Health, Housing and
Human Services Council

Affordable Housing

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For more information about the needs assessment follow-up process or to obtain a copy of the Summary Report, please contact Jan Lambert, HHHS Executive Director at 842-9335.

For more detail about the action team's discussions, key findings, and recommendations, please request the complete action team report.

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AFFORDABLE HOUSING
ACTION TEAM REPORT

Background

HHHS Needs Assessment focus groups noted affordable housing as a significant concern, noting housing is too expensive for many to live on the Island. Unmet needs identified included more low-cost or assisted housing; senior housing that allows for pets, and emergency housing. Some single parents felt that to remain on the Island was a challenge. The Executive Summary of the Bainbridge Island Housing Needs Assessment emphasized a lack of entry level housing for young families and the increasing financial burden property taxes place on modest-income households and retired citizens on fixed incomes. The property tax burden could force these community members off the Island.

Housing Affordability

Housing Affordability as defined in "Tracking the Health of Kitsap County Phase II[1]" is the balance between the median price of housing in a place and the median household income. This definition of housing affordability presumes a 20% down payment and mortgage balance would not exceed three times a household's annual income. Median value of owned homes in Kitsap County in 2000 was $145,200; median value of owned homes on Bainbridge was $322,400. On Bainbridge Island 80% of the median value of owned housing was $257,920 yet three times the median household income was $210,330.

Home Ownership

Of Bainbridge households in 2000, 78% owned their own homes, while two-thirds of county households owned their homes. Households spending 35+% of income on housing are considered at risk of losing their homes. On Bainbridge, in 1990, 22.3% (821) of the total 3,682 owner households paid 30% or more of household income for housing costs. By 2000, those paying 30% or more grew to 27.8% (1,470) of the total 5,287 owner households.[2]

Rental Households

The 2000 Census cited 21.7% (1,729) of Bainbridge households are in rental housing. In 2000, 37% or 630 out of a total of 1729 renter households paid 30% or more of household income in gross rent.

Understanding Bainbridge Island's Housing Issues

Organizations & Programs on Bainbridge that address housing related issues include the City's Affordable Housing Program; the City's Housing Trust Fund; Housing Resources Board; Mayor's Affordable Housing Task Force; Section 8 and Fair Market Rents; Kitsap County Consolidated Housing Authority; Kitsap Community Resources; Health Housing and Human Services Council and Habitat for Humanity. Several collaborative endeavors are in planning stages.

In order to better understand the issues surrounding affordable housing, the Housing Action Team conducted interviews with leaders in the non-profit and for-profit housing industries. Each representative was asked the same questions including past successes and their replicability; perception of greatest unmet need by household size, unit type, size and income level; the barriers to addressing the need; five year forecast regarding need and supply; and the organization's challenge relative to the need. Key findings and recommendations were then made using information provided by these interviews, the HHHS needs assessment, and current reports on housing.

Key Findings

Successes

- Partnerships between non-profit and for-profit organizations to preserve existing subsidized housing
- Housing for seniors which is more easily developed due to social acceptance and funding priorities
- Expansion of bonus densities expanded to make purchased housing more affordable

Unmet Needs

- Two bedroom rental units (advantage - can accommodate households of 1-4 people)
- Homes for purchase under $200,000

Barriers

- Land costs are currently prohibitive and continuing to increase
- Zoning is too restrictive
- Liability insurance costs measurably drive up building costs

Housing Supply Predictions

- Affordable housing supply will continue to be insufficient
- The need for affordable housing will increase, but supply will decrease
- Existing subsidized housing is at risk of converting to market housing as commitments to rent assistance programs expire

Challenges

- Sustainability of operating and maintaining subsidized housing over the long term: Applicants' eligibility levels and rents are tied to the Kitsap median, whereas operating and maintenance costs are more reflective of Bainbridge's upscale housing market. Costs are escalating faster than allowed rental income.
- Community resistance to development of affordable housing indicating a need for community education and pro-active community support and solutions
- Densities are restricted in areas where land costs are lower

ACTION TEAM RECOMMENDATIONS

- Support the Mayor's 2004 Affordable Housing Task Force Report. Support the report and adoption of the Task Force recommendations via letter from Housing Action Team to Mayor with Action Team comments. Special emphasis on:
    - Need for a housing specialist in City Planning Department
    - Grandfathering existing density of non-conforming multifamily developments
    - City fostering accessory dwelling units as an affordable housing resource
    - City partnerships with for-profit and non-profit housing operators, providers, developers, funders
    - Community education on housing issues
    - Process for integration and coordination of affordable housing interest groups to maximize their commitment and reduce City's burden

- Conduct inventory of publicly owned land to identify those with potential development for affordable housing.

- Convene a Housing Summit. HHHS will partner with community organizations to educate the community on housing issues and engage the community in solutions.

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[1] Kitsap County Health Department Report, "Tracking the Health of Kitsap County", Christine Hale, PhD, MPH, 10/7/03.

[2] City of Bainbridge Island Housing Needs Assessment, September 2003, page 57.