

Building a Skagit County Housing Affordability Strategy

Skagit County Affordable Housing Advisory Committee
with Recommendations to the
Skagit County Commissioners

Skagit County Public Health & Community Services Department
assisted by Paul Schissler,
community development planner

“Almost all the right ingredients are here!”

How to build more private sector capacity

- **Policies** that incentivize affordable housing development



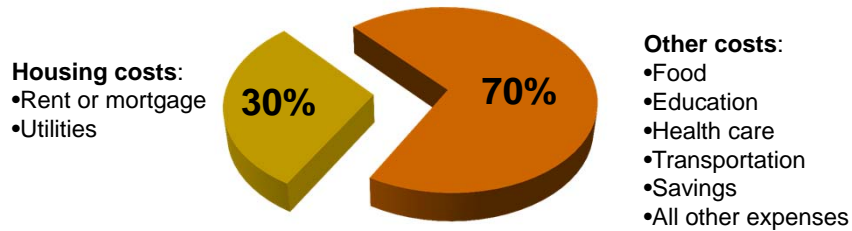
- **Funding** to make private sector activities feasible



“Affordable” always defined in terms of income

Affordable Housing Budget rule-of-thumb:

30 percent of total household income



Aim for one-third or less each month for housing costs.

For more info, see Interim Report page 4-6

Skagit’s affordability problem

Unaffordable housing:
17,000 households spend more than 30% of income for housing costs

Only 3 of every 5 Skagit homes are affordable



Plus 4,550 more households will be cost-burdened in next 15 years

Aim to reduce the number of people “housing cost burdened”.

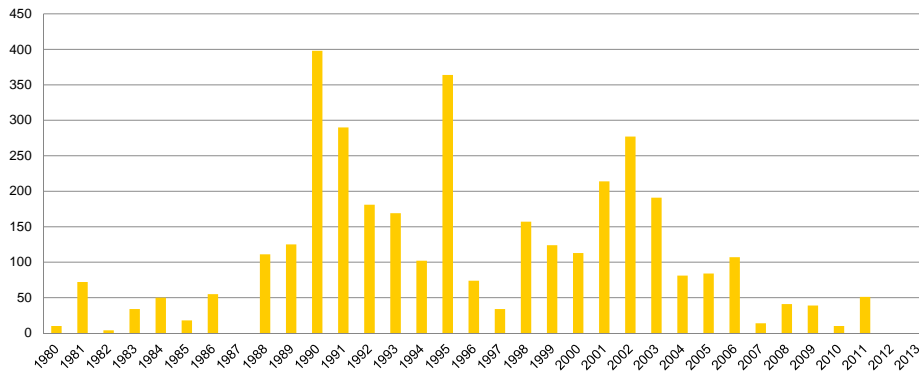
For more info, see Interim Report page 7-9

Households Paying More than 30 percent of Income on Housing....				
Monthly Owner Costs as a Percentage of Income			Gross Rent as a Percentage of Income	
	Skagit Co.	Washington	Skagit Co.	Washington
1990	20.2	20.1	36.3	37.2
2000	35.4	31.3	32.2	39.0
2012	39.7	42.0	57.7	50.0



Market doesn't provide many incentives to build affordable housing:

Multifamily Permits Issued - Skagit County



“How can you turn a low-wage job into a Housing Wage job?”

Make housing costs affordable!

Frees up \$4,000 per year for the average renter's other expenses



Every 1,000 homes frees up \$4,000,000 per year for other spending



Aim to free up wages for other spending, boosting the local economy.

For more info, see Interim Report page 4-6

Affordability as Economic Development

- ✓ Jobs in construction, nonstop queue of projects
- ✓ Homes part of the infrastructure of our economy
- ✓ Builds stable work force that can afford a home
- ✓ More spent on other things if home's affordable
- ✓ Boosting local tax base
- ✓ Leveraging, ripple effects

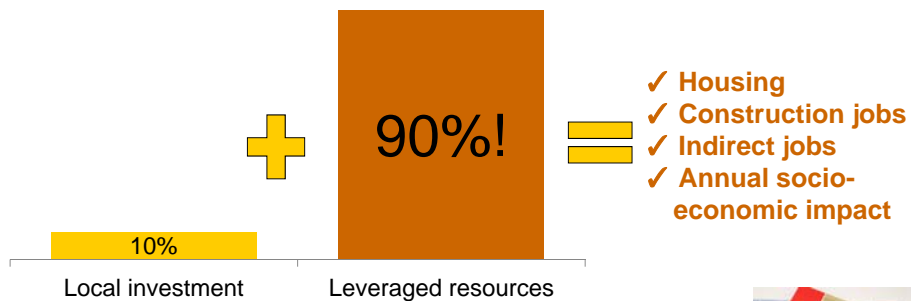
Aim for multiple socioeconomic benefits, measurable over time

For more info, see Interim Report page 13-16



Housing Policy as Economic Development

Small local investment leverages large impact



Aim for multiple socioeconomic benefits, measurable over time

For more info, see Interim Report page 13-16





Recommendations:

Local Housing Policy Choices

- Implementing the Countywide Planning Policies
 - Adequate affordable land supply near jobs and services
 - Public/private partnership projects, queued and ready
- Actions called for in Comprehensive Plans
- Regional cooperation to leverage nonlocal funding
- Making public dollars do double duty (page 10)

Aim for local policy choices that make the biggest impact.

For more info, see Interim Report page 20, 22



Recommendations:

Nonlocal Options for Matching Funds

Potential to leverage more nonlocal funding

- Community Development Block Grant (CDBG)
- CDBG Planning-Only grant
- HOME Investment Partnership Consortium
- Washington State Housing Trust Fund
- Federal tax credit, CDFI, bond financing, etc...

Aim for readiness with a queue of projects

For more info, see Interim Report page 22-24



Recommendations:

New Local Funding Choices

Consider local resources a catalyst or a seed

- Nonlocal matching goes where local resources are
- Any local resource counts (funding, land for housing, in-kind staff time, grant sponsorship, etc.)
- General funds can support housing efforts
- Voter-approved tax measures like B'ham, Seattle
- Distressed/Rural Sales Tax in an economic development strategy producing new homes

Aim to maximize leveraging the nonlocal match

For more info, see Interim Report page 24-26



Recommendations:

Add to efforts already underway

- Repeat the successes of prior years' work
- Follow the 10-Year Plan to End Homelessness
- Farmworker Housing Trust Advisory Council ideas
- Expand capacity of homeownership programs
- Continue a queue of affordable rental projects
- Invest in both renovation and new construction

Aim for an ever-improving system of local housing

For more info, see Interim Report page 26-28