Affordability

Countywide Planning Policy Goal

Provide a variety of decent, safe, and affordable housing opportunities to all segments of the county's population.

Snohomish County's housing goal is a powerful statement of a policy toward satisfying the housing needs of all residents. It features an issue—affordability—that has become increasingly prominent among public policy issues.

The Countywide Planning Policy Housing Goal implies a result, benefit, or outcome: that all residents have decent and safe housing that they can afford. Local government actions can and do influence these outcomes, but obviously they also depend a great deal on private markets and many other factors beyond the control of our local governments. Thus, our evaluation of housing conditions on this outcome should not be taken to mean that they are the direct results of actions taken by those governments. The policy goal nevertheless tells us that we are ultimately concerned with, and need to evaluate, the housing affordability that people experience.

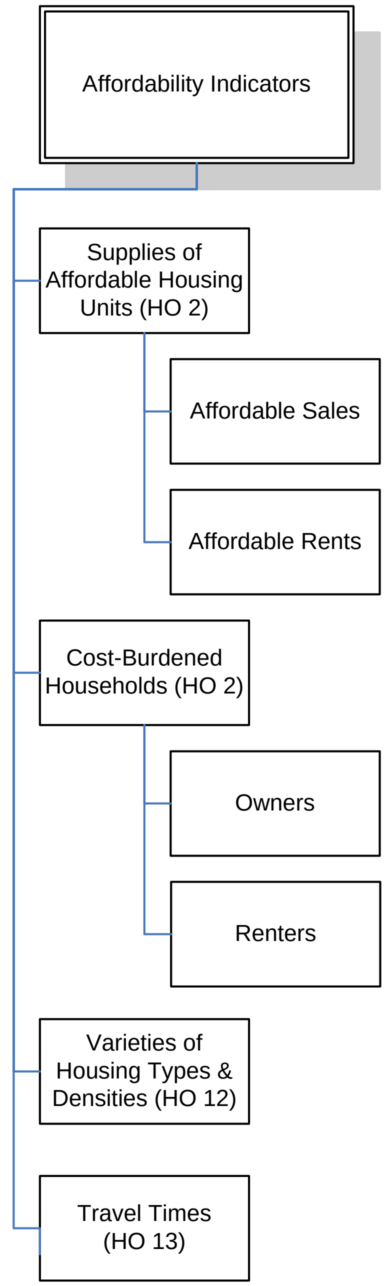
Before residents find homes they can afford, the housing economy produces housing units in a variety of types and prices in different locations. These products or "outputs" of the housing system are intermediate results stemming in part from the actions described in previous chapters.

This chapter covers four aspects of housing affordability:

- Three outputs of the production system that public policies regulate:
    - The supply of affordable housing units (Housing Objective 2).
    - The variety of housing types and densities (HO 12).
    - Travel times that result from decisions residents make about location—where to live and work (HO 13).
- One outcome: households that pay more for housing than they can afford (HO 2).

Figure 2 below is a graphical depiction of how the chapter presents this part of the evaluation.

Figure 2



Countywide Planning Policy Housing Objective 2

Make adequate provisions for existing and projected housing needs of all economic segments of the county.

We discussed the many provisions made by cities and the County in the Action chapter. To learn something about how "adequate" those provisions have been, we now examine the affordability of supplies of housing units for sale and rent. Following this, we assess the housing affordability "outcome," cost burden.

Supplies of Affordable Housing

Housing supply is measured in prices of closed sales and contract rents. Both sales and rent price data are provided for all jurisdictions of the county, according to the percentage that are affordable at key income levels.

Table 4 is a reference table for the affordability charts that follow. It shows the median incomes of all households in Snohomish County for the given years, and seven income points based on the median. The next column over provides the highest price that a household with that income could afford that year, given certain assumptions (which we detail in the Appendix). Finally, the third column under each year shows the highest rent that a household at each income level could afford.

Table 4: Maximum Affordable Housing Prices, 2000 & 2006

	2000		
	Household Income	Max. Affordable House	Max. Affordable Rent
County Median	*$55,956*	*$192,339*	*$1,399*
Extremely Low 30%	$16,787	$49,878	$420
Very Low 50%	$27,978	$83,130	$699
Low 80%	$44,764	$133,009	$1,119
Moderate 95%	$53,157	$157,948	$1,329
Middle 120%	$67,146	$230,806	$1,679

	2006		
	Household Income	Max. Affordable House	Max. Affordable Rent
County Median	*$63,313*	*$237,117*	*$1,583*
Extremely Low 30%	$18,994	$61,653	$475
Very Low 50%	$31,657	$102,755	$791
Low 80%	$50,650	$164,409	$1,266
Moderate 95%	$60,147	$195,235	$1,504
Middle 120%	$75,976	$284,541	$1,899

Source: County median household incomes from Washington Office of Financial Management. Other figures calculated by SCT.

Sales Affordable to Moderate-Income Households

We obtained sales data from the County Assessor, reviewed the dataset to extract just single housing unit sales with a lot, and condominiums, and then sorted the results by price and location. With sales, we focus on affordability for those at 95% of the countywide median income ("moderate-income").

Most cities, urban areas, and the county overall experienced dramatic declines in sales affordability from 2002-2004 to 2005-2006 for moderate-income households. One apparent exception, Mukilteo, is explained by the sale of approximately 200 apartments as relatively low-priced condominiums during 2005-2006.

One way to evaluate this result: Only Everett, Lynnwood, and Mukilteo had at least 1,000 total sales, and at least 20% of them affordable, during 2005-2006.

Table 5

Home Sales Affordable to Moderate-Income Households
Ranked by percentage of affordable sales in 2005-2006

	2002-2004		2005-2006	
	Affordable Sales	Pct of Local Sales	Affordable Sales	Pct of Local Sales
Index	14	93%	4	100%
Darrington	73	96%	54	74%
Gold Bar	103	86%	60	49%
Everett	2,627	55%	1,112	28%
Granite Falls	188	74%	49	26%
Lynnwood	547	32%	304	22%
Mukilteo	181	13%	240	20%
Arlington	673	52%	203	17%
Stanwood	226	55%	79	16%
Mountlake Terrace	481	39%	146	16%
Sultan	212	72%	54	16%
Countywide	**15,802**	**33%**	**5,656**	**14%**
Snohomish	216	45%	55	13%
Non-SW Uninc. UGA	2,347	51%	449	13%
Edmonds	495	21%	255	13%
Marysville	1,170	52%	251	13%
Monroe	302	25%	123	12%
Mill Creek	132	12%	101	12%
Rural	1,350	24%	508	11%
Southwest Uninc. UGA	2,127	17%	1,166	10%
Bothell	88	10%	32	5%
Lake Stevens	113	20%	14	3%
Brier	6	2%	3	1%
Woodway	0	0%	0	0%

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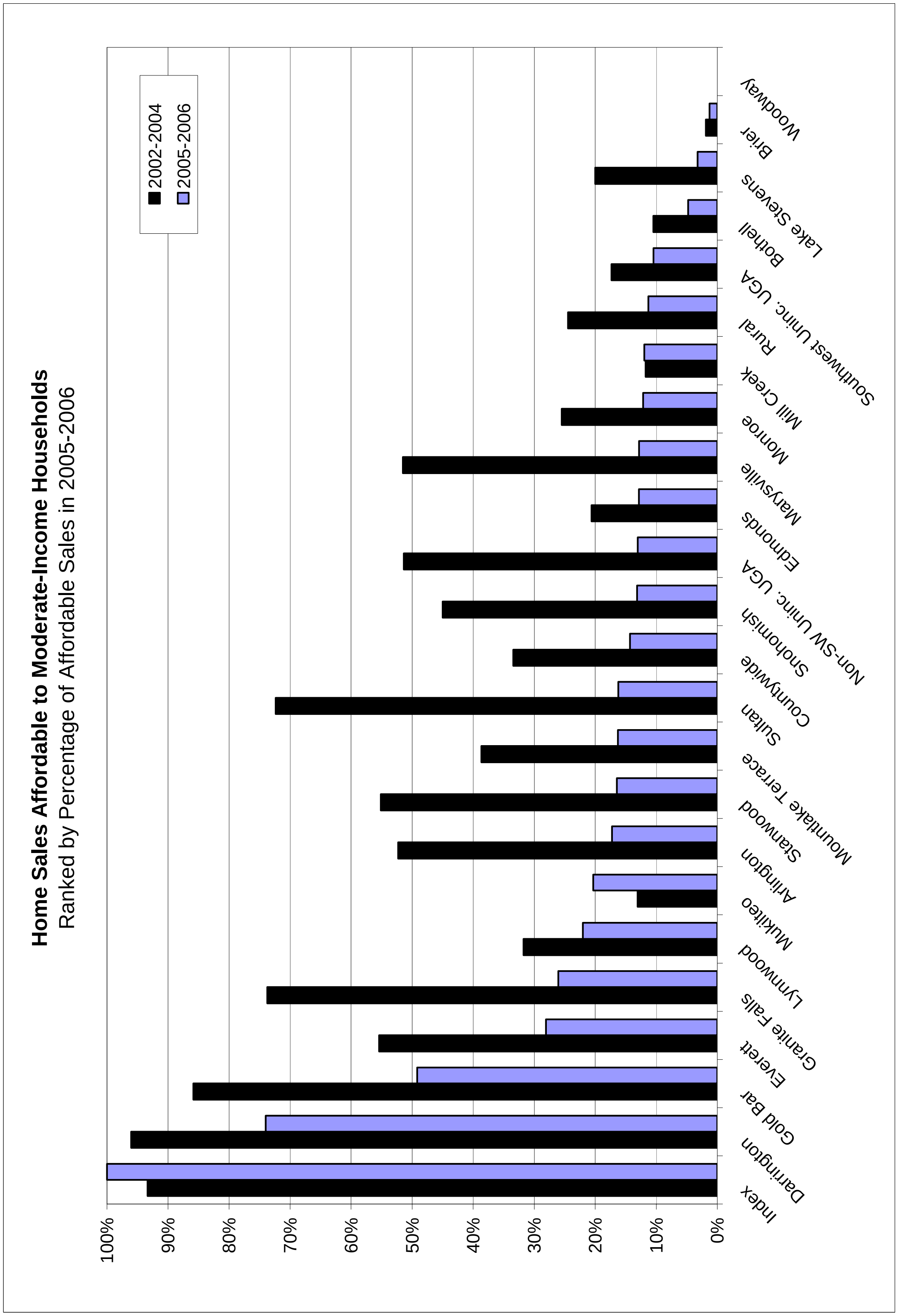
Chart 3



Source: Snohomish County Assessor; analysis by SCT

Rents Affordable to Very Low-Income Households

Snohomish County Tomorrow (SCT) purchases rent data from Dupre+Scott Apartment Advisors, who conduct semi-annual surveys of rental property managers across Snohomish, King, and Pierce counties. Dupre+Scott provided us with the percentage of units rented at price points and locations we requested, and we processed and combined the data further for the analysis that follows. In the rental market, we watch the 50% of median (very low-income) level most closely, because exceptionally few fair market rents are affordable at 30% of median (extremely low-income), and consistently 97% or more of all rental housing is affordable at 80% of median. Dupre+Scott's reports market-rate units only; subsidized or assisted units are excluded.

Rents have been rather volatile for very low-income households (i.e., those making 50% of the county's median household income). Consequently, affordability findings are mixed across cities for these two three-year periods. Six cities increased their percentages at least five points, and three cities decreased theirs by five points or more. Overall, the apparent stability (59% to 57% countywide) masks annual variations that can be seen in annual data.

Table 6

Rental Housing Affordable to Very Low-Income Households

Ranked by Percentage of Affordable Rents in 2005-2007

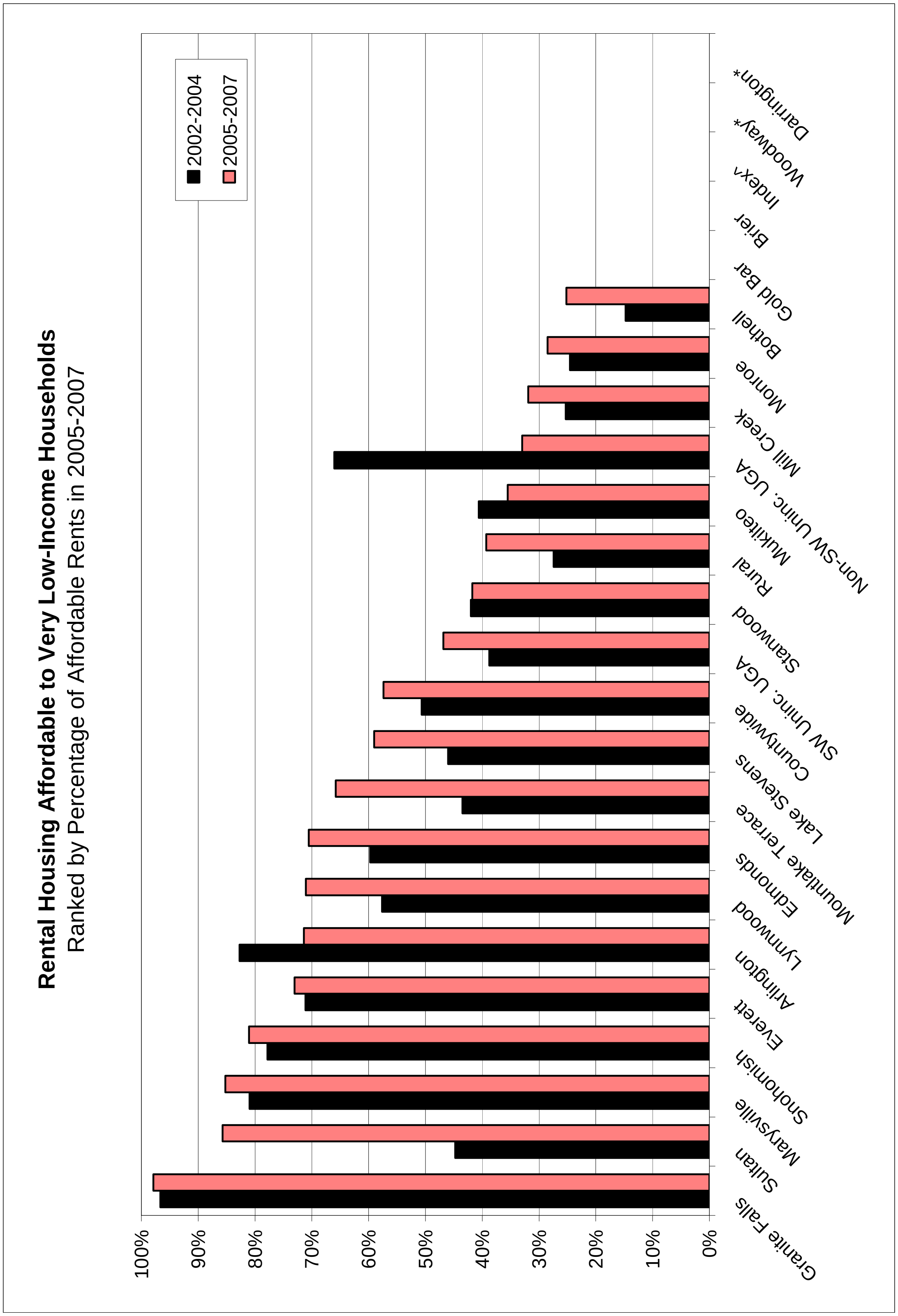
	2002-2004		**2005-2007**	
	Affordable Rental Units	Pct of Local Units Surveyed	Affordable Rental Units	Pct of Local Units Surveyed
Granite Falls	29	97%	47	98%
Sultan	17	45%	24	86%
Marysville	1,462	81%	1,288	85%
Snohomish	193	78%	227	81%
Everett	18,859	71%	18,546	73%
Arlington	192	83%	100	71%
Lynnwood	4,616	58%	5,513	71%
Edmonds	4,206	60%	4,513	71%
Mountlake Terrace	2,467	43%	3,495	66%
Lake Stevens	110	46%	225	59%
Countywide	**48,413**	**51%**	**52,111**	**57%**
SW Uninc UGA	11,529	39%	13,125	47%
Stanwood	185	42%	175	42%
Rural	225	27%	339	39%
Mukilteo	2,157	41%	1,905	36%
Non-SW Uninc UGA	169	66%	65	33%
Mill Creek	1,262	25%	1,544	32%
Monroe	295	25%	262	28%
Bothell	455	15%	759	25%
Gold Bar	0	0%	0	0%
Brier	0	0%	0	0%
Index^	0	-	0	0%
Woodway*	0	-	0	-
Darrington*	0	-	0	-

Source: Dupre+Scott; analysis by SCT

^ - No surveys were completed in 2002-2004 for the Town of Index

* - No surveys were completed in 2002-2007 for the Town of Darrington and Town of Woodway

Chart 4


Rental Housing Affordable to Very Low-Income Households
Ranked by Percentage of Affordable Rents in 2005-2007
2002-2004
2005-2007
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
Granite Falls
Sultan
Marysville
Snohomish
Everett
Arlington
Lynnwood
Edmonds
Mountlake Terrace
Lake Stevens
Countywide
SW Uninc. UGA
Stanwood
Rural
Mukilteo
Non-SW Uninc. UGA
Mill Creek
Monroe
Bothell
Gold Bar
Brier
Index*
Woodway*
Darrington*

Cost Burdened Households

SCT has a standard measure for considering the percentage of incomes that residents pay as a housing outcome: cost-burdened households. These are households, of any size, whose incomes are less than 95% of the countywide median household income (i.e. "lower-income"), and whose housing costs—including utilities—exceeded 30% of their incomes according to the Census Bureau.[7] In most cases, we examine this outcome for four lower-income groups, which are defined by their relation to the county's median household income: 0% to 30% of median (known as "extremely low-income"), 31% to 50% of median ("very low-income"), 51% to 80% of median ("low-income") and 81% to 95% of median ("moderate-income").

As mentioned previously, American Community Survey data are not available for cities smaller than 65,000 people. Thus, we can report cost burdened households only for Everett and the county as a whole.

First, we compare cost burdened households between homeowners and renters. Then we isolate the owners and renters, and look for differences between income groups.

An important caution about making comparisons in this data: household *counts* should not be compared directly for 2000 to 2006. The reason for this is that in the 2000 Census, only households in "specified housing units" were reported, which excludes condominiums and housing units on ten or more acres of land. The actual total number of occupied housing units in 2000 was 224,852, but the Census does not report how many of those were cost-burdened. In the 2006 American Community Survey (also by the Census Bureau), all types of housing units were surveyed, so the estimate includes condos and housing units on ten or more acres. To compare 2000 and 2006 estimates, concentrate on the percentages, not the counts. Counts are provided to give an idea of the scale of the survey, not the absolute change between the surveys. This caution holds true for all tables and charts in this Report that read "specified housing units" for 2000. For more information, see the methodology section of the Appendix.

[7] Households whose incomes exceed 95% of median, even when housing costs are greater than 30% of income, are not considered housing cost-burdened. "Median" means the point at which one half of the households have higher incomes, and half have lower incomes.

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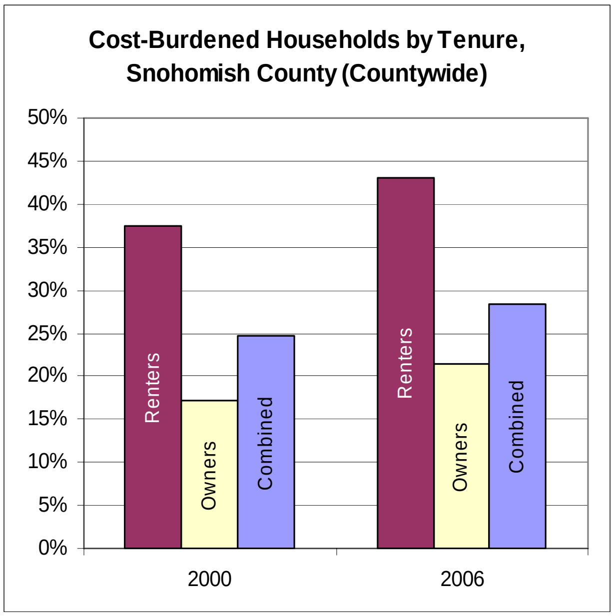
Chart 5 below shows the incidence of housing cost burden increasing from 25% in 2000 to 28% in 2006. The breakdown between owners and renters (called "tenure") indicates increases for both groups. Cost burden is much more common for renters (43% in 2006) than for owners (21%).

Chart 5

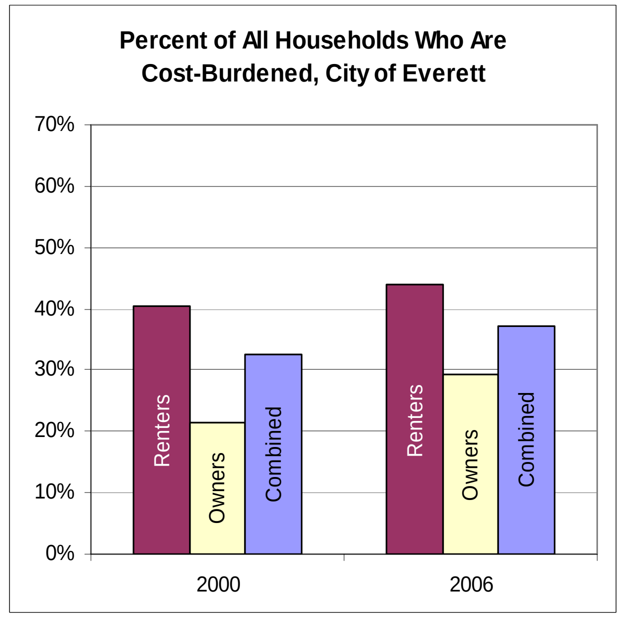


	Estimated Households (HH)			
	2000 Specified Housing Units		**2006** All Occupied Housing Units	
	Count	Pct of All HH	**Count**	Pct of All HH
Cost-Burdened Renters	27,027	38%	35,161	43%
All Renter HH	72,015	100%	81,765	100%
Cost-Burdened Owners	21,097	17%	37,141	21%
All Owner HH	122,703	100%	173,270	100%
All Cost-Burdened HH	48,124	25%	72,303	28%
All Households	194,718	100%	255,035	100%

Source: US Census Bureau; analysis by SCT

The findings are similar in Everett, although the overall percentages are higher. Thirty-seven percent (37%) of all households were cost-burdened in 2006, up from 33% in 2000, and increases occurred both for renters and owners.

Chart 6

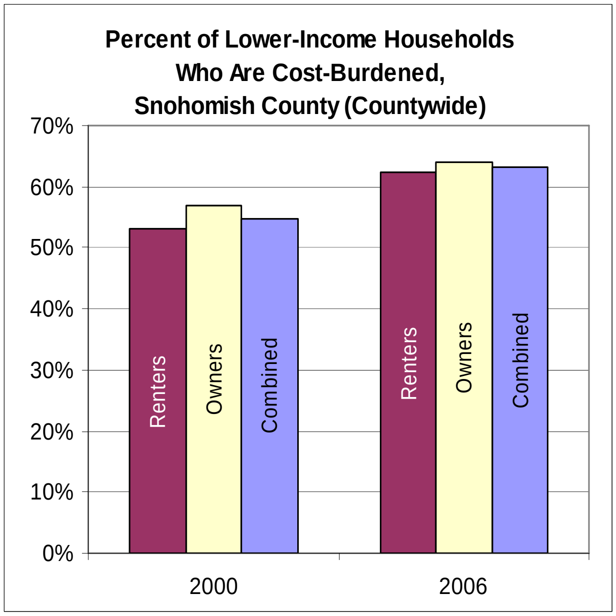


	Estimated Households (HH)			
	2000 Specified Housing Units		**2006** All Occupied Housing Units	
	Count	Pct of All HH	**Count**	Pct of All HH
Cost-Burdened Renters	7,945	40%	9,423	44%
All Renter HH	19,645	100%	21,468	100%
Cost-Burdened Owners	2,945	22%	5,589	29%
All Owner HH	13,692	100%	19,026	100%
Cost-Burdened HH	10,889	33%	15,011	37%
All Households	33,337	100%	40,494	100%

Source: US Census Bureau; analysis by SCT

If we focus on lower-income households (in other words, removing those whose incomes are greater than 95% of the county median), the perspective is quite different. Sixty-three percent (63%) of lower-income households were housing cost-burdened in 2006, compared to 55% in 2000. Cost burden increased for homeowners and renters alike.

Chart 7

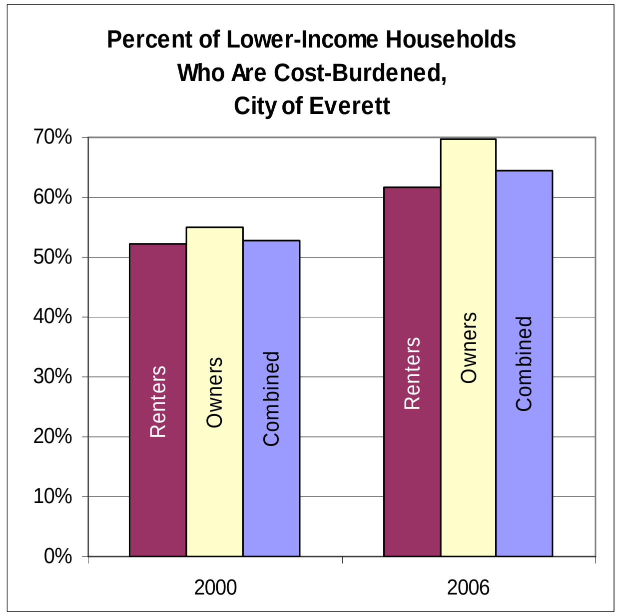


	Estimated Households (HH)			
	2000 Specified Housing Units		2006 All Occupied Housing Units	
	Count	Pct of All HH	Count	Pct of All HH
Cost-Burdened Renters	27,027	53%	35,161	62%
All Lower-Inc. Renter HH	50,798	100%	56,273	100%
Cost-Burdened Owners	21,097	57%	37,141	64%
All Lower-Inc. Owner HH	37,065	100%	58,032	100%
All Cost-Burdened HH	48,124	55%	72,303	63%
All Lower-Inc. HH	87,863	100%	114,305	100%

Source: US Census Bureau; analysis by SCT

Everett's figures are very similar to those countywide, but the cost burden on owners was greater at 70% of all lower-income owners (compared to 64% countywide).

Chart 8



	Estimated Households (HH)			
	2000 Specified Housing Units		2006 All Occupied Housing Units	
	Count	Pct of All HH	Count	Pct of All HH
Cost-Burdened Renters	7,945	52%	9,423	62%
All Lower-Inc. Renter HH	15,238	100%	15,268	100%
Cost-Burdened Owners	2,945	55%	5,589	70%
All Lower-Inc. Owner HH	5,360	100%	8,029	100%
All Cost-Burdened HH	10,889	53%	15,011	64%
All Lower-Inc. HH	20,597	100%	23,296	100%

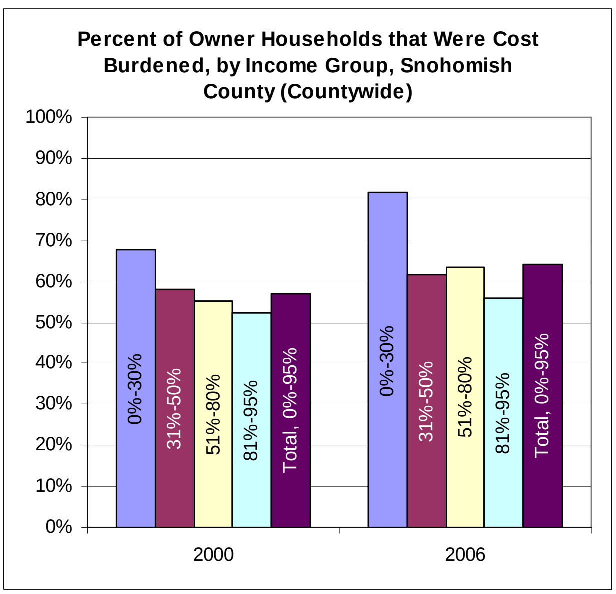
Source: US Census Bureau; analysis by SCT

Cost Burden among Owner Households, 2000 and 2006

Cost-Burdened Owners by Income Group

Next, we examine cost burden among homeowners more closely by looking within each income group. The following chart says, for example, that 82% of all extremely low-income homeowners, and 62% of all very low-income homeowners, were cost-burdened in 2006. Cost-burdened households were 64% of all lower-income households, up from 57% in 2000. Percentages rose for every income subgroup, but the changes were most dramatic at the extremely low-income (0% to 30% of median) level, which increased from 68% to 82%, and at the low-income level, which had the highest number of owners and cost burdened owners.

Chart 9

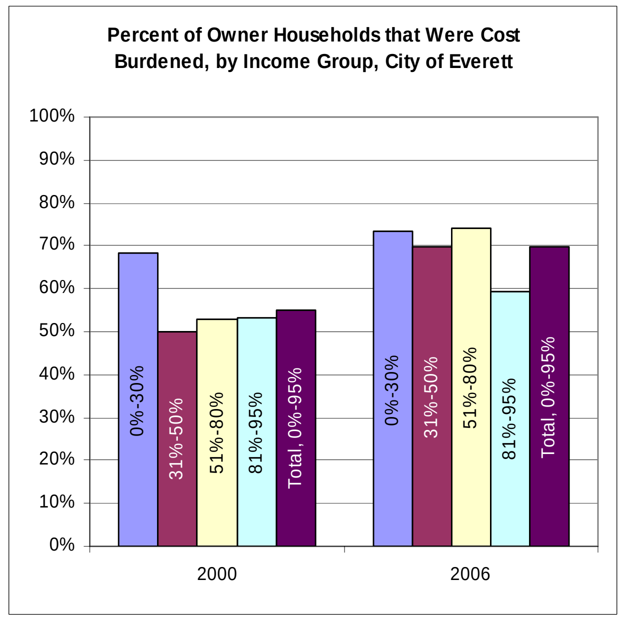


HH Income as Pct of County Median HH Income	Estimated Owner Households 2000 Specified Housing Units Cost-Burdened	Total	Pct	2006 All Owner-Occ. Housing Units Cost-Burdened	Total	Pct
0%-30%	3,584	5,285	68%	7,264	8,901	82%
31%-50%	4,203	7,236	58%	7,150	11,624	62%
51%-80%	8,479	15,332	55%	14,777	23,249	64%
81%-95%	4,831	9,212	52%	7,951	14,258	56%
Total, 0%-95%	21,097	37,065	57%	37,141	58,032	64%

Source: US Census Bureau; analysis by SCT

Changes in Everett were less pronounced for extremely low-income households, but more so at higher income levels. In particular, 70% of very low-income owners and 74% of low-income owners were cost burdened in 2006, up from 50% and 53%, respectively. Overall, 70% of homeowners with incomes less than 95% of median were paying more than 30% of their incomes for housing, an increase from 55% six years before.

Chart 10



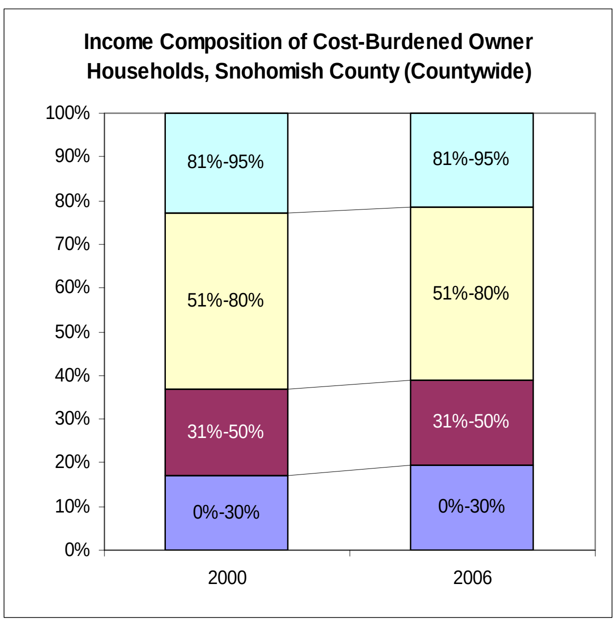
HH Income as Pct of County Median HH Income	Estimated Owner Households 2000 Specified Housing Units Cost-Burdened	Total	Pct	2006 All Owner-Occ. Housing Units Cost-Burdened	Total	Pct
0%-30%	589	864	68%	963	1,311	73%
31%-50%	544	1,085	50%	995	1,423	70%
51%-80%	1,151	2,172	53%	2,456	3,318	74%
81%-95%	661	1,238	53%	1,175	1,977	59%
Total, 0%-95%	2,945	5,360	55%	5,589	8,029	70%

Source: US Census Bureau; analysis by SCT

Income Composition of Cost-Burdened Owners

Although incidence of cost burden is very high for extremely low-income homeowners, the following chart shows that they represent a relatively low percentage of the total number of cost-burdened homeowners. Low-income owners (51% to 80% of median) are 40% of the total, and the other three income groups split the remaining 60%. This is partly a function of the size of the income bands—30 percentage points at the low-income level, but only 15 points at the moderate-income level. The relatively small numbers of cost-burdened owners at the low- and very low-income levels, however, suggest that many more low-income households are striving to be homeowners, even if it means a cost burden. Changes in this composition since 2000 have been minor.

Chart 11

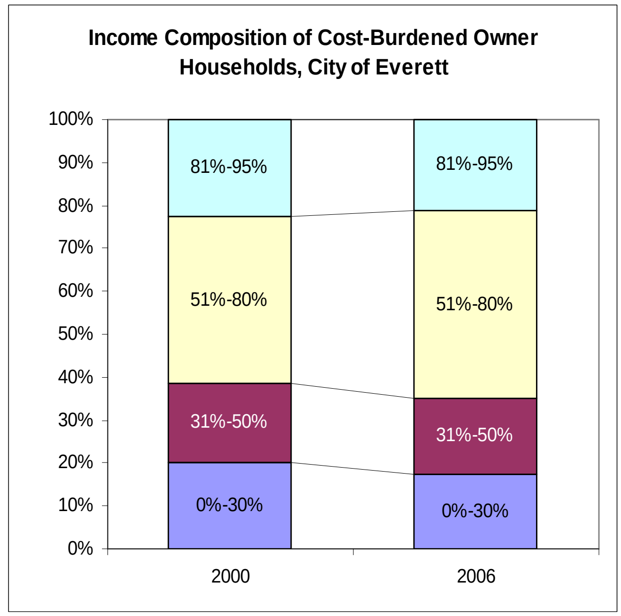


HH Income as Pct of County Median HH Income	Estimated Cost-Burdened Owner Households 2000 Specified Housing Units		2006 All Owner-Occ. Housing Units	
	Cost-Burdened	Total	Cost-Burdened	Total
0%-30%	3,584	17%	7,264	20%
31%-50%	4,203	20%	7,150	19%
51%-80%	8,479	40%	14,777	40%
81%-95%	4,831	23%	7,951	21%
Total, 0%-95%	21,097	100%	37,141	100%

Source: US Census Bureau; analysis by SCT

In Everett, there was a fairly large change at the low-income level (39% to 44%) that did not occur countywide. The reason for this is unknown, but purely speculating, it could be a function of adding condominium owners into the totals.

Chart 12



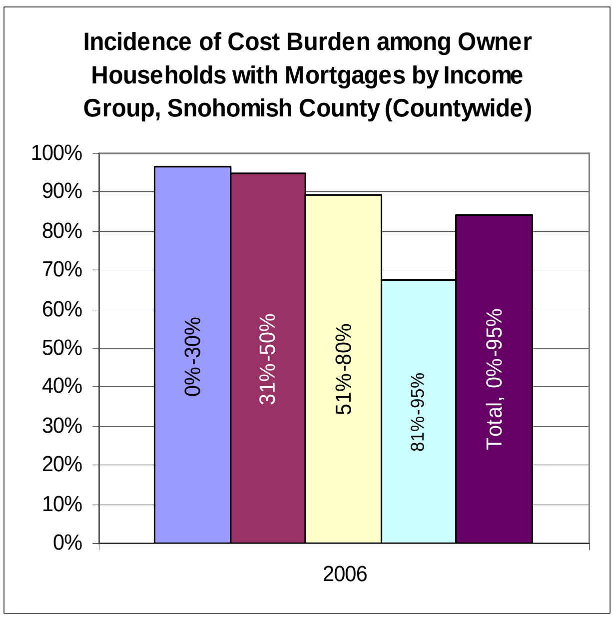
HH Income as Pct of County Median HH Income	Estimated Cost-Burdened Owner Households 2000 Specified Housing Units		2006 All Owner-Occ. Housing Units	
	Cost-Burdened	Total	Cost-Burdened	Total
0%-30%	589	20%	963	17%
31%-50%	544	18%	995	18%
51%-80%	1,151	39%	2,456	44%
81%-95%	661	22%	1,175	21%
Total, 0%-95%	2,945	100%	5,589	100%

Source: US Census Bureau; analysis by SCT

Owner Households with Mortgages

In 2006, the American Community Survey reported the incidence of housing cost burden among homeowners with mortgages, data not available in the 2000 Census. This enables us to separate out homeowners who have paid off their homes. For mortgage holders, cost burden is far more severe, especially below 80% of median income. Eighty-four percent (84%) of all lower-income homeowners with mortgages pay more than 30% of their incomes for housing, and virtually all mortgage holders under 50% of median are cost-burdened.

Chart 13

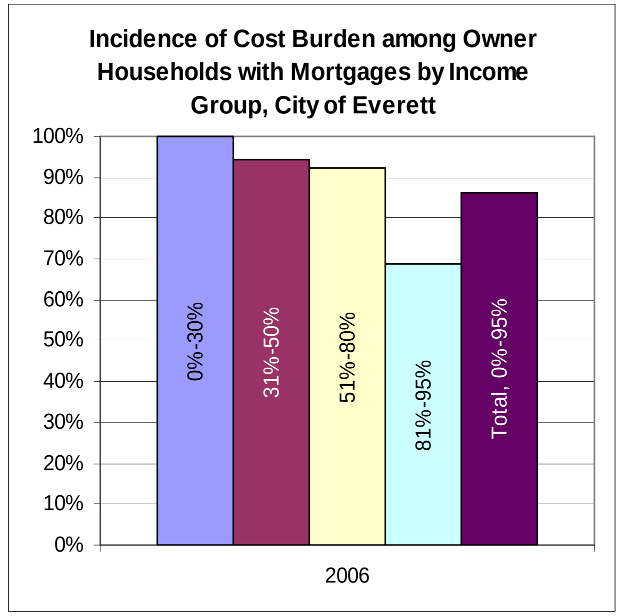


HH Income as Pct of County Median HH Income	Estimate of Lower-Income Owner Households with Mortgages All Owner-Occ. Housing Units Cost-Burdened Only	Total	Pct of Income Group
0%-30%	3,885	4,022	97%
31%-50%	5,702	5,998	95%
51%-80%	14,157	15,831	89%
81%-95%	7,938	11,768	67%
Total, 0%-95%	31,681	37,618	84%

Source: US Census Bureau; analysis by SCT

Again, the picture is virtually the same in Everett, but the figures are a bit higher.

Chart 14



HH Income as Pct of County Median HH Income	Estimate of Lower-Income Owner Households with Mortgages All Owner-Occ. Housing Units Cost-Burdened Only	Total	Pct of Income Group
0%-30%	532	532	100%
31%-50%	733	775	94%
51%-80%	2,348	2,547	92%
81%-95%	1,175	1,702	69%
Total, 0%-95%	4,788	5,557	86%

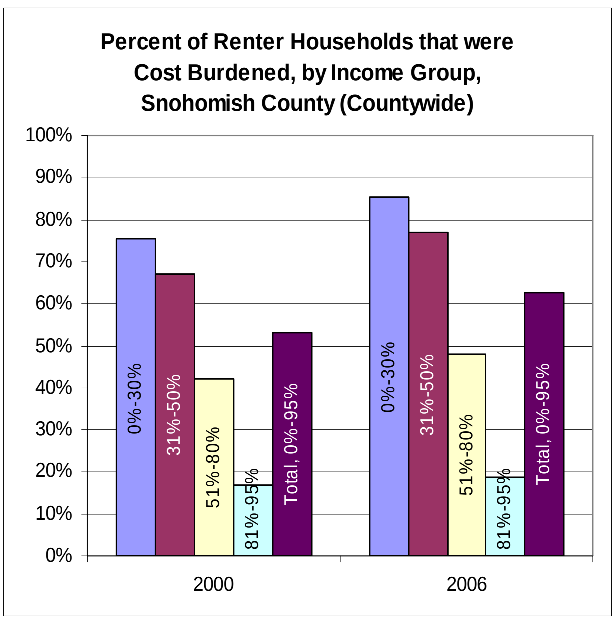
Source: US Census Bureau; analysis by SCT

Cost Burden among Renter Households, 2000 and 2006

Cost-Burdened Renters by Income Group

Finding affordable rental housing has been a great deal easier for low- and moderate-income households than for very low- and extremely low-income households. Nevertheless, almost half of all low-income renters were cost-burdened in 2006. (And needless to say, it has been a great deal easier than finding affordable homes for sale; compare 48% cost burdened, low-income renters to 89% cost-burdened mortgage holders in Chart 13.) Cost burden rose in the three lowest income groups of renters since 2000 and overall for renters from 53% to 62% of those under 95% of median income.

Chart 15

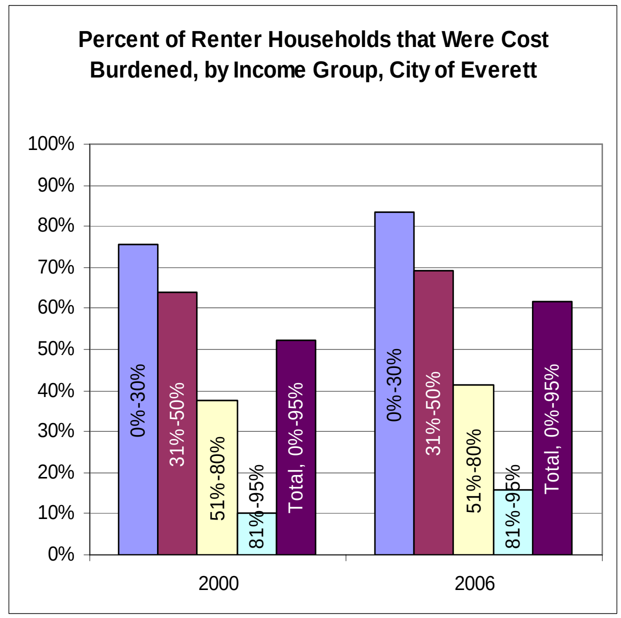


HH Income as Pct of County Median HH Income	Estimated Renter Households 2000 Specified Housing Units Cost-Burdened	Total	Pct	2006 All Renter-Occ. Housing Units Cost-Burdened	Total	Pct
0%-30%	10,174	13,469	76%	14,241	16,678	85%
31%-50%	8,117	12,118	67%	10,129	13,147	77%
51%-80%	7,457	17,646	42%	9,575	19,897	48%
81%-95%	1,278	7,566	17%	1,216	6,550	19%
Total, 0%-95%	27,027	50,798	53%	35,161	56,273	62%

Source: US Census Bureau; analysis by SCT

Although the effects in Everett are again similar to those countywide, an interesting sidelight seen below is that cost burden increased even though very few new lower-income renters were added in six years. (The definition of "specified housing units" does not exclude as many rental units as owner-occupied housing, so that is not likely to be a distorting factor in this case.) In fact, the extremely low-income group increased and the other three lower-income groups decreased in Everett.

Chart 16



HH Income as Pct of County Median HH Income	Estimated Renter Households 2000 Specified Housing Units Cost-Burdened	Total	Pct	2006 All Renter-Occ. Housing Units Cost-Burdened	Total	Pct
0%-30%	3,443	4,551	76%	5,134	6,154	83%
31%-50%	2,449	3,842	64%	2,294	3,310	69%
51%-80%	1,860	4,953	38%	1,745	4,218	41%
81%-95%	192	1,892	10%	250	1,586	16%
Total, 0%-95%	7,945	15,238	52%	9,423	15,268	62%

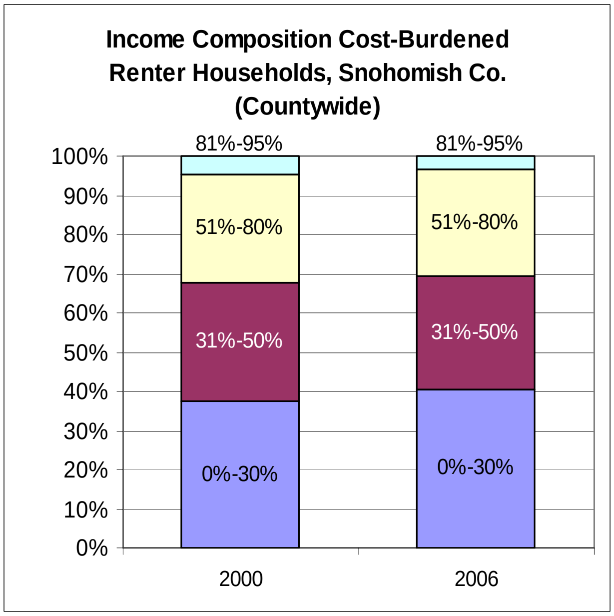
Source: US Census Bureau; analysis by SCT

Income Composition of Cost-Burdened Renters

The change in composition of cost-burdened renters indicates that extremely low-income households make up a bigger share than in 2000. This parallels a rise in the share that this income group has of renter households overall.

Everett experienced an actual reduction in the number of cost-burdened renters between 31% and 80% of median income (even with the expanded definition of housing units counted in the 2006 American Community Survey). This suggests that the improved supply of affordable rental housing shown above helped Everett residents find places they could afford.

Chart 17

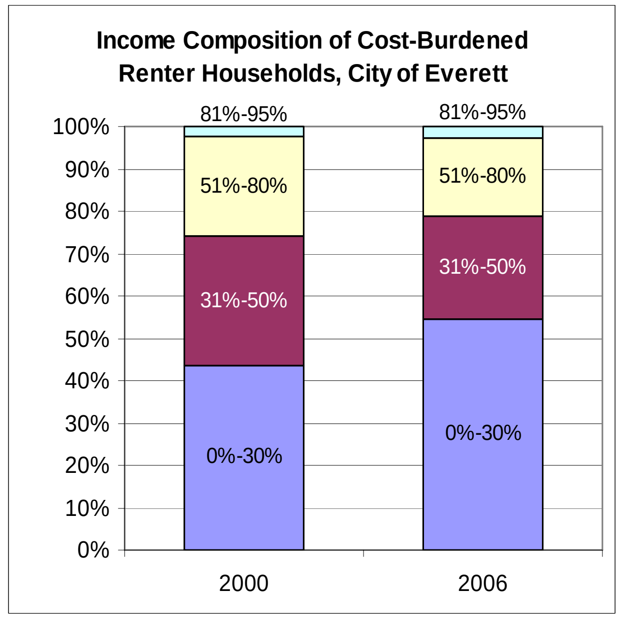


HH Income as Pct of County Median HH Income	2000 Specified Housing Units: Cost-Burdened	2000: Total	2006 All Renter-Occ. Housing Units: Cost-Burdened	2006: Total
0%-30%	10,174	38%	14,241	41%
31%-50%	8,117	30%	10,129	29%
51%-80%	7,457	28%	9,575	27%
81%-95%	1,278	5%	1,216	3%
Total, 0%-95%	27,027	100%	35,161	100%

Estimated Cost-Burdened Renter Households (HH)

Source: US Census Bureau; analysis by SCT

Chart 18



Estimated Cost-Burdened Renter Households (HH)

HH Income as Pct of County Median HH Income	2000 Specified Housing Units: Cost-Burdened	2000: Total	2006 All Renter-Occ. Housing Units: Cost-Burdened	2006: Total
0%-30%	3,443	43%	5,134	54%
31%-50%	2,449	31%	2,294	24%
51%-80%	1,860	23%	1,745	19%
81%-95%	192	2%	250	3%
Total, 0%-95%	7,945	100%	9,423	100%

Source: US Census Bureau; analysis by SCT

Countywide Planning Policy Housing Objective 12

Encourage a variety of housing types and densities that allow for infill using innovative urban design techniques to foster broad community acceptance. (Amended Mar. 31, 2004—Amended Ord. 004-007)

Although the intent of this policy is rather difficult to interpret, we evaluated HO 12 as an affordability policy because of the conventional belief that multifamily housing, which is typically smaller and less land-consumptive than single-family housing, costs less and is more affordable. Given this assumption, we considered new multifamily housing permits as an output indicator of progress toward increasing the supply of affordable housing.

Multifamily Housing Production

Encouraging a variety of housing types and densities appears to have taken hold in many communities. Countywide, however, permits are moving toward lower-density housing and away from higher densities. Chart 7 displays the percentage of housing permits that went to non-single-family detached units—duplexes, manufactured homes, or multifamily apartments. From 2004 to 2006, at least 50% of residential permits went to non-single-family units in just two communities, down from seven in 2001-2003. Six other communities increased their percentages, even though they are still under 50%. Countywide, just 21% of all housing permits were issued for higher-density units, down from 32% is the previous period.

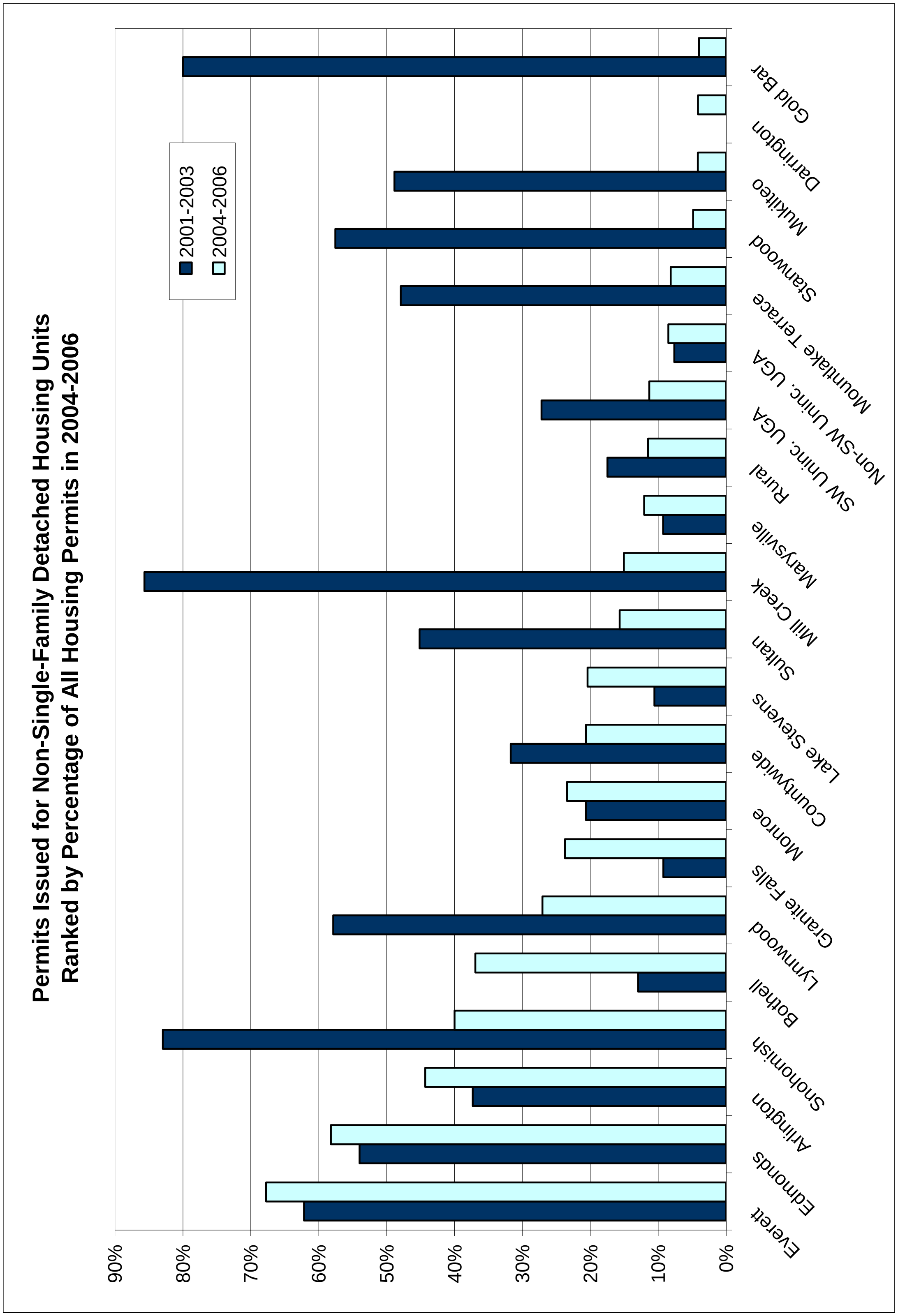
Table 7

Non-Single-Family Permits Issued
Duplexes, Multifamily, or Mobile/Manufactured Homes

	2001-2003		2004-2006	
	Count	Pct	Count	Pct
Everett	780	62%	1,189	68%
Edmonds	231	54%	380	58%
Arlington	269	37%	288	44%
Snohomish	68	83%	59	40%
Bothell	28	13%	140	37%
Lynnwood	324	58%	101	27%
Granite Falls	10	9%	19	24%
Monroe	56	21%	87	23%
Countywide	**5,071**	**32%**	**3,839**	**21%**
Lake Stevens	13	11%	20	20%
Sultan	51	45%	29	16%
Mill Creek	781	86%	22	15%
SW Uninc. UGA	1,328	27%	888	13%
Marysville	99	9%	99	12%
Rural	450	17%	344	11%
Non-SW Uninc. UGA	127	8%	133	8%
Mountlake Terrace	69	48%	9	8%
Stanwood	122	58%	12	5%
Mukilteo	253	49%	18	4%
Darrington	-	0%	1	4%
Gold Bar	12	80%	1	4%
Brier	-	0%	-	0%
Index	-	0%	-	0%
Woodway	-	0%	-	0%

Source: Puget Sound Regional Council; analysis by SCT

Chart 19



Source: Snohomish County PDS

Countywide Planning Policy Housing Objective 13

Provide adequate, affordable housing choices for all segments of the County's work force within close proximity or adequate access to the respective places of work.

Transportation costs are a typically overlooked aspect of housing affordability. Because land and housing tend to go down in price the further they are from central cities, we have the phenomenon known as "driving to qualify"—households searching further and further out to find the house they want at a price a lender will approve. But driving to qualify is not an effective decision if the buyer's costs exceed what they can afford when housing and travel from that location are combined. HO 13, then, is aimed at creating more affordable housing opportunities near job locations so that travel costs don't make homes unaffordable. (Travel costs are not included as "housing costs" in the cost burden analysis, above.)

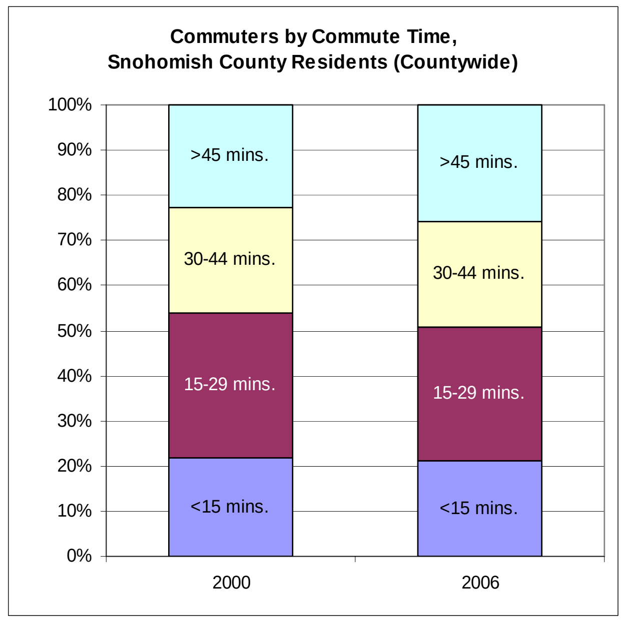
To study the impact that land use, transportation, and housing policies have had on housing costs in this broader sense, we continue from the 2002 *Report* the analysis into commute times. The U.S. Census Bureau provides travel time data. Census data used in this *Report* come from two sources: the 2000 decennial census, and the 2006 American Community Survey.

As mentioned previously, American Community Survey data are not available for cities smaller than 65,000 people. Thus, we can report travel times from 2006 only for Everett and the county as a whole.

Commute Time

Countywide, a larger percentage of commuting households traveled more than 45 minutes on their commutes in 2006, compared to 2000. In raw numbers, that group increased the most as well, by far. This indicates a growing jobs-housing imbalance. Whether that is due more to the locations of affordable homes or the locations of jobs is beyond the scope of this *Report*; but clearly, more households are spending more time and money because of the distance between their homes and their work.

Chart 20

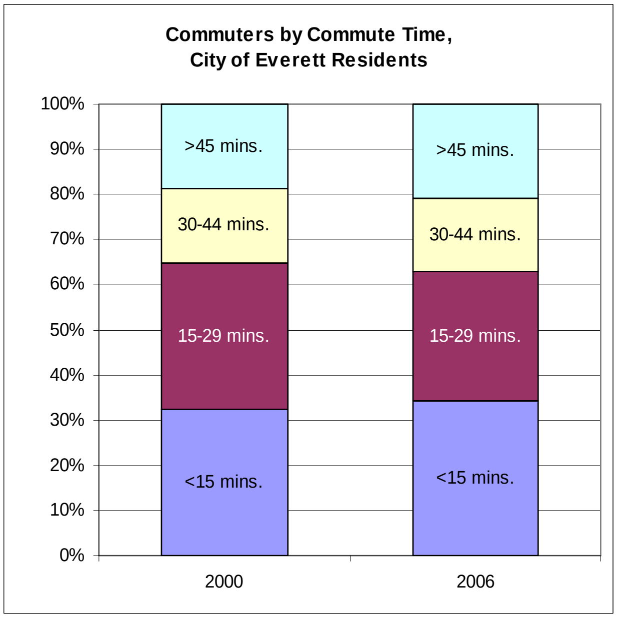


	Workers 16 & Over Who Did Not Work at Home				
	2000		2006		
	Commuters	Percent	Commuters	Percent	Increase
Less than 15 mins.	62,918	22%	67,756	21%	8%
Less than 30 mins.	92,628	32%	95,222	30%	3%
Less than 45 mins.	66,891	23%	74,749	23%	12%
More than 45 mins.	65,430	23%	83,163	26%	27%
All Commuting HH	287,867	100%	320,890	100%	11%

Source: US Census Bureau: analysis by SCT

Among Everett residents, a similar pattern appears, although because the changes are all within the statistical margin of error, it is impossible to say with certainly whether more Everett commuters are commuting longer.

Chart 21



	Workers 16 & Over Who Did Not Work at Home				
	2000		2006		
	Households	Percent	Households	Percent	Increase
Less than 15 mins.	13,634	33%	15,492	34%	14%
Less than 30 mins.	13,571	32%	12,945	29%	-5%
Less than 45 mins.	6,833	16%	7,446	16%	9%
More than 45 mins.	7,887	19%	9,395	21%	19%
All Commuting HH	41,925	100%	45,278	100%	8%

Source: US Census Bureau: analysis by SCT

Conclusions

This edition of the *Housing Evaluation Report* has:

- Reviewed the actions taken by Snohomish County communities to fulfill Countywide Planning Policies (CPPs) on housing.

- Reported the number, types, and locations of assisted housing units, and changes since the previous *Report*.

- Evaluated the results of all of these efforts in terms of affordable housing supply, housing types and densities, commute times, and cost-burdened households.

This chapter offers a digest of the *Report's* major findings, followed by conclusions from these findings. Finally, we make suggestions for future study based upon some of the questions not answered by this Report.

Summary of Findings

Here are the important findings, in brief:

- Of all the efforts made by our jurisdictions, strategies aimed at improving single-family detached housing affordability, including design innovations, received the most widespread activity. Other categories of strategy—multifamily housing, site requirements, incentives, administrative reform, collaboration with other agencies, and direct government actions—present underused opportunities, by comparison.

- Until recently, recommendations for interjurisdictional cooperation have received little attention. New activities, such as the grant obtained by SCT to study intergovernmental programs for affordable housing, indicate that cities, the County, and nonprofits are thinking more collaboratively.

The news on affordability is sobering:

- Countywide, only 14% of all sales from 2005 to 2006 were affordable at 95% of median income, compared to 33% from 2002 to 2004.

- 57% of all market-rate rentals were affordable at 50% of median income (2005-2007), an increase from 51% (2002-2004).

- Virtually no market-rate housing is affordable to those making 30% of the county's median household income or less.

- Cost-burdened households rose from 25% to 28% of all households between 2000 and 2006. Cost burden rose among both owners (17% to 21%) and renters (38% to 43%).

  - Fifty-six percent (56%) of moderate-income homeowners were cost-burdened in 2006, up slightly from 52% in 2000.

  - Among low-income households (making 51% to 80% of median income), 64% of the homeowners and 48% of the renters were cost-burdened in 2006.

  - Of very low-income households (the 31% to 50% of median income category), 95% of the homeowners with mortgages and 77% of the renters were cost-burdened in 2006.

Implications

This evaluation suggests that the strategies of local governments in Snohomish County have not been enough to achieve our county's housing goals, especially affordable housing, under the real estate market of the past several years. We caution again that the results found in this study cannot be attributed entirely to governmental policies or actions. Many of the policies and programs implemented locally have surely helped Snohomish County residents obtain decent, safe, affordable housing. The fact remains that if economic conditions and the actions of others in the real estate market are similar in the future, we will need additional strategies or a greater level of effort to reach our goals.

Suggestions for Future Study

The Introduction states that this *Report* is a study to identify achievements and issues with respect to Countywide Planning Policies on housing, and not to determine *why* issues exist. Accordingly, we simply offer the following ideas for future study, which may help address unanswered questions and lead to improved programs and policies.

1. The sales database is rich with housing characteristics—such as the age, type, and size of housing units—and geographic variables that can be used to identify more closely the types and locations of housing that have become most and least affordable. More advanced statistical analysis on this data could improve our understanding of housing prices.

2. Our understanding of housing affordability might also be enhanced by further consideration of transportation costs. Research by the Center for Neighborhood Technology and the Surface Transportation Policy Project shows that adding travel costs to housing costs yields a much different picture of housing affordability across metropolitan areas. We may not be able to replicate their research, but we may be able to learn enough to know whether different transportation and land use policies would improve housing affordability.

3. Housing Objective 7 includes the policy, “Encourage the availability of adequate affordable housing … in rural areas by means of cluster housing that minimizes infrastructure costs.” Additional research might determine how affordable rural cluster subdivisions have been.

Other Things to Consider

1. The 2002 *Report* found that the CPPs on housing were an awkward mix of ends (goals) and means, which made difficult the task of balancing or ordering priorities. The CPPs have remained essentially as they were, and this difficulty appears to persist. Goals that establish clear values and priorities, and leave flexibility in how they are accomplished, may improve implementation and accountability. The findings of this evaluation, and the process of producing it, can be helpful if SCT decides to revise the CPPs in this manner.

2. Update *Strategies to Achieve Affordable Housing Objectives* with revised definitions and new options; e.g. land banking, community land trusts, tax exemptions and deferrals, no net loss policies, speculation taxes, demolition taxes (mitigation fees for loss of affordable units), jobs-housing balance (and other means of reducing the travel costs of housing). The present document is not 14 years old.