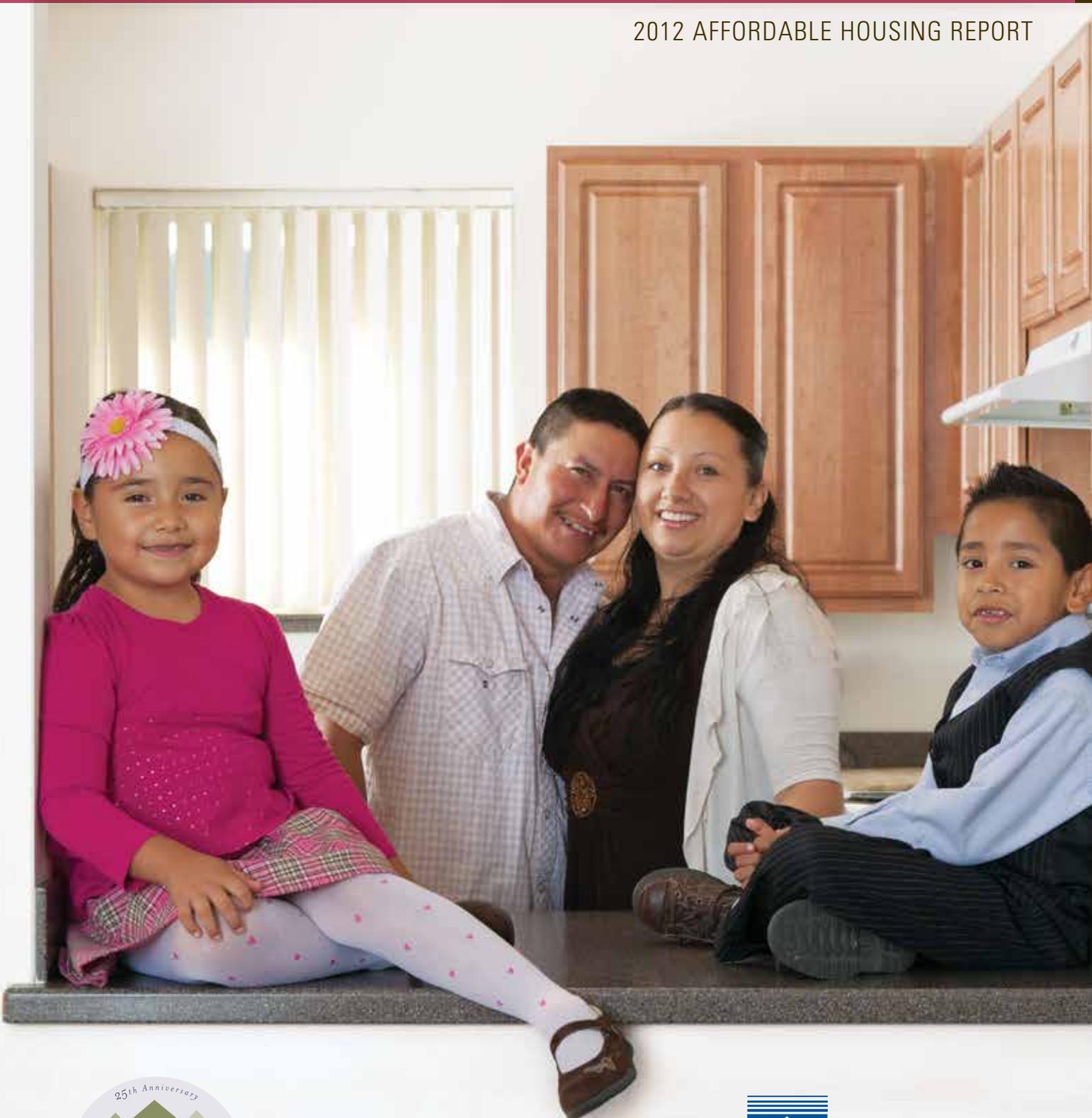


Bringing Washington Home

2012 AFFORDABLE HOUSING REPORT



washington low income
housing alliance



Department of Commerce
Innovation is in our nature.



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Opening doors to a better life

Introduction to the Data

Homelessness in Washington State, as measured by the Point in Time counts in each county, dropped 11% between January 2010 and January 2012. Part of this drop is likely due to improvements in reporting. Specifically, many counties are clearer on what is considered homeless housing versus other types of low-income permanent housing. It might also be due, in part, to the effectiveness of such programs as the Homelessness Prevention Program and the Rapid Re-Housing Program (HPRR). For instance, participants in HPRR had improved employment outcomes both during and after participation.¹

While the overall homeless numbers have dropped, the number of homeless schoolchildren has increased 25% over the past two years.² The McKinney-Vento Act establishes the definition of “homeless” as it relates to children in school as “individuals who lack a fixed, regular, and adequate nighttime residence.”³ This definition would encompass children not captured in the Point in Times counts above, for example children living with family and friends or relatives due to a parent’s inability to provide housing. It is possible that the conflicting directions of these two numbers — a decrease of 11% for overall homelessness, compared to an increase

of 25% in homeless schoolchildren — may reflect a shift in the predominance of certain types of homelessness, perhaps with more individuals doubling-up (also known as couch-surfing) with friends or relatives as opposed to living on the streets, in emergency shelters, or in transitional housing.

Low vacancy rates are creating additional barriers to housing due to difficulty in locating available rental units, and due to the subsequent increases in rent when demand outstrips supply. Foreclosures have forced many former home owners into the rental market, and stricter loan regulations are likely to keep them there. Washington State already has a long history of low vacancy rates compared to the rest of the country. In the Fall of 2011, Washington State’s vacancy rate was 5.0 percent compared to a national average of 11.9 percent.⁴ One example of the impact of low vacancy rates on subsequent rental costs is evidenced in Whatcom County. In 2011, the vacancy rate was 2.0% and the average cost of an apartment was \$590. In 2012, the vacancy rate dropped to 1.7% and the average cost of an apartment increased to \$801. There was a surge in apartment construction in 2011⁵, which is expected to eventually ease the apartment vacancy rates at some price points.

COVER: Estevan Olevera and Rosario Gonzalez are agricultural workers who were able to find a safe, affordable home for themselves and their children in Eastern Washington. This multi-family affordable housing development was the first new construction in the town of George in many years. The 50 townhouse units could not have been created without the Washington State Housing Trust Fund.

Photo courtesy Washington State Housing Finance Commission.

¹ Department of Social and Health Services, Research and Analysis Division, <http://www.dshs.wa.gov/pdf/ms/rda/research/11/185.pdf>

² Office of Superintendent of Public Education, <http://www.k12.wa.us/HomelessEd/Data.aspx>

³ Office of Superintendent of Public Education, <http://www.k12.wa.us/HomelessEd/AssistanceAct.aspx>

⁴ Washington Center for Real Estate Research, <http://wcrerdata.be.washington.edu/ApartmentVacancy/Apt%20Statewide%20Sept11.pdf>

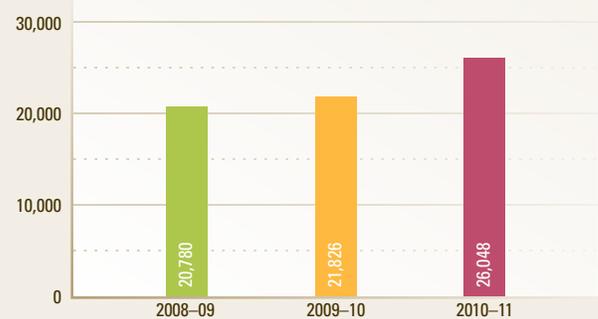
⁵ Bloomberg, <http://www.bloomberg.com/news/2011-02-18/u-s-apartment-construction-climbs-as-more-renters-crimp-supply.html>



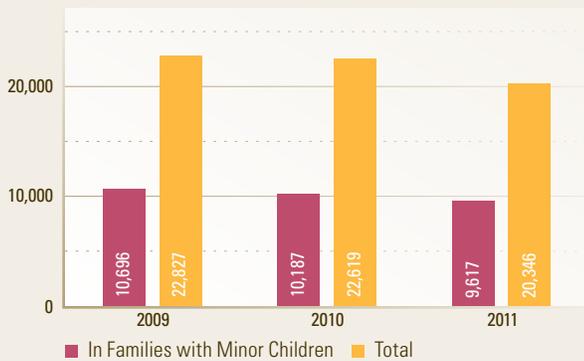
Washington State

Number of Families 1,673,627
 Median Annual Income \$56,835
 Cost Burdened Owners 39%
 Cost Burdened Renters 51%
 Below Poverty Line 9%

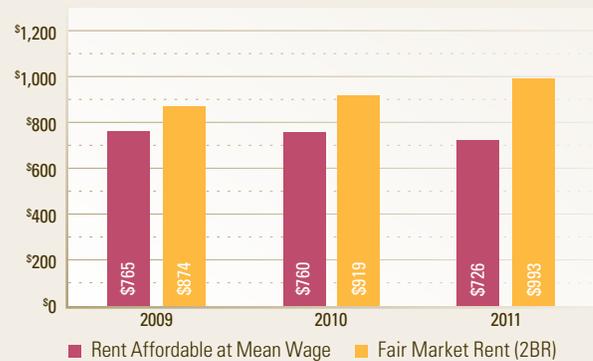
WASHINGTON STATE STATISTICS



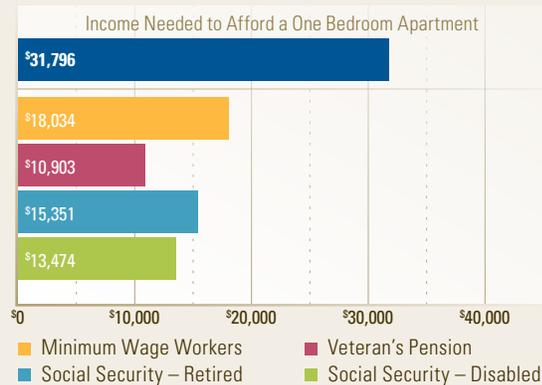
HOMELESS SCHOOLCHILDREN



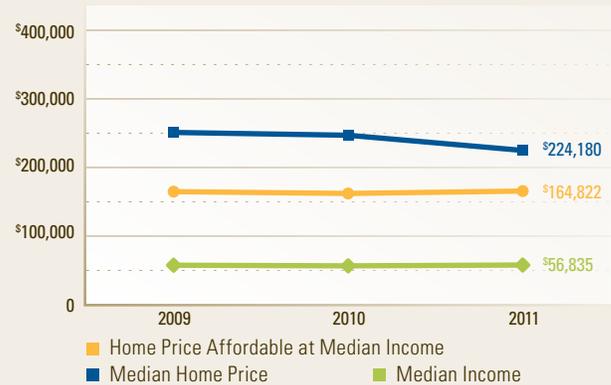
ONE NIGHT COUNT OF HOMELESS PEOPLE



MARKET RENTS ARE OUT OF REACH



RENTING A STRETCH FOR LOW-INCOME HOUSEHOLDS



MEDIAN INCOME EARNERS PRICED OUT OF OWNERSHIP

Methodology

This report uses a series of five graphs to give a picture of housing needs across Washington State. Data are reported at the regional level, with school-district and county-level information aggregated to the regional level. Listed below are data sources, as well as information on related calculations for each graph. Additional information is available upon request.

Homeless Schoolchildren

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

Market Rents Are Out of Reach

Rent Affordable at Mean Wage utilizes the mean renter's wage, per the National Low-Income Housing Coalition's Out of Reach 2011 report, to calculate the amount an average renter could spend on housing costs (rent and utilities) without exceeding 30% of the renter's income.

Fair Market Rent for a 2-Bedroom Apartment data 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.

Home Price Affordable at Median Income is calculated as the amount a median income household could spend on housing costs (mortgage, insurance, taxes, and utilities) without exceeding 30% of the household's total income.

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 2011. These figures represent a one-night count of sheltered and unsheltered homeless individuals and families.

Renting a Stretch for Low-Income Households

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

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 Social Security-Disabled and Social Security-Retired Annual Income data comes from Social Security Online's OASDI Beneficiaries by State and County 2011 Report.

The Veteran's Pension Annual Income data, which represents the estimated annual veteran's disability pension income for Washington State, comes from the 2011 Veteran's Administration Benefits Report.

TERMS TO KNOW

Affordable Housing—Housing is considered affordable when costs equate to no more than 30% of the household income. For homeowners, housing costs include mortgage payments, insurance, taxes, and utilities. For renters, housing costs include rent and utilities.

Cost Burdened—Defined as a renter or homeowner paying more than 30% of his or her income towards housing costs, including utilities.

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

Low Income—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.

Median Income—The income level where an equal number of people or households have incomes above or below that line.

Poverty—Numbers of people living below the Poverty Line are based on data from the US Census Bureau, which uses a set of money income thresholds that vary by family size and composition. If a family's total income is less than the family's threshold, then that family and every individual in it is considered in poverty.

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 and 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.

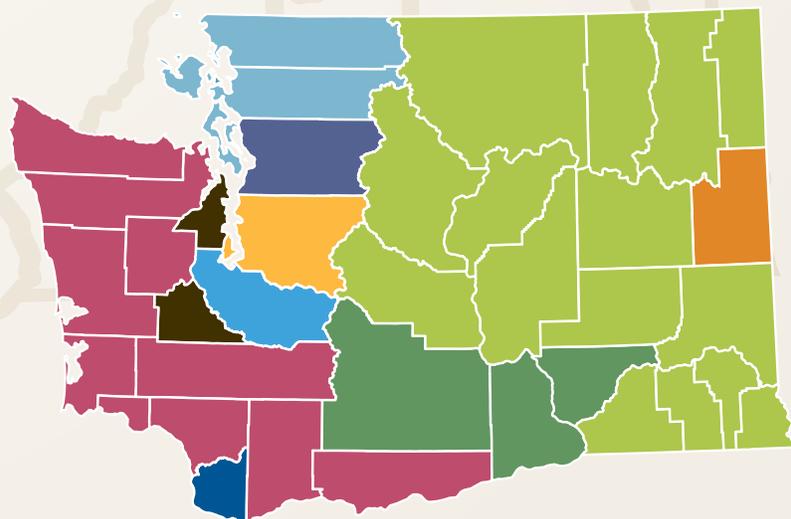
Yakima / Tri-Cities — Benton County, Franklin County, and Yakima County.

REGIONAL ANALYSIS

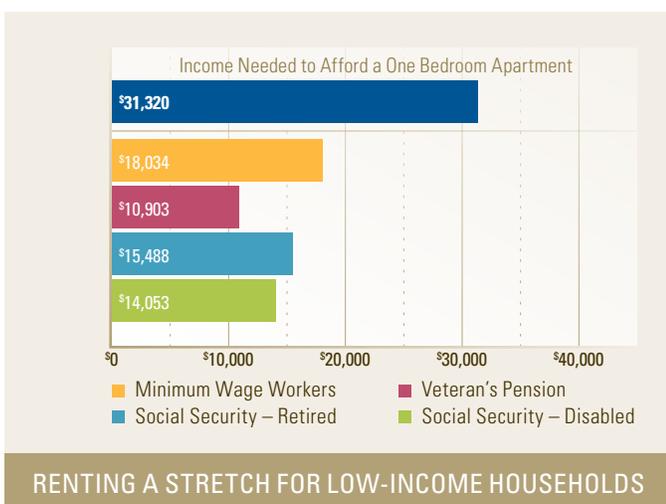
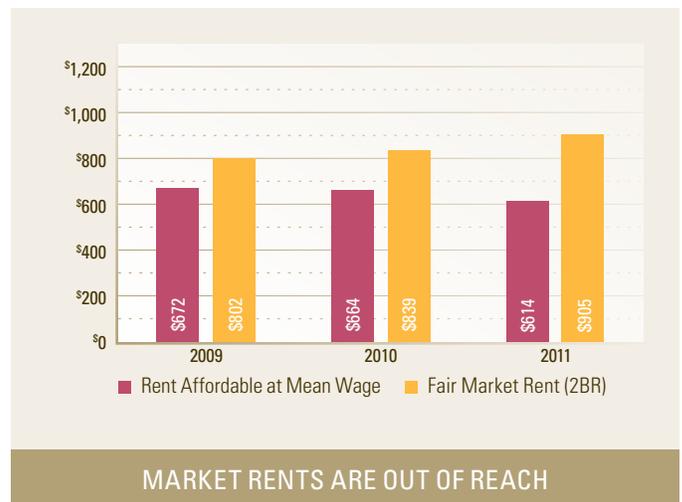
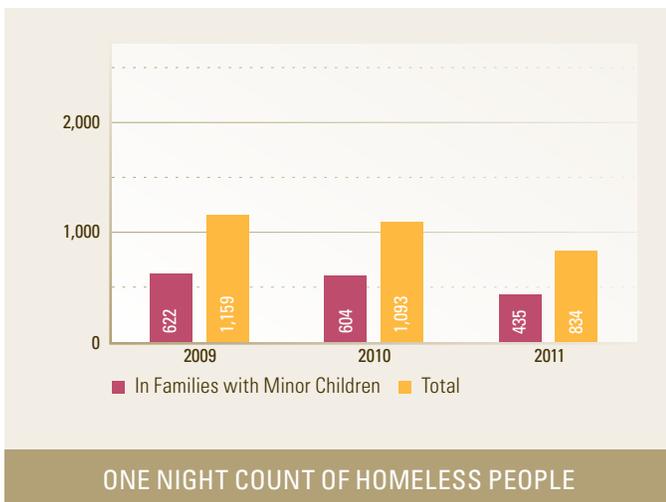
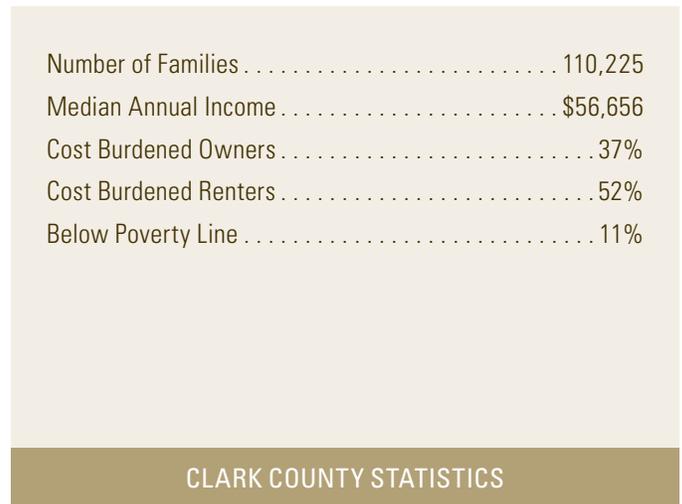
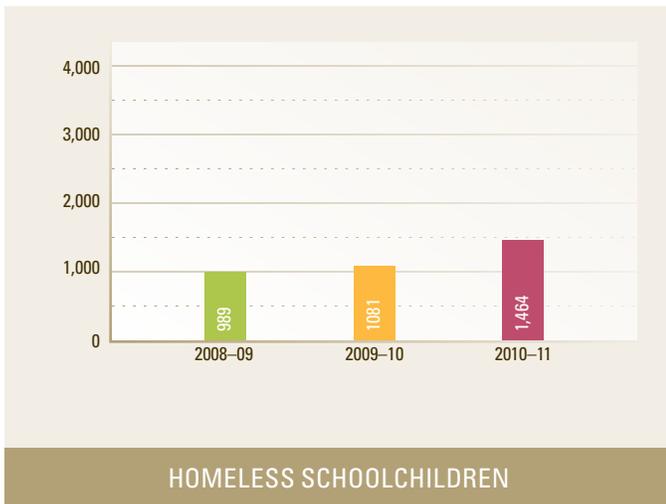
Across Washington State, our most vulnerable residents—including our disabled veterans and individuals relying on social security for their income—remain shut out of the rental market unless they are able to receive subsidies to assist with their housing costs.

Other low-income renters continue to struggle to obtain affordable housing, in part due to low rental vacancy rates that support continued high rental costs.

The outlook for potential homeowners has improved. Median income households still cannot afford to purchase a median priced home, but the gap has narrowed. However, increased regulations on lending continue to make it difficult for potential homeowners to enter the housing market, maintaining the high number of people in the rental market and further fueling low vacancy rates and high rental costs.



Clark County

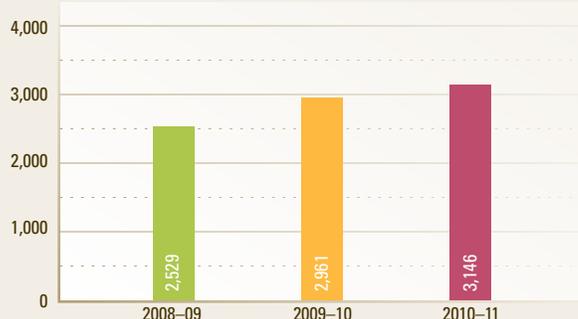




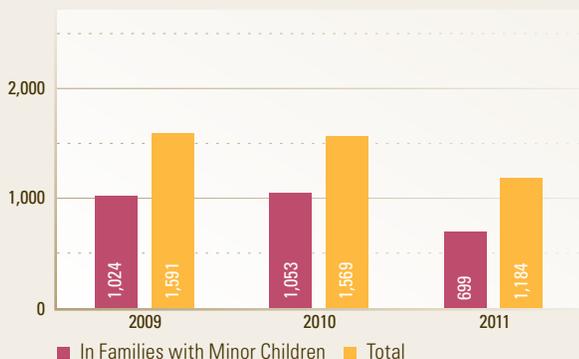
East Balance

Number of Families 112,096
 Median Annual Income \$44,235
 Cost Burdened Owners 33%
 Cost Burdened Renters 49%
 Below Poverty Line 12%

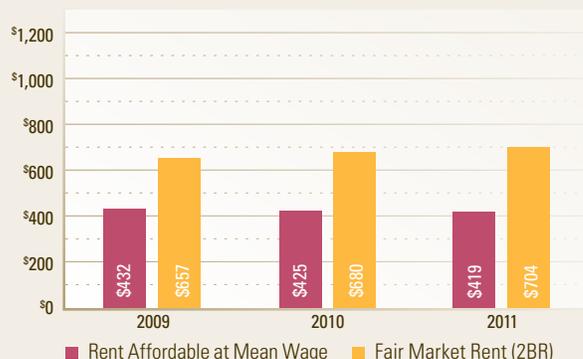
EAST BALANCE COUNTIES STATISTICS



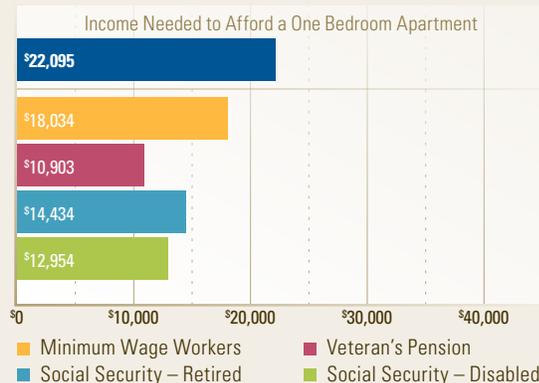
HOMELESS SCHOOLCHILDREN



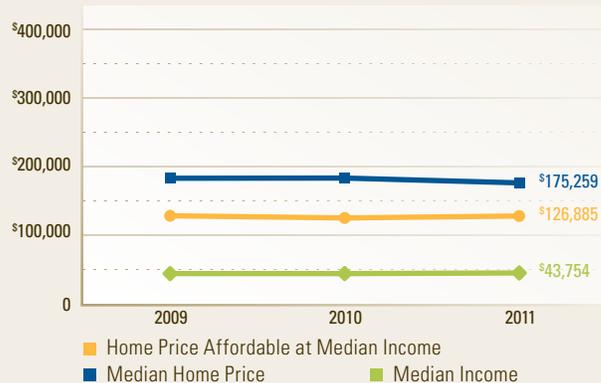
ONE NIGHT COUNT OF HOMELESS PEOPLE



MARKET RENTS ARE OUT OF REACH

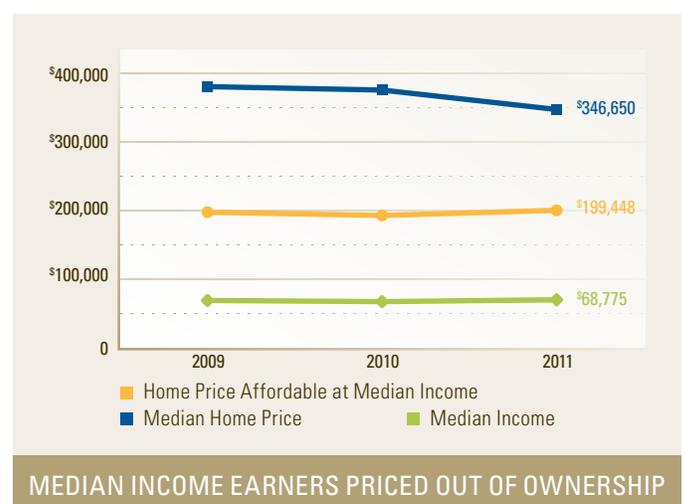
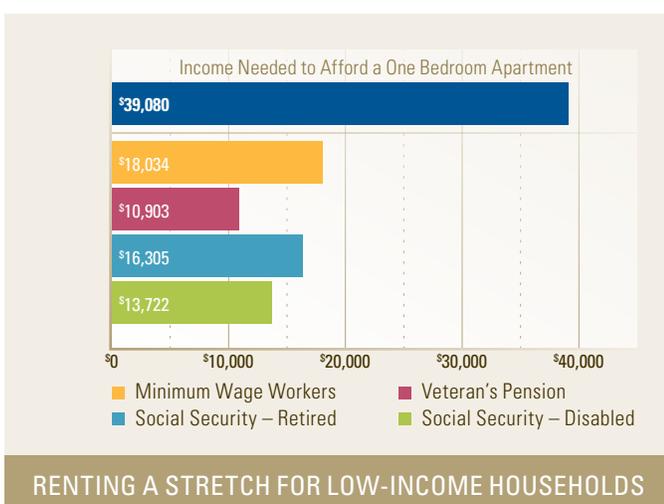
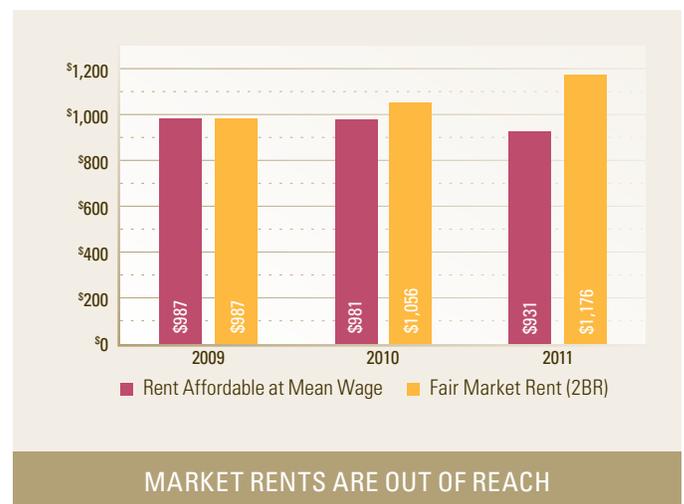
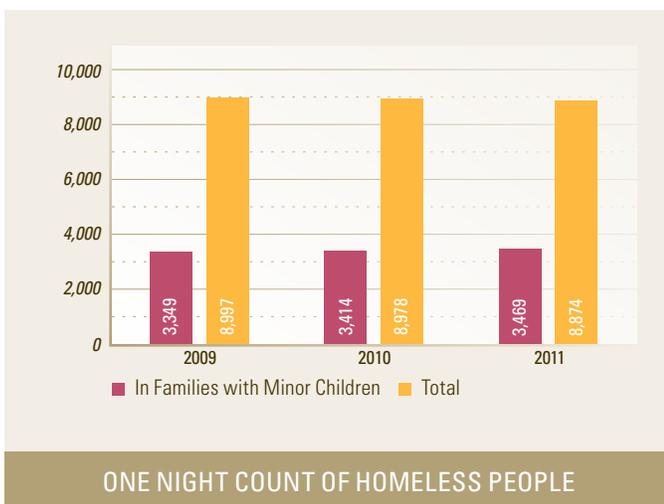
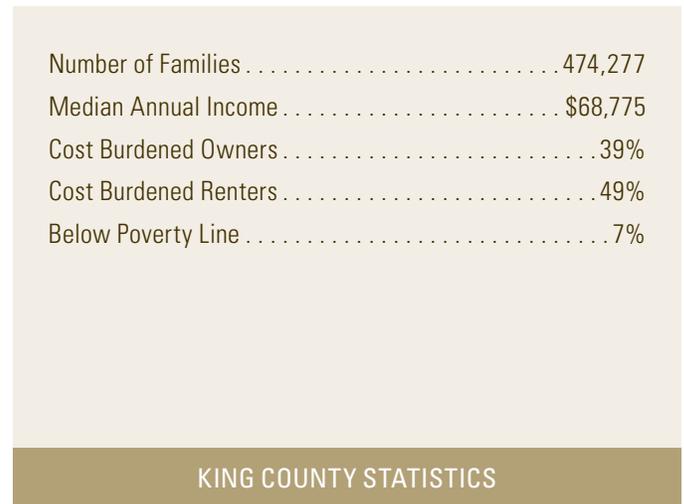
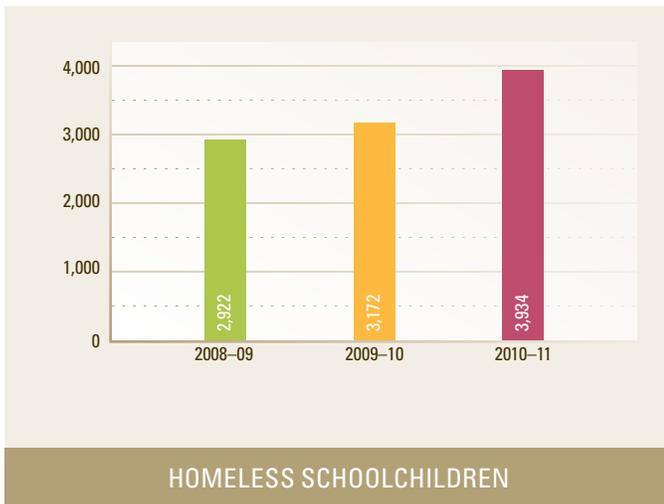


RENTING A STRETCH FOR LOW-INCOME HOUSEHOLDS



MEDIAN INCOME EARNERS PRICED OUT OF OWNERSHIP

King County

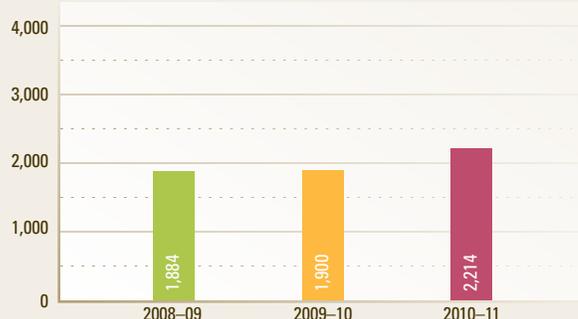




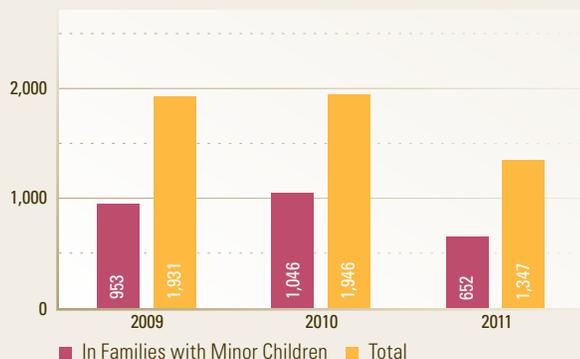
North Sound

Number of Families 103,225
 Median Annual Income \$53,570
 Cost Burdened Owners 43%
 Cost Burdened Renters 52%
 Below Poverty Line 9%

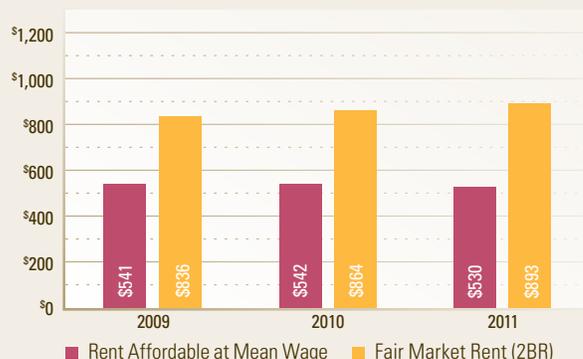
NORTH SOUND COUNTIES STATISTICS



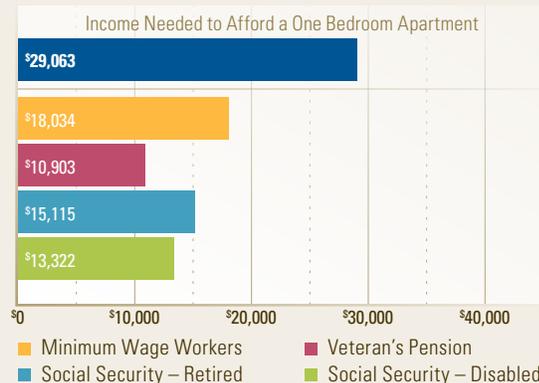
HOMELESS SCHOOLCHILDREN



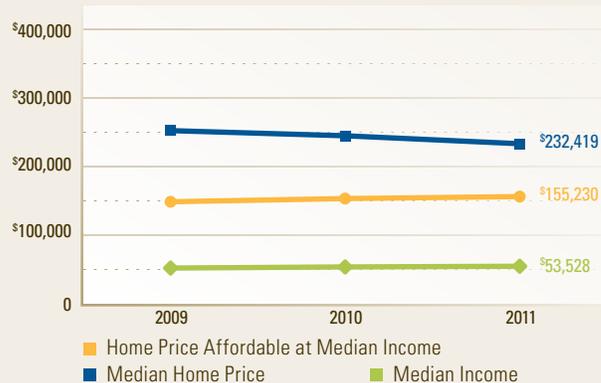
ONE NIGHT COUNT OF HOMELESS PEOPLE



MARKET RENTS ARE OUT OF REACH

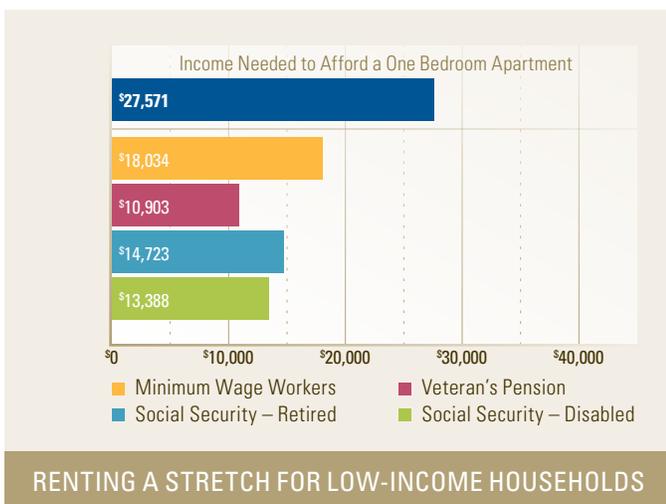
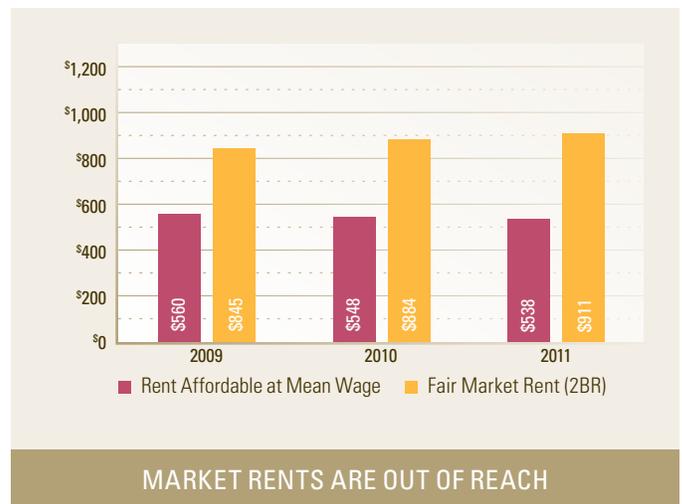
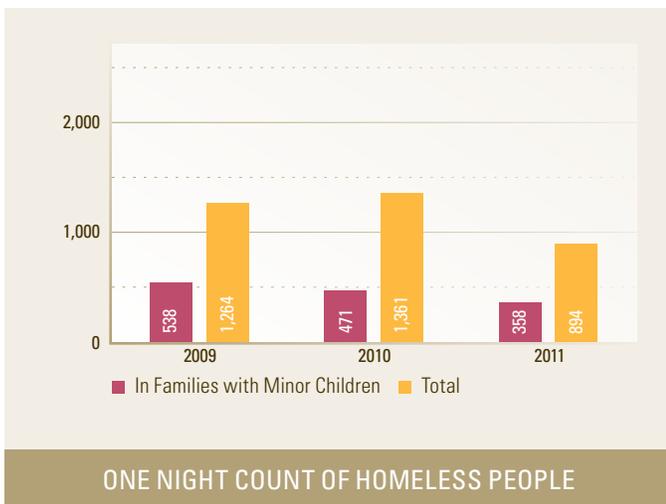
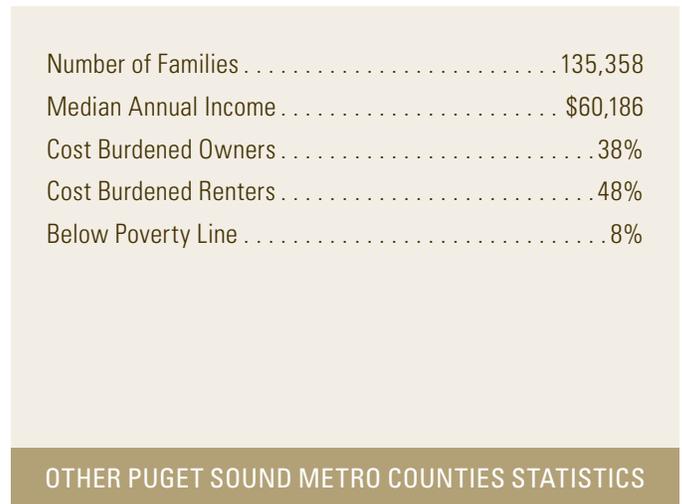
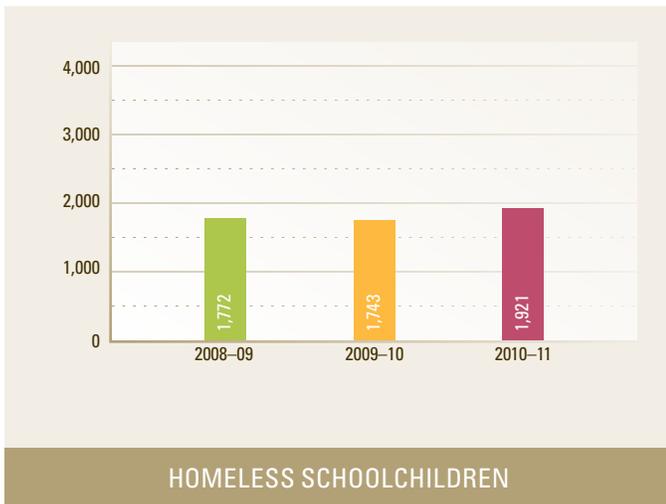


RENTING A STRETCH FOR LOW-INCOME HOUSEHOLDS



MEDIAN INCOME EARNERS PRICED OUT OF OWNERSHIP

Other Puget Sound Metro





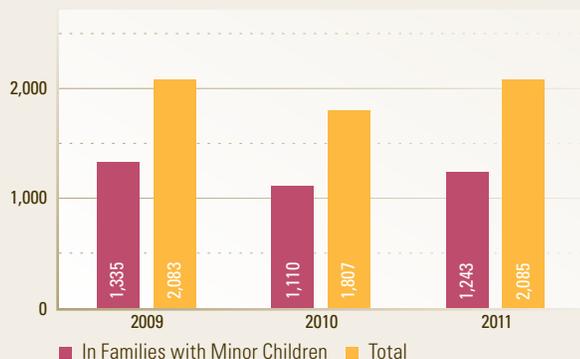
Pierce County

Number of Families	199,560
Median Annual Income	\$55,214
Cost Burdened Owners	43%
Cost Burdened Renters	52%
Below Poverty Line	9%

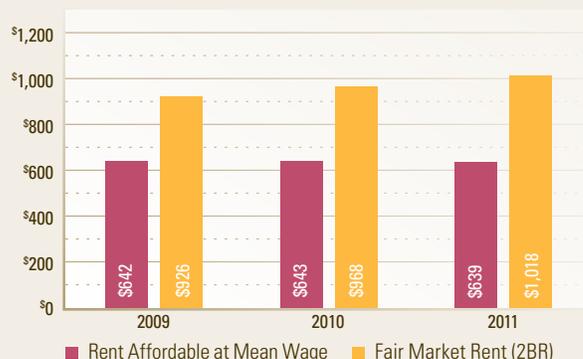
PIERCE COUNTY STATISTICS



HOMELESS SCHOOLCHILDREN



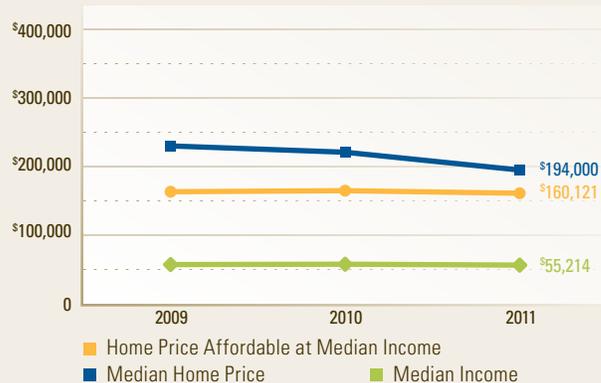
ONE NIGHT COUNT OF HOMELESS PEOPLE



MARKET RENTS ARE OUT OF REACH

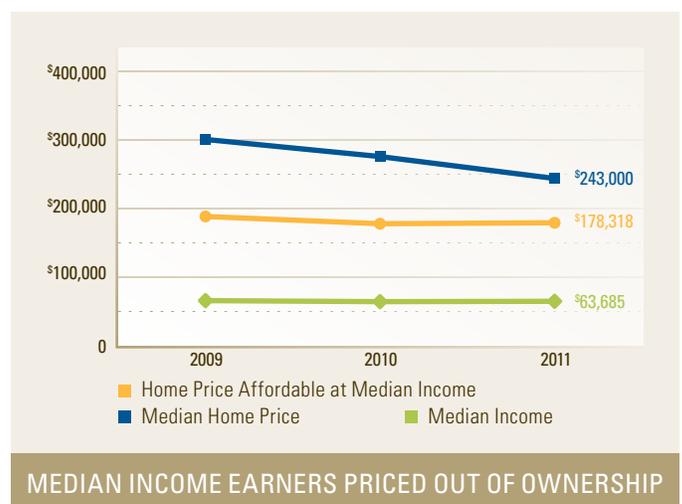
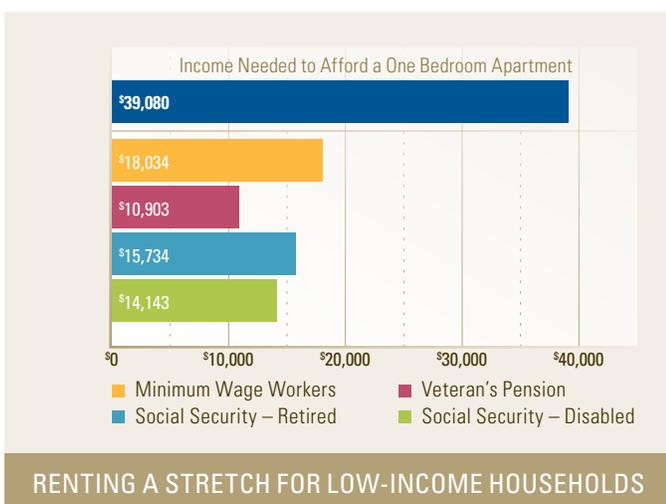
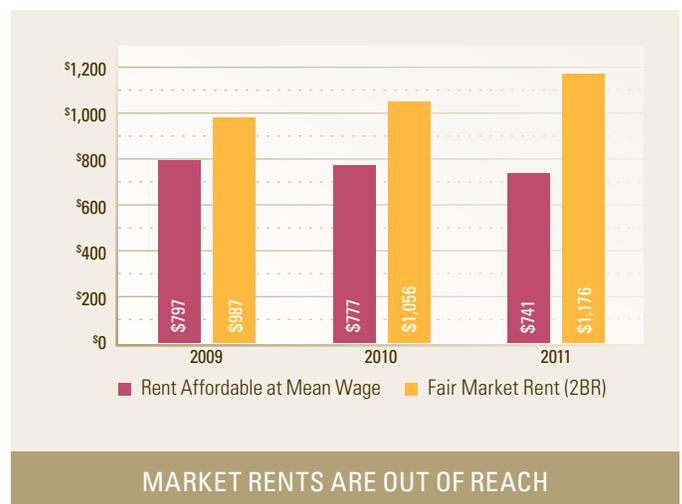
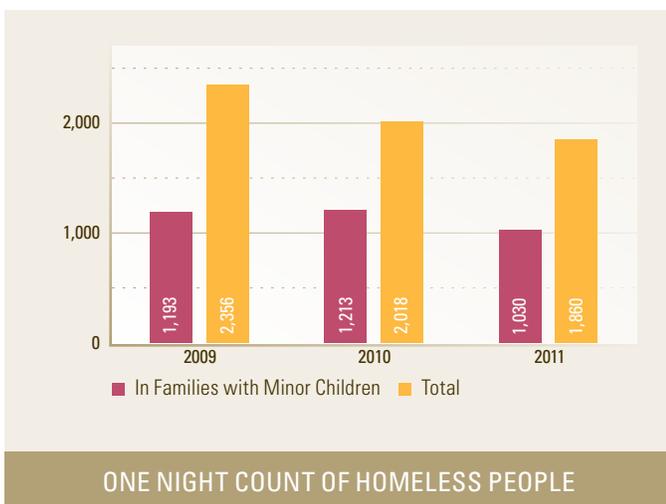
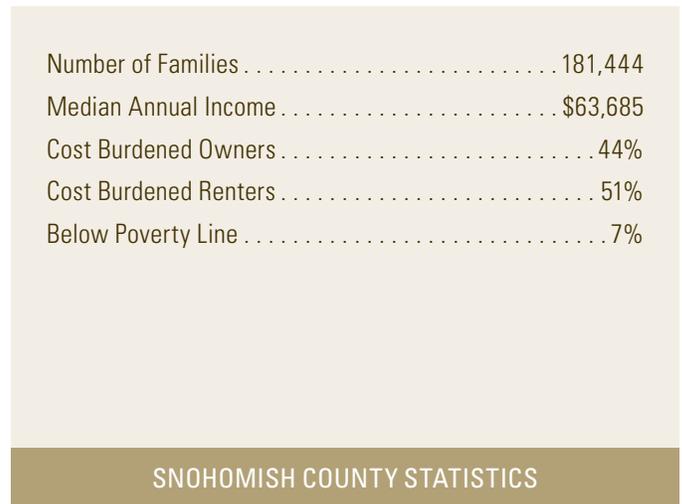
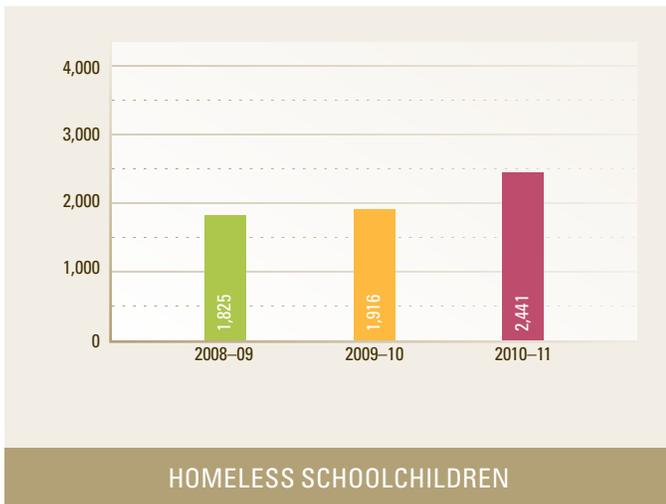


RENTING A STRETCH FOR LOW-INCOME HOUSEHOLDS



MEDIAN INCOME EARNERS PRICED OUT OF OWNERSHIP

Snohomish County

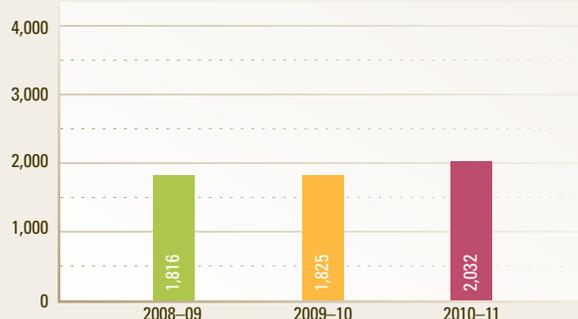




Spokane County

Number of Families 119,710
 Median Annual Income \$49,078
 Cost Burdened Owners 35%
 Cost Burdened Renters 54%
 Below Poverty Line 10%

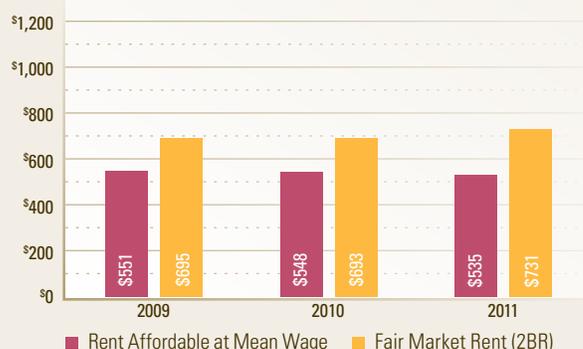
SPOKANE COUNTY STATISTICS



HOMELESS SCHOOLCHILDREN



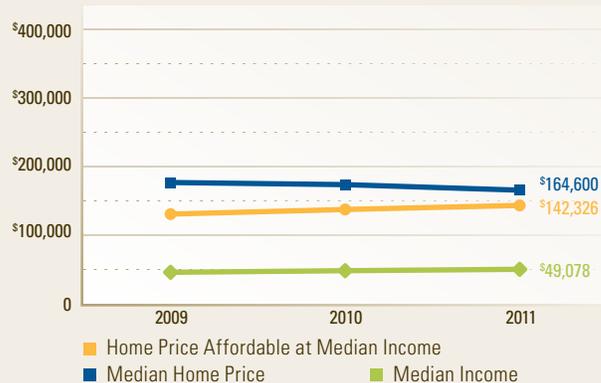
ONE NIGHT COUNT OF HOMELESS PEOPLE



MARKET RENTS ARE OUT OF REACH

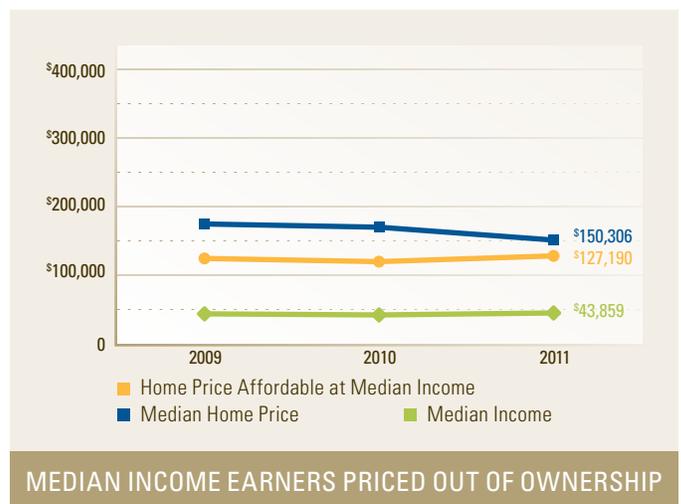
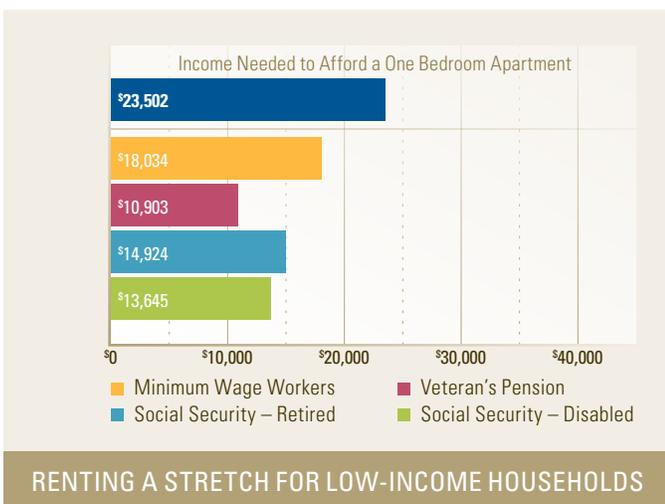
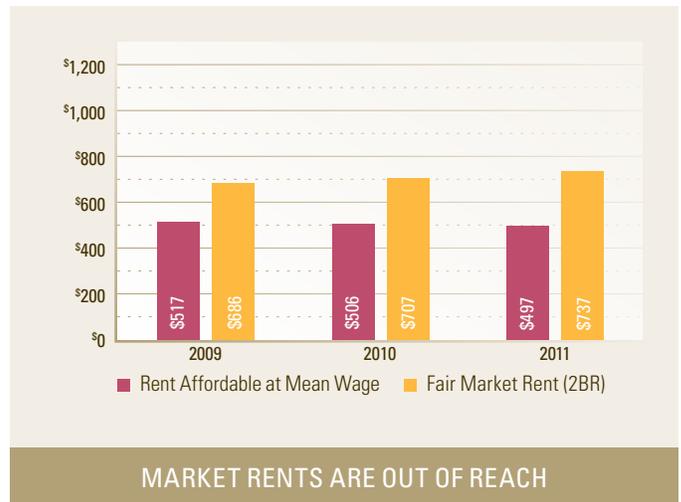
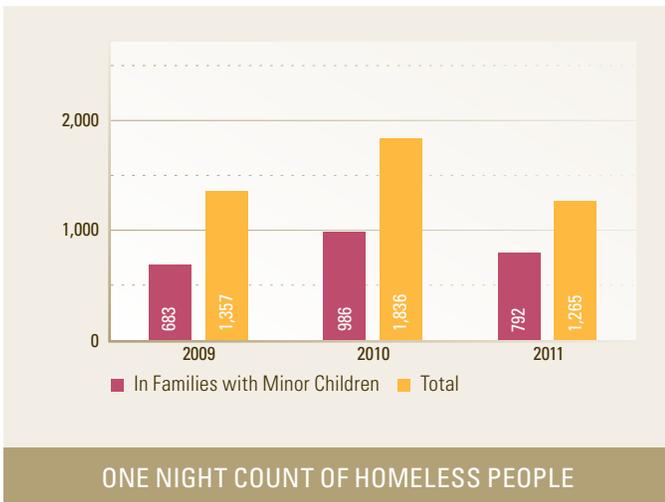
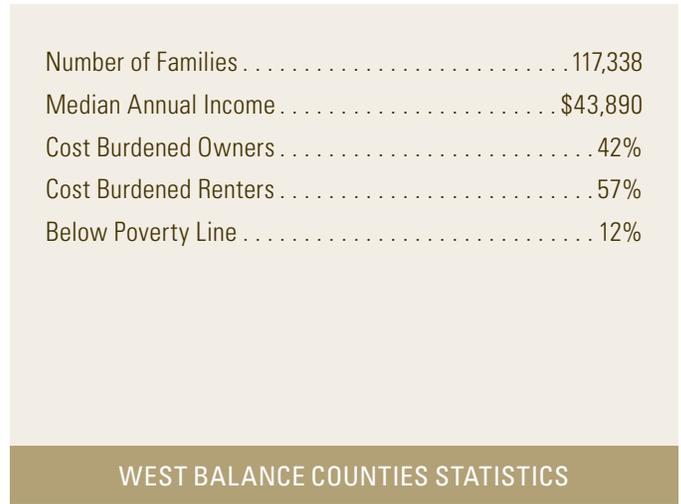
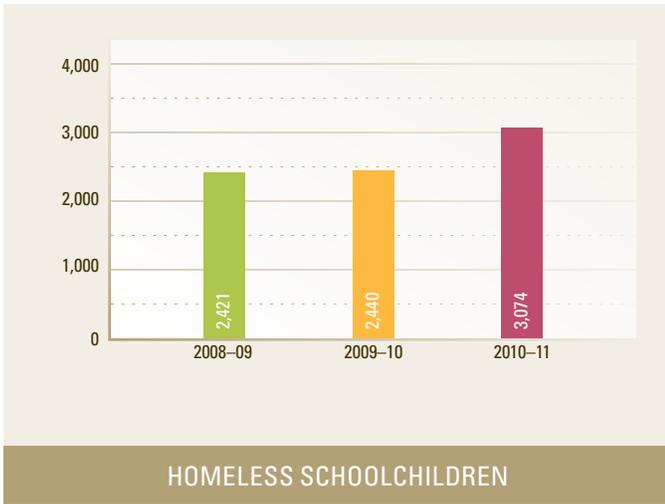


RENTING A STRETCH FOR LOW-INCOME HOUSEHOLDS



MEDIAN INCOME EARNERS PRICED OUT OF OWNERSHIP

West Balance

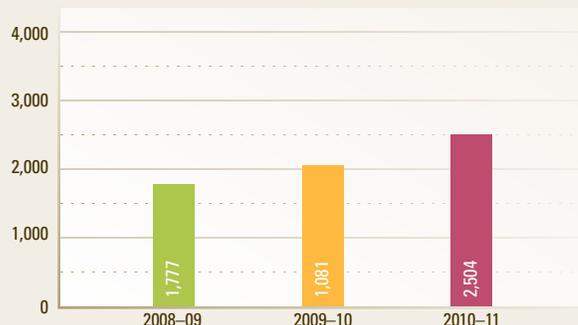




Yakima / Tri-Cities

Number of Families	120,394
Median Annual Income	\$50,493
Cost Burdened Owners	27%
Cost Burdened Renters	52%
Below Poverty Line	15%

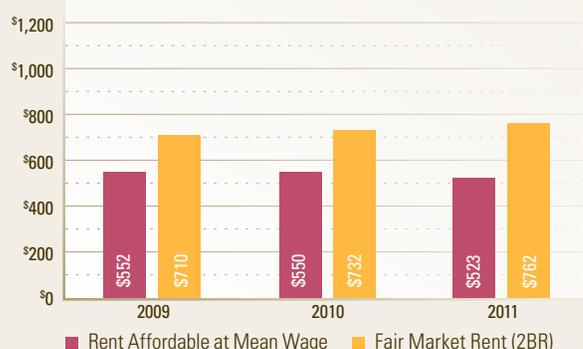
YAKIMA / TRI-CITIES COUNTIES STATISTICS



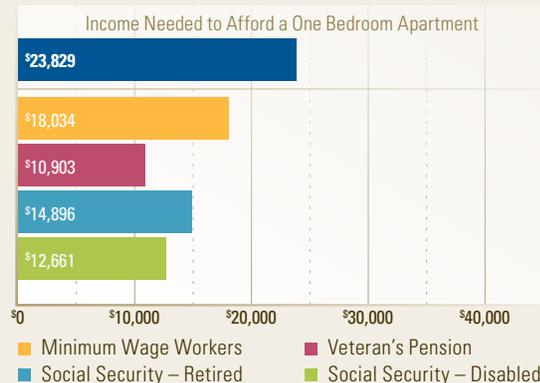
HOMELESS SCHOOLCHILDREN



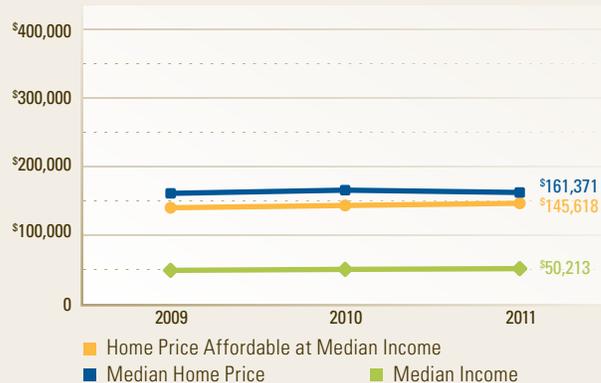
ONE NIGHT COUNT OF HOMELESS PEOPLE



MARKET RENTS ARE OUT OF REACH



RENTING A STRETCH FOR LOW-INCOME HOUSEHOLDS



MEDIAN INCOME EARNERS PRICED OUT OF OWNERSHIP

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
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



WASHINGTON STATE
**HOUSING FINANCE
COMMISSION**

Opening doors to a better life

1001 Second Ave, Suite 2700, Seattle, WA 98104



washington low income
housing alliance

1411 Fourth Ave, Suite 850, Seattle, WA 98101



Department of Commerce
Innovation is in our nature.

1011 Plum St SE, Olympia, WA 98504