Chelan Valley Housing Affordability Needs Assessment

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SECTION 1: EXECUTIVE SUMMARY

Background

The City of Chelan, with the leadership of the Mayor Mike Cooney, Council Person Tim Hollingsworth and Planning Commissioner Rachael Goldie, is concerned about the lack of affordable housing in the Chelan Valley. In order to better understand the details of the need and the opportunities to address those needs, the City contracted with Julie Brunner, a Housing Consultant who specializes in Community Land Trusts, to conduct a housing needs assessment and develop a roadmap to solutions.

Methods

Consultant, Julie Brunner, gathered information through the following methods:

- Review of American Community Survey (ACS) and other published economic and housing data
- Site visits that included
  - Affordable Housing Committee meeting
  - Round table discussions with specific populations
  - Planning Department meetings
  - Community conversations
  - Key Informant interviews
- Survey of employers, workers and residents in the Chelan Valley

The consultant conducted two site visits to the Chelan Valley in May and September of 2018.

Data Findings

Demographics

According to the 2016 ACS data, the Chelan Valley contains 9,579 residents living in 3,928 households. Residents are mostly white (62%) and 37% are Hispanic. The population has remained relatively flat over the past 15 years, and the median age of residents dropped to 40.6 in Chelan while it increased to 51 in Manson. Most residents live in one or two-person households.

Income varies widely in the valley, but generally speaking residents earn less than their counterparts in the county or the state as a whole. Fifty percent of households earn less than $50,000 per year, and one quarter earn less than $25,000 per year (compared to 18.3% statewide), and 10.7% of the population earns less than $10,000 per year in the valley, compared to 7.6% in the county and 5.9% statewide. The percentage of people living in poverty is on par with that of the county and the state, but nearly 15% of Chelan Valley seniors live in poverty, compared to 11% of seniors in the county or 8% statewide. Most workers in the valley end up working multiple and/or seasonal jobs to get by. The largest employment sector is agriculture and forestry, which makes up nearly 19% of all jobs, followed by education and health care at 16.4% and recreation, accommodations and food service is the next largest at 12.6%
Housing Availability

In 2016 there were 6,966 housing units in the Chelan Valley. That number seems like it would more than accommodate the estimated 3,929 households. However, over one third of those units were only seasonally occupied or available for recreational use (compared to 3% in the state and 16% in the county). Only 17% of the housing stock was renter occupied (compared to 34% in the state and 26% in the county) and there were very few multi-family housing units in the valley. While the stock of housing has increased over the past 18 years, most of the new units are owner occupied and likely seasonally occupied.

The Chelan Valley does have a small stock of 134 subsidized rental units, nearly half of which are reserved for seniors (61). Forty-five units have rental subsidies available to households who are low-income so those tenants pay no more than 30% of their income towards rent.

The valley’s rental housing stock is at a near-zero vacancy rate. In order to reach a “health” vacancy rate of 7%, 80 units of rental housing would need to be added to the Chelan Valley today. In order to meet the anticipated demands of the future population of the Chelan Valley, an additional 335 units of housing affordable to households earning 75% of Area Median Income will need to be added to the valley’s housing stock over the next 20 years.

Housing Affordability

In addition to the growing challenge of finding a home in good condition at any price, rents and home prices continue to rise. Housing cost increases have been especially acute in the past few years, as the housing market has rebounded from the 2008/2009 crash across the state. In 2000, over half the renters in the valley paid less than $500 per month in rent, and in 2016 that number dropped to just under 29%. Likewise, in 2000 there was just over 2% of renters who paid more than $1000 in rent, and by 2016 that number had climbed to 21.1%.

Locally available data paints an even more dire picture. Data of rental units managed by Coldwell Banker in Chelan revealed average rents from $950 per month to $1,700 per month for one-bedroom to four-bedroom units respectively (May 2018). Families would have to earn between $38,000 and $68,000 per year to be able to rent those units and not pay an “unaffordable rent,” which is defined as paying more than 30% of gross household income towards rent.

Residents also report difficulty finding a quality home to buy in a reasonable price range. In 2003 the median sale price of a home in Chelan County was $131,400, and today it is $334,100. Similarly, a search of current real estate listings found 149 homes for sale in Chelan, only 10 are listed for sale for $250,000 or less.

These data support the community reports of a very difficult housing market with few affordable options. Residents assume that vacation homes and nightly rentals have significantly impacted housing availability, purchase prices and rental costs in the valley.

Community Findings

The community input deepened the understanding of the impact of economic disparity and housing pressures in the valley. During the site visit in May, the Consultant conducted a series of public meetings, round table discussions and one on one interviews with stakeholders. In
addition a housing needs questionnaire, community questionnaire and employer survey were distributed.

The most significant response was to the housing needs questionnaire, where 171 individuals completed the survey. This provides a deeper and more current understanding of the housing realities for the residents of the Chelan Valley. Although the ACS data for 2016 reflected 21% of residents pay more than $1,000 in rent, whereas over half of those who responded pay more than $1,000 in rent and the average rent reported through the survey was over $1,000. Similarly, 163 community questionnaires were completed with 75% of the respondents characterized the need for affordable housing as “extremely high.”

Conclusions, Opportunities and Recommendations

It is clear from the broad based community concern, the data on the extent of housing needs and corresponding lack of both availability and affordability and the level of community support that the time is right to take action to address affordable housing crisis in the Chelan Valley. It is also clear that there is no single answer to a problem as complex and broad as housing availability and affordability, but there are several things that can and should be done in the near term to start addressing these needs.

1. The City of Chelan will complete its rate study soon and to the extent possible, should provide reduced rates for developers of affordable housing.

2. The City of Chelan is in the process of evaluating its zoning ordinances to allow for greater densities, expedited permitting and other incentives for the creation of affordable housing. The City should complete this process to provide developers with another tool to reduce costs. While this is an important step, experiences in other parts of the country tell us that this will likely reduce the cost to produce affordable housing, it is not likely to incentivize the private development of such housing given the current densities of market rate developments.

3. The Chelan Valley Housing Trust (CVHT) should conclude its evaluation of the feasibility to carry out its long-term vision to create and steward affordable housing in the Chelan Valley. If it appears that this is viable, it should incorporate and get going!

4. If adequate community support is present to fund the CVHT in the three – five year term, it should move forward with a detailed feasibility analysis of the potential project at the Lookout including cost estimates, initial pricing and target affordability for local residents. This project is the most likely short term “win” of the projects identified thus far.
SECTION 2: BACKGROUND AND METHODS

2.1 Background

The Chelan Valley has been experiencing housing pressures for some time. In 2008 there was an effort to start a community land trust in Chelan to help address the housing affordability needs during the last real estate bubble. Unfortunately, the effort was not broad based nor substantial enough to support the creation of a CLT at that time and the resources were channeled into Columbia Valley Housing Association to develop a limited number of deed restricted owner occupied units in Chelan.

Today’s effort is different from that initial investigation in several ways. First, there is a concern on the part of local government and a corresponding willingness to put some time and effort into looking into both the extent of the problem and to finding, and potentially funding, solutions. In addition, there is a much broader level of both concern and understanding that housing affordability is an issue that must be both evaluated and addressed at the local level. And finally there appears to be broad interest and community support in pursuing solutions in order to ensure local residents can afford to live and work in the Valley to protect both the character and makeup of the Chelan Valley.

2.2 Geography

The Chelan Valley is located in Chelan County, Washington. Residents often define the Chelan Valley as the areas boarding the lower sections of Lake Chelan and include the area surrounding the town of Chelan as well as the unincorporated area known as Manson. The American Community Survey of the Census divides the valley into the Chelan (CCD), and the Manson CCD. Whenever possible the data for the two CCDs are combined. However, since that is not always possible this report also occasionally includes data for the individual CCDs.

Figure 1: Chelan and Manson CCDs.
2.3 Process, Methods and Sources

Research into the Chelan Valley’s housing needs began with a statistical analysis of publically available data as described above but then went on to include community input. As part of the assessment process the consultant conducted an in-depth data review, held five round table/focus group conversations, conducted five key informant interviews, fielded a housing needs survey, presented at the Town Council meetings and convened a well attended Community Forum.

Data Review

The data review, summarized in Section 3 of this report, focused on the 2016 five-year estimates in the American Community Survey (ACS) of the Census. This annual survey provides data at many different levels and allowed a detailed review of the Chelan Valley Census County Division (CCD), Manson CCD, Chelan County and Washington State.

Other housing and economic data sources reviewed provided only county level information:

- Office of Financial Management – Washington State Data Book by County
- Housing Inventory and Pricing information from the Runstad Center
- Department of Commerce Housing Needs Assessment Data, Chelan County
- US Department of Housing and Urban Development’s CHAS data Query Tool
- Washington Employment Security Department wage data

Site Visits

In addition to statistical analysis and data review, the consultant conducted two site visits to collect additional information, conduct interviews and hear stories from local residents about housing needs, availability and affordability and to report back to the community on the findings.

The first visit was in April 2018 and the second was in September 2018. Work during the site visits included convening the Affordable Housing Committee, round table/focus group discussions, key informant interviews, City of Chelan Planning Department meetings and a large community meeting to reach the general public and solicit their input and feedback. Specific work during each visit included:

5. https://www.esd.wa.gov/labormarketinfo/okanogan
May

- Affordable Housing Committee Meeting
- City Council Meeting
- Planning Department Meeting
- Round Table Discussions (employers, social service providers, builders, developers and the Latino community)
- Five Key Informant Interviews
- Community Forum on Affordable Housing

September

- Final Presentation to City Council
- Planning Department Meeting
- Community Land Trust Board Member Training
- Individual fundraising meetings

Affordable Housing Committee

The City of Chelan convened an affordable housing committee earlier this year, so the kick off meeting for the May site visit was with the committee to solicit input and share the initial data findings. Committee members present included:

- Mike Cooney, City of Chelan Mayor
- Tim Hollingsworth, City of Chelan Councilmember
- Rachael Goldie, City of Chelan Planning Commissioner
- Guy Evans, Realtor
- Sharon Lukacs, Chelan Valley Hope
- Ray Dobbs, City of Chelan Councilmember
- Craig Gildroy, City of Chelan Planning Department
- Mike Schram, Contractor
- Rich Watson, Community Leader

Round Table Discussions and Key Informant Interviews

The round table discussions were designed to get input from specific valley populations including employers, social service providers, builders, developers and the Latino community. The discussions were tailored to each individual group.

Consultant also interviewed individual key informants. She spoke to people with a variety of community perspectives. These conversations provided more detailed local insight about data and background information as well as recent efforts to actually build affordable housing.

Housing Needs Surveys

Consultant designed surveys to gather additional information on Chelan Valley residents’ current housing situations as well as the perceptions about housing needs and what might better meet those needs. There were three surveys distributed – one for people looking for housing (171 responses), one for employers (9 responses) and one for general community members (163 responses). Data were compiled in Excel for analysis. Section 3 includes the survey results and a copy of the instrument can be found in Appendix B.
SECTION 3: HOUSING NEEDS ASSESSMENT

3.1 Demographic Context

According to 2016 American Community Survey (ACS) Census data, the Chelan CCD and the Manson CCD contain 9,579 residents living in 3,928 households. Residents are mostly white (62%) and 37% are Hispanic. The ACS does try to contact residents living in all types of housing, however, their sampling relies on addresses and they only capture residents who have been living in any particular location for two months or more. In an area like the Chelan Valley, it may not represent very accurately the seasonal fluctuations in population, agricultural workers, homeless residents, or many of the people who come up with creative and non-traditional housing solutions.

Since the Chelan CCD, a geographical area defined by the census, does not adequately capture what residents experience as the Chelan Valley, the Manson CCD was added to better reflect a more appropriate geographic area. Whenever possible data for the valley is evaluated as the combination of the two CCDs. When that is the case, the data is represented as the “Combined Chelan Valley.” Whenever ACS data is presented only in percentages and therefore cannot be combined, the two separate CCDs are represented independently.

The Manson CCD includes 2,948 residents in 1,303 households. The median age of residents in the Manson CCD is over 51 years old, significantly higher than the median age of the Chelan CCD at just under 41 years old.

<table>
<thead>
<tr>
<th></th>
<th>Population</th>
<th>Households</th>
<th>Median Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chelan CCD</td>
<td>6,631</td>
<td>2,625</td>
<td>40.8</td>
</tr>
<tr>
<td>Manson CCD</td>
<td>2,948</td>
<td>1,303</td>
<td>51.1</td>
</tr>
</tbody>
</table>

The population of the valley was essentially stagnant between 2000 and 2016, increasing by just over 100 residents. More significant is the shift in age distribution. While Washington as a whole is aging, the Chelan CCD saw a reduction in median age while the Manson CCD saw a dramatic increase in median age. During that same period, the median age of residents increased from 34 to 51 years in the Manson CCD compared to 35 years to 37 years in Washington State.

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Figure 2 shows that in Manson CCD, people aged 65 and older increased from 12% of the total population in 2000 to 20% of the total population in 2016, and conversely, the population of children 17 years old and younger dropped from 32% down to less than 21% of the population.

![Figure 2: Change in Age Distribution 2000-2016, Manson CCD](image)

Household sizes in the Chelan Valley are relatively small. Most people live in one-person (33.6% and 35.7%) or two-person (41.3% and 35.9%) households (Figure 3).

![Figure 3: 2016 Estimated Households by Size, Chelan CCD and Manson CCD](image)
A third of renters live in one-person households and another third live in larger housed of four people or more, while approximately half of owners live in two-person households (Figure 4).

**Figure 4: 2016 Household Size by Occupancy: Owner (1,565) vs. Renter (898) occupied, Chelan CCD**

### 3.2 Economic Context

There is a wide range of incomes in the Chelan Valley, from residents who earn less than $25,000 per year, to a few residents who earn more than $150,000 (Figure 5). There are 1,366 households who earn less than $25K per year, which represents proportionally more households in the Chelan Valley (25.6%) than Chelan County (23.3%) or the State (18.3%) as whole. And even more dramatic is that over 10% (420 households) of Chelan Valley residents earn $10,000 or less each where, whereas just under 6% of residents statewide earn that little. And conversely, there are significantly more households earning more than $150K per year in both the County (6.8%) and the State (12.8%) than in the Chelan Valley (4.5%).

**Figure 5: 2016 Income Distribution in the Combined Chelan Valley**
Overall, the income distribution pattern in the Chelan Valley more closely matches Chelan County than the State (Figure 5). Incomes in the valley tend to be lower than the State averages, but what is surprising is that the rates of seniors living in poverty is substantially higher in the Chelan Valley than either in Chelan County or the State as a whole (Figure 6).

**Figure 6: 2016 Poverty by Age Groups**

![Poverty by Age Groups](chart.png)

Qualitative reports indicate that many workers who are full-time residents in the valley come up with creative solutions to employment. Some work multiple or seasonal jobs or are self-employed. Some are drawn to the valley for seasonal farm work. Many work in the service and tourism industries, or own businesses in the valley. The ACS measures and reports on employment for residents present at the time of the survey, who have lived there for more than two months. Reliable data on the number and distribution of seasonal workers do not exist. The largest employment sector is agriculture and forestry, followed by education and health care and then recreation, accommodation and food service (Figure 7).

**Figure 7: 2016 Employment by Category, Chelan & Manson CCDs**

<table>
<thead>
<tr>
<th>Category</th>
<th>Combined CCDs</th>
<th>Chelan County</th>
<th>Manson CCD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Educational services, and health care and social</td>
<td>395</td>
<td>427</td>
<td></td>
</tr>
<tr>
<td>Agriculture, forestry, fishing and hunting and mining</td>
<td>338</td>
<td>358</td>
<td></td>
</tr>
<tr>
<td>Arts, entertainment and recreation and</td>
<td>272</td>
<td>267</td>
<td></td>
</tr>
<tr>
<td>Finance and insurance, and real estate and rental and</td>
<td>228</td>
<td>226</td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>122</td>
<td>122</td>
<td></td>
</tr>
<tr>
<td>Professional, scientific and management and</td>
<td>78</td>
<td>81</td>
<td></td>
</tr>
<tr>
<td>Retail Trade</td>
<td>81</td>
<td>81</td>
<td></td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>122</td>
<td>122</td>
<td></td>
</tr>
<tr>
<td>Transportation and warehousing, and utilities</td>
<td>108</td>
<td>107</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>3</td>
<td>75</td>
<td>90</td>
</tr>
<tr>
<td>Other services, except public administration</td>
<td>2</td>
<td>71</td>
<td>43</td>
</tr>
<tr>
<td>Public administration</td>
<td>2</td>
<td>71</td>
<td>43</td>
</tr>
</tbody>
</table>
3.3 Housing Availability and Affordability - Data

Housing Availability

According to the 2016 ACS data, there are 6,966 housing units in the Combined Chelan Valley (Chelan Valley CCD and Manson CCD). Of those, 2,734 (39%) are owner occupied, 1,194 (17%) are renter occupied and 2,365 (34%) are for seasonal, recreational or occasional use. The Chelan Valley has far fewer rented units than the county or the state and far more units reserved for seasonal use (Figure 8).

Figure 8: 2016 Housing Occupancy, Combined Chelan Valley

Figure 8 shows the distribution of existing units and describe the housing solutions for residents who have been successful in finding housing. These data do not give an accurate picture of demand for housing solutions or condition of housing stock.

Qualitative reports suggest that finding and holding on to an affordable, quality rental has become increasingly challenging over the past 15 years. In addition, introduction of on-line booking services for vacation rental units has likely further reduced the availability of year-round rental units, although there is no way to document this loss of units to the year-round rental stock.

While the stock of housing in the Chelan Valley has increased in the past 18 years, all of the new housing built since 2010 has been single-family homes, and based on the occupancy data, are likely seasonally occupied. Fifty-eight percent of renter occupied houses were built before 1979, compared to 52% of owner occupied houses (Figure 9). Reports from residents or people looking for housing paint a picture of aging housing stock that has not been updated and is in need of repair. Many of these houses are expensive to heat in the winter and cool in the summer, have leaky roofs or other structural challenges that make living in them difficult.
The Chelan Valley does have a small stock of subsidized rental housing available, serving a few specific demographic groups (Table 2). Units identified as “Subsidized” receive additional monthly subsidies from USDA so that tenants pay no more than 30% of their income towards their housing. These units are generally limited to households earning less than 50% of AMI.

<table>
<thead>
<tr>
<th>Project Name</th>
<th>City</th>
<th>Units</th>
<th>Subsidized Units</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>ManSun Villa</td>
<td>Manson</td>
<td>21</td>
<td>17</td>
<td>Senior</td>
</tr>
<tr>
<td>Gibson Gardens</td>
<td>Chelan</td>
<td>20</td>
<td>20</td>
<td>Family</td>
</tr>
<tr>
<td>Chelan Gardens</td>
<td>Chelan</td>
<td>16</td>
<td>16</td>
<td>Senior</td>
</tr>
<tr>
<td>Chelan Bluff</td>
<td>Chelan</td>
<td>22</td>
<td>13</td>
<td>Family</td>
</tr>
<tr>
<td>Bayshore Court</td>
<td>Chelan</td>
<td>24</td>
<td>12</td>
<td>Senior</td>
</tr>
<tr>
<td>Casa Guatelupe</td>
<td>Chelan</td>
<td>31</td>
<td>0</td>
<td>Family</td>
</tr>
<tr>
<td>Lake Chelan Community</td>
<td>Chelan</td>
<td>28</td>
<td>28</td>
<td>Family</td>
</tr>
<tr>
<td>Apartments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Morning Sun Park</td>
<td>Manson</td>
<td>19</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL UNITS</strong></td>
<td></td>
<td><strong>181</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The City of Chelan has estimated that given expected population growth as projected by the Washington State Department of Commerce, the City including the urban growth area surrounding (UGA) the City will have a need for an additional 857 housing units in the next 20 years.
years. That figure includes approximately 187 seasonal housing units and 670 full time housing units. Currently, as noted in Figure 5, approximately 25% of the households in the Valley earn less than $25,000 (37% of AMI - Area Median Income) per year, and another 25% earn less than $50,000 (74% of AMI). Given that wages are relatively flat, if we assume that that lower-income households maintain their percentage compared to the overall population, there is a need for an additional 335 housing units that are affordable to residents earning less than 75% of AMI.

The current picture also points to a lack of affordable rental units in particular. A “healthy” vacancy rate is considered be approximately 7%. According to the ACS, there are 1,961 households in the Chelan Valley that earn less than $50,000 per year and that of those, approximately 1,269 are renters. The ACS goes on to document that there are only 1,194 occupied rentals, suggesting a near zero vacancy rate since the number of renters exceeds the number of occupied rental units. To get to a healthy vacancy rate of 7%, the Chelan Valley today needs at least an additional 80 affordable rental units (7% of 1,194 = 83.6).

**Housing Affordability**

In addition to the growing challenge of finding a house in good repair, residents report sharply rising rental and home purchase prices. Pricing pressures have been especially acute in the past few years, as the housing market has rebounded across the state resulting in dramatic price increases in both the rental and for sale markets.

Figure 10 illustrates the increase in rents since 2000. In 2000, 51.2% of households paid less than $500 in rent and only 2.2% paid more than $1,000. By 2016, the pattern had swapped, with only 29% of households paying less than $500 per month and over 21% paying more than $1,000. Residents report that actual rents are often much higher and the survey respondents reported paying an average rent of $1,042, with 50% of respondents paying more than $1,000 per month and 21.5% of respondents paying more than $1,500 per month.

**Figure 10: Rents over time, Combined CCDs, 2000-2016**

<table>
<thead>
<tr>
<th>Income Range</th>
<th>2000</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $500</td>
<td>51.2%</td>
<td>28.7%</td>
</tr>
<tr>
<td>$500-$999</td>
<td>46.6%</td>
<td>50.2%</td>
</tr>
<tr>
<td>$1000-$1499</td>
<td>1.3%</td>
<td>15.3%</td>
</tr>
<tr>
<td>$1500-$1999</td>
<td>0.9%</td>
<td>5.8%</td>
</tr>
<tr>
<td>$2000 or more</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>
Table 3 highlights the current reality of rents in the Chelan Valley, as opposed to the 2016 ACS data. The chart below outlines current rents as of May 2018 for properties managed by Coldwell Banker and the associated annual salary or hourly wage a household would need to earn in order to rent that unit and at an “affordable” rate and pay not more than 30% of their gross monthly income towards rent. While it is certainly not comprehensive, the Coldwell Banker data suggests that rents are likely significantly higher than those represented by the most recent ACS data.

Table 3: Current rents (May 2018, Chelan Coldwell Banker) and affordability

<table>
<thead>
<tr>
<th>HH Size</th>
<th>Rent</th>
<th>Annual Income Necessary</th>
<th>Hourly Rate Necessary</th>
</tr>
</thead>
<tbody>
<tr>
<td>1BR</td>
<td>$950</td>
<td>$38,000</td>
<td>$18</td>
</tr>
<tr>
<td>2BR</td>
<td>$1,250</td>
<td>$50,000</td>
<td>$24</td>
</tr>
<tr>
<td>3BR</td>
<td>$1,500</td>
<td>$60,000</td>
<td>$29</td>
</tr>
<tr>
<td>4BR</td>
<td>$1,700</td>
<td>$68,000</td>
<td>$33</td>
</tr>
</tbody>
</table>

The appeal of the Chelan Valley as a vacation destination also puts pressure on the housing market. It has become increasingly difficult to afford to purchase and maintain a home in the Chelan Valley while earning an average local salary. Nearly 45% percent of homeowners in the Chelan Valley spend more than 30% of their household income on monthly homeowner costs (Figure 11) compared to about 35% in Chelan County and 32% in Washington State.

Figure 11: 2016 Monthly homeowner costs as a percent of household income
The median sale price of housing in 2018 is $334,100, compared to $131,400 in 2003, an increase of over 150%. During that same timeframe, incomes only increased by approximately 31%, dramatically widening the gap between what people can afford and what is available to purchase in the Chelan Valley (Figure 12). Since 2006, a median income household has not been able to afford a median priced house since with the exception of 2011 at the lowest point in the real estate crash.

*Figure 12: Median sale prices vs. what median income can afford over time*

Similarly, a search for real estate for sale in Chelan in September 2018 found 148 single-family homes listed, but only 10 of those were for sale for less than $250,000. A household of four earning 100% of area median income ($67,100) can afford a mortgage of approximately $230,000, nearly $100,000 less than the median priced house and out of range of nearly all the houses and condominiums currently for sale.
3.4 Housing – The Community Perspective

The consultant engaged community stakeholders in a variety of conversations about housing needs and related issues in the valley. The consultant convened round table discussions with employers, social service providers, builders, developers and the Latino community. She also conducted five key informant interviews with a variety of community representatives, presented at the Chelan City Council and Rotary meetings and hosted a community forum in the evening that was open to anyone interested in finding out about the project and contributing their experience and perspective. Community residents from all backgrounds agreed that housing was a challenge in the valley that affected the ability of families and both seasonal and long-term workers to settle and stay in the area, and for businesses to attract and retain qualified employees.

Survey

In addition to face-to-face conversations and interviews, three surveys were distributed at each event. There was a housing needs survey with 171 respondents, a community perceptions of housing needs survey with 163 respondents, and an employer survey with 9 respondents. Additional copies of the surveys were passed out at various community events through May of 2018. Rachael Goldie collected the surveys and tabulated the answers in an excel workbook.

*The information presented in this section is solely based on the survey respondents and should not be considered as representative of the Chelan Valley as a whole.*

The incomes of the survey respondents are slightly lower than that of the Combined Chelan Valley (Figure 13). About 30% of the survey respondents earn less than $25,000 per year compared to 25.6% of the entire population. Similarly, nearly 31% of respondents earn between $25 - $50,000 per year compared to 24.3% of the combined CCDs. Conversely, only one third of the respondents earn more than $50,000 per year compared to half of the local residents.

*Figure 13: Income distribution of survey respondents vs. Combined CCD residents.*
Most of the respondents live in the valley full time (73%), which means these conclusions do not necessarily reflect the needs of seasonal employees in the area. Respondents were more likely to be long time residents (Figure 14). Twenty two percent had lived in the valley for five years or less while 40% had lived in the valley for more than 20 years.

Figure 14: Survey: How long have you lived in the valley?

Just under half of the respondents (47%) had moved at least once in the past three years (Figure 15). Twenty one percent of respondents had experienced a high degree of housing instability and disruption and moved two or more times in the past three years and 10% had moved three or more times.

Figure 15: Survey: How many times have you moved in the past year three years?
Most respondents reported that they live in adequate (48%) or high quality housing (25%); however, 8% reported living in sub-standard housing, 5% reported living in a tent or vehicle, another 5% identified as living in other inadequate housing and 7% reported being at risk of eviction. This data supports the community perception that many residents lack adequate long-term housing. And because the bulk of the respondents are full time residents, it is likely that many seasonal workers and residents face additional housing challenges that were not captured by this survey.

**Social Context of Affordability and Availability**

The Chelan Valley, because of its location and the character of the local economy, faces many structural social issues that create the larger context for housing challenges. Chelan is a desirable place to live and recreate but has limited income-generating seasons. Social service providers highlighted concerns that low-income agricultural families are under-represented in the general data, as they are predominantly immigrant families who avoid participation in this type of governmental data collection. Social service providers reported that often, entire families live in “picker shacks” or dorm rooms available to and intended only for single, male workers. This translates into an acute health and safety need for additional housing units across the board, to free up suitable housing for such families. Service providers also reported that in many instances, the families who are facing eviction are not being evicted for non-payment, but rather because the units are investor owned and are being sold as property values rise.

Educators suspect as many as a third of their student body are from undocumented families, which means they are not eligible for any type of housing assistance, and often live in unsafe and unhealthy conditions. Similarly, given the high poverty rate of local seniors, that population faces an uphill battle as they struggle to get by on fixed incomes. One service provider reported that 50% of seniors over the age of 75 have incomes below $25,000 per year.

**Employer Input on Affordability and Availability**

Nine employers completed the employer survey and several more attended the Employer Round Table. Employers are also facing substantial challenges related to housing availability. One employer reported that out of 280 employees, only 61% are able to live in the valley. Seven out of nine employer survey respondents reported either having difficulty hiring and filling open positions or having to limit business hours because of inadequate staffing levels. Anecdotally, larger employers reported loosing employees to other communities where they can find both employment and housing. Housing is also a priority for employers as they recognize that employees that are able live and work locally are more productive and happier in their positions, resulting in both higher employer satisfaction with performance and lower employee turnover rates.

Although incomes have risen over 30% since 2000, wages have increased at a slower rate. The aging population in the Chelan Valley may explain this discrepancy, as retired households tend to live on non-wage and investment income. This means if the market is doing well and more retired people move to the area, median income increases even if wages remain stagnant. The largest employment base in the area is agriculture, which is both low wage and seasonal. But the
second largest employment base is education and health care, which offers higher, more stable income for local residents.

It can be helpful to take a step back and evaluate actual local jobs and the associated ability to support a particular rent or mortgage payment, as opposed to looking at statistical averages. The employment surveys provided data for hourly rates and salary ranges for jobs in the service and tourism industry, health care and education. Table 4 below outlines starting wages for services, education and healthcare, as well as an associated “affordable” rent or house payment, the mortgage that payment could leverage assuming a 5% fixed rate mortgage and the associated area median income for those households, adjusted for household size. Comparing local data on current rents (Table 3) and for sale housing prices (Figure 12 and narrative on page 17) with the wage information in Table 4 below, it is clear that there is a significant gap between what local wage earners can afford and what is current available in either the rental or for sale markets.

Table 4: Local wages, associated affordable housing payment, potential mortgage & AMI by household size

<table>
<thead>
<tr>
<th>Job</th>
<th>Starting Hourly Rate</th>
<th>Starting Annual Wage or Salary</th>
<th>Affordable (30%) Rent or Mortgage</th>
<th>Potential Mortgage @ 5%</th>
<th>AMI HH2</th>
<th>AMI HH4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Wage</td>
<td>$11.5</td>
<td>$23,920</td>
<td>$598</td>
<td>$88,100</td>
<td>45%</td>
<td>36%</td>
</tr>
<tr>
<td>FT Service Worker</td>
<td>$14</td>
<td>$29,120</td>
<td>$728</td>
<td>$112,300</td>
<td>54%</td>
<td>43%</td>
</tr>
<tr>
<td>Tourism/management</td>
<td>$20</td>
<td>$41,600</td>
<td>$1,040</td>
<td>$170,500</td>
<td>77%</td>
<td>62%</td>
</tr>
<tr>
<td>Cert. Med. Assistant</td>
<td>$11.5</td>
<td>$23,920</td>
<td>$598</td>
<td>$88,100</td>
<td>45%</td>
<td>36%</td>
</tr>
<tr>
<td>Lic. Practicing Nurse</td>
<td>$17</td>
<td>$35,360</td>
<td>$884</td>
<td>$141,400</td>
<td>66%</td>
<td>53%</td>
</tr>
<tr>
<td>Radio Tech</td>
<td>$21</td>
<td>$43,680</td>
<td>$1,092</td>
<td>$180,100</td>
<td>81%</td>
<td>65%</td>
</tr>
<tr>
<td>Substitute Teacher</td>
<td>$18,611</td>
<td>$465</td>
<td>$63,400</td>
<td>35%</td>
<td>28%</td>
<td></td>
</tr>
<tr>
<td>PE Teacher</td>
<td>$19,930</td>
<td>$498</td>
<td>$69,500</td>
<td>37%</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>Elementary Teacher</td>
<td>$40,290</td>
<td>$1,007</td>
<td>$164,300</td>
<td>75%</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>MS Teacher</td>
<td>$46,290</td>
<td>$1,157</td>
<td>$192,300</td>
<td>86%</td>
<td>69%</td>
<td></td>
</tr>
<tr>
<td>HS Teacher</td>
<td>$42,290</td>
<td>$1,057</td>
<td>$173,700</td>
<td>79%</td>
<td>63%</td>
<td></td>
</tr>
</tbody>
</table>

Community Perspective on Housing

In addition to surveying residents on their housing needs, we surveyed people on their perceptions of housing needs and priorities. One hundred and sixty three people completed the survey. Ninety nine percent of respondents characterized the need for affordable housing as either high or extremely high.

Community perceptions are consistent in terms of prioritizing both affordable rental and affordable homeownership units. Thirty Four percent of respondents rated affordable rentals as their top priority and another 34% prioritized affordable homeownership. Only two percent of respondents thought seasonal housing is a priority need, and 14% and 15% prioritized market rate rental and homeownership respectively (Figure 16).
It became clear during the community conversations that people are certain that the time is right for action in the Chelan Valley. They cite many positive community characteristics, highlighted the recent buzz about the concerns regarding housing affordability, and identified several specific pieces of land or buildings that could easily be converted into affordable housing opportunities.
SECTION 4: CONCLUSIONS, OPPORTUNITIES and RECOMMENDATIONS

The information gathering process to create this report involved community input including round table discussions, key informant interviews, community meetings and surveys. At each of these levels there were individuals who came forward with enthusiasm and thoughts about what affordable housing might be built where. Appendix D is a list of parcels that were identified throughout the process. Additional work has been done on several of the sites identified to evaluate their feasibility for single-family affordable owner occupied housing.

Wherever this housing ends up being situated, there are several considerations that need to be taken into account before any housing can be developed. Specifically, the target market and therefore price point, tenure of that housing (rental or owner-occupied), the financial structure of individual projects and associated subsidies that may need to be accessed in order to make these homes affordable, and the density and structure of that housing (single family, townhome or apartment style).

4.1 Housing Tenure and Financing Options

There is a spectrum of housing tenure that can be used to create affordable housing so that it remains affordable over time. On one end of the spectrum is subsidized rental housing, similar to the USDA subsidized rental apartments where tenants pay no more than 30% of their income towards their housing cost. At the other end of the spectrum are homeownership programs that create a stock of affordable owner-occupied homes that are resale restricted so that each time they sell, they sell at an affordable price to another low-income homebuyer. The following section outlines each of the most viable options and highlights their pros and cons.

<table>
<thead>
<tr>
<th>Table 5: Characteristics of different development types</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financing Option</td>
</tr>
<tr>
<td>Subsidized Affordable Rental</td>
</tr>
<tr>
<td>Unsubsidized Rental</td>
</tr>
<tr>
<td>Scattered Site Market Rate Rentals</td>
</tr>
<tr>
<td>Resale Restricted Owner Occupied Housing</td>
</tr>
<tr>
<td>Down Payment Assistance</td>
</tr>
</tbody>
</table>

Subsidized Affordable Rental Projects

Subsidized affordable rental housing is the most common type of affordable housing across the country today. In Washington, it is usually developed by a nonprofit organization using state and federal subsidies to reduce the project costs so that rents are set below a threshold. Historically, projects also had access operating rental subsidies so that tenants pay no more than 30% of
their income towards housing, but these resources are no longer available for the most part. The most common sources of funding for these types of rental projects include the Washington State Housing Trust Fund, Federal Tax Credits (through the Washington State Housing Finance Commission), Community Development Block Grants (CDBG) and USDA Multifamily Rental Housing Subsidies. Each source has different requirements including varying limits on resident income at the time of initial occupancy. Different units in a project may be limited to households with different maximum incomes, and compliance periods range from 30 to 50 years. Funds are awarded through a competitive grant process and currently most sources prioritize projects serving people who are homeless, have special needs and/or are very low-income.

Affordable rental housing requires more subsidy per unit and affordable owner-occupied housing for a variety of reasons. First, the owner must invest more equity up front to finance a rental project (generally 20%), which translates into needing a higher return for that higher level of investment. Second, rental housing finance comes with higher interest rates, which again translates either into higher rents or more subsidy to bring the rents down to an affordable level. And third, because the funding sources used for rental housing target very low-income households, more public subsidies are needed to offset the costs and bring down the rents to an appropriate level for those lower income households.

The up side of these types of projects is that they provide access to affordable rents for very low-income households. The down side of these projects is that the planning phase often takes years to secure the public subsidies necessary to support a construction budget and make the rents affordable to such low-income households. Furthermore, there are significant strings attached to the funding sources that can be both cumbersome to administer and severely restrict who can, and cannot, rent a home.

**Unsubsidized Rental Projects**

In some communities, housing is largely affordable to build and simply the development of additional units can help address a lack of housing availability. Cost savings from higher density development, or concessions made by the permitting entity can help reduce costs and therefore rents. However, the ACS reports that there have been no new rental units added to the inventory since 2010, so it is likely that in the Chelan Valley, the cost of land and cost to develop housing are high enough that new market rate rental units are not viable in today’s market.

**Scattered Site Market Rate Rental Housing**

Rental housing in the Chelan Valley that is not subsidized largely consists of single-family homes, rustic cabins or trailers for rent in the rural areas. This housing stock is aging and deteriorating, and it appears that most new housing that has recently been developed is either owner-occupied or seasonally vacant and is not available for year-round rentals.

**Down Payment Assistance**

Traditionally, affordable homeownership was made possible with the help of down payment assistance programs. It used to be that what kept people out of homeownership was not the
cost of the home, but the burden of saving for a down payment. So down payment assistance programs used subsidies to allow people to purchase homes that were otherwise considered affordable. That assistance was usually provided in the form of a deferred, second mortgage that was either repaid or forgiven at resale. But as the price of real estate has escalated, the financial gap has grown larger than just the need for a down payment. Furthermore the subsidy that is recaptured does not keep pace with rising home costs and therefore is not large enough to make another home affordable in the future. Because of these changes, best practices are shifting and programs are moving away from offering this type of assistance.

**Resale Restricted Owner-Occupied Housing**

Many programs in Washington State – and across the country – are shifting to using resale restrictions to secure subsidies in owner-occupied housing. As it becomes less viable and a less prudent use of public and private resources to invest large sums of money into a down payment assistance program that would only help a handful of families, those funds are now more commonly invested into programs that create a permanent stock of owner-occupied housing that is resale restricted and therefore remains affordable over time.

Homes are built or purchased and subsidies such as grants or private donations are secured to lower the price so that each house is affordable to a range of low-income buyers. There is a resale restriction put in place at the time the home is sold to the initial buyer to protect the public investment so that it benefits families over and over again. Restrictions on the resale price are governed by a resale formula that is designed to balance the homeowner’s need to build equity, and the needs of the community and future homebuyers for an affordably priced home. When a family decides to sell, the resale formula dictates the price at which the home may be sold, in an effort to ensure that the home is affordable for the next income-eligible family. Homebuyers, in exchange for the affordable or below-market price, agree to these resale restrictions, which are codified in a legally enforceable agreement. Deed restrictions are sometimes used to articulate resale (and other) restrictions but it is preferable to use a ground lease tying the home – owned by the homebuyer – to the land – owned by a community-based, non-profit entity responsible for maintaining the affordability of the home and supporting homeowner success.

This approach could be implemented either through new construction or by using subsidies to reduce the cost to purchase homes in different areas of the Valley. Critical to this approach is the creation and maintenance of a “stewardship entity”. Community Land Trusts (CLTs) are the most common type of such entities. A CLT or similar type of organization, needs to maintain responsibility for determining homebuyer eligibility, overseeing resales, monitoring compliance by homeowners of the terms of the ground lease and other assorted stewardship functions.

The public subsidy sources for owner-occupied housing include the Washington State Housing Trust Fund, Community Development Block Grants, Federal Home Loan Bank, the Self Help Opportunity Program and, private bank and foundations and private donors. There are considerably fewer strings attached to this funding for ownership than to that of rental housing, and the duration of restrictions range from 10 – 50 years.
In addition, the US Department of Agriculture offers Section 502 mortgage loans. This program offers fixed, low interest rate mortgages to income eligible homebuyers and then provides ongoing interest rate subsidies to further reduce monthly costs, which can allow households at even lower income to afford to purchase a resale restricted owner-occupied house and often pay less than they previously paid to rent in the valley. The Washington State Housing Finance Commission, through its lender partners, also offers below-market interest rate mortgages. These programs can be accessed by individual homebuyers and combined with the development of any affordable owner-occupied housing to further increase affordability and expand the income range of families served.

Housing Configuration

The configuration of affordable housing is no different than that of market rate housing. It can range from detached, scattered site single-family homes to large multi-family housing complexes and everything in between. Ideally, a community has a mix of unit types, sizes and prices scattered throughout. Which housing type is ultimately developed is often a function of feasibility: the tenure type (ie. rental versus homeownership), the cost to develop and the potential opportunities given available land and current zoning codes.

Local Incentives and Funding Sources for Affordable Housing

It is becoming increasingly common for local governments to participate in the creation of affordable housing. As state and federal resources dwindle, more and more localities are pursuing their own solutions to incentivize and fund the creation of affordable housing units in their communities. Efforts in the Chelan Valley include the City of Chelan’s efforts to evaluate their rate structure of public water and sewer services, incentives in the planning and zoning regulations to expedite permitting and/or increase density in an effort to encourage the creation of affordable housing. Similarly, the City provided funding for this report in an effort to better understand the current challenges around affordable housing. And finally, Chelan County has come to the table with a potential land donation or land sale with offsetting funding to help create affordable housing in the areas immediately adjacent to the Chelan City limits.

In today’s economic climate, it is increasingly important for local jurisdictions to require a commitment of long-term affordability for any housing units created as a result of local concessions or funding. This helps ensure that the housing created as a result of that public investment or concession is affordable to low-and moderate-income households today as well as in to the future.

4.2 Project Priority Focus

Given the subsidy levels and time frames necessary to successfully secure funding to develop subsidized rental housing, along with the availability of land donations for the development of for sale single-family houses, the effort in the Chelan Valley will likely begin with an project to build resale restricted owner-occupied homes. The owners of the Lookout have expressed an interest in donating a 2.5-acre lot that may be suitable to construct up to 20 single-family homes. They have also made their building plans available for modification into smaller more efficient homes to help reduce costs. Preliminary analysis is underway to evaluate building costs and
associated funding necessary to complete such a project. Given the lack of funding at the State and Federal level, and the competitive funding environment and associated long time horizons associated with those funding streams when they are available, the expectation at this point is that initially, any effort will be undertaken using private fundraising as opposed to public grants.

Public and Private Financial Support

More and more communities are re-defining the way we provide affordable housing. Twenty years ago, affordable housing, both rental and homeownership, was developed almost entirely with the help of state and federal funding sources. Today’s environment is completely the opposite. State and federal housing resources are shrinking at a time when the gap between what people can afford and what housing costs has never been wider. In order to address this, local communities are looking internally for solutions.

The City of Chelan took a leadership role in initiating this process and hiring the consultant to complete this housing needs assessment. Ideally, their financial support will continue and even expand as this effort moves forward so that it not only provides some financial support to the organization that creates this housing, but finds creative ways to reduce costs and provide financial support to create the affordable homes within the City of Chelan.

Similarly, there has been an extraordinary response by local residents to the initial fundraising efforts to get this effort off the ground. This will need to continue if it is going to be a success. There will need to be operating funding to get an organization off the ground to build these homes, qualify the homebuyers and oversee the long-term success of this housing and its occupants, as well as resources to reduce the price of either the house or the rent to a point at which it is affordable to local working residents.

Target Population

Assuming the public investments into these homes will be from private and local sources, the incomes of the target households does not need to be artificially limited to those earning less than 80% of area median income, as is usually the case with publically funded affordable housing. There may be a slightly higher threshold that applies if there is support by the City of Chelan, but that limit will likely be higher than 80% of area median income, or can be designed to only apply to lower-income households within the development if they need additional assistance.

Considering the incomes and associated rents in Table 4 above, buyers with incomes within that range, starting at about $25,000 a year, could purchase houses priced between $150,000 and $175,000. Higher income households would access conventional mortgages and have monthly principal, interest, taxes and insurance (PITI) payments between $1,040 and $1,200. Lower income households could purchase using USDA 502 Direct mortgage loans and have payments ranging from $700 to $1050. The decisions makers will need to make the final determination regarding target population and associated pricing.
4.3 The Chelan Valley Housing Trust

Given the current need for affordable housing in the Chelan Valley and the associated desire and urgency to address at least part of that need, an entity is beginning to form to take on this challenge, the Chelan Valley Housing Trust (CVHT). The City’s inspired Affordable Housing Committee has continued to meet and guide this assessment process, and has recently been expanding its membership in hopes of forming a new 501(c)3 community land trust.

As of the drafting of this report, the larger group has been meeting twice a month since July, has drafted articles of incorporation and bylaws and is in the process of filling out its 501(c)3 application (See Appendix E for a list of the current Affordable Housing Committee members). In the mean time, Chelan Valley Hope has agreed to be the fiscal sponsor so that CVHT can hit the ground running. CVHT is organizing itself as a community land trust with a mission to provide low-and moderate-income households with quality, permanently affordable housing. The organization will be a membership organization governed by an elected board of directors that is made up of at least 33% CVHT homeowners.

CVHT is committed to partnering with other organizations and nonprofits in the area that provide other forms of housing or otherwise serve the same target population. The hope is that they may team up with groups like Habitat for Humanity to ensure that affordable housing options that are created in the Valley remain affordable for future residents as well.

4.4 Conclusions and Next Steps

Like much of Washington, the Chelan Valley is experiencing rapidly rising housing costs and relatively stagnant wages, creating substantial pressure on working families who struggle to find housing. But unlike much of Washington, the Chelan Valley also suffers from a corresponding shrinking of the housing stock itself, as both existing and new housing stock appear to shifting into seasonally vacant housing.

But the good news is there is a strong, broad based understanding that there is a problem and a corresponding desire to take matters into their own hands and create a solution. The funding of this report, the creation of the Chelan Valley Community Land Trust and the willingness of local residents to donate time, money and land to support a solutions to the current affordable housing crisis are what will make it possible to create a stock of permanently affordable housing for residents in the Chelan Valley.

Next Steps

But there is a lot to do if this effort is going to be a success! Below is the beginnings of a to do list for the Chelan Valley to move forward with the creation of a community land trust and subsequent creation of permanently affordable owner occupied homes at the Lookout, and beyond.
Organizational Formation Action Items:
- Confirm Board of Directors
- Define Mission
- Define Vision
- File Articles of incorporation
- Approve Bylaws
- Submit 501(c)(3) filing
- Website
- Draft Staff position description
- Clarify board roles/positions & board recruitment
- Hire staff

Housing Feasibility and Development Action Items:
- Value engineer house plans (900 – 1300 SF, no garage, etc.)
- Site planning for Lookout Site (determine density)
- Further Research housing development costs (site development + housing construction)
- Identify affordability gap and subsidy necessary

Housing Policy Committee Action Items:
- Identify target market
- Determine a pricing policy
- Determine a resale formula
- Customize a ground lease
- Create a marketing and outreach plan

Fundraising & Operational Support Committee Action Items:
- Continue fundraising efforts to raise operating funding for CVHT to get up and running
- Begin fund raising efforts to close the gap between the cost to develop the homes at the Lookout and what the target buyers can afford
- Research opportunities for support from City and County government for both operations and housing development
Appendix A: Overview of Consultants’ Experience

Julie Brunner

Julie Brunner is a nationally recognized expert in planning and implementation of affordable housing strategies. She has extensive experience in participatory community and organizational capacity assessments. She has supported a wide variety of communities and organizations in the Northwest and across the country to assess and plan for meeting their unique affordable housing needs. Additionally she is a technical assistance provider, trainer and course designer for the National Community Land Trust Network and Neighborworks America’s Neighborworks Training Institute.

In addition to being a Consultant, Ms. Brunner has served as OPAL Community Land Trust’s Housing Manager, on Orcas Island, Washington since moving there January 2002. As such, she regularly assesses housing needs for Orcas Island to implement solutions in that community.

Ms. Brunner has worked in community development and affordable housing since 1995 and prior to that in social service and international economic development. She has a B.A. in economics from Virginia Polytechnic Institute and an M.C.R.P. in city and regional planning from Rutgers University.
Appendix B: Housing Survey

Chelan Valley Housing Needs Assessment
Housing Needs Questionnaire

1. Is your household income:
   a. <$20,000 ____________
   b. $20,000 - $25,000 ____________
   c. $25,000 - $30,000 ____________
   d. $30,000 - $35,000 ____________
   e. $35,000 - $40,000 ____________
   f. $40,000 - $50,000 ____________
   g. Above $50,000 ____________

2. Are you employed:
   a. Full time ____________
   b. Part time ____________
   c. Seasonally ____________

3. What is your household Size? ______

4. How long have you lived in the Chelan Valley? ____________
   a. Do you live in the Chelan Valley: 
      _____ Full-time
      _____ Parts of the year

5. How many times have you moved in the past 3 years? ______

6. What is your current rent?
   a. Does this include utilities
   b. What can you afford to pay for housing?
   c. How many bedrooms do you have?

7. What best describes your current housing situation? (Check all that apply)
   a. I am currently seeking housing and living with friends/ family/ camping
      ____________
   b. I am a renter and my term is ____________
   c. I am a renter and I don’t have a lease ____________
   d. I am a homeowner ____________
   e. Other – please explain
      ____________________________________________________________
      ____________________________________________________________.
8. What describes your current housing? (Check all that apply)
   a. I am living in over-crowded housing _______
   b. I am living in sub-standard housing:
      i. Lacks insulation _______
      ii. Lacks plumbing _______
      iii. Poor condition _______
      iv. Tent/vehicle _______
      v. Other ____________________________________________
   c. I am living in adequate housing _____
   d. I am living in high quality housing ___
   e. I am at risk of eviction ______
Appendix C: Community Survey

Chelan Valley – Housing Needs Assessment
Community Perception and Priorities Questionnaire

Please help us get started by completing the brief questionnaire below.

Perceived Need and Target Market

1. How would you characterize the need for affordable housing in the Chelan Valley?
   - Extremely high
   - High
   - Moderate
   - Low
   - Not needed

2. What type of housing do you think is most needed? Rank from highest to lowest:
   - Seasonal employee rental housing
   - Long-term affordable rental housing (add rent range here)
   - Long-term market rate rental housing (add rent range here)
   - Affordable owner-occupied Housing (add monthly payment range)
   - Market rate owner-occupied housing (add monthly payment range)
   - Not needed

3. What population segments are in need of affordable housing options? (check all that apply)
   - Retail/service industry workers ___ Annual Income less than $25,000
   - Essential service providers ___ Annual Income $25,000 - $34,999
   - Families ___ Annual Income $35,000 - $44,999
   - Seniors ___ Annual Income $45,000 - $55,000
   - People with disabilities ___ Annual Income greater than $55,000
   - Other: ____________________
4. What strikes you as an “affordable” monthly rent for two people having trouble making ends meet?
   - $1,000 or more
   - $750-$1,000
   - $500-$749
   - $250-$499
   - $249 or less

5. Other comments on need or target market?

Design and Amenities

6. What, if any, concerns do you have about the development of affordable housing in the Chelan Valley? (check all that apply)
   - Look and feel
   - Density
   - Fit with neighborhood/surroundings
   - Impact to private rental market
   - People taking advantage
   - Not available to me (income too high)
   - Not available to me (not enough units available)
   - Other: _______________

7. What amenities or features would most help an affordable housing development succeed? (check all that apply)
   - Located near services/employment
   - Near schools
   - Common area/play area
   - Adequate parking
   - Vegetable garden
   - Accessibility (age and disability-friendly)
   - Owner-occupied
   - Other: _______________

8. Other comments on design and amenities?

9. Other comments in general?
## Appendix D: Potential Parcels for Development

<table>
<thead>
<tr>
<th>Owner</th>
<th>Description /Location</th>
<th>Other notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Habitat</td>
<td>E. Wapato Street</td>
<td>Potential for 5 homes.</td>
</tr>
<tr>
<td>The Lookout</td>
<td>2.5 Acres at the base of The Lookout</td>
<td>Maximum density = 20 homes.</td>
</tr>
<tr>
<td>WAFED</td>
<td>Lake Hills 160 Acres – 68 lots</td>
<td>Foreclosed and bank owned. 40 lots ready to go.</td>
</tr>
<tr>
<td>Chelan County</td>
<td>Beebe Springs Parcel 20 Acres, 10 developable</td>
<td>Needs soil testing</td>
</tr>
<tr>
<td>Gibson House</td>
<td>$240,000 price</td>
<td>Common kitchen, bunk house option.</td>
</tr>
</tbody>
</table>
Appendix E: Affordable Housing Committee Members Sept 2018

1. Mike Cooney, City of Chelan Mayor
2. Tim Hollingsworth, City of Chelan Councilmember
3. Rachael Goldie, City of Chelan Planning Commissioner
4. Guy Evans, Realtor (Coldwell Banker)
5. Sharon Lukacs, Chelan Valley Hope
6. Nestor Lemus, Lender (Wells Fargo Bank)
7. Clint Campbell, Campbell’s Resort
9. Diane Leigh, Realtor (Remax), Habitat for Humanity Board Member
10. Arlene Abbott, Community Leader