the average price of an apartment or house countywide?	15%	29%	55%	
28	Land supply in urban growth areas – that limits urban development to areas that are capable of being provided utilities and other urban services are important but nonetheless limit available land increasing the average price or cost of build-able lots with which to construct houses or apartments on a countywide basis?	17%	27%	51%	

The following statements were made during housing workshops concerning trends that may be affecting the housing market and household ability to cope with housing trends on a countywide basis. To what extent do you disagree or agree with the following?

Market assumptions		<i>disagree/agree</i> 1- 2 3 4-5			
35	Single headed families, especially female – are unable to rent or buy an affordable living unit and pay for daycare, health costs, and other family expenses?	5%	12%	83%	
34	Young adults – are increasingly unable to rent or buy an affordable living unit that is manageable with local entry level job incomes?	10%	14%	76%	
36	Elderly adults, including single individuals – are increasingly unable to find affordable housing that fits their changing life style needs. As a result, they continue to live in and keep older lower priced housing units out of the market – possibly to the point where the house starts to deteriorate because the occupant can not accomplish or afford to pay for maintenance?	17%	19%	63%	
37	Special populations, including the mentally ill, victims of domestic abuse, and the temporary homeless – are unable to be economically housed – possibly to the point where current sponsors are unable to develop and operate necessary housing units?	11%	23%	62%	
31	Older or retired adults – move in <u>to live full-time</u> and buy available houses at high prices driving up the price of the houses that remain for local residents	24%	25%	50%	
33	Service workers – technical and entry level manufacturing, retail, health, and other service workers can not afford rising housing costs and are not accepting jobs affecting our ability to realize economic development on a countywide basis?	25%	28%	44%	
32	Public workers – teachers, police officers, fire fighters, and other critical public service workers can not pay rising housing costs and are not accepting local job offers?	31%	35%	32%	

G.2.4: Possible countywide housing program approaches

All cities and the county have initiated a number of actions to manage rising housing costs and growth impacts on a countywide basis. Such actions include measures that cluster housing to reduce environmental impacts and site development costs; allow innovative housing and mixed-use projects to increase site and cost efficiencies; adopt performance related design and development standards to improve the quality of the housing product and reduce development costs – to name a few. In addition, the cities and county have also amended codes to allow accessory dwelling units, cottage or small lot houses, duplex and townhouses, manufactured and modular housing products that reduce costs and provide a wider variety of rental and purchase options.

In addition to the measures listed above, the cities, county, non-profit, and for-profit housing market participants could also adopt the following measures to reduce costs and increase choice. Each one of these program approaches will involve costs to the public in some manner, some approaches costing more than others, and some programs having more impacts on housing costs and public policies and funds than others. Based on your knowledge of existing conditions, how would you prioritize the following possible programs?

<i>Education and mentoring</i>		<i>lowest/highest</i> <i>1- 2 3 4-5</i>
38	Conduct housing finance classes – that provide education and mentoring assistance on how to budget and pay for household purchases, maintenance, insurance, utilities, and other expenses?	29% 27% 45%
<i>Rehabilitation programs to retain affordable housing</i>		<i>lowest/highest</i> <i>1- 2 3 4-5</i>
40	Renovate eligible housing – working with Habitat for Humanity, USDA, Americorp, and other volunteer programs to reduce improvement and construction costs?	9% 18% 74%
41	Renovate eligible housing with sweat equity – allowing the home buyer to perform some of the construction labor involved in the renovation rather than a cash down payment?	11% 21% 69%
42	Retain and upgrade and possibly develop new mobile or manufactured home parks – to continue to provide this low cost housing alternative in the county?	33% 22% 47%
39	Establish a home rehabilitation and deferred payment program – where the eligible house is refurbished and the cost is deferred for payment until the house is sold to allow the current occupant to continue to reside in the house with current home payments? The rehabilitation loan is repaid when the house is eventually sold by the current occupant at no or a low cost interest rate.	28% 32% 41%
<i>Regulatory process governing new construction</i>		<i>lowest/highest</i> <i>1- 2 3 4-5</i>
43	Establish progressive building permit fees – based on the actual hours required to review each building submission to reduce charges where builders use pre-approved or simplified building methods?	13% 20% 66%
44	Establish progressive park, traffic, and school growth impact fees – based on the number of people who will actually reside in each type of housing product?	16% 23% 61%
45	Create a catalogue of pre-approved building plans – which builders may use instead of submitting custom-designed plans that require more extensive review and higher building permit review times and fees?	21% 23% 56%
<i>Measures that reduce land costs</i>		<i>lowest/highest</i> <i>1- 2 3 4-5</i>
51	Allow cottage/small lot developments – that allow smaller lots and cottage sized single family housing units in single family neighborhoods to increase housing where community, transportation, and other public services are already provided?	14% 20% 68%
55	Establish differential taxing rates – that reduce tax rates for land trusts, open space, commonly-owned areas, and other properties that support residential uses but are not part of a house's market value or price appreciation?	18% 17% 64%

48	Establish performance based design standards – that provide quality but flexible requirements for road widths, sidewalk locations, landscaping, and other amenities within more cost efficient designs?	18% 21% 61%
50	Allow detached accessory dwelling units (ADU) – that build separate single family housing units over the garage or as separate structures on single family lots in established neighborhoods to increase housing where community, transportation, and other public services are already provided?	24% 19% 58%
49	Allow attached accessory dwelling units (ADU) – that build separate single family housing units that are attached to an existing single family house in established neighborhoods to increase housing where community, transportation, and other public services are already provided?	22% 24% 54%
46	Define minimum density requirements – for proposed moderate to high density residential districts so that developable sites are not used up at less than capacity?	18% 29% 51%
53	Allow infill development – of townhouse, manor house, and other attached single family housing units on vacant or underused land within existing urban neighborhoods to increase housing density, choice, and reduce land costs?	20% 29% 51%
52	Allow planned unit developments (PUDs) – that allow single and multi-family housing units on the same site to increase housing density, choice and reduce land costs?	24% 27% 50%
47	Increase higher density zoning districts – of moderate to high density residential districts so that more developable sites are made available for lower cost single family and multi-family housing products?	21% 31% 46%
54	Establish transfer development rights (TDRs) – that transfer housing unit densities from less urban to more urban sites to increase density and reduce land costs where community, transportation, and other public services are already provided?	25% 32% 40%

Measures that reduce labor/material costs

lowest/highest
1- 2 3 4-5

56	Adopt performance based building codes – that allow new, innovative materials and methods that can reduce construction and assembly costs?	5% 16% 77%
57	Adopt manufactured/modular design standards – that require front porches, gable roofs, garages, and other building improvements so that manufactured housing fits into traditional single family housing neighborhoods?	21% 21% 58%

Measures that reduce operating costs

lowest/highest
1- 2 3 4-5

58	Adopt green energy efficient building codes – that make use of solar energy, passive heating, increased insulation, energy efficient appliances, and other features that may increase initial construction costs but reduce long term operating and utility costs?	15% 16% 70%
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Measures that reduce infrastructure development costs		<i>lowest/highest</i> 1- 2 3 4-5		
59	<i>Establish low impact site development standards</i> – that use natural storm drainage and treatment systems that reduce site development costs rather than the more expensive methods of creating storm water ponds or collecting and transporting storm water off-site?	17%	22%	60%
63	<i>Pre-develop public facilities</i> – including parks, schools, fire stations, and other services on sites that will provide higher density, more affordable housing?	14%	26%	59%
60	<i>Design and authorize community septic drain fields</i> – that build clustered housing projects using shared septic drain fields within commonly-owned open spaces?	25%	20%	54%
62	<i>Adopt progressive sewer connection fees</i> – based on the number of people who will actually reside in each type of housing providing reductions or waivers when affordable housing is provided?	18%	28%	52%
61	<i>Design and authorize package treatment plants</i> – that build housing projects in phases using package or interim sewer treatment plants until public sewers can be built to the site?	27%	32%	37%

Affordable housing bonus or quota measures		<i>lowest/highest</i> 1- 2 3 4-5		
66	<i>Require mandatory affordable housing quotas if the voluntary approach does not produce affordable housing units</i> – where each development project must provide a minimum number of affordable housing units in exchange for the density bonuses, reduced parking and other requirements, reduced or waived permit, utility, and impact fees, and other cost off-sets? <i>Note –the permit and impact fee costs that are reduced or waived to provide cash incentives for affordable housing must be repaid from other public funds.</i>	45%	26%	28%
64	<i>Establish voluntary bonus incentives</i> – that increases the number of allowable housing units, reduces parking requirements, and/or waives height limits when a project provides a minimum number of affordable housing units?	41%	31%	27%
65	<i>Establish voluntary cash incentives</i> – that reduces or waives building permit fees, utility connection fees, park, traffic, and school growth impact fees, and other costs when the project provides a minimum number of affordable housing units? <i>Note –permit, utility, and impact fee costs that are reduced or waived to provide cash incentives for affordable housing must be repaid from other public funds.</i>	53%	27%	19%

67	<i>Require mandatory affordable housing quotas without testing the voluntary approach to ensure the earliest production of affordable housing units</i> – where each development project must provide a minimum number of affordable housing units in exchange for the density bonuses, reduced parking and other requirements, reduced or waived permit, utility, and impact fees, and other cost offsets? <i>Note –the permit and impact fee costs that are reduced or waived to provide cash incentives for affordable housing must be repaid from other public funds.</i>	55% 25% 19%
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lowest/highest
1- 2 3 4-5

Accountability and follow-up

68	<i>Issue annual reports and update this housing action plan on a frequent basis</i> - to ensure the above measures continue to provide quality and affordable housing for all income groups and household types on a countywide basis?	17% 29% 54%
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lowest/highest
1- 2 3 4-5

Action plan organization and funding

69	<i>Establish a permanent countywide housing action plan committee</i> – to coordinate, oversee, and implement the projects and programs described in the items above?	24% 24% 53%
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lowest/highest
1- 2 3 4-5

Financing options

70	<i>Create a countywide housing action revolving fund</i> –with which to create the funds necessary for accomplishing the housing projects and programs described in the items above?	36% 24% 39%
71	<i>Assuming some public monies would be required to create the countywide housing action revolving fund</i> - how much would your household be willing to pay <i>per year</i> to sponsor such an effort?	29% \$0 9% \$5 10% \$10 4% \$15 8% \$20 10% \$25 12% \$50 3% \$75 13% \$100 1% \$100+ 4% nr

G.2.5: Countywide housing trust fund options

Whatcom County and its cities, like all jurisdictions in Washington State must structure fiscal policies to reflect recently adopted restraints on the use of property, license, and other taxes for the financing of general governmental services including any funds spent on affordable housing strategies.

Subject to voter approval, the Whatcom County Council could adopt one or more of the following alternative methods for financing affordable housing strategies ***on a countywide basis***. How would you rate each of the following alternatives?

Alternative funding sources		lowest/highest 1- 2 3 4-5
74	<u>Limited duration (6 year) property tax levy</u> – a special purpose property tax that would add a limited levy assessment (between \$25 and \$50 per house per year) for up to 6 years for the sole purpose of funding affordable housing projects and programs?	54% 18% 27%
72	<u>Real Estate Excise Tax (REET-3)</u> – an additional 0.25% assessment of the sales price of all real estate property (equal to \$250 per \$100,000 of sale price) paid by the seller?	51% 21% 26%
73	<u>Local Option Sales Tax</u> – an additional 0.1% sales tax (equal to \$0.10 for a \$100 purchase) to be paid by residents and tourists?	57% 19% 24%

G.2.6: Countywide housing action plan responsibilities

Who do you think should be primarily responsible for providing conditions that reduce housing costs as outlined in the action items described in this survey?

Sponsor		lowest/highest 1- 2 3 4-5
78	<u>Joint ventures</u> – involving the public, non-profit, and private market entities?	17% 22% 59%
75	<u>Public entities</u> – Bellingham/Whatcom County Housing Authority, Whatcom County, Blaine, Lynden, Sumas, Nooksack, Everson, Ferndale, Bellingham, and Washington State?	23% 25% 50%
77	<u>Private market</u> – developers, realtors, and lenders?	33% 24% 42%
76	<u>Non-profit organizations</u> – including community land trusts and affordable housing interest groups?	30% 35% 34%

G.2.7: Countywide housing competition prototypes

A countywide housing action organization could package properties or acquire land, create housing plans, mitigate environmental and community impacts, and then conduct design/develop competitions whereby the non-profit and private market compete to build affordable housing of most need and interest to residents on a countywide basis. How would you rate the following process and prototypes as a method of meeting affordable housing needs in each of the examples shown in the following pages?

Affordable housing project competitions – see page 11		lowest/highest 1- 2 3 4-5
80	<u>Pre-design and pre-approve development plans</u> – for the competition sites that resolve environmental impacts, provide public infrastructure, and integrate the site with local community objectives and interests?	14% 22% 57%
82	<u>Establish a management program for common improvements</u> – to ensure the housing produced by competitions remain high quality and desirable and the housing remains affordable as the houses are sold and resold in the market place?	16% 25% 56%

81	Conduct design/develop competitions or request-for-proposals (RFPs) – where non-profit and for-profit builders and developers compete for the right to develop affordable housing based on design quality, cost reductions, innovative construction techniques, housing products and mix, financing assistance, and other public benefit criteria established for the project?	17% 31% 48%
79	Acquire and package land for affordable housing competitions – with which to develop high quality, innovative, cost efficient, mixed income housing at priority locations on a countywide basis similar to the Tierra Contenta project in Santa Fe, New Mexico?	18% 29% 46%

Accessory dwelling units – see page 12

lowest/highest
1- 2 3 4-5

83	Accessory <u>detached</u> dwelling units – are additional housing structures built behind or alongside existing single family housing units in urban neighborhoods similar to the Katrina housing illustrated. Accessory dwelling units provide housing for individuals or small families at in-town locations that are close to public transportation, work, schools, daycare, health and other services. Accessory dwelling units can increase density without altering the character of the neighborhood.	22% 28% 48%
84	Would a member of your household be interested in living in an accessory dwelling unit?	yes no maybe 15% 46% 39%
85	Would you accept accessory dwelling units in your neighborhood if properly located and of quality construction?	yes no maybe 49% 27% 23%

Cottage housing – see page 13

lowest/highest
1- 2 3 4-5

86	Cottage houses – are small single family cottage-type houses built on small lots in urban neighborhoods with a shared common courtyard or green space. Generally cottage houses are small efficient single family units occupied by empty-nester households, individuals, and small families. Like accessory dwelling units, cottage housing can be located in existing urban neighborhoods that are close to public transportation, retail, and health services. Cottage houses can increase density yet retain the single family character of the neighborhood.	7% 19% 74%
87	Would a member of your household be interested in living in cottage housing?	yes no maybe 28% 26% 46%
88	Would you accept cottage housing in your neighborhood if properly located and of quality construction?	yes no maybe 55% 16% 28%

Pre-fabricated single family housing - see page 14

lowest/highest
1- 2 3 4-5

89	Modular single family housing products – are built and assembled in a manufacturing plant then trucked and assembled at a project site. Modular housing is built to the same code as on-site or stick-built housing but save costs ranging from 5-20% over stick-built housing construction due to schedule, materials, labor, and other cost savings. Modular housing products are now available in a variety of housing types including the single family products shown.	20% 28% 52%
90	Would a member of your household be interested in living in single family modular housing?	yes no maybe 26% 39% 35%
91	Would you accept modular single family housing in your neighborhood if properly located and of quality construction?	yes no maybe 47% 30% 24%

Mixed-use and energy efficient – see page 15

lowest/highest
1- 2 3 4-5

92	Mixed use developments – are medium to high density structures built in downtown locations with ground floor retail and upper story housing. Mixed use developments provide housing for young and elderly individuals, couples, and small families in locations that are convenient to public transportation, parks, retail, entertainment, and health services. Mixed use developments can provide increased density in a structure that also provides urban activities and services.	10% 18% 71%
93	Would a member of your household be interested in living in a mixed-use development?	yes no maybe 26% 42% 33%
94	Would you accept mixed-use developments in your community if properly located within the most urban areas and of quality construction?	yes no maybe 60% 22% 18%

lowest/highest
1- 2 3 4-5

Pre-fabricated mixed-use developments – see page 16

95	Modular mixed-use housing products – are built as described for the single family products above but assembled in multi-story structures as mixed-used developments. Modular multi-family products can achieve the same 5-20% saving over stick-built structures.	24% 36% 38%
96	Would a member of your household be interested in living in a modular mixed-use development?	ye no maybe 11% 54% 35%
97	Would you accept modular mixed-use developments in your community if properly located within the most urban areas and of quality construction?	yes no maybe 35% 35% 30%

Land trusts - see page 17 and 18		lowest/highest 1- 2 3 4-5		
98	Land trusts – can be created for any type of housing including single family houses and mixed-use condominiums. In a land trust, the trust organization owns and leases the land to the individual household who owns the housing unit. The individual household may also participate in a homeowners association that assumes responsibility for managing the land and common road and utility improvements. Typically, the land leases and thereby overall housing costs are kept low under agreements that fix or limit the ultimate value appreciation of the land. Individual households still realize all increases in value of the housing structure but only to a limited extent in the value increases of the land.	15% 32% 51%		
99	Would a member of your household be interested in living in a land trust development?	yes	no	maybe
		20%	47%	33%
100	Would you accept a land trust project in your community if properly organized?	yes	no	maybe
		47%	25%	29%

G.2.8: Your household characteristics

101	How long have you lived in Whatcom County?	1% 0-1 8% 2-5 11% 6-10 9% 11-15 14% 16-20 58% 20+ years
102	Which community do you live in or nearby?	5% Blaine 6% Lynden 1% Sumas 3% Nooksack/Everson 3% Birch Bay 1% Kendall 13% Ferndale 51% Bellingham 3% Sudden Valley 16% Other Whatcom County
103	Do you rent or own your residence?	rent own 7% 93%
104	What type of house do you live in?	83% single family 5% duplex or town 5% multifamily 8% mobile home
105	What age group are you in?	1% 19-24 5% 24-34 10% 35-44 21% 45-54 36% 55-64 28% 65+ years

106	What is your household status?	13% live alone 4% live in unrelated hshld 84% live in a family
107	What income group is your household in?	10% under \$20,000 7% \$20-29,999 8% \$30-39,999 12% \$40-49,999 32% \$50-74,999 14% \$75-100,000 14% \$100,000+ 5% nr

G.2.9: Comments

Do you have any specific comments or recommendations to make about the housing action plan or this survey, or affordable housing in general?

103 or 42% had comments

*Call Dave Cahill at the Bellingham Planning Department at 676-6982 for additional information about the housing action plan or this survey.
For more information, go to: www.cob.org/government/public/chat*

Appendix H.1: Affordable Housing Investment Fund

Sections:

- H.1.1. Established.
- H.1.2: Subfund.
- H.1.3: Accounting.
- H.1.4: Definitions.
- H.1.5: Functions and disbursements.
- H.1.6: Advisory board.
- H.1.7: Reporting.

H.1.1: Established

A special revenue fund to be designated as the “Affordable Housing Investment Fund” is established to receive special revenues supporting the development and preservation of affordable housing and to provide segregated accounting and control for expenditure of moneys.

H.1.2: Subfund

A special revenue subfund is established under the affordable housing investment fund named the Whatcom Countywide “Affordable Housing Investment Fund”. The Whatcom Countywide Affordable Housing Investment Fund may receive and distribute private funds donated to assist households at or below 80% of the Area Median Income (AMI), adjusted for household size, as published by US HUD. Sources of funding for this subfund shall include donations from public and private sources, and any other revenues specifically dedicated to the Whatcom Countywide Affordable Housing Investment Fund by the city (or county) council, affordable housing loan repayments or other appropriate sources.

H.1.3: Accounting

Accounting within the Affordable Housing Investment Fund shall segregate revenues and expenditures so that support for persons with incomes higher than 80% of the Area Median Income (AMI) shall be funded solely from private donations.

H.1.4: Definitions

“Housing” means promotion, facilitation, preservation and development of decent and safe dwellings affordable to all economic segments of the community through loans, financial assistance, technical assistance, and capacity building to public and private nonprofit agencies providing affordable housing services to the city.

H.1.5: Functions and disbursements

H.1.5.1: The Whatcom Countywide Affordable Housing Investment Fund is intended to accept funds from sources that include, but are not limited to, private donations, public allocations, and the proceeds from the sale of development rights.

H.1.5.2: The Whatcom Area housing investment fund is intended to:

H.1.5.2.1: Support the repair and rehabilitation of housing serving senior, low-income and disabled residents;

H.1.5.2.2: Provide direct financial and technical assistance to qualified housing projects;

H.1.5.2.3: Provide financial assistance to public and private nonprofit organizations supporting housing activities consistent with city (or county) policy;

H.1.5.2.4: Provide financial assistance to pay for utility connections, impact fees and other public fees for qualified housing activities; and

H.1-1

H.1.5.2.5: Fund approved, eligible operating expenditures related to the provision of assistance covered by this chapter.

H.1.6: Advisory board - Whatcom County Housing Advisory Committee (WCHAC)

The Whatcom County Housing Advisory Committee (WCHAC) will act as an advisory board to the Whatcom Countywide Affordable Housing Investment Fund.

H.1.7: Reporting

A separate written annual report on the status of activities, programs, and projects funded through the use of the Whatcom Countywide Affordable Housing Investment Fund shall be prepared.

For more general and comprehensive information about how Housing Trust Funds are used throughout the United States, an up to date report titled Housing Trust Fund Progress Report 2007 is available to view or download at <http://www.communitychange.org/housingtrust-funds/housing-trust-fund.html>

H.1.8: Affordable Housing Investment Fund (AHIF) Management

The competitive annual cycle for use of the Whatcom Countywide Affordable Housing Investment Fund (AHIF) will involve the following participants:

- City and County Planning Departments,
- Whatcom County Housing Advisory Committee (WCHAC), and
- Whatcom County Council.

- *The jurisdictions participating in the AHIF* - would enter into inter-local agreements that memorialize the process for allocating the AHIF according to a set of objectives, criteria and.

- *The planning department of each participating municipality* - would be responsible for identifying needs for housing within its jurisdiction, either in its GMA Comprehensive Plan Housing Element or in another document.

- *The Whatcom County Housing Advisory Committee (WCHAC)* - is appointed by the County Executive and charged with review and recommendations for the use of affordable housing funding. As of April, 2008, funding has been generated by recording fee surcharges, known as 2060, 2163, and 1359 Funds, and from the Washington State Homeless Grant Assistance Program (HGAP). The WCHAC currently makes recommendations to the Whatcom County Executive and Whatcom County Council after a Request for Proposal (RFP) process publicized and managed by the Whatcom County Purchasing Department. Each year's projected AHIF could be handled by the WCHAC using the same system, with the addition of multi-jurisdictional review of AHIF recommendations by an expanded WCHAC to include all participating jurisdictions.

- *The Whatcom County Housing Advisory Committee (WCHAC)* - will establish annual allocation priorities and criteria, and conduct an annual process that gathers input from the CHAT implementation committee, builders, developers, Realtors, neighborhood associations, nonprofit housing developers, elected officials and others. This input, combined with needs assessment data from the participating jurisdictions, shall be used in setting Policy Plan "rules" for the RFP process, funding priorities and selection criteria.

- *The County Council (or the City of Bellingham if Bellingham is the only city investing funds in the AHIF)* - will be the final authority regarding the use of the AHIF.

WCHAC would normally conduct one open, competitive funding round each year. The typical schedule for the funding round would have applications due in April, WCHAC review in April and May, WCHAC recommendations completed at the early June, and County Council action and funding awards in June. This schedule might be adjusted to improve coordination with other housing funding allocation competitions at the state and federal levels

Each year WCHAC will review the level of available funding and determine how much will be earmarked for distribution under the open, competitive process as outlined in the Policy Plan.

Annually, or as frequently as reasonably possible, each participating jurisdiction's planning department would be responsible for conducting a housing needs assessment. Based on the reported needs, the WCHAC would then establish priorities for the use of AHIF resources.

H.1-3

Note - the CHAT implementation committee will be focused on activism and advocating for policy changes that create homes people can afford with incomes less than 80% of area median income. This advocacy role ought to be kept separate from the objective review of RFPs and recommendations about funding.

Note - to adopt municipal code for a housing trust fund, the cities and the county could use the **Whereas** and **Findings** sections from the Sample Housing Levy Ordinance edited from Seattle ballot measure.

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Affordable Housing Incentives (AHI)

H.2.1: Findings

1.1: A diverse housing stock is necessary in Whatcom County on a countywide basis in order to serve households of all income levels. Based upon the review and consideration of recent housing studies, reports and analysis, it has become clear that the provisions that follow are necessary in order to preserve some diversity of housing opportunities for countywide residents.

1.2: The program defined herewith is necessary to provide continuing housing opportunities for very low-, low- and moderate-income households. It is necessary to help maintain a diverse housing stock and to allow households to have better access to jobs and upgrade their economic status. It is necessary in order to decrease social conflict by lessening the degree of separateness and inequality. The increasingly strong employment base in this region, combined with the special attractiveness of Whatcom County, its increasing university related population, and its Urban Growth Areas (UGA), all combine to make the continued provision of decent housing options for very low-, low- and moderate-income households in Whatcom County a difficult but vital objective. The regional trend toward increasing housing prices will, without intervention, result in inadequate supplies of affordable housing here for very low-, low- and moderate-income households. This in turn will have a negative effect upon the ability of local employers to maintain an adequate local work force.

1.3: It is essential that appropriate housing options exist for university students, faculty and staff so that the housing needs of university related populations do not preclude non-university community members from finding affordable housing.

1.4: A housing shortage for persons of very low-, low- and moderate-income is detrimental to the public health, safety and welfare. The inability of such persons to reside within the county negatively affects the county's jobs/housing balance and has serious and detrimental transportation and environmental consequences.

1.5: Because remaining land appropriate for residential development within the UGAs is limited, it is essential that a reasonable proportion of such land be developed into housing units affordable to very low-, low- and moderate-income households. This is particularly true because of the tendency, in the absence of intervention, for large expensive housing to be developed within the county which both reduces opportunities for more affordable housing and contributes to a general rise in prices for all of the housing in the county, thus exacerbating the scarcity of affordable housing within the UGAs.

1.6: The primary objective of this chapter is to obtain on-site, privately owned, permanently affordable units. Some provisions of this chapter provide for alternatives to the production of such on-site units. Those provisions recognize the fact that individual site and economic factors can make on-site production less desirable than the alternatives for particular developers. However, the intent and preference of this chapter is that wherever possible, permanently affordable units constructed pursuant to these provisions be located on-site and be privately produced, owned and managed.

H.2-2

Appendix H.2: Affordable Housing Incentive (AHI) Bellingham/Whatcom County Housing Action Plan

H.2.2: Purpose

The purposes of this Section are to:

2.1: Implement the housing goals of the Whatcom Countywide Comprehensive Plan;

2.2: Promote the construction of housing that is affordable to the county's workforce;

2.3: Retain opportunities for people that work in the county to also live in the county;

2.4: Maintain a balanced community that provides housing for people of all income levels; and

2.5: Insure that housing options continue to be available for very low-income, low-income, and moderate-income households, for special needs populations and for a significant proportion of those who both work and wish to live in the county.

H.2.3: Responsibilities

The Whatcom County Executive or their designee shall:

3.1: Administer and enforce all planning and land use ordinances that apply to development requests that are subject to this AHI.

3.2: Review submittals for compliance with this AHI.

3.3: Require, as part of the development review process and prior to submittal of required development applications, the applicant to prepare a preliminary affordable housing agreement with the Whatcom County Executive or their designee to assure compliance with the incentives to be provided by this AHI.

3.4: Evaluate density bonuses, code variances or policy waivers, fee waivers, and other development incentives in the development review process as set forth herein.

3.5: Where applicable, invoke sanctions for noncompliance with AHI agreements.

H.2.4: Pre-submission conference, certification, and AHI agreements

4.1: Prior to the submittal of any residential development request that may request AHI, a pre-submission conference with the Whatcom County Executive or their designee is required.

4.2: The applicant shall submit to the Whatcom County Executive or their designee, along with the application for residential development, a certification stating the applicant has met and agreed to a preliminary AHI agreement.

4.3: A development request subject to the AHI program shall not be approved unless the proposal has been approved by the Whatcom County Executive or their designee. After all development approvals have been received, the AHI program agreement may be executed by the applicant and the Whatcom County Executive or their designee. The AHI program agreement shall be referred to in any related annexation agreement or rezoning ordinance; and on any related annexation plat, final subdivision plat or final development plan as appropriate. The AHI program agreement shall be recorded at the Whatcom County clerk's office at the time of recording the annexation plat, rezoning ordinance, final subdivision plat, or final development plan, as appropriate, or prior to submittal for a building permit if the previous documents are not required. A copy of the AHI opportunity program agreement shall be included with the submittal for a building permit.

H.2.5: AHI Requirements

5.1: The applicant for developments for which the AHI applies, shall provide a written declaration regarding the price classification of the proposed development and whether the proposed development will be predominately for-sale housing or for rental housing. The declaration shall be reviewed by the Whatcom County Executive or their designee and submitted with the application.

5.2: The number of incentive affordable units to be constructed shall be calculated by multiplying the number of units to be built in the development by the appropriate percentage for AHI. The whole number resulting from this calculation will be the number of allowable affordable units. Nothing herein shall prohibit a developer from building a greater number of affordable units than allowed under the basic incentive system specified herein.

5.3: The development shall be subject to for-sale housing allowances if 50% or more of the proposed dwelling units in the development (including the AHI units) are to be sold in fee simple. The development shall be subject to rental housing allowances if 50% or more of the proposed dwelling units in the development (including the AHI units) are to be rented

5.4: In order to achieve spatial, architectural, and landscaping integration with other units in the development, the proposed design and location of the AHI units shall be reviewed by the Whatcom County Executive or their designee. Appeals of decisions made by the Whatcom County Executive regarding the design and location of the AHI units shall be heard by the Whatcom County Council.

H.2.6: Development incentives

The purpose of this section is to increase affordability, encourage innovative design, and allow for optimum flexibility without compromising health and safety.

6.1: Density bonuses

6.1.1: Developers constructing AHI dwelling units for sales shall be entitled to a density bonus as follows: (a) __% for development type

6.1.2: The county may grant a density bonus not to exceed the amounts described above for rental units but such a density bonus shall be discretionary and shall only be granted pursuant to a certified AHI proposal duly approved and subsequently agreed to in a AHI agreement.

6.1.3: A density bonus, as defined for AHI, is the right to build the described percentage of residential units, in addition to those that are otherwise allowed, in accordance with the following standards and procedures:

6.1.3.1: Base units allowed shall mean the number of non-AHI units sought by the applicant in the most current certified AHI proposal so long as that number is not in excess of the maximum allowable units taking into account all other requirements that may limit the number of units that can be built on the site.

6.1.3.2: In calculating any bonus unit(s), the base units allowed in the development shall be multiplied by the percentage described above. If the result is other than a whole number, the number shall be rounded down if less than 0.5, and rounded up if 0.5 or more.

6.1.3.3: Any such bonus will not required a general plan amendment or approval by the governing body unless appealed pursuant to subsection -----.

6.1.3.4: Except where the planning commission may be authorized to grant a variance or waiver as set forth in Whatcom County development codes, such a density increase shall not negate, supersede or limit other county code provisions that limit the number of units that can be built on the site.

6.1.3.5: Development plans for multiple-family projects in RM districts with 6 units or more, which include a density bonus, shall be reviewed and approved by the planning commission.

6.2: Fee waivers

AHI developments and low-priced developments as defined may be entitled to waivers of certain fees normally due to the county as follows:

6.2.1: Plan submittal fees for annexation, rezoning or subdivisions may be waived for low- priced developments as defined, for the first and any subsequent plan submittal.

6.2.2: Building permit fees may be waived for the following:

6.2.2.1: AHI units, whether provided on site or off site, and

6.2.2.2: any other low-priced units as defined in any development, whether or not subject to AHIs.

6.2.3: Utility connection fees for county provided utilities may be waived for the following:

6.2.2.1: AHI units, whether provided on site or off site, and

6.2.2.2: any other low-priced units as defined in any development, whether or not subject to AHIs.

6.3: Variances to the County's development standards.

6.3.1: Any developer who is subject to and complying with AHI allowances by construction of allowable affordable units as defined may request the following:

6.3.1.1: variances from zoning regulations set forth in the County's Development Standards; or

6.3.1.2: variances from and alternate methods to the off-street parking and street standards set forth in the County's Development Standards.

6.3.2: The variance shall be subject to the standards and procedures as set forth in this chapter.

6.3.3: If a request for a variance is denied, the approving authority shall declare and demonstrate that the proposed variance does not meet the standards set forth in this chapter. Such a document denying the variance shall offer specific facts and citations of ordinances, regulations or studies as reasons for denial. The staff shall then forward a copy of said document to the Whatcom County Executive with instructions to negotiate a new AHI proposal to certify the new proposal. If the variance request is denied, the action may be appealed in accordance with the provisions of this chapter.

6.4: Waivers and alternative methods of implementation.

6.4.1: Any developer who is subject to and complying with Affordable Housing Incentive allowances by construction of allowable affordable units as defined may request waivers from and alternate methods to implementation of planning and land use department staff interpretations or policies which are not set forth in the code.

6.4.2: Requests for waivers shall be submitted, reviewed and acted on by the county as follows:

6.4.2.1: The applicant shall not be required to post or notify property owners.

6.4.2.2: Staff shall respond to the request within 30 calendar days of its receipt.

6.4.2.3: If a request for a waiver is denied, or staff shall declare and demonstrate in written response that the proposed waiver does not meet 1 or more of the requirements as set forth in this chapter. Such a document denying the waiver shall offer specific facts and citations of ordinances, regulations or studies as reasons for denial. The staff shall then forward a copy of said document to the Whatcom County Executive or their designee with instructions to negotiate a new AHI proposal to certify the new proposal. If staff denies the request, the action may be appealed in accordance with the provisions of this chapter.

6.4.3: A request for a waiver shall be approved if each of the following requirements are met:

6.4.3.1: The proposed waiver will make the housing more affordable. The developer must show how real costs will be reduced and how the savings will be passed on to AHI home buyers or renters.

6.4.3.2: The proposed waiver does not compromise health, safety or welfare as determined by the county.

6.4.3.3: Vehicular and pedestrian circulation, storm drainage and utilities are provided for adequately.

6.4.3.4: The proposed alternate method(s) meets the general intent of the written requirements to Whatcom County Development Standards.

6.4.3.5: Such alternate method(s) does not conflict with the requirements of any law or regulation of the state of Washington or the federal government.

6.4.3.6: Costs to the county for maintaining the alternate method is not disproportionately greater than those of any normally required methods.

H.2.7: General AHI provisions

7.1: Scope

No person shall fail to conform to the provisions of this chapter for any new development which applies for a development approval or building permit for a dwelling unit after the effective date of this chapter where the developer has asked to avail themselves of the voluntary AHI provisions specified herein. No building permit or certificate of occupancy shall be issued nor shall any development be approved which does not meet the requirements of this chapter when the developer chooses to avail themselves of the AHI provisions specified herein.

7.2: Prohibitions

No person shall sell, rent, purchase, or lease a permanently affordable unit created pursuant to this chapter except to income eligible households and in compliance with the provisions of this chapter.

7.3: Asset limitations for income eligible households

Income eligible tenants and purchasers of AHI units shall be subject to reasonable asset limitations set by the Whatcom County Executive. The Whatcom County Executive will establish maximum asset limitation requirements for tenants and purchasers of AHI units in order to accomplish the purposes of this chapter. The standard that the Whatcom County Executive will use to set the asset limitation is that the housing be available to people who, without assistance, would have difficulty marshaling the financial resources to obtain appropriate housing within the county.

7.4: AHI unit types

The distribution of dwelling unit types that meet the AHI unit requirements of this Section shall be as follows:

7.4.1: Single family - in single family detached dwelling unit developments, the required on-site permanently AHI units shall also be single family detached units.

7.4.2: Mixed unit type - in developments with the included single-family detached units, attached units, multi-family apartment type units, or other dwelling unit types, the AHI units shall be comprised of the different unit types in the same proportion as the dwelling units that are not permanently affordable within the development.

7.4.3: Alternative distribution ratios - the Whatcom County Executive is to approve different AHI unit distributions among the permanently affordable unit types if doing so would accomplish additional benefits for the county consistent with the purposes of this chapter, or if approved pursuant to a site review results in a better design than not using the distribution of units provided for in this Section.

7.5: Minimum sizes for permanently affordable units

The minimum size for permanently affordable units shall be as follows:

7.5.1: The average floor area of the detached AHI units in a development shall be a minimum of 48% of the average floor area of all the non-AHI units which are part of the same development up to a maximum average size of 1,200 square feet of floor area.

7.5.2: The average floor area of the attached AHI units in a development shall be a minimum of 80% of the average floor area of all the non-AHI units which are part of the same development up to a maximum average size of 1,200 square feet of floor area.

7.5.3: The Whatcom County Executive will permit a decrease in size of the finished floor area, set forth in paragraph (1) above, if the dwelling unit is increased in size by 2 square feet of unfinished and potentially habitable space for each square foot of finished square foot of floor area that is decreased, up to a maximum of 400 unfinished square feet, upon finding that the unfinished space will be designed and configured in such a way as to allow for a simple conversion of the space at some future time. The factors that the Whatcom County Executive will consider to determine whether a simple conversion is possible include, without limitation, an adequate foundation, sound structural components, floor to ceiling heights, weather resistant roofs, appropriate exits, and window placement.

7.5.4: The Whatcom County Executive is authorized to enter into agreements allowing AHI units to constitute a smaller percentage of the total floor area contained within non-AHI units at a given project if doing so would accomplish additional benefits for the county consistent with the purposes of this chapter or to prevent an unlawful taking of property without just compensation in accordance with [Section 10](#), "No Taking of Property Without Just Compensation".

7.6: Reference information

Whenever this chapter refers to information generated by HUD but no such information is generated by or available from that agency, the Whatcom County Executive shall generate appropriate information which can be utilized in the enforcement of the provisions of this chapter.

H.2.8: Cash-in-lieu equivalent for an AHI unit

8.1: Cash-in-lieu equivalent

Whenever this chapter permits a cash-in-lieu contribution as an alternative to

the provision of a single AHI unit, the cash-in-lieu contribution shall be as follows:

8.1.1: Detached dwelling units - for each unrestricted detached dwelling unit, the cash-in-lieu contribution for the calendar year of 2008 shall be the lesser of \$13,200.00 or \$55.00 multiplied by 20% of the total floor area of the unrestricted unit. The cash-in-lieu contribution will be adjusted annually as set forth in Subsection (c) below.

8.1.2: Attached dwelling units - for each unrestricted attached dwelling unit, the cash-in-lieu contribution for the calendar year of 2008 shall be the lesser of \$12,000.00 or \$50.00 multiplied by 20% of the total floor area of the unrestricted unit. The cash-in-lieu contribution will be adjusted annually as set forth in Subsection (c) below.

8.2: Annual escalator

The Whatcom County Executive is authorized to adjust the cash-in-lieu contribution on an annual basis to reflect changes in the median sale price for detached and attached housing, using information provided by Whatcom County Assessor records.

8.3: AHI fund established

The Whatcom County Executive shall establish an AHI Fund for the receipt and management of AHI unit cash-in-lieu financial contributions. Monies received into that fund shall be utilized solely for the construction, purchase, and maintenance of affordable housing and for the costs of administering programs consistent with the purposes of this chapter.

H.2.9: Off-site AHI option

9.1: Variance to on-site construction

The Whatcom County Executive is authorized to enter into agreements to allow AHI units to be satisfied off-site if the Whatcom County Executive finds:

9.1.1: Securing such off-site units will accomplish additional benefits for the county consistent with the purposes of this chapter; or

9.1.2: If zoning, environmental, or other legal restrictions make a particular level of on-site compliance unfeasible.

9.2: Requirements for fulfilling obligation off-site

To the extent that a developer is authorized to provide some or all AHI units off-site, the developer may satisfy that obligation through any combination of the following alternate means:

9.2.1: In-lieu contribution - to the extent permitted by this chapter, developers may satisfy AHI unit obligations by making contributions to the county's AHI Fund in an amount that is calculated according to the standards set forth in [Subsection 8](#), "Cash-in-Lieu Equivalent".

9.2.2: Land dedication - to the extent permitted by this chapter, AHI unit obligations may be satisfied by dedication of land in-lieu of providing AHI on-site. Land dedicated to the county or its designee shall be located in Whatcom County. The value of land to be dedicated in satisfaction of this alternative means of compliance shall be determined, at the cost of the developer, by an independent appraiser, who shall be selected from a list of certified appraisers provided by the county, or by such alternative means of valuation as to which a developer and the county may agree. The land dedication requirement may be satisfied by:

9.2.2.1: Land at equivalent value - conveying land to the county or its designee that is of equivalent value to the cash-in-lieu contribution that would be required under [Section 8](#), "Cash-in-Lieu Equivalent" plus an additional 50%, to cover costs associated with holding, developing, improving, or conveying such land; or

9.2.2.2: Land to construct equivalent units - conveying land to the county or its designee that is of equivalent value (as of the date of the conveyance) to that land upon which AHI units would otherwise have been constructed (upon completion of construction). Land so deeded must be zoned such as to allow construction of at least that number of AHI units for which the obligation of construction is being satisfied by the dedication of the land.

9.2.2.3: Dedication of existing units - to the extent permitted by this chapter, AHI unit obligations may be satisfied by restricting existing dwelling units which are approved by the county as suitable AHI units through covenants, contractual arrangements, or resale restrictions, the form and content of which are acceptable to the Whatcom County Executive. Off-site AHI units shall be located within Whatcom County. The restriction of such existing units must result in the creation of AHI units that are of equivalent value, quality, and size of the AHI units which would have been constructed on-site if this alternative had not been utilized. Where a proposed development consists of ownership units, AHI units created under this Section shall be ownership units. The value of dwelling units created pursuant to this Section as a way of meeting the AHI unit requirement shall be determined, at the expense of the developer, by an appraiser who shall be selected by the developer from a list of certified appraisers provided by the county or by such alternative means of valuation as to which a developer and the county may agree.

H.2.10: AHI housing for rental projects

10.1: Manner of compliance

For developments containing rental units, AHI units shall be met in the following manner:

10.1.1: On-site or off-site units permitted - all AHI units of rental housing projects may be met through on-site units, off-site units, or by any combination of on-site and off-site units, which satisfy AHI objectives. Off-site AHI units shall be equivalent in size and quality of AHI on-site units that otherwise would be required by this chapter.

10.1.2: Conversion of rental developments to ownership units - a rental housing project that is not owned by the Bellingham/Whatcom County Housing Authority or its agents or in which the county does not have an interest through the Housing Authority or a similar agency that chooses to provide AHI units off-site shall enter into a covenant or agreement with the county. The covenant or other agreement shall be in a form acceptable to the Whatcom County Executive and shall insure that the number of AHI units that would have been provided if the project was an ownership development with off-site units used to meet the total AHI requirements will be provided in the event that the proposed rental development converts to an ownership development within 5 years of the final unit in the development receiving a certificate of occupancy. Such covenant or agreement shall provide for the appropriate adjustment to the AHI objectives of this chapter.

10.1.3: Variance to AHI requirement for rental projects - the Whatcom County Executive may enter into agreements with the developers of rental housing projects such that AHI units are satisfied in ways other than those listed in this chapter upon a finding by the Whatcom County Executive that such alternative means of compliance would result in additional benefits to the county which would further the objectives of this chapter.

10.2: Determination of rental rates for AHI units

If a developer of a rental housing project chooses to provide AHI units allowed

by this chapter through the provision of on-site or off-site AHI rental housing, affordability of AHI rental units shall be determined as follows:

10.2.1: Maximum rent - rents charged for AHI units in any 1 project must, on average, be affordable to households earning 10 percentage points less than the HUD low-income limit for Whatcom County, with no unit renting at a rate which exceeds affordability to a household earning more than the HUD low-income limit for Whatcom County.

10.2.2: Maximum income for tenants - no single household in an AHI unit project shall have an income which exceeds the HUD low-income limit for Whatcom County.

H.2.11: AHI requirements for ownership units

11.1: Maximum sales price for AHI units

The maximum sale price for an AHI ownership unit shall be set by the county on a quarterly basis.

11.2: Average price within development

The prices charged for AHI units in any 1 project shall average a price affordable to a household earning the HUD low-income limit, with no AHI unit exceeding a price affordable to a household earning 10 percentage points more than the HUD low-income limit for Whatcom County.

11.3: Maximum income for purchasers of AHI ownership units

An AHI ownership unit shall be sold to, or purchased by an income eligible household that meets the asset limitations established pursuant to this chapter.

11.4: Approved purchases for AHI units

A developer or owner shall select a low-income purchaser after completing a good faith marketing and selection process approved by the Whatcom County Executive. Upon request, the county may provide the developer or owner of an AHI unit with a list of households certified by the county as eligible to purchase the AHI unit. However, a developer or property owner may select a low-income purchaser who is not on a furnished list so long as the county can verify the purchaser's income and asset eligibility and the AHI unit is sold at an affordable price as described in this chapter.

11.5: Purchasers of AHI units required to reside in those units

A purchaser of an AHI unit shall occupy the purchased AHI unit as a primary residence, except subject to rental restrictions for AHI ownership units.

11.6: Rental restrictions for AHI ownership units

No person shall rent an AHI ownership unit, except as follows:

11.6.1: Unit initially occupied - the owner shall initially reside in the AHI ownership unit for a period of not less than 5 years.

11.6.2: Notice - the owner shall provide notice to the county prior to renting of the AHI ownership unit of its intent to rent the unit.

11.6.3: Limitation on lease period - the owner shall not rent or lease the entirety of the AHI unit for 1 or more periods aggregating not more than 1 year out of every 7-year period.

11.6.4: Lease documentation - any lease or rental agreement for the lease or rental of an AHI ownership unit pursuant to this Section shall be in writing.

11.6.5: Prior approval - before the date upon which it becomes effective, a copy of any lease or rental agreement for an AHI unit shall be provided to the county, along with those documents which the county finds to be reasonably necessary in order to determine compliance with this Section.

11.6.6: Scope - the provisions of this Section shall apply to all rental or lease arrangements under which any person, other than the owner, their spouse, their domestic partner and dependent children or parents, occupies any part of the property for any valuable consideration, whether that agreement is called a lease, rental agreement, or something else.

11.6.7: Rental of a bedroom permitted - at all other times, the only part of an AHI unit which an owner may rent or lease is a bedroom, subject to all requirements of county ordinances concerning the renting of residential property.

11.7: Resale restrictions applicable to AHI units

All AHI ownership units developed under this chapter shall be subject to the following resale restrictions:

11.7.1: Approved purchasers for resale of AHI units - a seller of an AHI unit must select a low-income purchaser by a method that complies with the good faith marketing and selection process approved by the Whatcom County Executive. At the request of an applicant, the county will provide the seller with the description of a process that meets this requirement. Upon request, the county may provide a potential seller of an AHI unit with a list of households certified by the county as eligible to purchase the AHI unit. All purchasers of AHI units shall be part of income eligible households.

11.7.2: Resale price for AHI units - the resale price of any AHI unit shall not exceed the purchase price paid by the owner of that AHI unit with the following exceptions:

11.7.2.1: Customary closing costs and costs of sale;

11.7.2.2: Costs of real estate commissions paid by the seller if a licensed real estate agent is employed and if that agent charges commissions at a rate customary in Whatcom County;

11.7.2.3: Consideration of permanent capital improvements installed by the seller; and

11.7.2.4: The resale price may include an inflationary factor or shared appreciation factor as applied to the original sale price pursuant to rules as may be established by the Whatcom County Executive to provide for such consideration. In developing rules, the Whatcom County Executive shall consider the purposes of this chapter, common private, non-profit, and governmental lending practices, as well as any applicable rules or guidelines issued by federal or state agencies affecting the provision or management of affordable housing. In the event that the county has not adopted rules that contemplate a particular arrangement for the use of an inflationary factor or shared appreciation factor, the Whatcom County Executive is authorized to approve a resale price formula that is consistent with the purposes of this chapter, common private, non-profit, and governmental lending practices, as well as any applicable rules or guidelines issued by federal or state agencies affecting the provision or management of affordable housing.

11.7.3: No special fees permitted - the seller of an AHI unit shall not levy or charge any additional fees or any finder's fee nor demand any other monetary consideration other than provided in this chapter.

11.7.4: Deed restriction required - no person offering an AHI unit for sale shall fail to lawfully reference in the Grant Deed conveying title of any such unit, and record with the county recorder, a covenant or Declaration of Restrictions in a form approved by the county. Such covenant or Declaration of Restrictions shall reference applicable contractual arrangements, restrictive covenants, and resale restrictions as are necessary to carry out the purposes of this chapter.

H.2.12: Requirements applicable to all AHI units

12.1: Construction timing

The construction of AHI units in any development shall be timed such that they may be marketed concurrently with or prior to the market-rate units in that development. However, the Whatcom County Executive is authorized to enter into other phasing agreements if doing so would accomplish additional benefits for the county consistent with the purposes of this chapter.

12.2: Residents eligible for AHI units

No person shall sell, lease or rent an AHI unit except to income eligible households.

12.3: Required agreements

Prior to approval of any development review, applicants for residential development projects shall have entered into an AHI agreements with the county. Such agreements shall specify the number, type, location, approximate size, and projected level of affordability of AHI units. Prior to application for a building permit for a residential development project, developers shall execute such restrictive covenants and additional agreements, in a form acceptable to the county, as are necessary to carry out the purposes of this chapter. No development review application or subdivision application shall be approved in the absence of proof of the execution of required agreements and covenants. No building permit application shall be accepted in the absence of proof of the execution of required agreements and covenants.

12.4: Good faith marketing required

All sellers or owners of AHI units shall engage in good faith marketing efforts each time an AHI unit is rented or sold such that members of the public who are qualified to rent or purchase such units have a fair chance to become informed of the availability of such units. Every such seller or owner shall submit a public advertising plan targeting the appropriate income range for approval by the Whatcom County Executive.

H.2.13: No taking of property without just compensation

13.1: Purpose

It is the intention of the county that the application of this chapter not result in an unlawful taking of private property without the payment of just compensation.

13.2: Request for review

Any applicant for the development of a housing project who feels that the application of this chapter would effect such an unlawful taking may apply to the Whatcom County Executive for an adjustment of the AHI requirements imposed by this chapter.

13.3: Whatcom County Executive review

If the Whatcom County Executive determines that the application of the requirements of this chapter would result in an unlawful taking of private property without just compensation, the Whatcom County Executive may alter, lessen or adjust AHI unit requirements as applied to the particular project under consideration such that there is no unlawful uncompensated taking.

13.4: Administrative hearing

H.2-12

*Appendix H.2: Affordable Housing Incentive (AHI)
Bellingham/Whatcom County Housing Action Plan*

If after reviewing such application, the Whatcom County Executive denies the relief sought by an applicant, the applicant may request an administrative hearing within which to seek relief from the provisions of this chapter. At such hearing, the burden of proof will be upon the applicant to establish that the fulfillment of the requirements of this chapter would affect an unconstitutional taking without just compensation pursuant to applicable law of the United States and the State of Washington. If it is determined at such administrative hearing that the application of the requirements of this chapter would affect an illegal taking without just compensation, the Whatcom County Executive shall alter, lessen or adjust permanently affordable unit requirements as applied to the particular project under consideration such that no illegal uncompensated taking takes place.

H.2.14: Administrative regulations

To the extent the Whatcom County Executive deems necessary, rules and regulations pertaining to this chapter will be developed, maintained and enforced in order to assure that the purposes of this chapter are accomplished.

H.2.15: Enforcement

If after having been given notice, a property owner subject to an AHI agreement fails to comply, the Whatcom County Executive shall impose any of the following sanctions, depending upon which is deemed most effective and appropriate considering the nature of the noncompliance:

15.1: Withholding of the recording of plats or plans;

15.2: Withholding of building permits;

15.3: Issuing stop work orders;

15.4: Revoking building permits; or

15.5: Withholding or revoking certificates of occupancy.

H.2.16: Monitoring

On an annual basis, the Whatcom County Executive will present sufficient information to the Whatcom County Council so that it can effectively review the operation of this chapter and determine whether any of the provisions of this chapter should be amended, adjusted or eliminated. Such information should be sufficient to allow the County Council to evaluate the following:

16.1: The effectiveness of this chapter in contributing to the purposes of this chapter;

16.2: Any demographic trends affecting housing affordability indicate the need for amendments or alterations to the provisions of this chapter;

16.3: The level of integration of the provisions of this chapter with other tools being utilized by the county as part of a comprehensive approach toward obtaining the goals of this chapter.

H.2.17: Separability

The provisions of this ordinance are separable and the invalidity of any part of this ordinance shall not affect the validity of the rest of the ordinance.

