

BRINGING WASHINGTON HOME

2011 AFFORDABLE HOUSING REPORT



Department of Commerce
Innovation is in our nature.



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Opening doors to a better life

INTRODUCTION TO THE DATA

For the first time, this year's Affordable Housing Report includes data on the number of homeless students in the state's public schools. The state's Office of Superintendent of Public Instruction reported that in the 2009–2010 school year, almost 22,000 school children were homeless, a 15 percent jump from two years prior. We explore the impact of homelessness on children in greater detail on the following pages.

Overall homelessness, as measured by point in time counts in each county, dropped slightly between 2009 and 2010. Based on data from the Department of Commerce the prevalence of homelessness has dropped 16.4 percent since 2006 when the state adopted a plan to reduce homelessness by half in ten years.¹ This suggests that even in an economic downturn, strategic investments have a positive impact on homelessness.

Further progress toward ending homelessness in Washington will be negatively impacted by decreases to those investments. Between 2009 and 2010, per capita state spending on homelessness and affordable housing dropped 35 percent. While total spending dropped just four percent, much of the federal spending was one-time economic stimulus funding. If existing fees that fund preventing and ending homelessness sunset as planned in 2013, state and local homeless spending will decline by another 53 percent, causing an additional 28,534 people to experience homelessness every biennium.¹

Since 2008, the gap between the median home price and what an average income household could afford has fallen in every region except Yakima, but the gap remains. Those residents who earn the median income are still unable to afford to own a home in any region of Washington State.

In almost every region, wages dropped or remained steady, while the average price of a two-bedroom apartment increased. Across the state, the percentage of cost-burdened renters hovers around 50 percent. More than 132,000 of those households are extremely low income and have severe rent burdens — meaning they earn less than about \$19,000 a year for a family of three and pay more than half their income for rent and utilities.²

The average cost of a one-bedroom apartment in our state has increased in the last year to \$853 and vacancy rates have not changed — and are below the national average.³ Those two factors will continue to make housing tough to afford for minimum wage earners, those who are disabled, and those living on Social Security or a veteran's pension.

COVER: The Absher family found a safe affordable home close to jobs and transportation thanks to affordable housing supported by the state Housing Trust Fund and the Low Income Housing Tax Credit. *Photo courtesy Capitol Hill Housing.*

¹ Ten-Year Homeless Plan: 2011 Annual Report, Department of Commerce

² U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS) Data, Table ID S10708, Order 76, 2011

³ Washington Apartment Market: Fall 2011, Washington Center for Real Estate Research



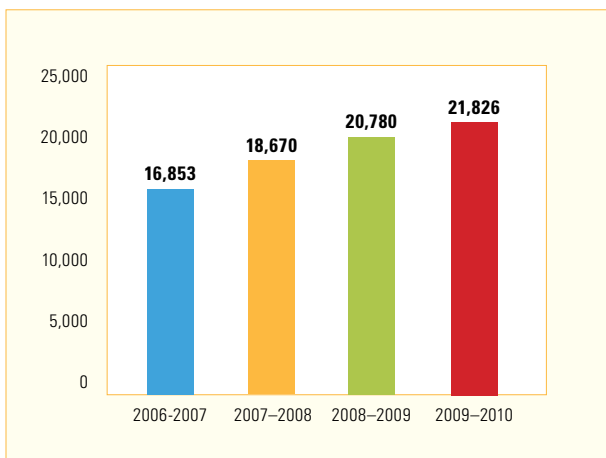
FOCUS ON HOMELESSNESS: SCHOOLS REPORT INCREASING NUMBERS OF HOMELESS CHILDREN

The number of homeless children enrolled in Washington schools increased by almost 5,000 in only four years. According to Washington’s Office of the Superintendent of Public Instruction the number of homeless children during the 2006-2007 school year was 16,853.¹ This number has increased every year since, with reports for the 2009–2010 school year reaching 21,826.

Both urban and rural areas are seeing increased numbers of homeless children. Tacoma School District reported 1,019 homeless children during the 2006-2007 school year. Four years later, that number had increased by 175 children to 1,194 — an increase equivalent to 11 average-size classrooms, or almost 3 classrooms per year. Yelm School District reported 16 homeless children in 2006-2007; that number grew by almost 300 percent to 47 children in 2009–2010.

These numbers reflect only those children who are homeless, enrolled in school, and reporting as homeless. Not all families choose to report their child as homeless due to concern over the stigma attached.

Homeless children in Washington’s public schools



Thus, the true number of homeless children in Washington state is likely even higher.

Homeless children face significant risks to their present health and well-being, as well as negative outcomes in the future. The adversities of homelessness leave children vulnerable to increased physical and mental health problems, including higher rates of asthma, traumatic stress, and emotional disturbances.^{2,3,4} Homeless children struggle educationally, with less than a quarter graduating from high school.³ Being homeless as a youth makes it harder to learn the life skills needed to become a self-sufficient adult.²

Journalists from across the state are reporting on the increasing numbers of homeless children.^{5,6,7} The Spokesman Review interviewed the Spokane School District’s Homeless Liaison, Sarah Miller, about the increasing need: “There are people who are about to lose their homes, and they are calling us for help. In the past, you might hear from people like this every once in a while, but now the calls are almost every day.”⁷ Likewise, Mead School District’s Homeless Liaison, Kelly Patterson, says: “We have seen an increase in families where both parents have lost their jobs and then have had to face foreclosure on their homes. Some low-income families who have been able to get by in the past are no longer able to meet their monthly expenses and have fallen into homelessness.”⁷

1 State of Washington Office of Superintendent of Public Instruction, www.k12.wa.us/HomelessEd/Resources.aspx

2 Aviles, A. M., & Helfrich, C. A. (2006). Homeless Youth: Causes, Consequences and the Role of Occupational Therapy. Occupational Therapy In Health Care, Informa Healthcare

3 Campaign to End Child Homelessness, www.homelesschildrenamerica.org/pdf/report_cards/short/wa_short.pdf

4 Murphy J. & Tobin K. (2011). Homelessness Comes to School, Sage

5 KUOW.org, www.kuow.org/program.php?id=24476

6 Seattle Times, www.seattletimes.nwsource.com/html/education/2013754288_homeless24m.html

7 Spokesman-Review, www.spokesman.com/stories/2011/nov/05/home-away-from-homelessness/

METHODOLOGY REVIEW

This report uses a series of five graphs to give a picture of housing need across Washington State. Data are reported at the regional level; school-district and county-level information was aggregated to the regional level. The source of the data for each of these graphs is listed below. Additional information is available upon request.

Homeless School Children

All data comes from the Washington State Office of the Superintendent of Public Instruction.

Market Rents Are Out of Reach

Fair Market Rent for 2-Bedroom was obtained at the county level from HUD.

Median Income Earners Priced Out of Ownership

Median Home Price was obtained from the Washington Center for Real Estate Research.

Median Income information came from the American Communities Survey (ACS) 1-year and 3-year estimates.

One Night Count of Homeless People

In Families with Minor Children and *Total* came from the Washington State Department of Commerce Annual Point-in-Time Count for 2010. These figures represent a one-night count of sheltered and unsheltered homeless individuals and families.

Renting a Stretch for Low-Income Households

The *Social Security-Disabled* and *Social Security-Retired Annual Income* data comes from Social Security Online's OASDI Beneficiaries by State and County 2010 Report.

The *Veteran's Pension Annual Income* data, which represents the estimated annual veteran's disability

pension income for Washington State, comes from the 2010 Veteran's Administration Benefits Report.

The *Minimum Wage Worker (Full-Time) Annual Income* was calculated using the minimum hourly wage from the Washington State Department of Labor and Industries.

The *Fair Market Rent for a 1-Bedroom Apartment* was obtained at the county level from HUD.

TERMS TO KNOW

Affordable housing is considered such when a homeowner pays no more than 30% of income on monthly mortgage payments, insurance, taxes, and utilities; and a renter pays no more than 30% of income on rent and utilities.

Cost burdened means a renter or homeowner pays more than 30% of his or her income towards housing costs, including utilities.

Median income is the income level where an equal number of people or households have incomes above or below that line.

Low income refers to households with incomes at 80% or less than the local median income (adjustments are made for family size). Households living with incomes at less than 50% of the local median are considered very low income.

Fair Market Rent is a dollar amount set annually by the US Department of Housing and Urban Development to indicate the cost of renting the average apartment in a given market.

ABOUT THIS REPORT

The purpose of this report is to give an annual snapshot of the state of affordable housing in Washington. This report divides Washington State into ten regions based on geographic and demographic similarity. By using these regions, we are better able to provide an analysis of the major indicators of affordable housing need at a level that reflects local and regional trends and conditions.

Regions are divided along county lines, with **King, Clark, Snohomish, Pierce,** and **Spokane Counties** comprising their own distinct regions. The other regions are composed as follows:

North Sound — Island County, San Juan County, Skagit County, and Whatcom County.

West Balance — Clallam County, Cowlitz County, Grays Harbor County, Jefferson County, Klickitat County, Lewis County, Mason County, Pacific County, Skamania County, and Wahkiakum County.

Other Puget Sound Metro — Kitsap County, Thurston County.

East Balance — Adams County, Asotin County, Chelan County, Columbia County, Douglas County, Ferry County, Garfield County, Grant County, Kittitas County, Lincoln County, Okanogan County, Pend Oreille County, Stevens County, Walla Walla County, and Whitman County.

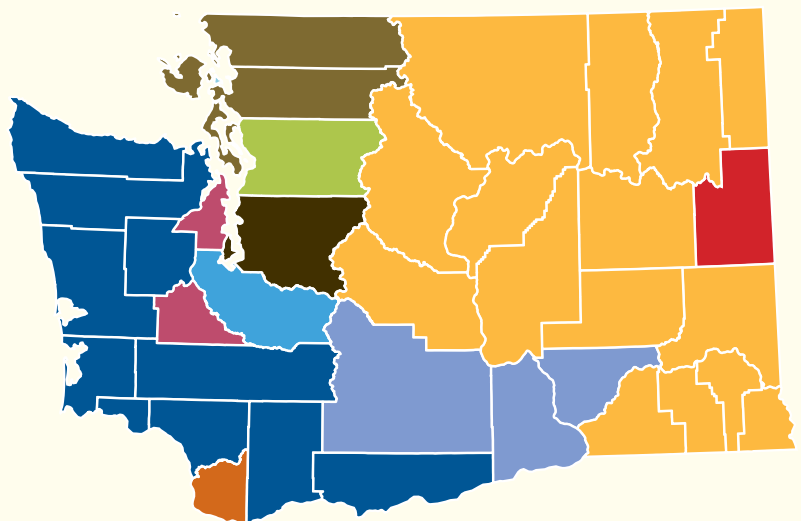
Yakima Tri-Cities — Benton County, Franklin County, and Yakima County.

REGIONAL ANALYSIS

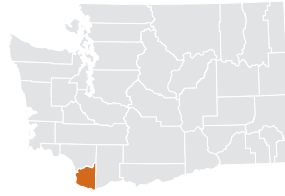
In every region of Washington State, our most vulnerable residents are still shut out of the rental market unless another subsidy is made available to them.

When it comes to other low income renters, the picture looks similarly bleak. High rents and stagnant incomes across the state have forced families and individuals who rent to make tough choices between necessities like food and medicine, and keeping a roof overhead.

Over the last five years, homeownership has become nearly impossible for workers in the most common fields in every region of Washington.

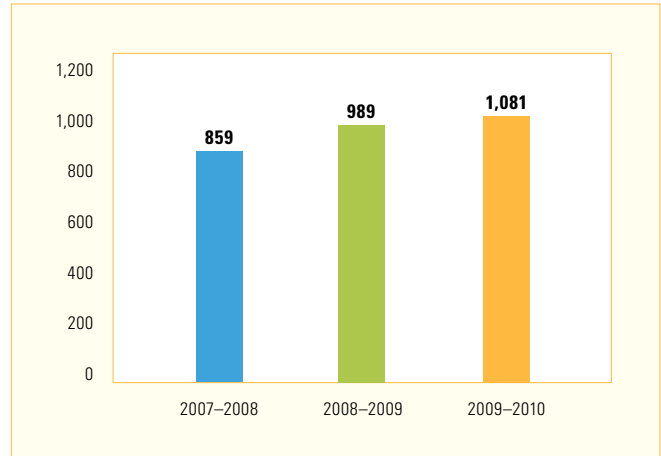


CLARK COUNTY

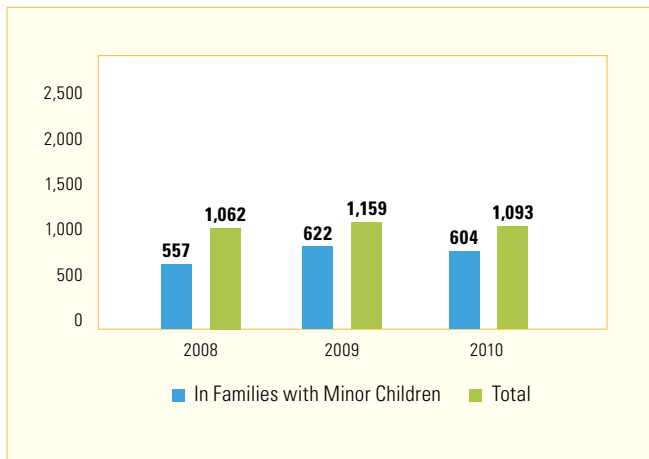


Number of Families	110,672
Median Annual Income	\$54,924
Cost Burdened Owners	44%
Cost Burdened Renters	48%
Below Poverty Line	9%
Number of Homeless Individuals	1,093
Number of Homeless Families	604

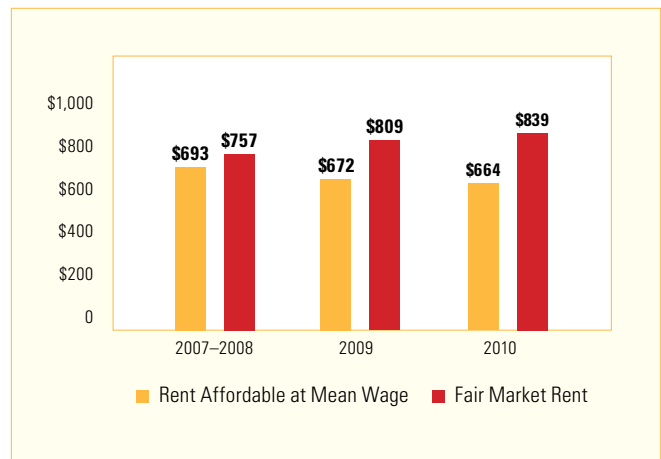
Homeless Schoolchildren



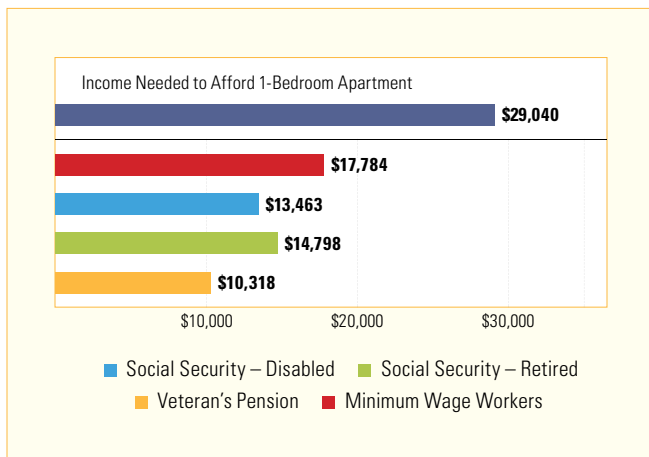
One Night Count of Homeless People



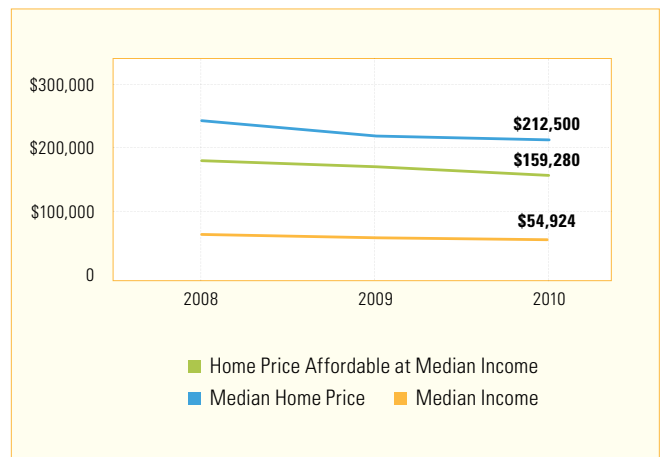
Market Rents are Out of Reach

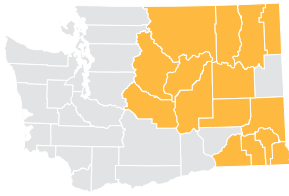


Renting a Stretch for Low-Income Households



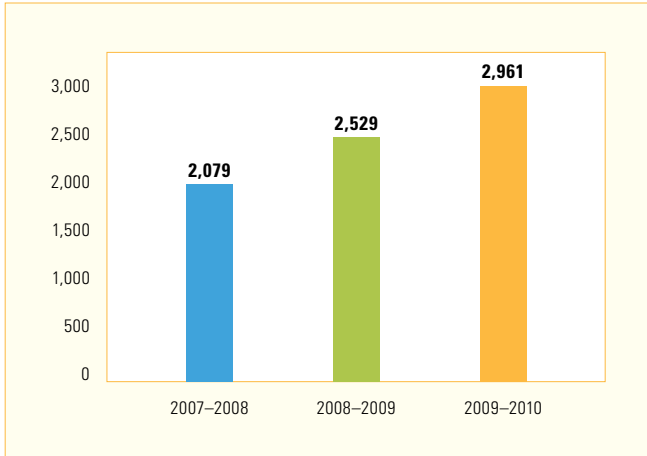
Median Income Earners Priced Out of Ownership





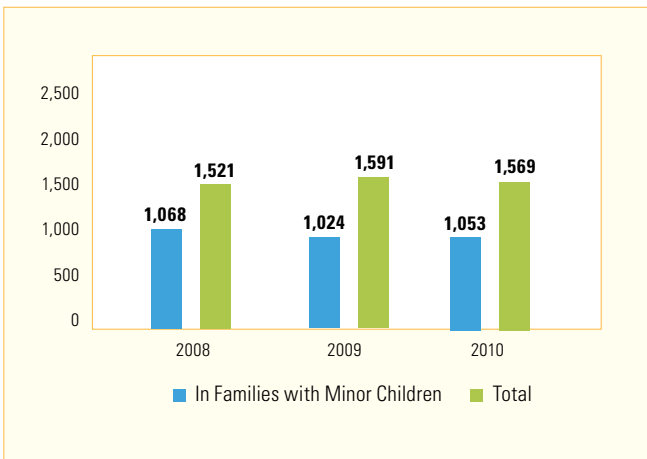
EAST BALANCE

Homeless Schoolchildren

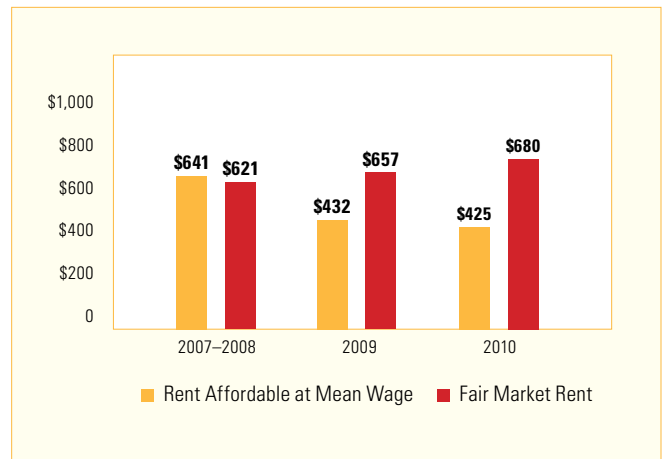


Number of Families	126,266
Median Annual Income	\$42,780
Cost Burdened Owners	36%
Cost Burdened Renters	49%
Below Poverty Line	14%
Number of Homeless Individuals	1,569
Number of Homeless Families	1,053

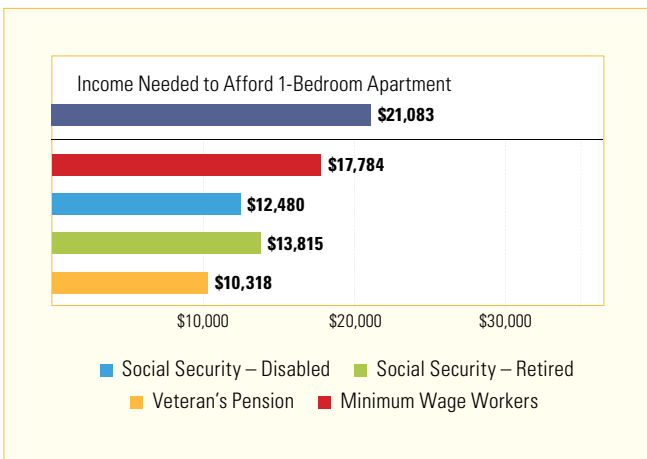
One Night Count of Homeless People



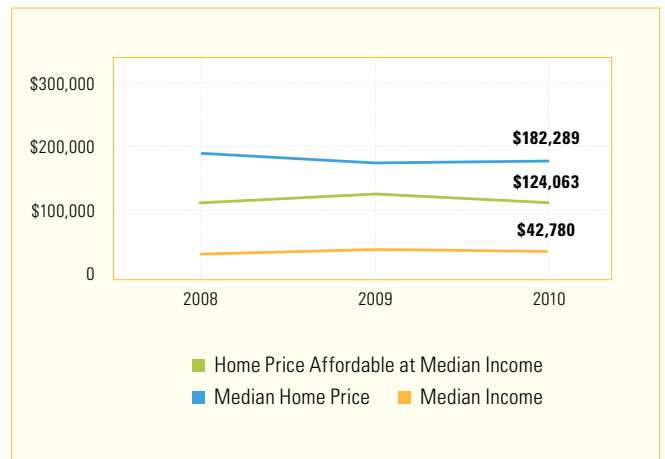
Market Rents are Out of Reach



Renting a Stretch for Low-Income Households



Median Income Earners Priced Out of Ownership

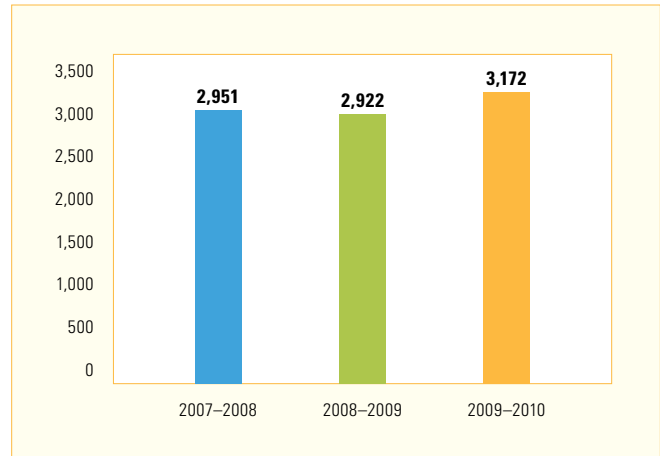


KING COUNTY

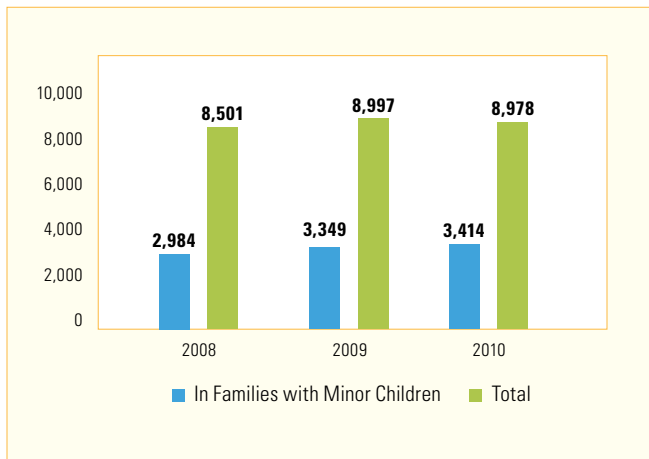


Number of Families	461,510
Median Annual Income	\$66,174
Cost Burdened Owners	40%
Cost Burdened Renters	47%
Below Poverty Line	8%
Number of Homeless Individuals	8,978
Number of Homeless Families	3,414

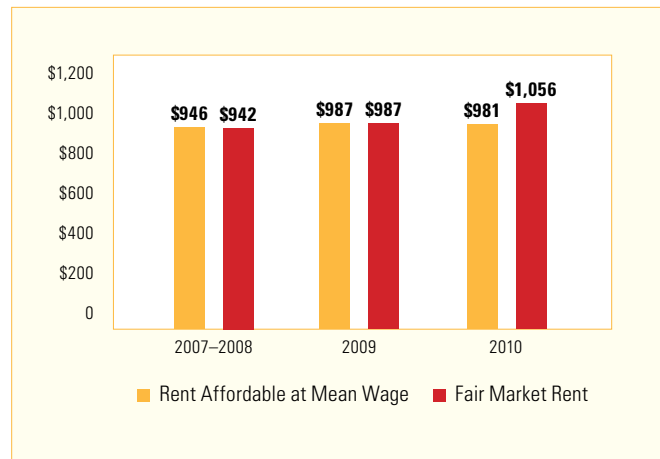
Homeless Schoolchildren



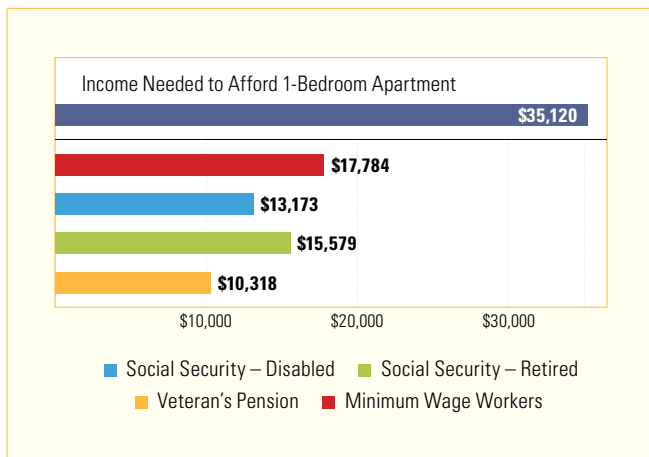
One Night Count of Homeless People



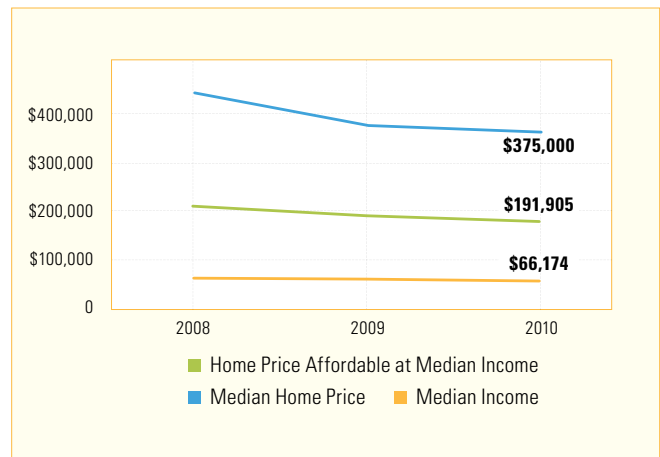
Market Rents are Out of Reach



Renting a Stretch for Low-Income Households



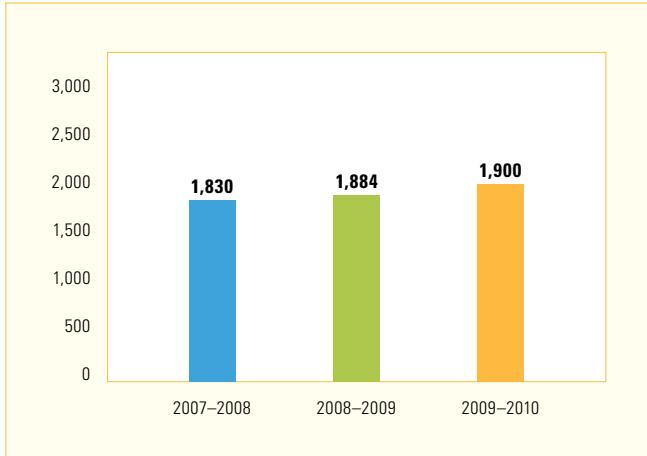
Median Income Earners Priced Out of Ownership





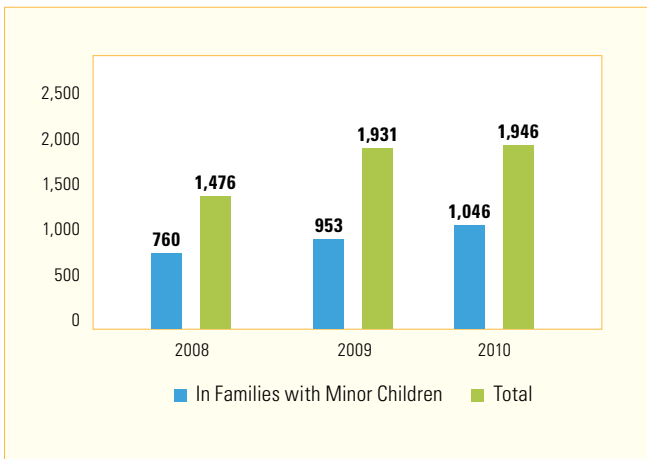
NORTH SOUND

Homeless Schoolchildren

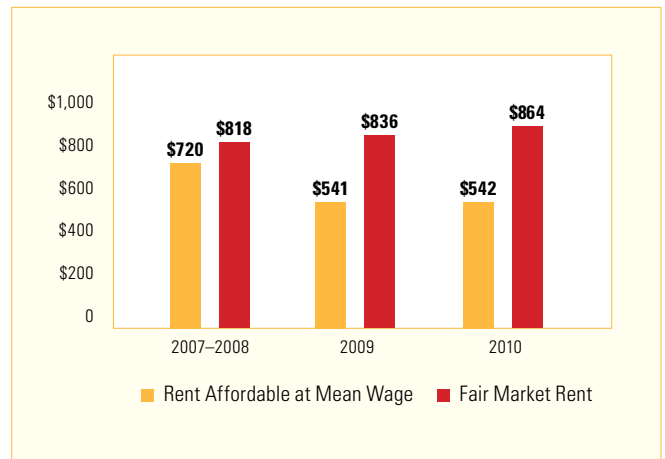


Number of Families	106,112
Median Annual Income	\$52,536
Cost Burdened Owners	45%
Cost Burdened Renters	53%
Below Poverty Line	8%
Number of Homeless Individuals	1,946
Number of Homeless Families	1,046

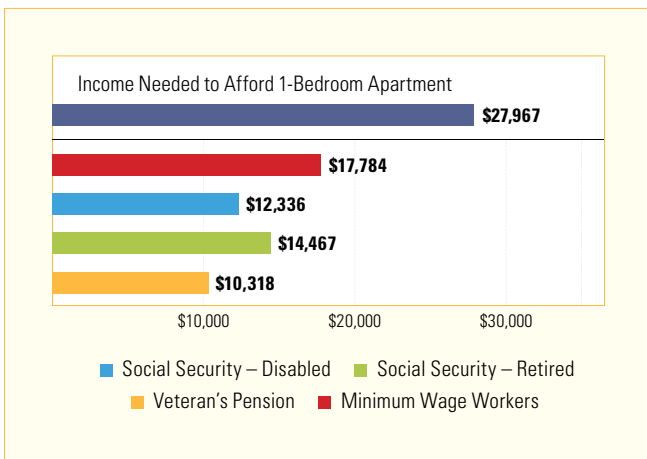
One Night Count of Homeless People



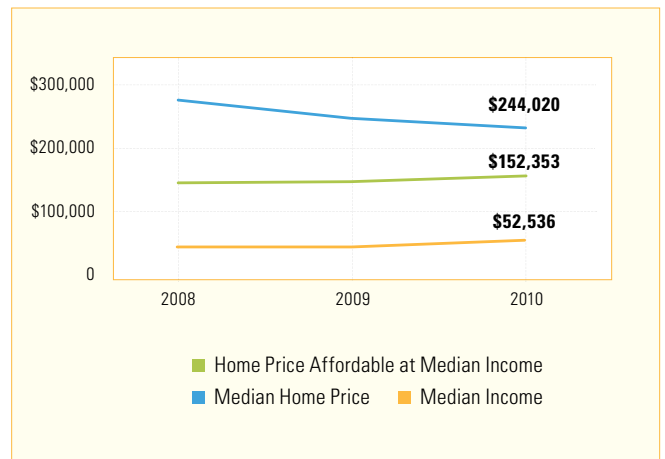
Market Rents are Out of Reach



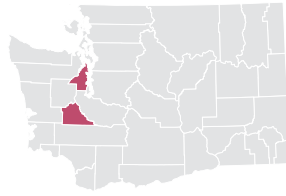
Renting a Stretch for Low-Income Households



Median Income Earners Priced Out of Ownership

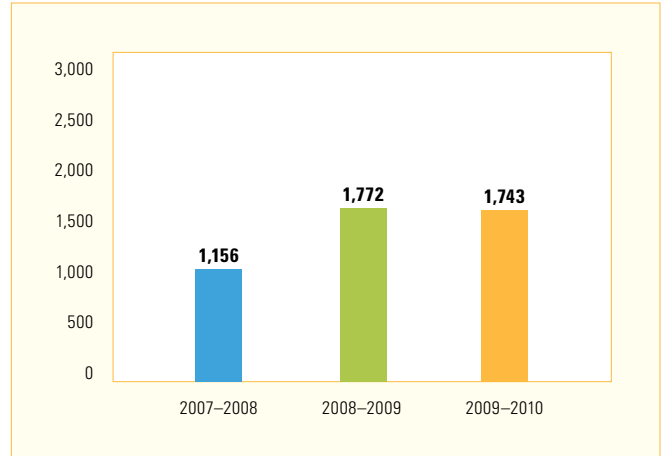


OTHER PUGET SOUND METRO

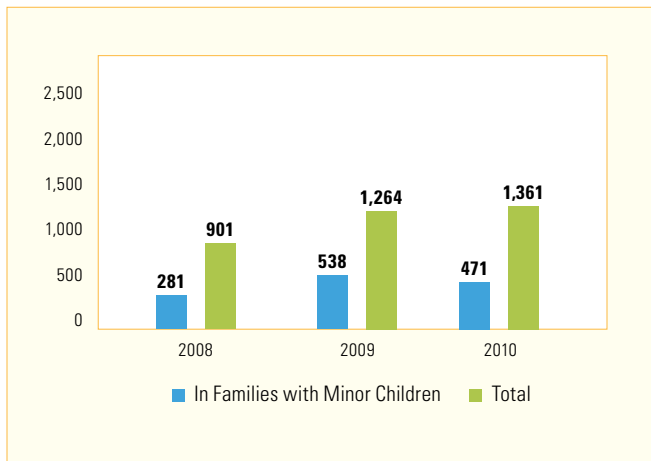


Number of Families	131,981
Median Annual Income	\$58,662
Cost Burdened Owners	40%
Cost Burdened Renters	50%
Below Poverty Line	7%
Number of Homeless Individuals	1,361
Number of Homeless Families	471

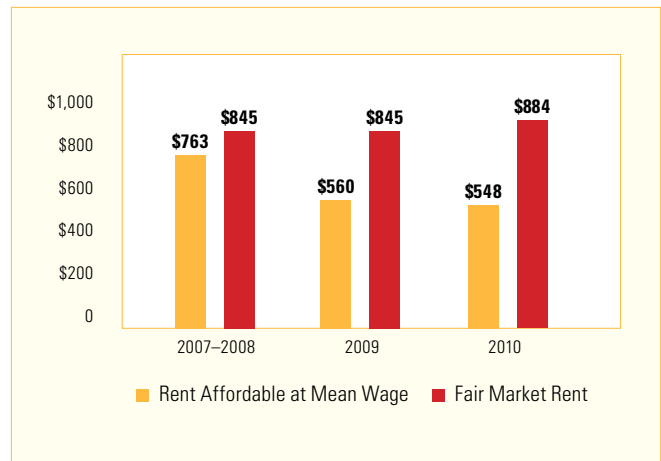
Homeless Schoolchildren



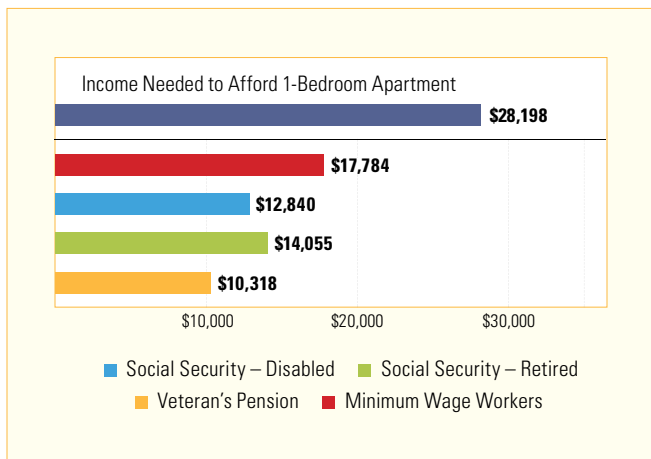
One Night Count of Homeless People



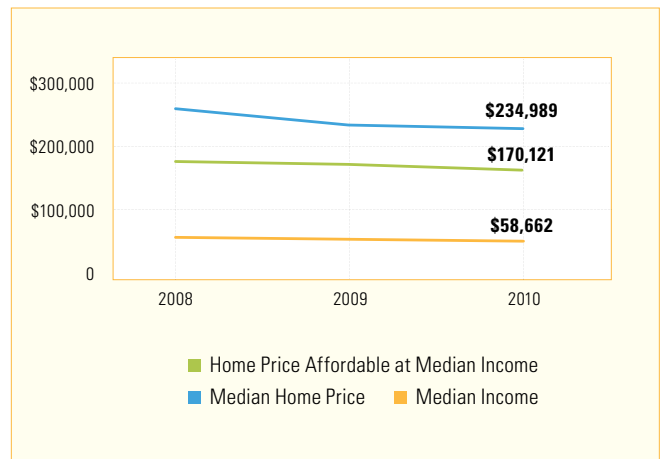
Market Rents are Out of Reach

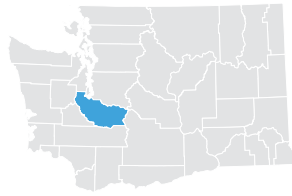


Renting a Stretch for Low-Income Households



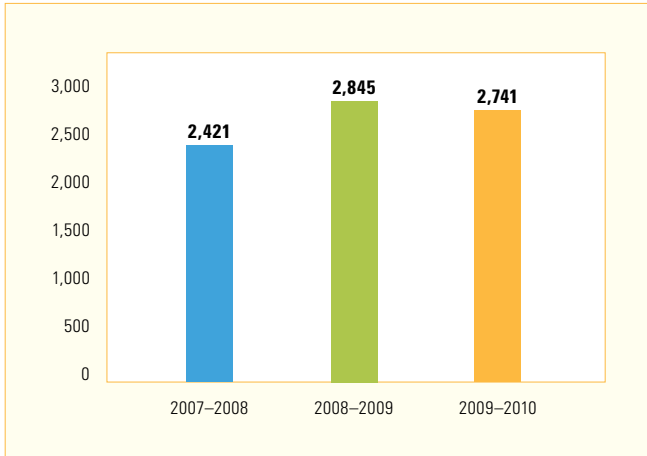
Median Income Earners Priced Out of Ownership





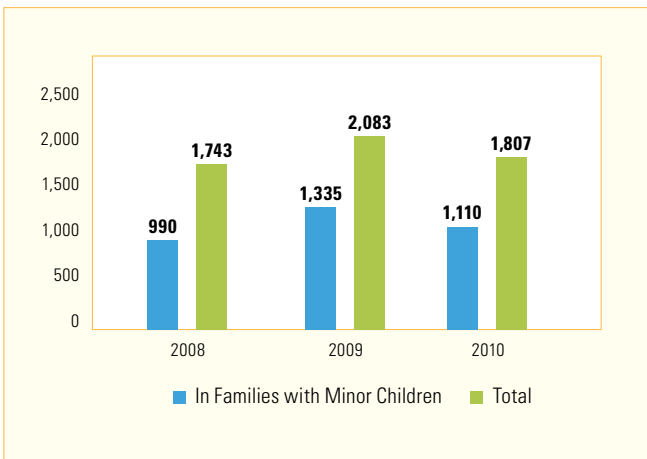
PIERCE COUNTY

Homeless Schoolchildren

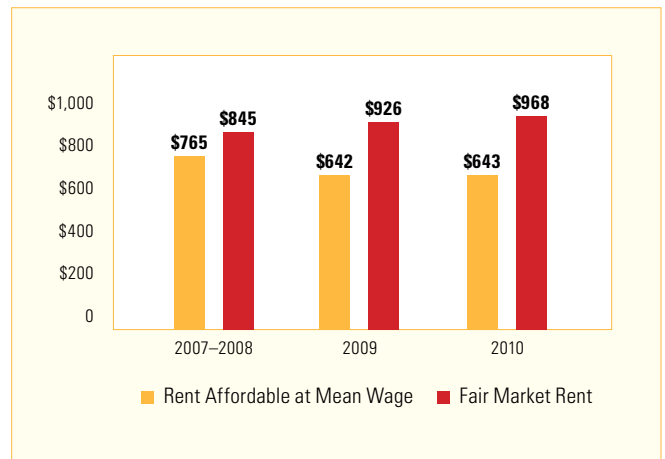


Number of Families	202,174
Median Annual Income	\$56,510
Cost Burdened Owners	45%
Cost Burdened Renters	51%
Below Poverty Line	8%
Number of Homeless Individuals	1,807
Number of Homeless Families	1,110

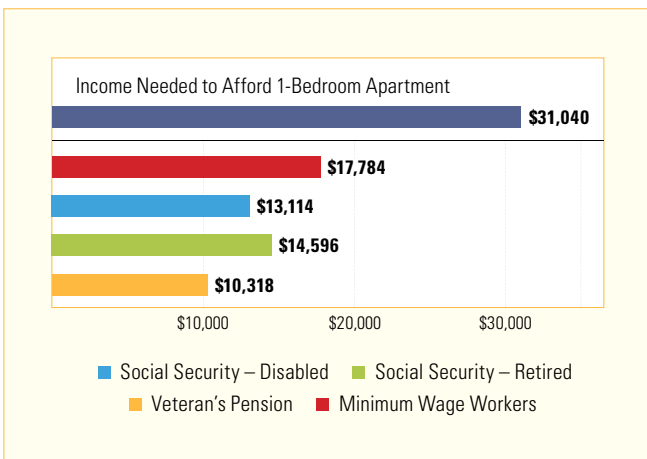
One Night Count of Homeless People



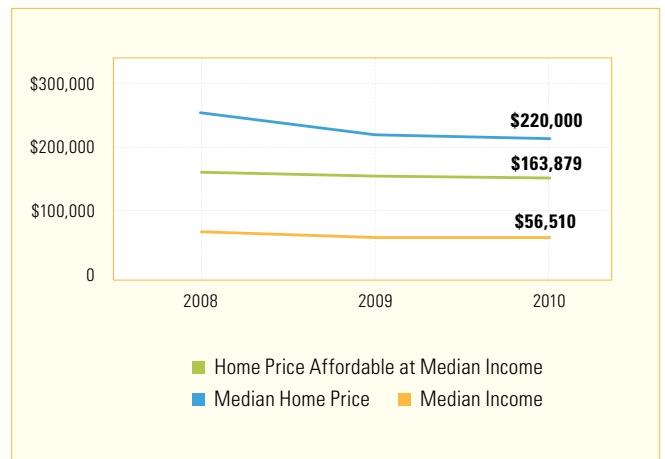
Market Rents are Out of Reach



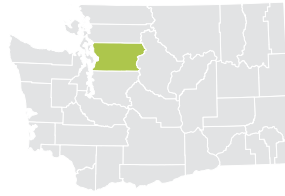
Renting a Stretch for Low-Income Households



Median Income Earners Priced Out of Ownership

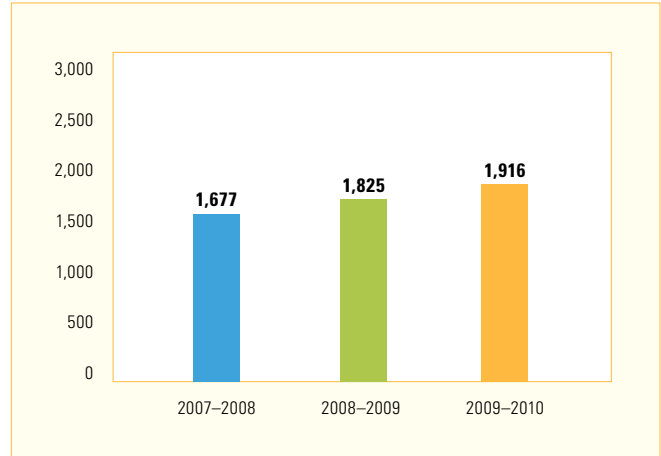


SNOHOMISH COUNTY

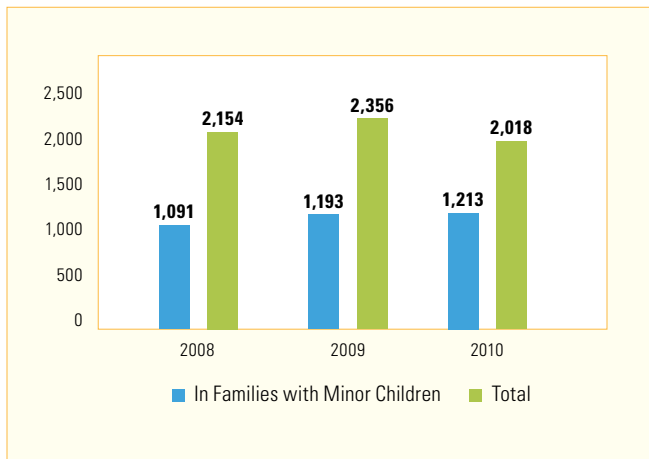


Number of Families	182,282
Median Annual Income	\$63,188
Cost Burdened Owners	47%
Cost Burdened Renters	49%
Below Poverty Line	7%
Number of Homeless Individuals	2,018
Number of Homeless Families	1,213

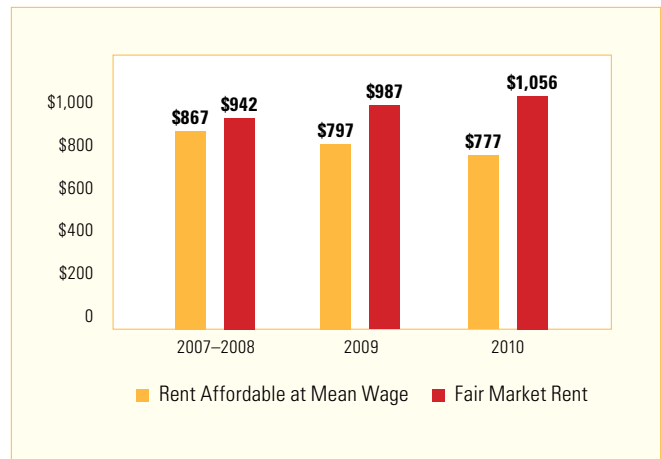
Homeless Schoolchildren



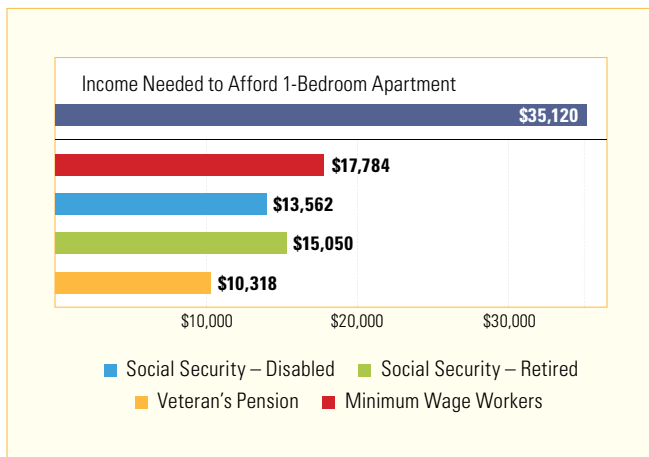
One Night Count of Homeless People



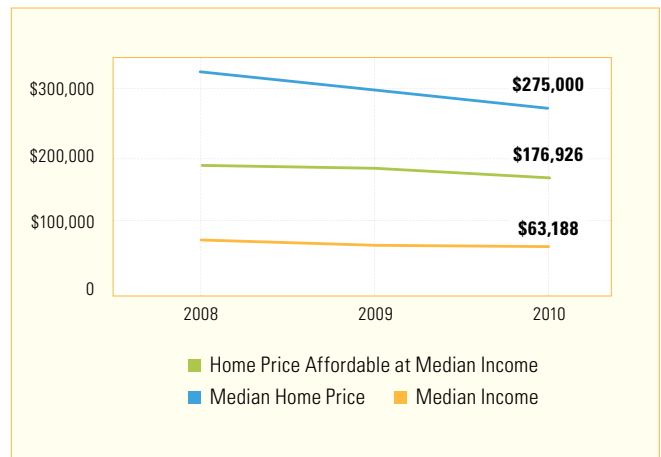
Market Rents are Out of Reach

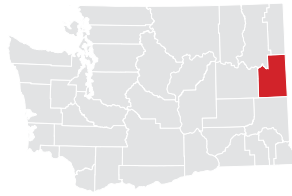


Renting a Stretch for Low-Income Households



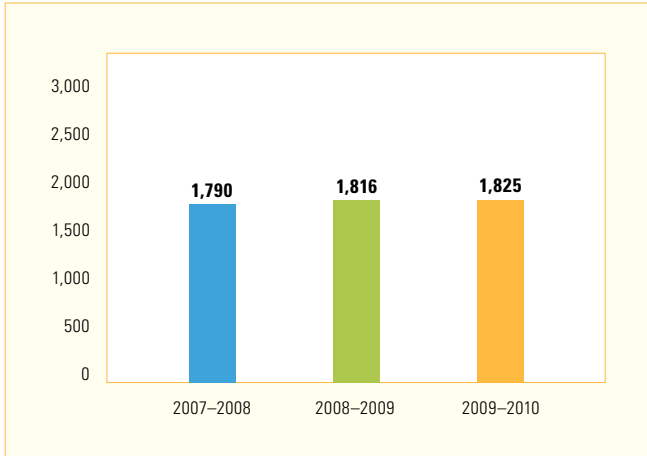
Median Income Earners Priced Out of Ownership





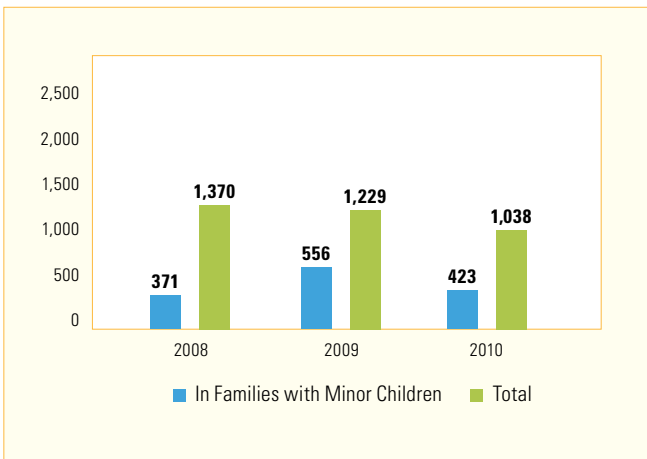
SPOKANE COUNTY

Homeless Schoolchildren

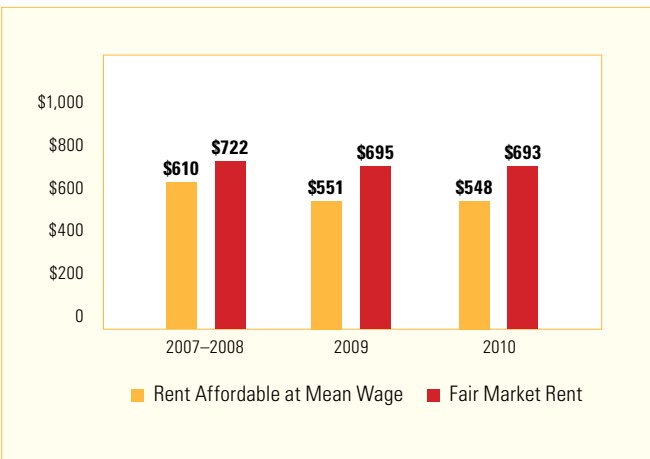


Number of Families	118,212
Median Annual Income	\$47,039
Cost Burdened Owners	34%
Cost Burdened Renters	51%
Below Poverty Line	10%
Number of Homeless Individuals	1,038
Number of Homeless Families	423

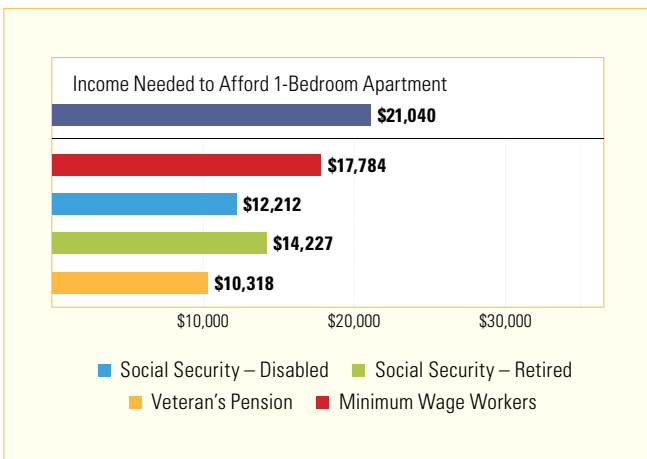
One Night Count of Homeless People



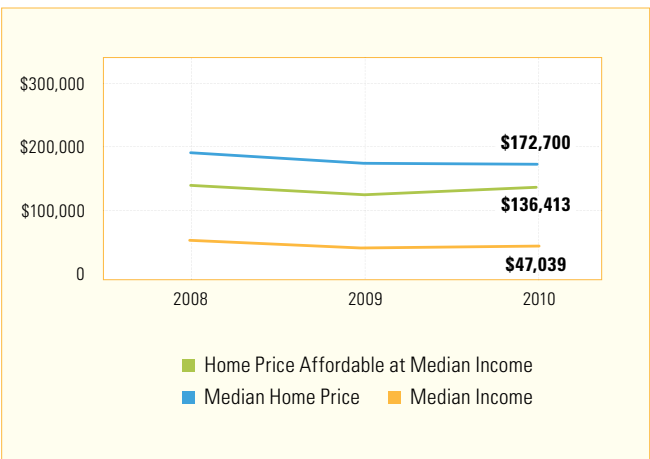
Market Rents are Out of Reach



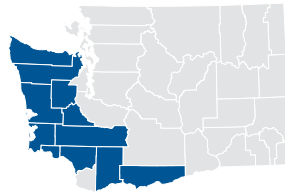
Renting a Stretch for Low-Income Households



Median Income Earners Priced Out of Ownership

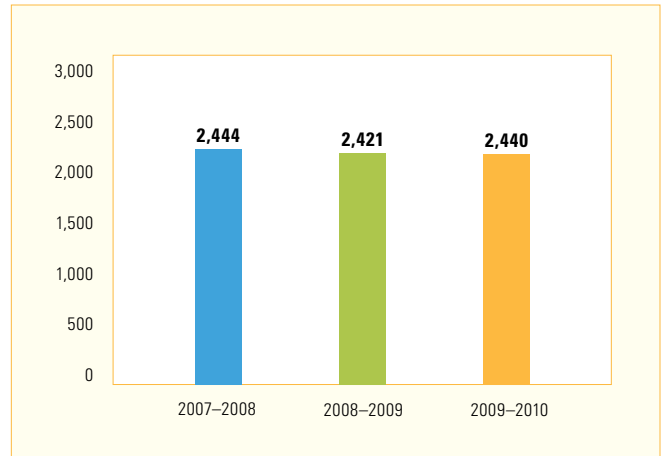


WEST BALANCE

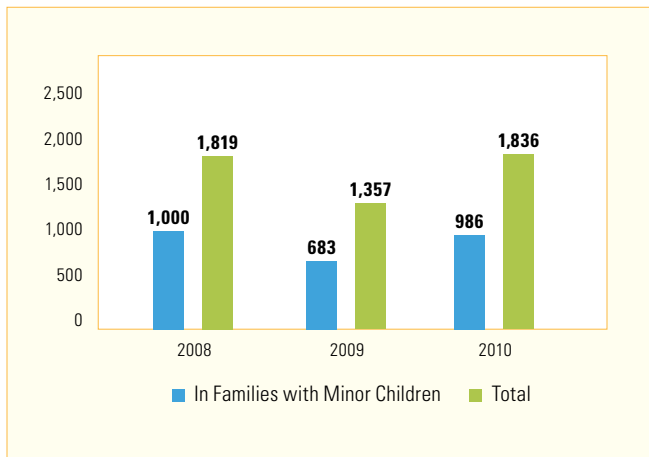


Number of Families	125,594
Median Annual Income	\$40,964
Cost Burdened Owners	42%
Cost Burdened Renters	57%
Below Poverty Line	12%
Number of Homeless Individuals	1,836
Number of Homeless Families	986

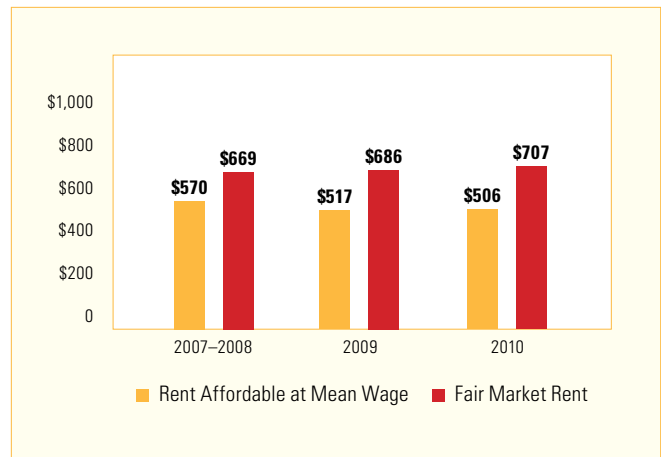
Homeless Schoolchildren



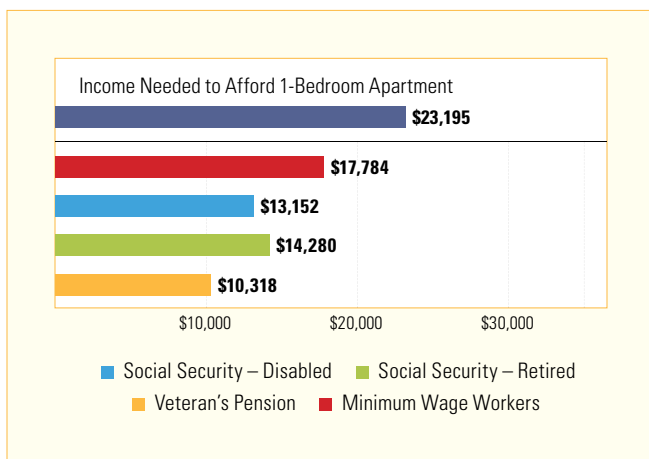
One Night Count of Homeless People



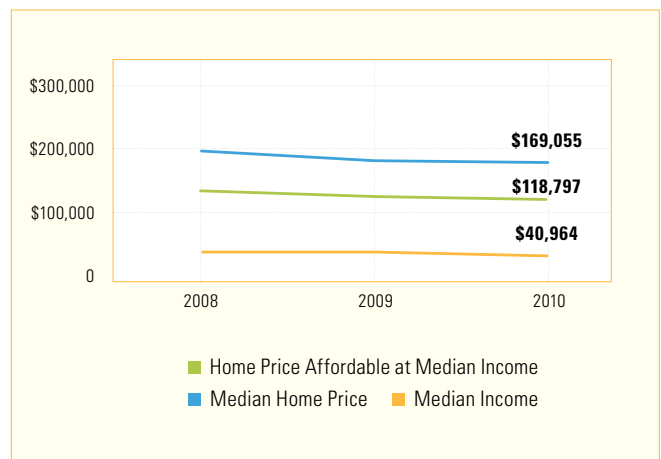
Market Rents are Out of Reach

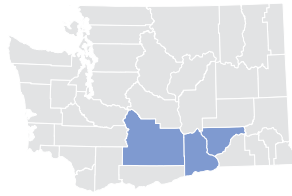


Renting a Stretch for Low-Income Households



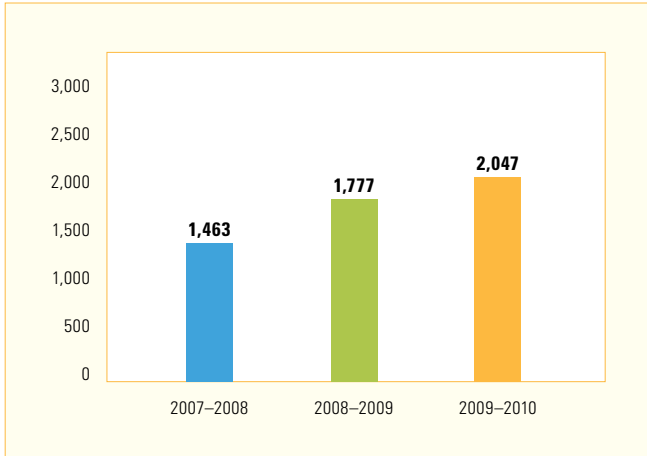
Median Income Earners Priced Out of Ownership





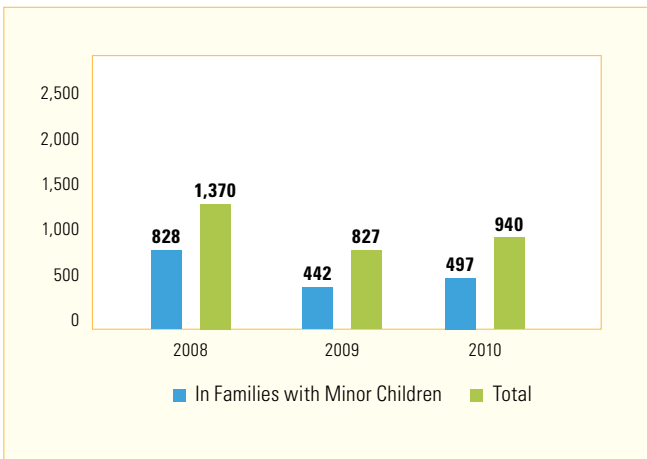
YAKIMA TRI-CITIES

Homeless Schoolchildren

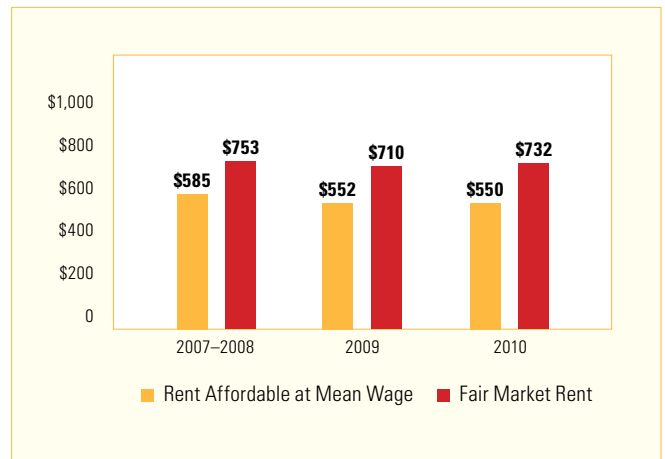


Number of Families	122,652
Median Annual Income	\$49,094
Cost Burdened Owners	26%
Cost Burdened Renters	52%
Below Poverty Line	15%
Number of Homeless Individuals	940
Number of Homeless Families	497

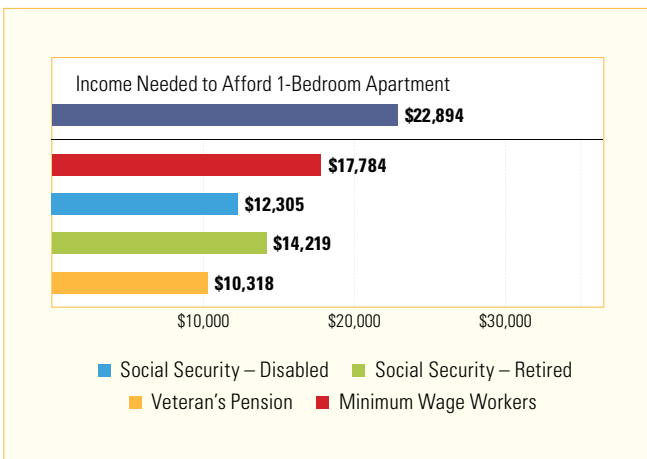
One Night Count of Homeless People



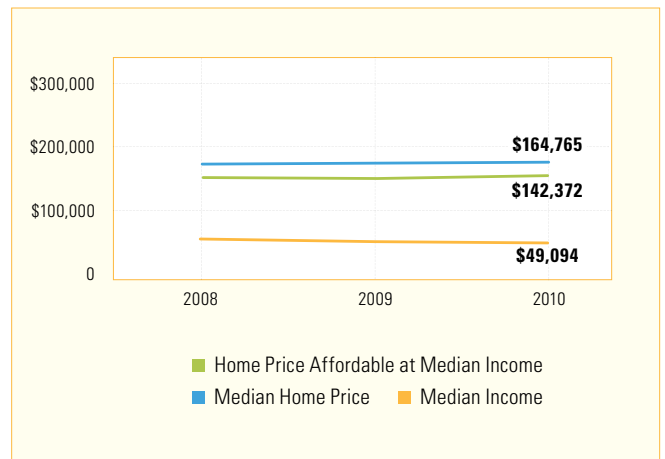
Market Rents are Out of Reach



Renting a Stretch for Low-Income Households



Median Income Earners Priced Out of Ownership



SOURCES CONSULTED

Bureau of Labor Statistics
Center for Responsible Lending
National Low Income Housing Coalition Out of Reach Report
Point-in-Time Count of Homeless People
RealtyTrac
Social Security Administration
US Bureau of the Census American Communities Survey
Washington State Center for Real Estate Research
Washington State Department of Veterans Affairs
Washington State Economic and Revenue Forecast Council
Washington State Employment Security Department
Washington State Office of Financial Management
Working Poor Families Project



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