

CHAPTER 3

HOUSING ELEMENT

HOUSING VISION

The City of Mount Vernon is a welcoming community, characterized by a home-town atmosphere, with diverse housing options available to a full spectrum of its residents throughout their lives. Mount Vernon strives to meet a high standard of livability with a mix of home ownership and rental opportunities and is committed to protecting and improving existing residential neighborhoods, balancing new development with the rehabilitation of existing housing, and ensuring that residents have opportunities to work near their homes without having to commute long distances.

INTRODUCTION

This Housing Element recognizes the vitality and character of established residential neighborhoods and identifies sufficient land for housing to accommodate a range of housing types and prices in the City of Mount Vernon, Washington.

Consistent with the Growth Management Act (GMA), the goal is that Mount Vernon contains a diversity of

housing types to enable citizens from a wide range of economic levels and age groups to live here, and to ensure an adequate supply of affordable and attainable housing.

This Element balances the communities desire to keep their small town character while grappling with the complex issues of housing affordability and the changing trends of how people want to live.

1.0

PURPOSE & BACKGROUND

The primary purpose of the Housing Element is to establish goals and policies that will guide the development and rehabilitation of housing units in the City over the planning horizon – which is 2016 to 2036. Local governments planning under GMA are to prepare a Comprehensive Plan Housing Element that:

“[ensures] the vitality and character of established residential neighborhoods that: (a) includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth; (b) includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences; (c) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and (d) makes adequate provisions for existing and projected needs of all economic segments of the community.”

This document is structured to examine the historical context of the city’s existing housing and the forces that impacted this housing as it was developed in years past and to inventory existing housing conditions. Following this historic and existing conditions analysis Goals, Objectives and Policies addressing areas of concern are provided. To understand the need for housing, particularly that for low income and special needs groups, it is important that a number of factors other than the actual location and construction of housing be understood. As such, in addition to actual housing data this document provides information on the following:

- Characteristics of the current population and forecasted growth;
- Wages and income and the trends in job creation;
- How the existing housing stock is being occupied;
- Social factors such as household composition, race, and ethnicity

The Housing and Land Use Elements, together, promote a range of housing types at urban densities, meeting the GMA housing goal stated above as well as other GMA goals for encouraging urban growth where public services are or can be made available and avoiding sprawl.

The City’s Housing Element demonstrates how a range of housing types for different economic segments can be accommodated. The City is not required to build the units, but to allow and encourage ~~for~~ the construction of housing by private and public entities through the City’s plans and regulations. This document is organized into seven primary subject areas that include:

- 1.0: PURPOSE & BACKGROUND
- 2.0 MOUNT VERNON PROFILE, THEN & NOW
- 3.0 HOUSING PROFILE
- 4.0 ECONOMIC PROFILE
- 5.0 SOCIAL PROFILE
- 6.0 AFFORDABLE HOUSING
- 7.0 GOALS, OBJECTIVES & POLICIES

Comment [O1]: Demographic Profile (not social) would be more appropriate. Please see notes later in document as to why.

Comment [O2]: The way this has been organized raises some concerns about the overall relevance of some of the data and how it is presented out of context. In the 2005 Jones and Stokes, the housing profile included housing types and proceeded to define characteristics and trends that relate directly to housing needs. In this new draft homelessness is under the economic profile along with “special populations”. Because of the complexities of these issues, this classification could mislead the reader. We strongly recommend a re-organization of this document in order to best define the issues and the solutions. We also noted omissions along the way of other critical housing needs that were previously mentioned in the 2005 plan.

1.1 BACKGROUND

The City of Mount Vernon is the largest incorporated city in Skagit County in both population and land area. Mount Vernon is the county seat with nearly a quarter of the county’s total population. Interstate-5 along with State Routes 536 and 538 traverse the City making it an easily accessible location for both people and businesses.

Mount Vernon is the home of the County’s courthouse, jail and administrative buildings as well as the City’s administrative offices, the Skagit Valley Hospital, and the Skagit Valley Community College. The City’s location, its service oriented downtown, and the existing population and density mean that it is the logical place for a myriad of social service providers. As the major urban center in the County, it provides a variety of urban amenities such as shopping opportunities, public services, and a mixture of housing types that are attractive to current ~~residents, and~~ ~~future residents.~~

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Map 1.0 shows the City’s jurisdictional boundary and its location regionally.

1.2 FUTURE 20-YEAR GROWTH

The City has been tasked to accommodate 12,434 new residents which will equate to approximately 4,537 new homes. This conversion from future population to future homes is done with an average household size of 2.76 that is taken from the 2010 U.S. Census.

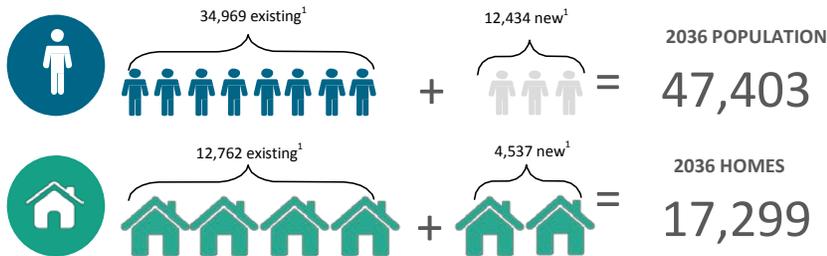
The Land Use Element (Chapter 2) of the Comprehensive Plan provides further details with regard to the methodology by which the overall growth was determined and the process by which these growth numbers are adopted through a multi-jurisdictional process.

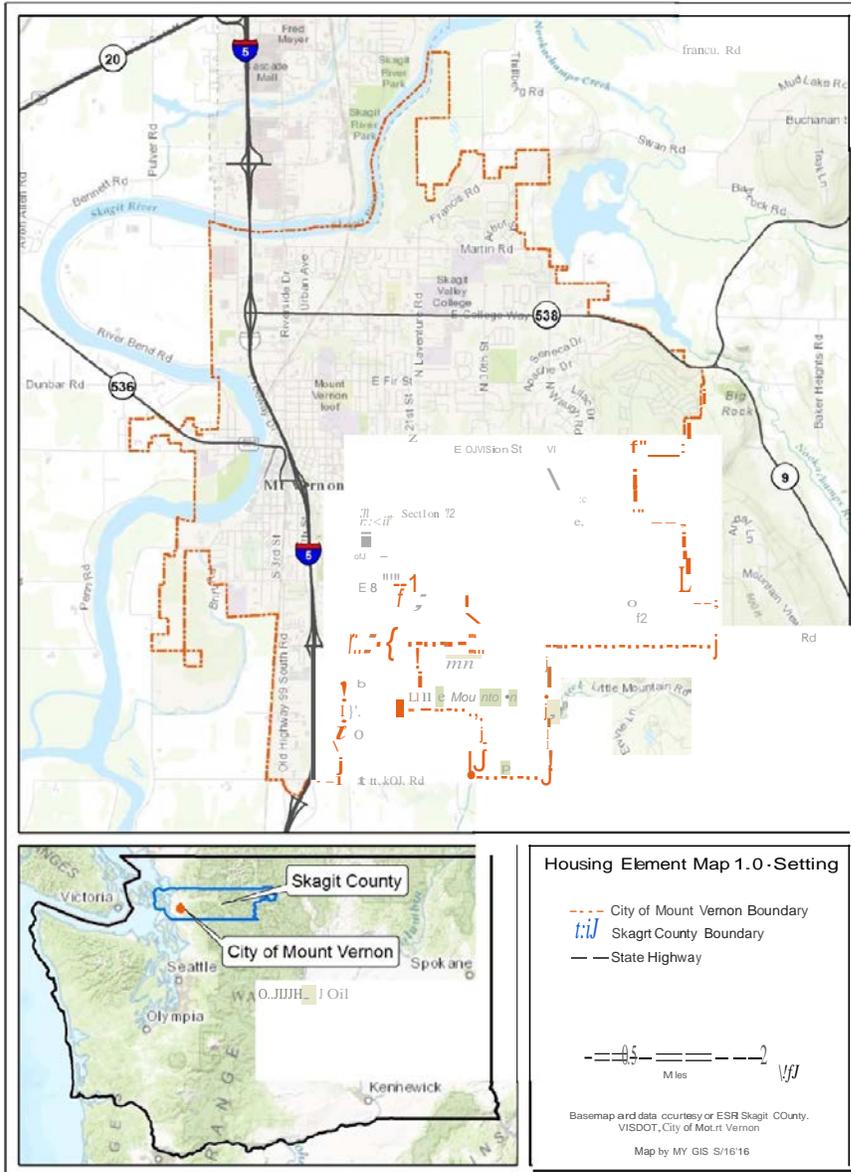
The Land Use Element (Chapter 2) in conjunction with its Buildable Lands & Land Capacity Analysis shows that the City is able to accommodate the projected growth identified in Table 1.0 over the 20-year planning timeframe without having to up zone areas or amend the City’s development regulations. Although these documents (the Land Use Element & Buildable Lands/Land Capacity Analysis) clearly show that a range of housing can be created the analysis within this Element shows that ensuring new housing is affordable to all income levels will continue to be a challenge for the City.

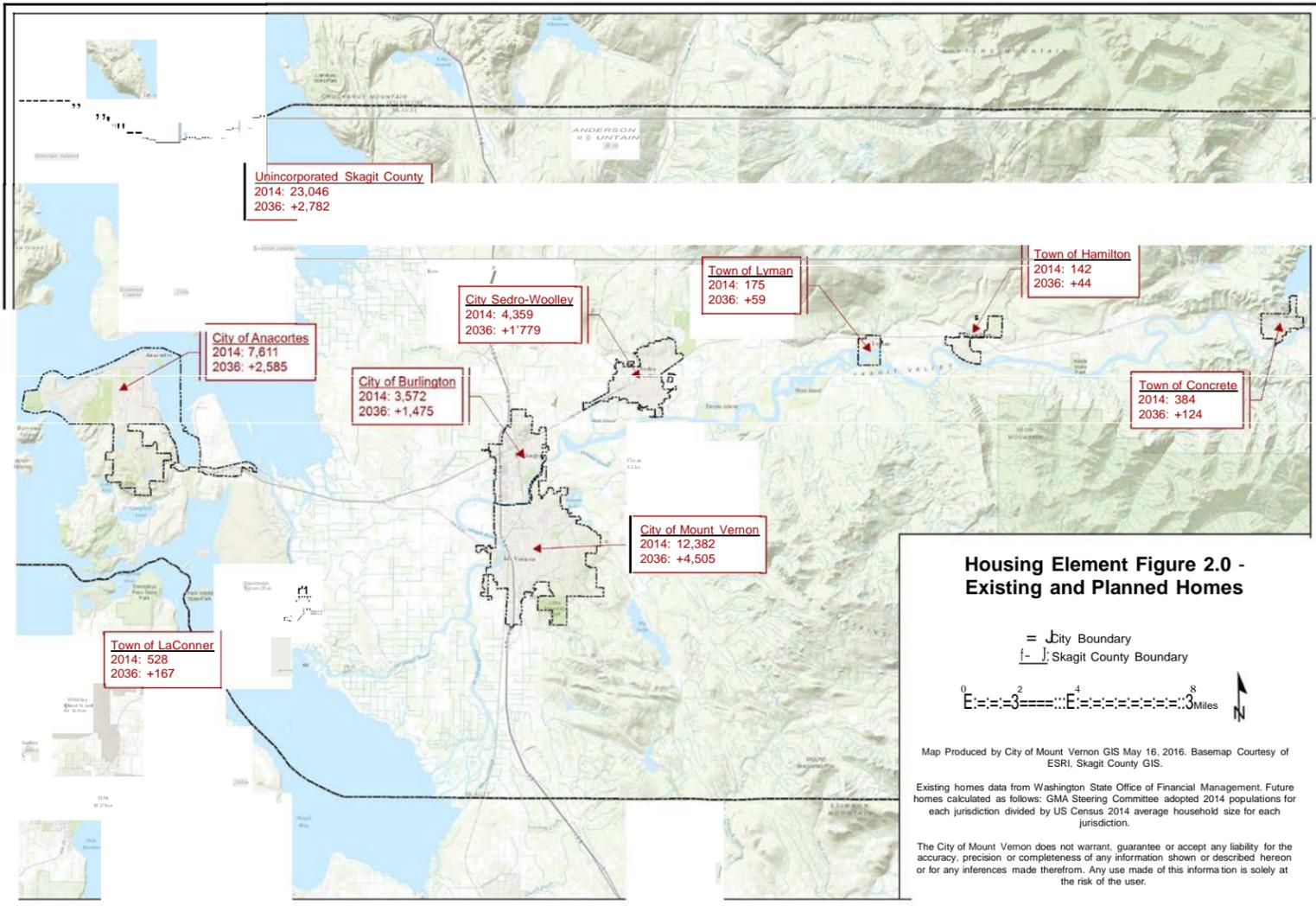
Comment [DM3]: There is no question that there is not adequate land allocated within the proposed Land Use Element and Buildable Lands Inventory that will accommodate the amount of multifamily housing that will be needed to make up for a serious deficiency of affordable apartments. The lack of multifamily development over the last 10 years can be traced back to the existing land use regulations, zoning code and the fact that the existing Land Use Code and Zoning regulations did not implement the Goals, Objectives and Policies that were adopted in 2006 when the Comp Plan was last updated.

Map 2.0 shows the existing and 20-year forecasted housing units that unincorporated Skagit County and all of the cities and towns are anticipated to accommodate.

TABLE 1.0: EXISTING AND FUTURE POPULATION & HOUSING

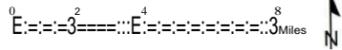






Housing Element Figure 2.0 - Existing and Planned Homes

= City Boundary
 - - - Skagit County Boundary



Map Produced by City of Mount Vernon GIS May 16, 2016. Basemap Courtesy of ESRI, Skagit County GIS.

Existing homes data from Washington State Office of Financial Management. Future homes calculated as follows: GMA Steering Committee adopted 2014 populations for each jurisdiction divided by US Census 2014 average household size for each jurisdiction.

The City of Mount Vernon does not warrant, guarantee or accept any liability for the accuracy, precision or completeness of any information shown or described hereon or for any inferences made therefrom. Any use made of this information is solely at the risk of the user.

1.3 DEFINITIONS

There are a number of terms used throughout this document that need to be understood to fully comprehend parts of this document. Following is a list of several of the terms used most often in this report that will be helpful to understand before reading this document.

TERM	DEFINITION
AFFORDABLE HOUSING	Affordable housing is housing for which the occupant is paying no more than 30 percent of their gross income for housing costs, including utilities other than telephone, cable, internet (and the like) to qualify as affordable housing.
AREA MEDIAN INCOME (AMI)	Also known as the median family income, is an estimate of median family income for a metropolitan or non-metropolitan area. These are developed with U.S. Census data and an inflation factor based on the CBO forecast of the national CPI. HUD calculates and releases this data on a yearly basis. In Skagit County the AMI in 2015 for a family of four was \$68,200.00.
FAIR HOUSING ACT	The Fair Housing Act was adopted in 1968 (and amended in 1974 and 1988) providing the HUD Secretary with fair housing enforcement and investigation responsibilities. This law that prohibits discrimination in all facets of the home buying process on the basis of race, color, national origin, religion, sex, familial status, or disability. The Fair Housing Program provides funding to public and private entities formulating or carrying out programs to prevent or eliminate discriminatory housing practices.
FAIR MARKET RENTS	FMRs are gross rent estimates that HUD calculates on a yearly basis. They include the rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. The 2016 Skagit County FMR for a three (3) bedroom unit is \$1,331.00.
FAMILY	According to the U.S. Census a family consists of two or more people (one of whom is the householder) related by birth, marriage, or adoption residing in the same housing unit.
FARMWORKERS	According to the U.S. Department of Labor An MSFW is either, a migrant farmworker , a seasonal farmworker , or a migrant food processing worker: <u>Seasonal Farmworkers - is a person who during the preceding 12 months worked at least an aggregate of 25 or more days or parts of days in which some work was performed in farmwork earned at least half of his/her earned income from farmwork , and was not employed in farmwork year round by the same employer.</u> <u>Migrant Farmworkers - is a seasonal farmworker who had to travel to do the farmwork so that he/she was unable to return to his/her permanent residence within the same date.</u>

Comment [DM4]: It should be stated that the most affordable housing is generally multifamily housing.

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DRAFT – MAY 25, 2016

Migrant Food Processing Worker - means a person who during the preceding 12 months has worked at least an aggregate of 25 or more days or parts of days in which some work was performed in food processing (as classified in the North American Industry Classification System (NAICS) 311411, 311611, 311421 for food processing establishments), earned at least half of his/her earned income from processing work and was not employed in food processing year round by the same employer, provided that the food processing required travel such that the worker was unable to return to his/her permanent residence in the same day. Migrant food processing workers who are full-time students but who travel in organized groups rather than with their families are excluded.

HOMELESS

According to the U.S. Department of Health and Human Services: A homeless individual is defined in section 330(h)(5)(A) as "an individual who lacks housing (without regard to whether the individual is a member of a family), including an individual whose primary residence during the night is a supervised public or private facility (e.g., shelters) that provides temporary living accommodations, and an individual who is a resident in transitional housing." A homeless person is an individual without permanent housing who may live on the streets; stay in a shelter, mission, single room occupancy facilities, abandoned building or vehicle; or in any other unstable or non-permanent situation. [Section 330 of the Public Health Service Act (42 U.S.C., 254b)]

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An individual may be considered to be homeless if that person is "doubled up," a term that refers to a situation where individuals are unable to maintain their housing situation and are forced to stay with a series of friends and/or extended family members. In addition, previously homeless individuals who are to be released from a prison or a hospital may be considered homeless if they do not have a stable housing situation to which they can return. A recognition of the instability of an individual's living arrangements is critical to the definition of homelessness. (HRSA/Bureau of Primary Health Care, Program Assistance Letter 99-12, Health Care for the Homeless Principles of Practice)

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HOUSEHOLD

According to the U.S. Census a household consists of all people who occupy a housing unit regardless of relationship. A household may consist of a person living alone or multiple unrelated individuals or families living together.

TERM

DEFINITION

HOUSING FIRST

The National Alliance to End Homelessness describes the Housing First approach as follows:

Housing First is an approach that centers on providing homeless people with housing quickly and then providing services as needed. What differentiates a Housing First approach from other strategies is that there is an immediate and primary focus on helping individuals and families quickly access and sustain permanent housing. This approach has the benefit of being consistent with what most people experiencing homelessness want and seek help to achieve. Housing First programs share critical elements:

- There is a focus on helping individuals and families access and sustain rental housing *as quickly as possible and the housing is not time-limited*;
- A variety of services are delivered primarily following a housing placement to promote housing stability and individual well-being;
- Such services are time-limited or long-term depending upon individual need; and
- Housing is not contingent on compliance with services – instead, participants must comply with a standard lease agreement and are provided with the services and supports that are necessary to help them do so successfully.

Comment [O5]: This is a great addition. Do we need to define other sorts of movements and tools as well? i.e Permanent supportive housing, low barrier shelters?

HUD – U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The Department of Housing and Urban Development (HUD) is a U.S. government agency created in 1965 to support community development and home ownership. HUD does this by improving affordable home ownership opportunities, increasing safe and affordable rental options, reducing chronic homelessness, fighting housing discrimination by ensuring equal opportunity in the rental and purchase markets, and supporting vulnerable populations.

INCOME LEVELS:

- **EXTREMELY LOW**
- **VERY LOW**
- **LOW**
- **MODERATE**
- **MIDDLE**

Households are defined by HUD, and other Federal/State agencies, into the following general categories based on household income. The percentages listed below can vary; however, for the most part, the income percentages below are representative.

“Extremely Low Income” means households whose incomes do not exceed 35 percent of the area median income.

“Very low-income” means households whose incomes are between 36 percent to 50 percent of the area median income.

“Low income” means households whose incomes are between 51 percent and 80 percent of the area median income.

“Moderate Income” means households whose incomes are between 81 percent and 95 percent of the area median income.

“Middle Income” means households whose incomes are between 96 percent and 120 percent of the area median income.

TERM	DEFINITION
LOW INCOME HOUSING TAX CREDIT	<p>A tax credit program that allows businesses or investor(s) that pay Federal taxes to buy (generally at a discounted rate) tax credits from a housing developer who has been awarded these credits. The business/investor(s) are able to reduce their Federal tax bill – dollar for dollar with these credits.</p> <p>The U.S. Department of Treasury issues allocates Federal Tax Credits to the U.S. each state based on population. In Washington State the Housing Finance Commission administers the tax credits that are awarded to housing developers (generally non-profit) in exchange for the creation of housing reserved for those with very low incomes.</p>
POVERTY	<p>The Census Bureau uses income thresholds that vary by family size and composition to determine poverty rates. Poverty rates do not vary geographically, but are updated for inflation.</p> <p>In 2015 a family of four had a poverty guideline of \$24,250.00.</p>
SPECIAL POPULATIONS	<p>HUD defines ‘special populations’ due to the particularly vulnerable nature of these populations. Special population include those that are: elderly, severely mentally ill, addicted to drugs/alcohol or other substances, developmentally disabled, infected with HIV/AIDS, physically disabled, victims of domestic violence, and the homeless.</p>
SUBSIDIZED HOUSING	<p>Within the context of this Element ‘Subsidized Housing’ means housing that is in part or whole paid for by someone other than the housing occupant.</p> <p>Housing subsidizes come in a number of different forms; and many times more than one type of subsidy is used to make a project affordable. More common types of subsidies include housing vouchers (tenant or project based), they can be or public housing subsidized construction but not operations, although these properties can take vouchers. they can be housing that has utilized Federal tax credits.</p>
SUPPORTED HOUSING	<p>This program is authorized by title IV of the Stewart B. McKinney Homeless Assistance Act (the McKinney Act). The program is designed to promote the development of supportive housing and supportive services, including innovative approaches to assist homeless persons in the transition from homelessness, and to promote the provision of supportive housing to homeless persons to enable them to live as independently as possible.</p>
VOUCHERS	<p>Housing vouchers are used by a number of different Federal programs such as HUD and the U.S.D.A. that pays a portion of rent and utilities for those who qualify for these programs. These programs are generally for those making less than 50 percent of the AMI. Those receiving a voucher are able to choose housing within a community and use their voucher to pay for part of their housing costs – making the vouchers tenant-based assistance. More common voucher programs include Section 8, and Veterans Affairs Supportive Housing (VASH).</p>

Comment [DM6]: There should be mention that the time commitment that housing developers make as a condition of participation in the Tax Credit program is 40 years. The Federal Low income Housing Development Tax Credit Program is considered to be one of the most effective ways to develop low income affordable multifamily housing.

Comment [O7]: New paragraph:
The current federal tax credit program allows special needs housing developers to partially subsidize construction by the award and selling of tax credits (normally at a discount). Tax credit investors (banks, insurance companies, or other investors) recoup their investment by applying the credits to their actual federal income tax bill over a ten year period.

Comment [O8]: ??

TERM

DEFINITION

WORKFORCE HOUSING

Workforce housing is a term that is becoming more commonly used; however, there is not a definitive definition for it. This term is generally meant to describe a situation when low to middle class residents are not able to live in the community they work in.

In the context of this element workforce housing describes those working in Mount Vernon whose income is more than 60 percent of the AMI and less than 90 percent of the AMI. Residents that work in retail sales, food service and tourism are among those who may have difficulty finding housing that is affordable to them.

2.0 MOUNT VERNON PROFILE – THEN AND NOW

Housing markets are driven primarily by household growth trends. Expanding population, household size/composition, employment opportunities, and migration are the primary variables that determine housing demand. While demographics, both historic and projected, are not the primary factor determining future trends in a housing market, they are key indicators of how much, and what type, of additional housing is likely to be needed as the City grows.

The tables below contain profiles of Mount Vernon’s population, housing, and economics from 1990 to 2014. Certain profile items have been selected that have changed significantly over time; or are significantly different than nearby jurisdictions, to be further elaborated on in the following sections. An item was considered to have a significance difference if it was five percent (5%) or more over time or as compared.

The following summary statements were prepared regarding Mount Vernon’s population, housing, and economics as they relate to housing issues.

- Mount Vernon’s percentage of single-family homes have increased from 58% in 1990 to 66% in 2014 and its multi-family homes have decreased during this same time frame from 33% to 28%. ~~However, a historical look beyond 1990 shows that Mount Vernon’s single family homes have decreased from 90% in 1960 and its multi-family homes have increased from 10% also in 1960.~~

Compared to Skagit County and an average of the incorporated Skagit County cities Mount Vernon has fewer single-family and more multi-family units. Comparisons of Mount Vernon’s unit composition to other cities within the State of Washington that have three times as many, and nearly one-third of the housing units of Mount Vernon it was found that Mount Vernon composition of these units is within 1% for single-family units and within 2% for multi-family units – making Mount Vernon’s composition strikingly similar to these other cities. ~~That being said, Mount Vernon is the largest city in the county and has the greatest number of support services for marginalized populations.~~

- Mount Vernon’s average household size has increased through time from 2.30 in 1970 to 2.80 in 2014. Mount Vernon has a higher household size than unincorporated Skagit County, its incorporated cities, the State of Washington and the United States. It should be noted that with the retirement of the Baby Boom generation and the amount of age restricted development that has occurred over the last 10 years in the City of Mount Vernon, that the average household size will likely go down as age restricted development increased as a % of the total number of residential units that are developed.
- Mount Vernon’s home ownership rate has dropped slightly from 1990; from 57% to 55% in 2014. ~~This trend is more dramatic the further back in time this statistic is traced. For example, in 1960 68% of Mount Vernon residents owned their homes – a 13% drop.~~
- Mount Vernon’s occupants per room (all rooms within a home; not just bedrooms), a measure indicating likely over crowding within housing units, has increased from 1990 to 2014. Mount Vernon has a higher occupant per room count than Skagit County, its incorporated cities, the State of Washington, and the

Comment [O9]: This is stated but 1960 is included in a number of places.

Comment [O10]: Also of significance is the shortage of beds for behavioral health patients, opioid epidemic, increase of waiting list on section 8 vouchers, farmworker housing waitlists have grown, as well as our homeless numbers.

Comment [O11]: There needs to be a statement about what data sources were used and the dates.

Comment [DM12]: There is no reason to be looking back to 1960. We should be focused on the last 10 years and how the City has addressed the need for affordable housing.

Comment [DM13]: A table should be developed showing by year how much multifamily housing was built, how much of it was privately developed and how much was built by non-profit housing developers. A statement must be added that clearly states that not enough affordable multifamily and single family housing was developed over the last 10 years.

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Comment [O14]: Again- why 1960? The current housing crisis should be the focus.

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United States. “Doubling up” or overcrowding can be the result of: a shortage of affordable housing options; cultural choices; economic demands; or medical issues.

- Mount Vernon has a lower per capita income than Skagit County and all of its incorporated cities. Amongst these jurisdictions Mount Vernon’s median household and family income also ranks among the lowest.

- Individuals below poverty level increased significantly from 13.2% in 1990 to 21.7% in 2014; and the number of households using food stamps (SNAP) sharply increased from 15.1% in 2010 to 23.6% in 2014.

- The median mortgage cost for an owner occupied home increased by 143% from 1990 to 2014 (from \$641.00 to \$1,557.00). During this same timeframe median gross rent increased 113% from \$426.00 in 1990 to \$906.00 in 2014.

Comment [O15]: This is part of the supply and demand issue in our county.

- Comparing income and housing costs over time we see that household, per capita, and family incomes have increased at dramatically lower rates than mortgage and rent costs have. For example, median family income has risen 52% compared to the 143% increase in median owner occupied home mortgage costs between 1990 and 2014.

- Mount Vernon does not have enough housing that is affordable to over half of its residents. Affordability being defined as those paying 30% or less of their income on housing. Using this definition in Mount Vernon nearly 40% of homeowners with a mortgage are paying more than 30% of their income on housing; and 65% of renters are paying more than 30% of their income on housing.

- Mount Vernon’s married couple households have decreased from 50.4% in 1990 to 47.4% in 2014. During the same time frame the percentage of ~~single- female heads of householders (with no husband present)~~ has increased significantly from 11.3% in 1990 to 16% in 2014. This is relevant in that single-female heads of households tend to make less money and need affordable housing.

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- The percentage of Mount Vernon residents that identify themselves as “white alone” for the U.S. Census has decreased from 89.8% in 1990 to 80% in 2014. Over this same timeframe the percent of Mount Vernon residents that identify themselves as “Hispanic or Latino” on the U.S. Census has increased from 10.9% in 1990 to 34.2% in 2014.

Compared to nearby jurisdictions Mount Vernon has a much higher percentage of residents that identify themselves as “Hispanic or Latino” – Burlington has the closest overall percentage to Mount Vernon at 25%. ~~Correlated to this is a significant increase in City residents (over the age of 5) identifying that the language they speak at home is Spanish from 7.8% in 1990 to 26.5% in 2014.~~

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- Mount Vernon’s percentage of foreign born residents has increased dramatically from 6.9% in 1990 to 17.5% in 2014 and is much higher over this timeframe than Skagit County and its incorporated cities.

- Ethnic based disparities with some of the City’s Hispanic and Latino population are observed across many key indicators in Mount Vernon including: income, poverty, education and housing. Examination and tracking of these indicators is of the utmost importance to ensure that the City’s planning efforts are inclusive and based on a complete understanding of the opportunities and challenges a significant percentage of this population is facing.

Comment [O16]: While the stated purpose of including this information was related to housing solutions, no recommendations or goals have been set here or later in the document to address this data. As part of the loss of context for this information, Farmworker housing has been omitted from this draft. It was present in the 2005 plan. How does ones native language impact housing needs or solutions?

TABLE 2.0: MOUNT VERNON'S HOUSING PROFILE

Comment [O17]: This table should include the numbers of farmworker housing or add it as a separate table.

	2014	2010	2000	1990
Total Housing Units	12,382	12,058	9,723	7,167
Total Households	11,308	11,386	9,276	6,885
Average Household Size	2.80	2.76	2.74	2.50
Housing Types				
• Single-Family	66%	64%	56%	58%
• Multi-Family	28%	29%	36%	33%
• Other	7%	7%	8%	9%
Percent Owned and Rented	55% & 45%	58% & 42%	57% & 43%	57% & 43%
Overall Vacancy Rates				
• Owned	4.9%	2.5%	2.1%	.87%
• Rented	5.9%	5.9%	4.3%	4.6%
Housing:				
• Without complete Plumbing	1.2%	.7%	.8%	.8
• Without complete Kitchen Facilities	.8%	.7%	1.2%	1.1%
• Without Telephone	2.1%	4.2%	1.5%	1.3%
• Without Fuel	.5%	.3%	.8%	.7%
Occupants per Room:				
• ≥ 1	91.3%	92.9%	89.2%	95.2%
• 1.01 to 1.5	5.7%	5.3%	4.6%	2.7%
• 1.51 +	3.1%	1.8%	6.3%	2.2%

TABLE 2.1: MOUNT VERNON'S ECONOMIC PROFILE

	2014	2010	2000	1990
Median Household Income	\$44,404.00	\$45,986.00	\$37,999.00	\$27,022.00
Median Family Income	\$50,909.00	\$54,587.00	\$44,772.00	\$33,593.00
Per capita income	\$21,623.00	\$21,791.00	\$17,041.00	\$13,486.00
Households Using Food Stamps (SNAP)	23.6%	15.1%	NA	NA
Individuals Below Poverty Level	21.7%	15.5%	15.9%	13.2%
Median Mortgage Owner-Occupied Housing Units	\$1,557.00	\$1,627.00	\$1,156.00	\$641.00
Median Gross Rent	\$906.00	\$837.00	\$655.00	\$426.00
Median Housing Value (owner-occupied units)	\$213,000.00	\$233,900.00	\$136,100.00	\$78,500.00

TABLE 2.2: MOUNT VERNON’S POPULATION PROFILE

	2014	2010	2000	1990
Total Population	32,356	31,743	26,297	17,647
Percent Male to Female	49% to 51%	49% to 51%	49% to 51%	48% to 52%
Median Age	32.4	32.3	31.1	31.6
Age: Under 18	28.2%	28.2%	29%	27.6%
Age: 65 and Older	13.7%	12.7%	12.5%	13.9%
Married-Couple Households	47.4	47.6%	51.3%	50.4%
Female householder, no husband present (of total households)	16%	12.2%	11.4%	11.3%
Race				
• White	80%	73%	76%	89.8%
• Black/African American	1%	1%	.4%	.4%
• American Indian, Alaska Native	1%	2%	1.5%	1%
• Some Other Race	15%	20%	19.5%	8.8%
• Two or More Races	3%	4%	2.6%	NA
(percentages rounded to 100%)				
Hispanic or Latino Origin (of any race)	34.2%	33.7%	25.1%	10.9%
Foreign born	17.5%	20%	19.5%	6.9%
Language Spoken at Home (population 5 years and over): Spanish	26.5%	26.4%	20.2%	7.8%
Population 25 and older, less than high school graduate	17.9%	17.5%	21.1%	18.2%
Population 25 and older, High School Graduate (or equivalent)	25%	25.2%	24.7%	27.9%
Population 25 and older, Bachelor degree holders	20.3%	18.4%	18.7%	17.6%

Comment [O18]: The terminology here should be single-female, head of household. “no husband present” is hetero -sexually biased language.

3.0

HOUSING PROFILE

The subsections that follow contain detailed information on a variety of housing related demographics for the City over time with comparisons to other jurisdictions. The demographics discussed are:

- 3.1: HOUSING AND POPULATION GROWTH
- 3.2: AVERAGE HOUSEHOLD SIZE
- 3.3: HOUSING TYPES (UNIT COMPOSITION)
- 3.4: OWNED VERSUS RENTED HOUSING UNITS
- 3.5: VACANCY RATES
- 3.6: SUBSTANDARD HOUSING
- 3.7: OCCUPANTS PER ROOM
- 3.8: AGE OF HOUSING

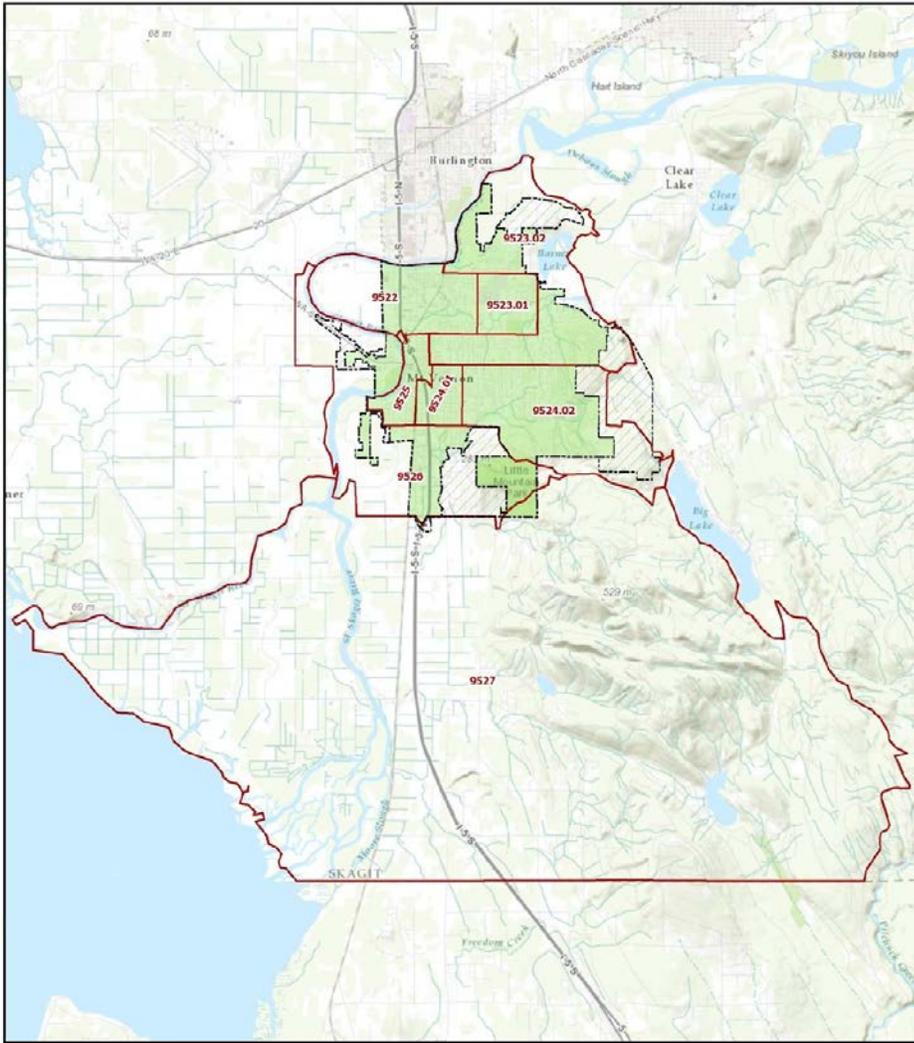
3.1 HOUSING AND POPULATION GROWTH

The decade between 1990 and 2000 brought significant growth to Skagit County and the City of Mount Vernon in terms of population and related housing. During this timeframe Mount Vernon had a nearly 50 percent increase in its population compared to Skagit County's almost 30 percent increase. The next decade, between 2000 and 2010, growth has occurred at a slower pace, but is still noteworthy. From 2000 to 2010 Skagit County had an almost 14 percent increase in population and Mount Vernon had a 21 percent increase.

As the County and City population grew over these two decades (1990 to 2000 and 2000 to 2010) the number of homes in each jurisdiction grew at slower, but proportional rates. These two growth rates (population and housing) generally do not grow in terms of percentages exactly the same over time as they are influenced by things like vacancy rates, household size, and the like.

Between 1990 and 2000 Skagit County's percentage of home growth was much closer to Mount Vernon's than what was built the following decade. Skagit County had a 27 percent increase in homes between 1990 and 2000 compared to Mount Vernon's 35 percent increase in homes. However, the gap between the percentage increase in the number of homes that the City was producing compared to what Skagit County was producing grew much wider in the following decade of 2000 to 2010 with the City increasing its housing by 24 percent and the County having a mere approximate 7 percent increase.

The tables below show the change in population and housing in the City and Skagit County over time. Maps 3.0 and 4.0 show the location of the City's six U.S. Census tracts that are identified in the data provided in this section.



Housing Element - Figure 3.0 Mount Vernon & Individual Census Tracts (2015)



CITY of Mount Vernon, Oregon

Miles

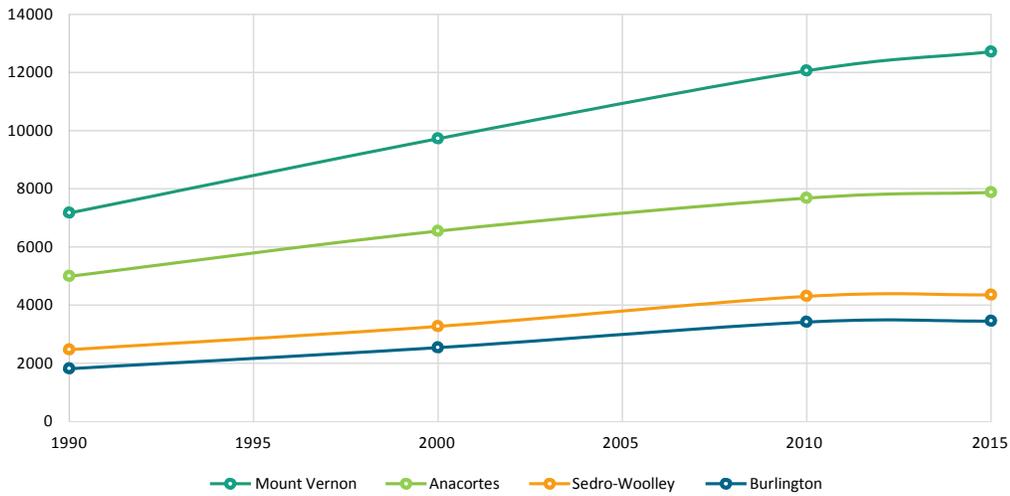
Map by MM GIS 5/16/2016. Basemap courtesy of ESI, Skagit County GIS

TABLE 3.0: POPULATION & HOUSING GROWTH 1990 TO 2010

		POPULATION					
		1990	2000	% Change 1990-2000	2000	2010	% Change 2000-2010
SKAGIT COUNTY		79,555	102,979	29.4%	102,979	116,901	13.5%
MOUNT VERNON		17,647	26,232	48.6%	26,232	31,743	21%

		HOUSING					
		1990	2000	% Change 1990-2000	2000	2010	% Change 2000-2010
SKAGIT COUNTY		33,580	42,681	27.1%	42,681	45,557	6.7%
MOUNT VERNON		7,167	9,686	35.1%	9,686	12,058	24.4%
BURLINGTON		1,816	2,541	39.9%	2,541	3,458	36.1%
SEDRO-WOOLLEY		2,470	3,270	32.4%	3,270	4,354	33.1%
ANACORTES		4,992	6,547	31.1%	6,547	7,875	20.3%

TABLE 3.1: HOUSING GROWTH OVER TIME COMPARED



3.2 AVERAGE HOUSEHOLD SIZE

The overall median occupancy rate (or people per occupied household) in the City has steadily increased through the decades. In 1970 this rate was 2.3 versus 2.80 in 2014. In 2014 the City had an overall higher occupancy rate than Skagit County and the other jurisdictions listed in Table 3.4.

Within the City, census tract 9523.01 has the highest overall occupancy rate at 3.27 persons per unit.

TABLE 3.2: AVERAGE HOUSEHOLD SIZE

MOUNT VERNON	
1970	2.30
1980	2.35
1990	2.50
2000	2.74
2010	2.76
2014	2.80

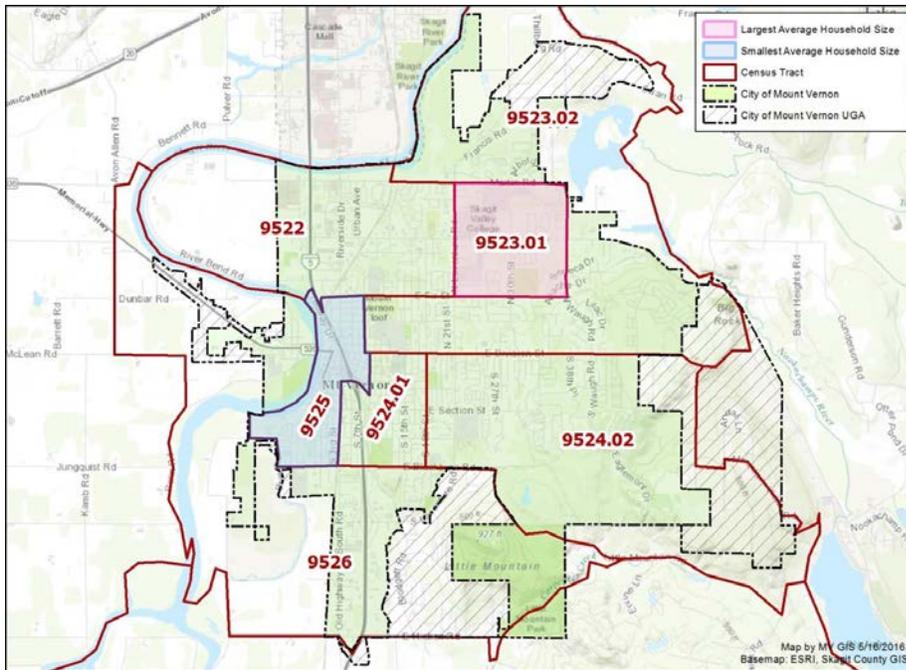
Table 3.3 lists owner occupied, renter occupied, and overall occupied housing persons per unit (average) for the City and Skagit County and then also provides this same data for the census tracts within the City. Table 3.4 compares Mount Vernon's 2014 average household size to a number of nearby jurisdictions.

TABLE 3.3: AVERAGE HOUSEHOLD SIZE - PERSONS PER UNIT: OWNED VS. RENTED

AVERAGE HOUSEHOLD SIZE	OWNER OCCUPIED	RENTER OCCUPIED	OVERALL
County	2.51	2.70	2.57
City	2.66	2.96	2.80
Census Tracts:			
9522	2.63	2.84	2.76
9523.01	2.85	3.52	3.27
9523.02	2.92	2.76	2.85
9524.01	2.48	2.94	2.68
9524.02	2.63	3.24	2.83
9525	2.65	1.96	2.30
9526	2.59	2.34	2.53

TABLE 3.4: AVERAGE HOUSEHOLD SIZE - 2014

COMPARED	
Mount Vernon	2.80
Skagit County	2.57
Burlington	2.58
Sedro-Woolley	2.56
Anacortes	2.28
Everett	2.44
Bellingham	2.28
State of WA	2.55
United States	2.63



3.3 HOUSING TYPES (UNIT COMPOSITION)

According to 2010 Census data, the City has 9,686 housing units. It is estimated that 58 percent of the housing units in Mount Vernon are single-family, one-unit detached housing. Roughly, 8 percent of the housing stock in 2010 was classified as Mobile Homes, and 33 percent of the housing units in the City are multifamily structures: including 11 percent with 2-4 unit and 21 percent with 5 or more units. There are a higher percentage of multifamily units in the City compared to the County as a whole.

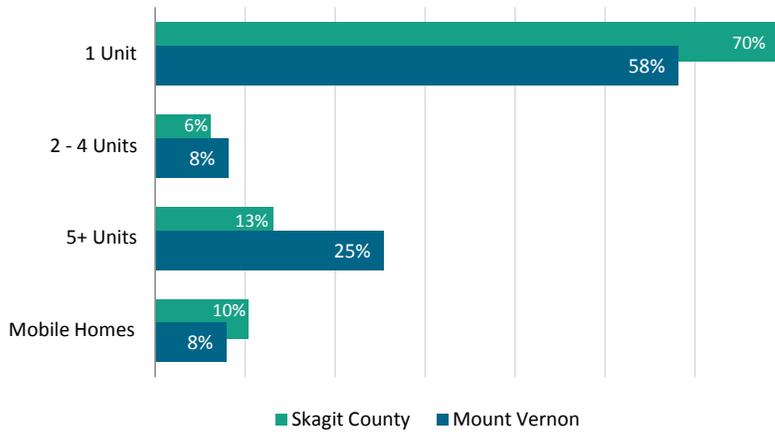
Comment [O19]: More bias in this assertion and the frequency that it is mentioned is suspect.

Table 3.5 and its corresponding Graph 3.6 show the composition of the housing in Mount Vernon as compared to Skagit County.

TABLE 3.5: CITY AND COUNTY UNITS IN STRUCTURE COMPARISON

	TOTAL	1-UNIT DETACHED	2 – 4 ATTACHED UNITS	5+ ATTACHED UNITS	MOBILE HOMES	OTHER
SKAGIT COUNTY	50,393	35,255	3,102	6,590	5,235	211
MOUNT VERNON	12,196	7,089	992	3,101	966	48

GRAPH 3.6: CITY AND COUNTY UNITS IN STRUCTURE COMPARISON



Noteworthy is the fact that the overall composition of single-family (1 detached housing unit) to multi-family dwelling units (2+ attached housing units) has fluctuated widely through time in the City. Table 3.7 and the charts that follow are a summary of single family units, multi-family units (structures with 2+ dwelling unit for this specific comparison) and mobile homes plus boats, recreational vehicles (RVs) and other similar places commonly labeled as “other” that people are living in that are difficult to classify as either single-or-multi-family.

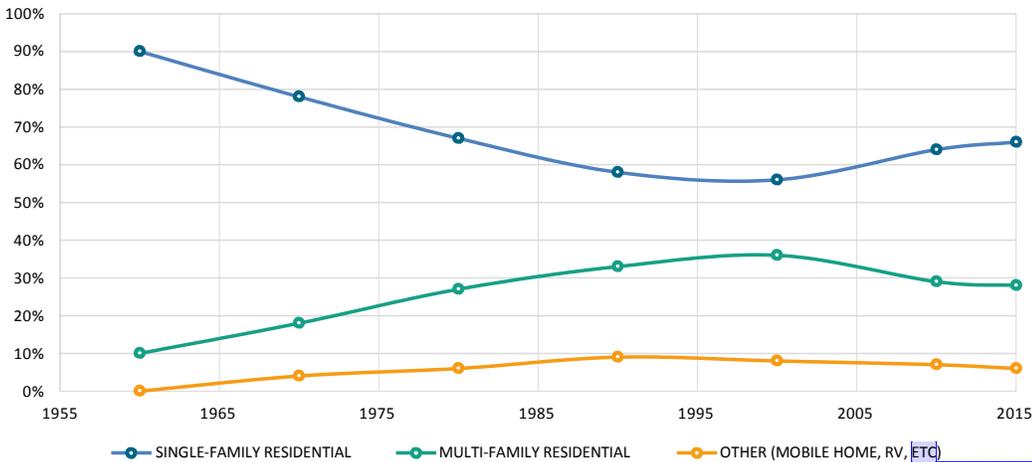
From 2000 to 2015 the overall percentage of single- to multi-family dwelling units increased by 10 percent; however, in prior decades there has been a steady reduction in single-family housing and a corresponding rise in multi-family housing. In fact, from 1960 to 2015 there has been a 24 percent decrease in single family housing and an 18 percent increase in multi family housing, overall.

Comment [O20]: By continuing to go back to 1960, the data is skewed against multifamily, a bias that is pre-dominate in this document. All data start points should be consistent in the document for logical comparisons to be made.

TABLE 3.7: HOUSING TYPES THROUGH TIME

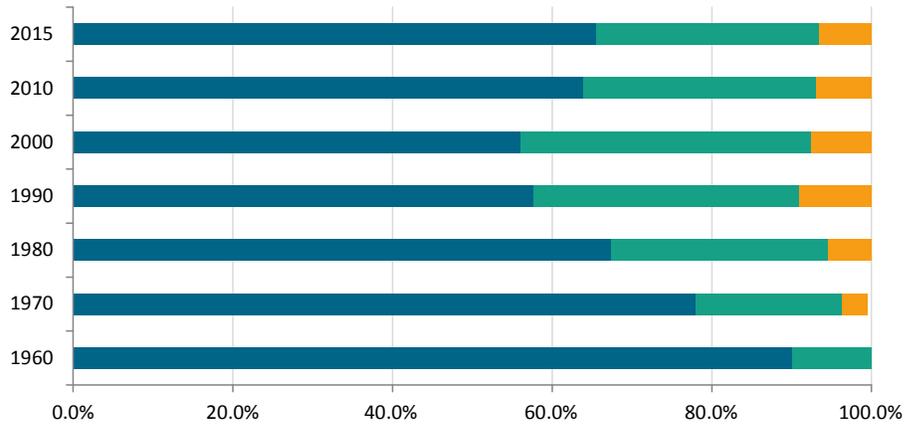
YEAR	SINGLE-FAMILY	MULTI-FAMILY	OTHER
1960	90%	10%	0%
1970	78%	18%	3%
1980	67%	27%	6%
1990	58%	33%	9%
2000	56%	36%	8%
2010	64%	29%	7%
2015	66%	28%	7%

GRAPH 3.8: MOUNT VERNON HOUSING TYPES THROUGH TIME



Comment [DM21]: The look back to 1960 appears to be intended to try to justify the lack of multifamily housing over the last 15 years. .If we look at the actual data on number of multifamily units versus single family units this graph will look much different. I do not believe that 30% of the housing developed over the last 10 years was multifamily. We need the hard data from the Building Department.

CHART 3.9: MOUNT VERNON UNIT TYPES FROM 1990 TO 2015



The increase in single-family dwelling units from 2000 to 2010 is very likely due to the high-risk mortgages that became available from lenders in the early and mid-2000s. These high-risk mortgages enabled more first-time homebuyers to obtain mortgages that otherwise, historically, could not have. As a result homeownership rates rose along with the demand for these homes. As demand increased so did home prices which in turn stimulated developers and builders to produce record numbers of new homes. In 2008 Mount Vernon set an all-time City record with the construction and final occupancy of 341 single-family homes that year. 341 single-family homes being built in a single year may not seem like a lot to some jurisdictions; however, over the last 35 years – on average – the City has 208 single-family homes per year being built.

Comment [DM22]: This paragraph does not provide any meaningful or helpful information.

Chart 3.10 compares these broad categories of homes between Mount Vernon, all of the other incorporated cities in Skagit County, 68 other Washington State Cities (explained in greater detail later in this analysis), all of the cities in Washington State, and unincorporated Skagit County. The overall average of single-family units within these data sets is 67 percent; which is within 1 percent of Mount Vernon’s composition. Similarly, the overall average of these five data sets for multi-family units is 27 percent; also within 1 percent of Mount Vernon’s composition.

CHART 3.10: STATE-WIDE INCORPORATED HOUSING TYPES COMPARED

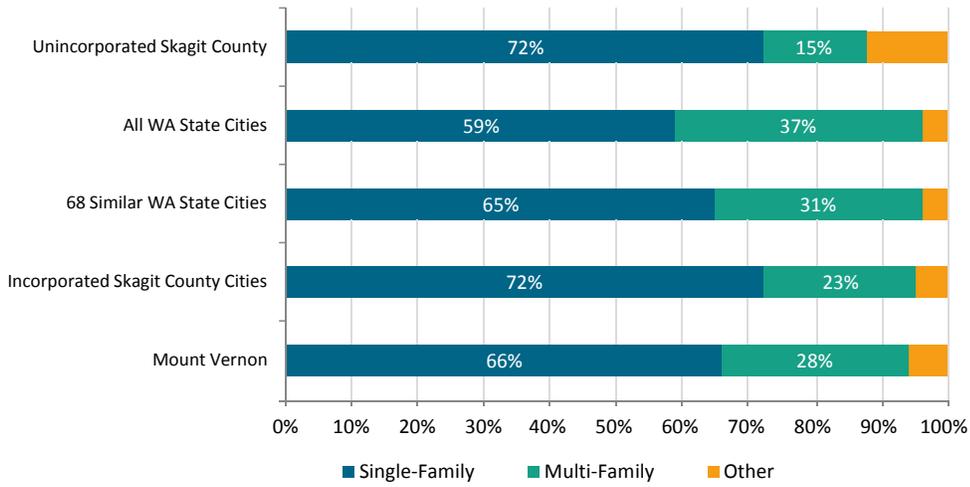


CHART 3.11: UNIT TYPE COMPARISON SELECTED CITIES

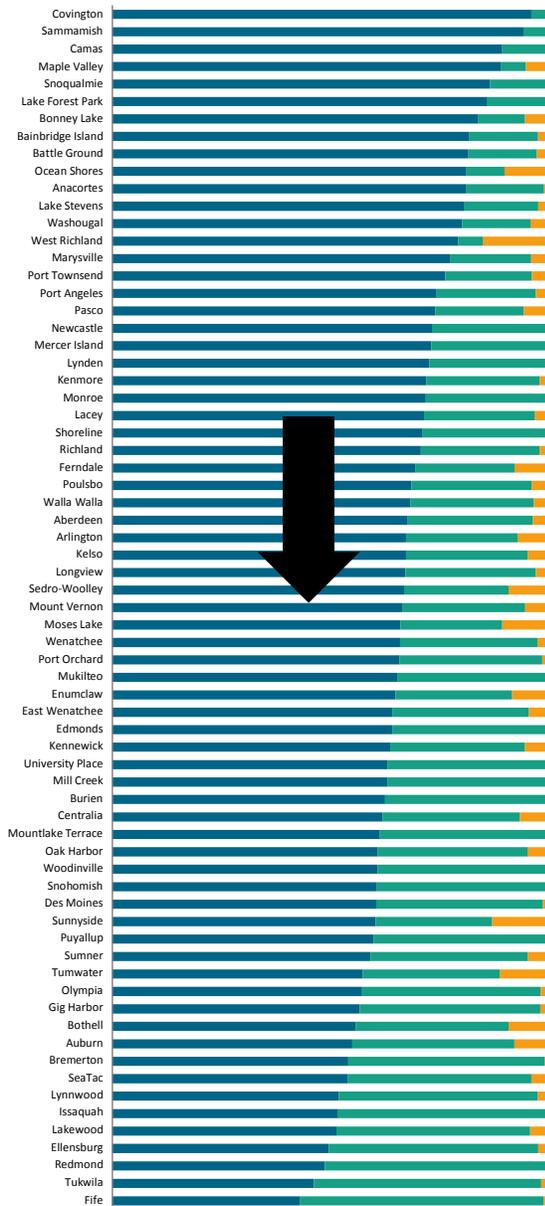
To put Mount Vernon’s composition of single- to multi-family dwelling unit types in a regional perspective a comparison of these uses with 68 other Washington State cities was completed.

The 68 cities shown on Graph 3.11 were selected by compiling a list of all 292 cities in the State of Washington and selecting a range of cities determined to be more similar to Mount Vernon.

To begin the process of selecting comparable cities the number of existing total homes within each jurisdiction was listed. With this information cities that had 35,000 or more existing homes; or less than 4,000 existing homes were all removed from the list.

In 2015 Mount Vernon had a total of 12,711 existing homes. In essence, cities approximately three times the size of Mount Vernon; or less than one-third the size of Mount Vernon were removed as they were deemed too dissimilar. Additionally, Pullman was removed due to its disproportionate number of multi-family units attributable to the student population from Washington State University.

On average these 68 cities are comprised of 65% single-family dwelling units; 31 percent multi-family units, and 4 percent mobile homes, RVs, boats and other similar places. Mount Vernon, being comprised of 66 percent single-family units; 28 percent multi-family units; and 7 percent mobile homes, RVs etc. is within one percentage point of the average number of single-family units and is within three percentage points of the average number of multi-family units.



3.4 OWNED VERSUS RENTED HOUSING UNITS

Home ownership in the City has slowly declined through the decades. In 1960 nearly 70 percent of City residents owned their homes compared to 55 percent in 2014 as shown in Table 3.12.

TABLE 3.12: OWNED VS RENTED DWELLING UNITS IN MOUNT VERNON OVER TIME

Mount Vernon		
	Owned	Rented
1960	68%	32%
1970	65%	35%
1980	60%	40%
1990	57%	43%
2000	57%	43%
2010	58%	42%
2014	55%	45%

Table 3.14 analyzes the 2010 owned/rented relationship by taking these overall percentages and breaking them into the City’s Census Tracts. What is observed is that Census Tracts 9522, 9523.01, and 9525 all have ownership rates in the forty percent range and rental rates in the fifty percent range which is the opposite trend City wide. Census Tract 9526 also stands out because it has a much higher percentage of ownership at 72 percent and a lower rental rate at 28 percent of the City-wide average.

GRAPH 3.13: OWNED VERSUS RENTED DWELLING UNITS IN MOUNT VERNON

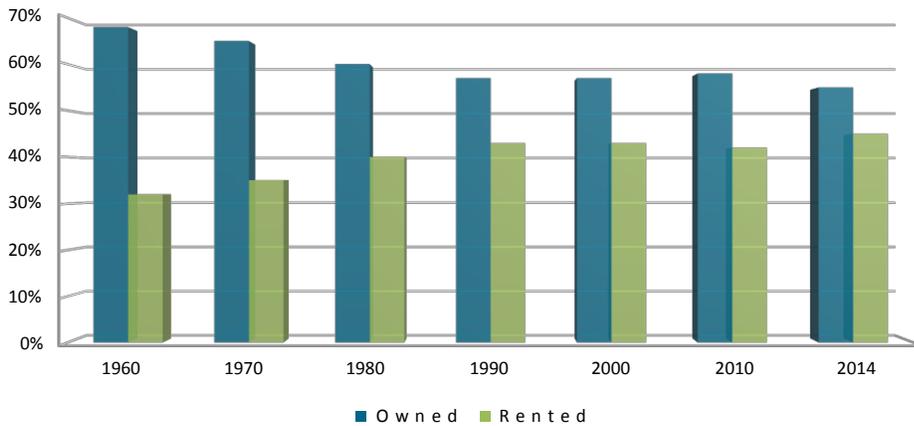


TABLE 3.14: 2010 OWNED VERSUS RENTED DWELLING UNITS IN CENSUS TRACTS

	Owned	Rented
City-Wide Average	58%	42%
Census Tracts:		
9522	42%	58%
9523.01	47%	53%
9523.02	64%	36%
9524.01	63%	37%
9524.02	69%	31%
9525	46%	54%
9526	72%	28%

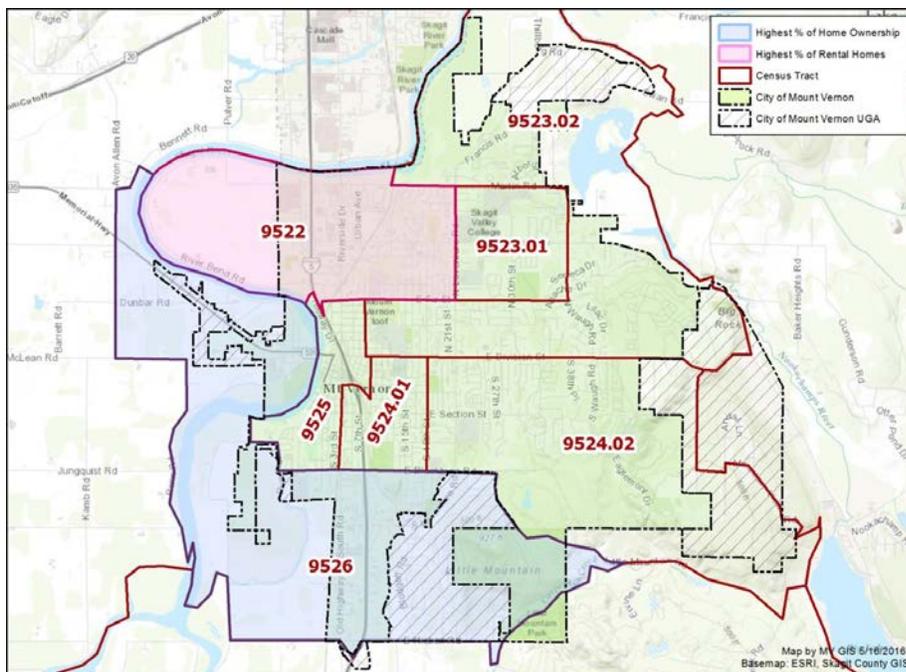


TABLE 3.15: 2010 OWNED VERSUS RENTED DWELLING UNITS COMPARED

	Owned	Rented
Mount Vernon	58%	42%
Burlington	50%	50%
Sedro-Woolley	63%	45%
Anacortes	65%	35%
Skagit County	68%	32%
Bellingham	46%	54%
Everett	45%	55%

3.5 VACANCY RATES

The U.S. Census vacancy rate data is used extensively by public and private sector organizations along with the Federal Government and economic forecasters to evaluate many different facets of the housing market and the economic climate overall. The Census data is broken into housing units that are owned and rented; and a home is deemed vacant “...if no one is living in it at the time of the interview, unless its occupants are only temporarily absent. In addition, a vacant unit may be one which is entirely occupied by persons who have a usual residence elsewhere. New units not yet occupied are classified as vacant housing units if construction has reached a point where all exterior windows and doors are installed and final usable floors are in place...” .

The City’s vacancy rates of owned and rented housing units has been as low as .87 percent for owned units in 1990 and as high as 12.6 percent for rental units in 1960. Table 3.17 and Graph 3.18 provide these vacancy rates – for owned and rented units – for each decade since 1960.

In 2014 the City had 12,382 total housing units. Of these units 11,308 were occupied, and 1,074 were vacant. This means that the overall vacancy rate was 8.7 percent. During this same timeframe Skagit County’s overall vacancy rate was 12.3 percent.

Comment [DM23]: These vacancy rates are not supported by any accurate data. Over stating vacancy even though it is 2014 numbers does not paint the true picture of very low vacancy and lack of availability of rental housing.

GRAPH 3.16: 2010 VACANCY RATES DWELLING UNITS COMPARED

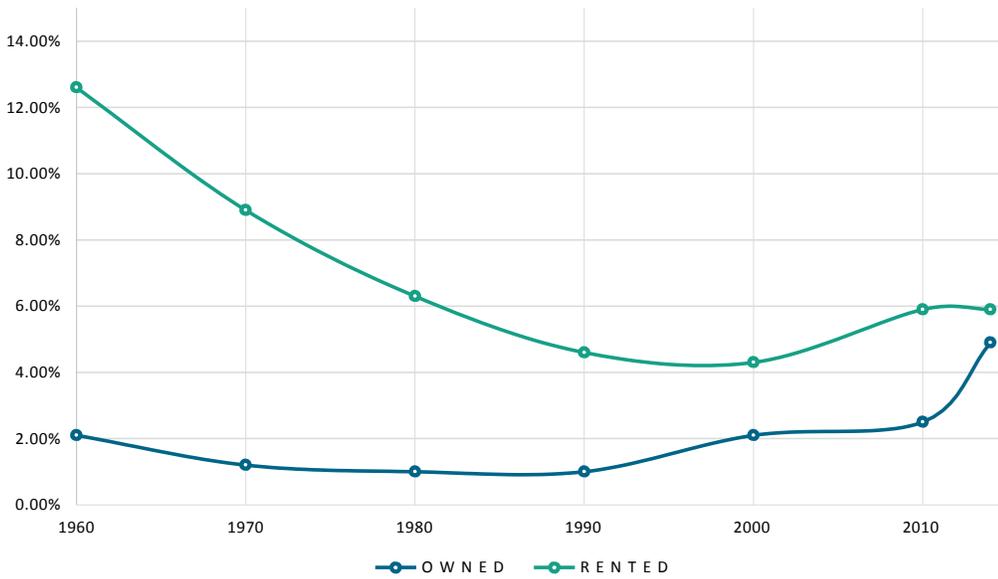


TABLE 3.17: HOMEOWNER AND RENTAL VACANCY RATES THROUGH TIME

Mount Vernon		
	Owned	Rented
1960	2.1%	12.6%
1970	1.2%	8.9%
1980	.96%	6.3%
1990	.87%	4.6%
2000	2.1%	4.3%
2010	2.5%	5.9%
2014	4.9%	5.9%

Comment [DM24]: Again, going back to 1960 serves no purpose other than to make the point that there was far less rental housing in 1060

GRAPH 3.18: HOMEOWNER AND RENTAL VACANCY RATES 1950 TO 2014



Comment [O25]: The data before 1990 does not help us in understanding the immediate needs we are facing.

Comment [O26]: Vacancy rate data is being collected from our local real estate brokers. The functional vacancy rates for our service agencies is 0. We plan to present a different graphic for this information.

Table 3.19 compares vacancy rates for owned and rented housing units in 2014 between different jurisdictions and Mount Vernon. The City’s 2014 rental vacancy rate (5.9 percent) is slightly higher than the County’s (5.3 percent). The City’s homeowner vacancy rate is 4.9 percent, higher than the County’s 2.6 percent owner vacancy rate.

Vacancy rates below 4 percent tend to indicate economic distress in the market, a recession, and/or a lack of available housing units for the local population. The 2014 census data indicates that Mount Vernon’s vacancy rates for both owned and rented units are above 4 percent (4.9 percent for owned units and 5.9 percent for rented units). Noteworthy is that Burlington, Sedro-Woolley, Anacortes, Skagit County, Bellingham, and Everett all have owner vacancy rates below 4 percent. Of the jurisdictions compared in Table 3.19 only the City of Burlington had a higher rental vacancy rate than Mount Vernon. Anacortes and Bellingham both had rental vacancy rates below 4 percent with the remaining jurisdictions (including Mount Vernon) all having rental vacancy rates above 4 percent.

TABLE 3.19: 2014 HOMEOWNER AND RENTAL VACANCY RATES COMPARED

	Owned	Rented
Mount Vernon	4.9%	5.9%
Skagit County	2.6%	5.3%
Burlington	.9%	10.3%
Sedro-Woolley	3.2%	4.5%
Anacortes	2.1%	2.5%
Bellingham	.9%	3.3%
Everett	1.4%	4.8%

The housing data up to this point has been based on U.S. Census data because this data has been deemed the most accurate and reliable. Because this Census data has been collected in uniform ways for decades it is also the most appropriate for historical comparisons and contrasts with different jurisdictions. The only downfall is that the most up-to-date Census data is from year-end 2014 and this Housing Element is dated 2016.

The University of Washington’s Runstad Center for Real Estate Studies publishes housing market data. Although vacancy rate data for owned housing units is not available Runstad published an Apartment Market Survey in the Spring of 2016 that contains data on rented multi-family units for Skagit County and the City of Mount Vernon.

Comment [O28]: Balisa and Dan- Do you have a better chart on vacancy and if not can we develop one with your sources?

Table 3.20 provides details on vacancy rates for apartments for Skagit County and the City of Mount Vernon. This data shows that the vacancy rates for this type of housing units has significantly dropped since 2014. It is worth pointing out that the Runstad data is based on an exceptionally small sample of Mount Vernon’s apartment units. Less than 10 percent of the apartments that are rentals in Mount Vernon were part of the Runstad analysis summarized in Table 3.20; and of these units only 9.6 percent were part of the study. This means that out of the over 5,000 apartment rentals this data is based on less than 50.

Comment [DM27]: This data directly contradicts the vacancy numbers that are presented above.

TABLE 3.20: APARTMENT VACANCY RATES 2015/2016

	SKAGIT COUNTY			MOUNT VERNON		
	% Vacant	Avg. Rent	Units in Survey	% Vacant	Avg. Rent	Units in Survey
March 2016	.2%	\$921.00	496	.2%	\$921.00	496
September 2015	.6%	\$818.00	1,045	.6%	\$818.00	1,045
March 2015	0%	\$883.00	327	0%	\$883.00	327

3.6 SUBSTANDARD HOUSING

The U.S. Census provides measures that can be evaluated to provide insight into housing conditions that are likely substandard in Mount Vernon. Following is information on housing units and facilities such as plumbing, kitchens, how they are heated and whether or not they have telephone service. It is worth mentioning that this Census data does not account for certain health-related quality issues like the presence of mold or structural issues such as deteriorating roofs or foundations. This means that substandard housing likely occurs at higher rates than what is represented below.

In terms of selected housing characteristics, the 2014 Census data indicates that 1.2 percent (145 occupied units) lack complete plumbing facilities, .8 percent (86 occupied units) lack complete kitchen facilities and 2.1 percent (234 units) have no telephone service. According to 2014 Census data 0.5 percent (61 units) indicate they used no fuel implying those units may have no heat.

TABLE 3.21: SUBSTANDARD HOUSING CHARACTERISTICS FOR MOUNT VERNON

2014 PERCENT OF OVERALL OCCUPIED HOUSING UNITS THAT ARE:				
	1990	2000	2010	2014
Without Complete Plumbing facilities	1.2%	.8%	2.1%	.5%
Without Complete Kitchen Facilities	.6%	.8%	2.3%	.3%
Without Telephone Service	0%	.9%	4.0%	0%
Without Fuel	0%	1.6%	3.8%	1.0%

TABLE 3.22: SUBSTANDARD HOUSING CHARACTERISTICS NEARBY JURISDICTIONS

2014 PERCENT OF OVERALL OCCUPIED HOUSING UNITS THAT ARE:				
	Without Complete Plumbing facilities	Without Complete Kitchen Facilities	Without Telephone Service	Without Fuel
Mount Vernon	1.2%	.8%	2.1%	.5%
Skagit County	.6%	.8%	2.3%	.3%
Burlington	0%	.9%	4.0%	0%
Sedro-Woolley	0%	1.6%	3.8%	1.0%
Anacortes	.2%	.4%	1.6%	0%
Everett	.4%	1.2%	2.8%	.7%
Bellingham	.3%	1.5%	2.1%	.9%

3.7 OCCUPANTS PER ROOM

From 1960 to 2010 the Census has indicated that over 90 percent of the City’s occupied housing units had one (1) or fewer occupants per room. Between 2000 and 2014 having 1.01 to 1.5 occupants per room has been a low of 4.6 percent and a high of 5.7 percent with an average of 5.2 percent.

The 2000 Census measured the highest occupants per room for the City at 6.3 percent of the occupied housing units having 1.51 or more occupants per room. This rate dropped significantly in 2010 to 1.8 percent; but has increased to 3.1 percent in 2014.

TABLE 3.23: OCCUPANCY PER ROOM – MOUNT VERNON THROUGH TIME

Occupants Per Room	≥ 1	1.01 – 1.5	1.51 +
1960	95.1%	4.9% (this Census only measures 1 + occupant per room)	
1970	96%	2.8%	.94%
1980	94.2%	2.8%	1.2%
1990	95.2%	2.7%	2.2%
2000	89.2%	4.6%	6.3%
2010	92.9%	5.3%	1.8%
2014	91.3%	5.7%	3.1%

Comment [O29]: Data from 1960 again.... The Farmworker Housing study discusses doubling up. The study is dated though and we need newer data here. Are there other resources for talking about/defining this issue?

Of the 11,308 total occupied housing units in Mount Vernon, the 2014 Census data indicated that approximately 8.8 percent of the units are considered overcrowded (more than one person per room). Census Tract 9523.01 appears to have the highest percent of overcrowding at 24.3 percent.

Compared to the neighboring jurisdictions listed in Table 3.25 Mount Vernon has the highest percent of overcrowding at 8.8 percent. The City of Burlington’s percent of overcrowding is closest to Mount Vernon’s; however, they (Burlington) are still 2.2 percent lower than Mount Vernon.

TABLE 3.24: OCCUPANCY PER ROOM – MOUNT VERNON BY CENSUS TRACTS

Occupants Per Room	≥ 1	1.01 – 1.5	1.51 +
Mount Vernon	91.3	5.7	3.1
Census Tracts			
9522	91	7.6	1.4
9523.01	75.7	12.7	11.6
9523.02	93.3	4.9	1.8
9524.01	95.9	4.1	0
9524.02	95	3.1	1.8
9525	94.1	2.3	3.7
9526	96.8	3.2	0

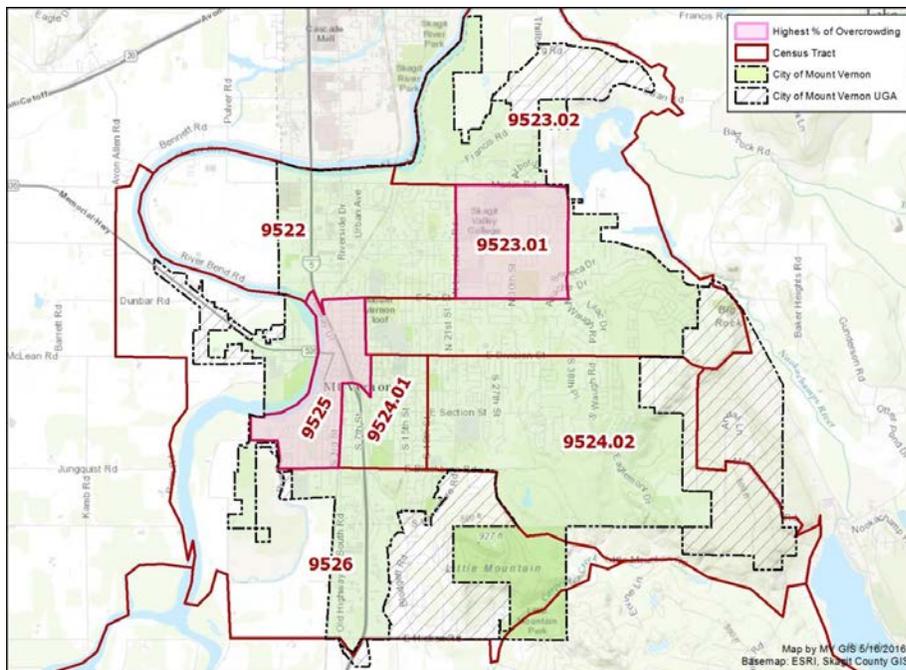


TABLE 3.25: OCCUPANCY PER ROOM – MOUNT VERNON COMPARED

Occupants Per Room 2014	≥ 1	1.01 – 1.5	1.51 +	Overcrowding %
Mount Vernon	91.3%	5.7%	3.1%	8.8%
Burlington	93.4%	4.4%	2.2%	6.6%
Sedro-Woolley	94%	4.9%	1.0%	5.9%
Anacortes	99.4%	.4%	.2%	.6%
Skagit County	95.5%	3.3%	1.2%	4.5%
Bellingham	98.3%	1.1%	.5%	1.6%
Everett	95.8%	3.1%	1.0%	4.1%
State of WA	97.1%	2.2%	.8%	3%
United States	96.7%	2.3%	1.0%	3.3%

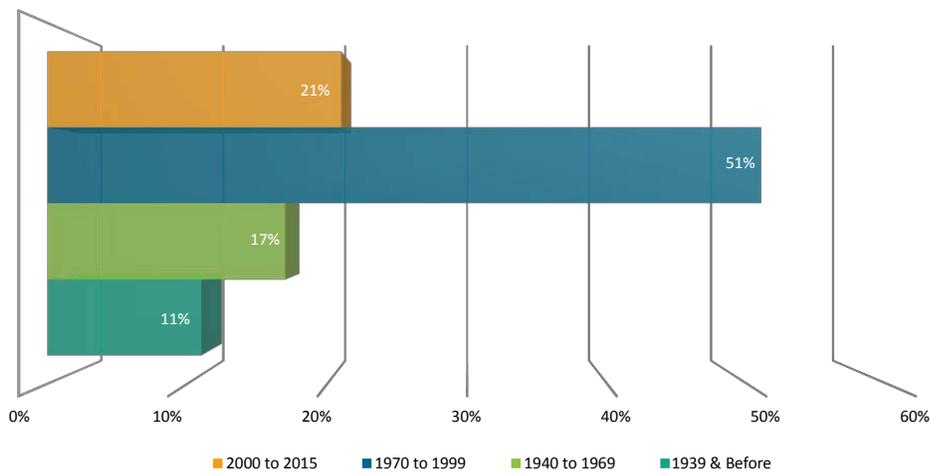
3.8 AGE OF HOUSING

Of the 12,382 total housing units in Mount Vernon, the 2014 Census data indicates that 11 percent were built in 1939 or earlier; 17 percent were built between 1940 and 1969, and 51 percent were built between 1970 and 1999. This leaves 22 percent of the City’s housing units being built between 2000 to the present, as detailed in Table 3.26 and Graph 3.27.

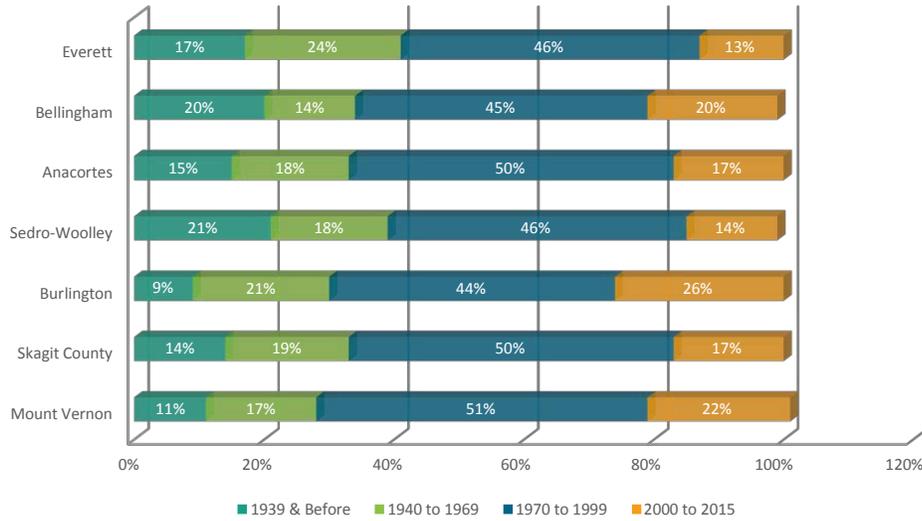
TABLE 3.26: MOUNT VERNON’S CURRENT AGE OF HOUSING

Year Structure Built	# of Homes	% of Total
Total Housing Units	12,382	100%
2010 to 2014	147	1.2%
2000 to 2009	2,519	20.3%
1990 to 1999	2,763	22.3%
1980 to 1989	1,752	14.1%
1970 to 1979	1,801	14.5%
1960 to 1969	936	7.6%
1950 to 1959	694	5.6%
1940 to 1949	436	3.5%
1939 or earlier	1,334	10.8%

GRAPH 3.27: MOUNT VERNON’S CURRENT AGE OF HOUSING



GRAPH 3.28: AGE OF HOUSING COMPARED



Noteworthy when comparing the age of Mount Vernon’s housing to nearby jurisdictions is in the category of homes built in 1939 or earlier the only nearby jurisdiction with a lower percentage of this age category is the City of Burlington who has 9 percent versus Mount Vernon’s 11 percent. Burlington and Mount Vernon also have the largest percentages of homes built from the years 2000 to 2014 – Burlington at 26 percent and Mount Vernon at 22 percent.

TABLE 3.29: MOUNT VERNON’S CURRENT AGE OF HOUSING COMPARED

Jurisdictions:	Mount Vernon	Skagit County	Burlington	Sedro-Woolley	Anacortes	Bellingham	Everett
Total Housing Units	12,382	51,660	3,572	4,359	7,611	36,224	44,601
HOMES BUILT BETWEEN:							
2000 to 2014	22%	17%	26%	14%	17%	20%	13%
1970 to 1999	51%	50%	44%	46%	50%	45%	46%
1940 to 1969	17%	19%	21%	18%	18%	14%	24%
1939 or earlier	11%	14%	9%	21%	15%	20%	17%

4.0 ECONOMIC PROFILE

The subsections that follow contain detailed information on a variety of demographics regarding income, poverty, and the cost of housing in the City. This information is provided within a historical context and comparisons to other jurisdictions are made to provide a benchmark upon which to compare the data presented.

The demographics discussed within this section include:

- 4.1: INCOME (MEDIAN HOUSEHOLD, MEDIAN FAMILY AND PER CAPITA)
- 4.2: POVERTY & PUBLIC ASSISTANCE
- 4.3: SPECIAL POPULATIONS (HOMELESS, ADDICTS, MENTALLY ILL)
- 4.4: HOUSING VALUES AND COSTS
- 4.5: INCOME AND HOUSING

Comment [O30]: Impacts of homelessness, addiction, and behavioral health. Should this be under economic?

4.1 INCOME

Tables 4.0 to 4.6 provide information on the City’s median household income, median family income, and per capita income over time and as compared to nearby jurisdictions, the State of Washington and the United States. These income metrics for the City, as they stand today, and as how they have increased over the last 15 years, should be of concern for the City. The City lags behind most of the comparison jurisdictions in all three income categories.

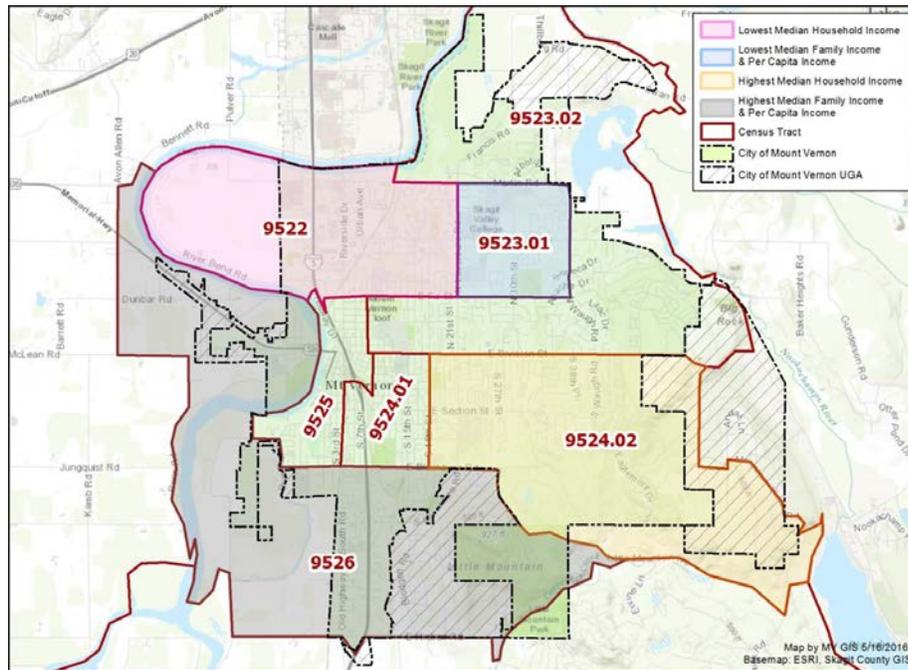
Both household and family measures are used within the following sections; as such, it is important to know the difference between the two terms. According to the U.S. Census a family consists of two or more people (one of whom is the householder) related by birth, marriage, or adoption residing in the same housing unit. Whereas a household consists of all people who occupy a housing unit regardless of relationship. A household may consist of a person living alone or multiple unrelated individuals or families living together.

TABLE 4.0: MOUNT VERNON INCOME OVER TIME

	Median Household	Median Family	Per Capita
1990	\$27,022.00	\$33,593.00	\$13,486.00
2000	\$37,999.00	\$44,772.00	\$17,041.00
2010	\$45,986.00	\$54,487.00	\$21,791.00
2014	\$44,404.00	50,909.00	\$21,623.00

GRAPH 4.1: MEDIAN HOUSEHOLD INCOME (2014) MOUNT VERNON

	Median Household Income	Median Family Income	Per Capita Income
Mount Vernon	\$44,404.00	\$50,909	\$21,623.00
Census Tracts			
9522	\$31,736.00	\$37,637.00	\$16,080.00
9523.01	\$33,111.00	\$32,783.00	\$15,370.00
9523.02	\$57,577.00	\$69,432.00	\$26,387.00
9524.01	\$45,625.00	\$43,542.00	\$21,139.00
9524.02	\$54,276.00	\$59,384.00	\$26,747.00
9525	\$33,071.00	\$60,139.00	\$20,318.00
9526	\$53,688.00	\$60,980.00	\$29,414.00



GRAPH 4.2: HOUSEHOLD AND FAMILY INCOME OVER TIME

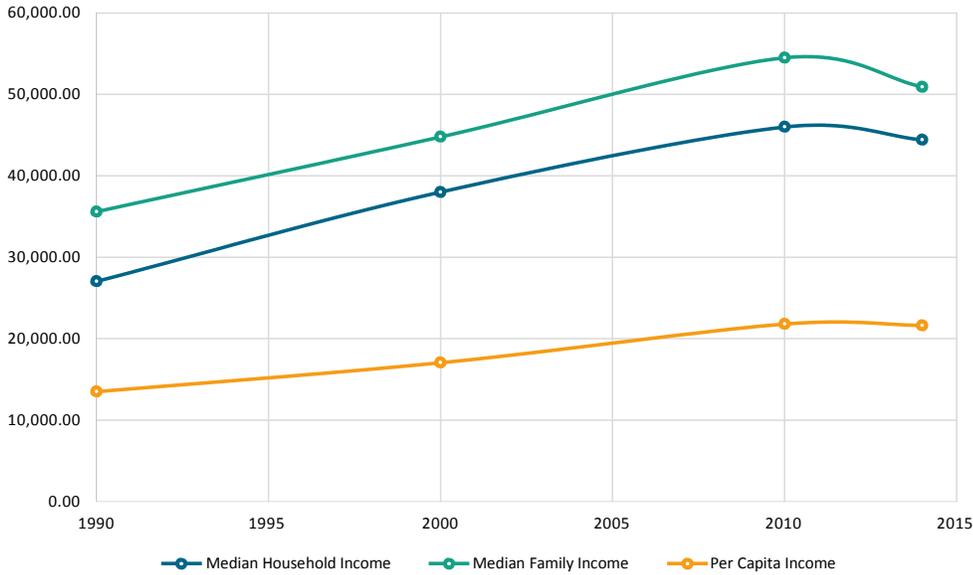


TABLE 4.3: INCOME TYPES COMPARED, 2014

	Mount Vernon	WA State	United States	Skagit County	Burlington	Sedro-Woolley	Anacortes	Bellingham	Everett
Median Household Income	\$44,404.00	\$60,294.00	\$53,482.00	\$54,917.00	\$48,399.00	\$44,014.00	\$59,369.00	\$42,440.00	\$48,562.00
Median Family Income	\$50,909.00	\$73,039.00	\$65,443.00	\$65,063.00	\$56,830.00	\$48,234.00	\$74,000.00	\$63,355.00	\$59,368.00
Per Capita Income	\$21,623.00	\$31,233.00	\$28,555.00	\$27,598.00	\$22,052.00	\$22,127.00	\$33,107.00	\$24,864.00	\$25,981.00

TABLE 4.4: MEDIAN HOUSEHOLD INCOME COMPARED

	Mount Vernon	Skagit County	Burlington	Sedro- Woolley	Anacortes	Bellingham	Everett
1999	\$37,999.00	\$42,381.00	\$37,848.00	\$37,914.00	\$41,930.00	\$32,530.00	\$40,100.00
2010	\$45,986.00	\$54,811.00	\$47,266.00	\$51,733.00	\$57,444.00	\$38,136.00	\$47,552.00
2014	\$44,404.00	\$54,917.00	\$48,399.00	\$44,014.00	\$59,369.00	\$42,440.00	\$48,562.00
% Increase 1999 to 2014	16.9%	29.6%	27.9%	16.1%	41.6%	30.5%	21.1%

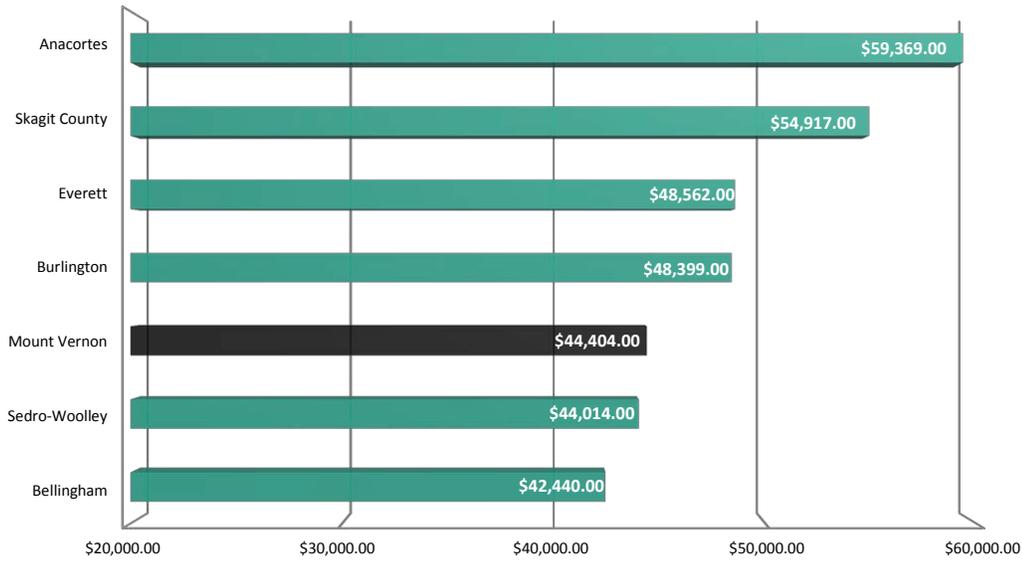
TABLE 4.5: MEDIAN FAMILY INCOME COMPARED

	Mount Vernon	Skagit County	Burlington	Sedro- Woolley	Anacortes	Bellingham	Everett
1999	\$44,772.00	\$48,347.00	\$42,083.00	\$40,918.00	\$49,531.00	\$47,196.00	\$46,743.00
2010	\$54,487.00	\$63,468.00	\$55,658.00	\$56,200.00	\$68,229.00	\$58,149.00	\$56,641.00
2014	\$50,909.00	\$65,063.00	\$56,830.00	\$48,234.00	\$74,000.00	\$63,355.00	\$59,368.00
% Increase 1999 to 2014	13.7%	34.6%	35%	17.9%	49.4%	34.2%	27%

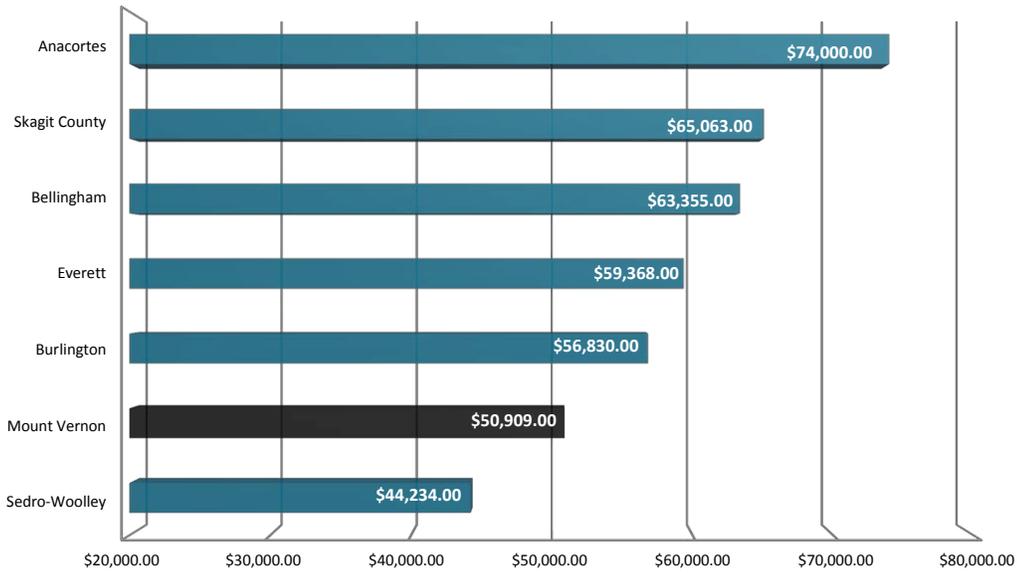
TABLE 4.6: PER CAPITA INCOME COMPARED

	Mount Vernon	Skagit County	Burlington	Sedro- Woolley	Anacortes	Bellingham	Everett
1999	\$17,041.00	\$21,256.00	\$17,167.00	\$16,517.00	\$22,297.00	\$19,483.00	\$20,577.00
2010	\$21,791.00	\$26,925.00	\$20,542.00	\$23,751.00	\$31,003.00	\$23,288.00	\$24,345.00
2014	\$21,623.00	\$27,598.00	\$22,052.00	\$22,127.00	\$33,107.00	\$24,864.00	\$25,981.00
% Increase 1999 to 2014	26.9%	29.8%	28.5%	34%	48.5%	27.1%	26.3%

GRAPH 4.7: MEDIAN HOUSEHOLD INCOME (2014) COMPARED



GRAPH 4.8: MEDIAN FAMILY INCOME (2014) COMPARED



4.2 POVERTY & PUBLIC ASSISTANCE

Consistent with Federal guidelines the U.S. Census uses income thresholds that vary by family size and composition to determine poverty rates. If a family's total income is less than the threshold then that family, and every individual in that family, is considered in poverty. The poverty thresholds do not vary geographically, but are updated for inflation. The income measure uses funds received before taxes and does not include capital gains or noncash benefits such as public housing, Medicaid, or food stamps.

In 2014, the poverty threshold for a family of two adults and two children was \$19,073.00. According to 2014 Census data, 16.6 percent of Mount Vernon families were below the poverty level (a total of 1,269 families) with 57 percent of these families having related children under the age of 18.

Between 1990 and 2014 there has been a 64 percent increase in the number of individuals below poverty level. In 1990 this rate was 13.2 percent and in 2014 it is 21.7 percent. The overall percent of households receiving public assistance or supplemental security income has remained fairly constant from 2000 to 2014; however, there has been a notable increase in households using food stamps (renamed SNAP) from 15.5 percent in 2010 to 23.6 percent in 2014.

Tables 4.9 and 4.10 show in 2014 Mount Vernon had a higher percentage of individuals and families living in poverty; and using food stamps, than unincorporated Skagit County and its incorporated cities.

TABLE 4.9: POVERTY AND PUBLIC ASSISTANCE FOR MOUNT VERNON

	2014	2010	2000	1989
Households with Public Assistance Income	3.8%	4.6%	4.6%	NA
Households with Supplemental Security Income	4.3%	4.9%	3.9%	NA
Households Using Food Stamps (SNAP)	23.6%	15.1%	NA	NA
Individuals Below Poverty Level	21.7%	15.5%	15.9%	13.2%
Families Below Poverty Level	16.6%	11%	10.8%	9.8%

TABLE 4.10: POVERTY AND PUBLIC ASSISTANCE COMPARASONS – 2014

Jurisdictions:	Mount Vernon	Skagit County	Burlington	Sedro-Woolley	Anacortes	Bellingham	Everett
Individuals Below Poverty Level	21.7%	14.9%	17.1%	20.1%	10.1%	23.2%	18%
Families Below Poverty Level	16.6%	10%	15.1%	11.9%	7.2%	14%	14%
Households with Public Assistance Income	3.8%	3.9%	6.3%	6.3%	2.4%	3.5%	6.6%
Households with Supplemental Security Income	4.3%	4.2%	6.8%	2.9%	3.8%	6.3%	7.1%
Households Using Food Stamps (SNAP)	23.6%	16.4%	21.6%	23.3%	10.8%	16.4%	21.3%

4.3 SPECIAL POPULATIONS

HUD identifies what they define as ‘special populations’ due to the particularly vulnerable nature of these populations. Special populations include those that are: elderly, severely mentally ill, addicted to drugs/alcohol or other substances, developmentally disabled, infected with HIV/AIDS, physically disabled, victims of domestic violence, and homeless.

The primary reason these special populations are identified is so that services can be targeted to help them achieve stability. While all Skagit County communities have special needs groups, Mount Vernon because it is the largest urban community and the County seat has the majority of social and health services located within its jurisdictional boundaries. For example, almost 75 percent of the beds in emergency shelters for the homeless are in Mount Vernon. The following provides data on the homeless population County wide and identifies the major social services that are located in the City.

4.3.1: THE HOMELESS IN SKAGIT COUNTY

In 2005 the State of Washington passed RCW 43.185C, titled the Homeless Housing and Assistance. When adopting this State law the legislature found that, “there are many causes of homelessness, including a shortage of affordable housing; a shortage of family-wage jobs which undermines housing affordability; a lack of an accessible and affordable health care system available to all who suffer from physical and mental illnesses and chemical and alcohol dependency; domestic violence; and a lack of education and job skills necessary to acquire adequate wage jobs in the economy of the twenty-first century”. This law also put into place a requirement for an annual homeless count which provides invaluable data.

Table 4.11 provides data on the 2015 homeless count for Skagit County as a whole.

TABLE 4.11: 2015 SKAGIT COUNTY HOMELESS COUNT

CATEGORY OF HOMELESS	# OF PERSONS
SHELTERED	
HH w/out Minors	54
HH w/ Minors	95
HH w/only minors	3
Total Sheltered	152
UNSHELTERED	
HH w/out Minors	154
HH w/ Minors	45
HH w/only minors	0
Total Unsheltered	199
CHRONICALLY HOMELESS	
Emergency Shelter & Safe Haven	10
Unsheltered	52
Total Chronically Homeless	62
OVERALL TOTAL	413

Comment [O31]: Again, why is this under economic and not demographics? No mention is made of the needs for farmworker housing .

Comment [O32]: Behavioral health issues

Comment [O33]: chemical addiction

Comment [O34]: No recommendations about housing are made for these groups nor any data presented. The Opioid epidemic is not mentioned either and this has had a dramatic impact on this issue.

Comment [O35]: Later in the document there is a longer description of the national context of this issue. Putting this under the economic section of this document creates misunderstandings about the causes of homelessness. It might be clearer under demographics. Even clearer would be able to talk about the housing needs for homelessness under housing types as Jones and Stokes did in 2005.

Comment [O36]: Using the Housing Resource Data in addition to Point in Time is a far more accurate depiction of the problem. The PIT data is not an accurate count as what we record weekly in the center. Community Action can provide a report for this from their Needs Assessment and this could also pull data by zip code in our county.

Group quarters are identified and tracked by the Census Bureau because they are not typical household-like living arrangements. Group quarters are places where people live or stay in a group living arrangement, owned or managed by an entity or organization providing housing and other support services for the residents. Group quarters include residential treatment centers, skilled nursing facilities, group homes, correctional facilities and other similar arrangements.

Group quarters are discussed within this section because ~~many times~~ many times those living in group quarters are considered special populations. Table 4.12 shows that as a percent of total population Mount Vernon’s group quarters have remained fairly constant since 2000. Noteworthy is that Mount Vernon has a higher percentage of these facilities than Skagit County and its incorporated cities.

TABLE 4.12: GROUP QUARTERS OVER TIME & COMPARED

	2014	Percent of Population	2010	Percent of Population	2000	Percent of Population
Mount Vernon	740	2.3%	723	2.3%	764	2.9%
Skagit County	1,820	1.5%	1,696	1.5%	1,841	1.8%
Burlington	110	1.3%	106	1.3%	184	2.7%
Sedro-Woolley	170	1.6%	81	.8%	255	2.9%
Anacortes	114	.7%	0	0%	129	.9%
Bellingham	4,807	5.9%	4,683	5.9%	4,593	6.8%
Everett	3,485	3.3%	3,901	3.8%	4,203	4.6%

Comment [O37]: As it should as the seat of the county and the holder of the most social service agencies. Living up river or in Anacortes to travel to MV for services can be a barrier. We have also lost some service agencies in the last year. A table showing the numbers and types of facilities would be helpful here. Especially in light of our behavioral health bed shortage.

At first blush it may seem that placing homeless in shelters is the least expensive and most ideal solution. However, research shows that an approach that prioritizes finding permanent supportive housing for the homeless, versus providing shelters, is much more cost-effective and successful over the long term. This is primarily due to the following: 1) the enormous cost of hospitalization and medical treatment that is exasperated when homeless, 2) that many homeless end up in prisons and jails which is very pricy; and 3) that emergency shelters are also expensive to both build and operate.

Comment [O38]: Shelters are critical parts of serving homeless populations. They are especially important for domestic violence victims, children, and emergency shelter during extreme weather situations. Shelters are also the starting place for building relationships with our chronic homeless citizens in getting them into programs. More and more cities are developing shelter systems that are part of transitional housing programs. This data is evolving and we need to stay open to changing with best practices and allowing zoning for shelters.

Permanent supportive housing refers to permanent housing that is coupled with supportive services such as: case management, integrated health care, mental health care, alcohol and substance abuse services. Three specific case studies regarding the cost savings in providing this type of housing to the homeless are summarized below to illustrate the point that new ways, other than providing homeless shelters, should be embraced by the City.

Comment [O39]: There seems to be text missing from here.

- The City of Los Angeles conducted ‘The Homeless Cost Study’ that profiled four homeless individuals that were placed in supportive housing. The cost of providing public services to these four individuals while they were homeless for the two years prior to being placed in supported housing was \$187,288.00. The cost of providing supported housing was found to be \$20,000.00 less per person during two subsequent years they spent in stable, permanent housing.
- In Seattle the ‘1811 Eastlake’ program that provides a Housing First type of residence (a type, or model of, permanent supportive housing) for those with severe alcohol, medical, and mental health conditions found that their program cost \$2,449.00 less per person, per month than what would otherwise be spent housing these homeless in conventional city shelters.

Comment [O40]: Can this definition be added up into the top glossary?

Comment [O41]: Shelter data is changing this assumption. We need to qualify this statement as part of an ongoing review of what is working. While saving money can be a good thing, saving people through quality programming is even more important.

Comment [O42]: While the premise is statistically supported, we can use local data to make this point.

- In Portland, ME a cost study of rural homelessness found that there was a 57 percent reduction in the cost of mental health services over a six-month period when the homeless were provided permanent supportive housing. The study attributes this cost savings to a 79 percent drop in the cost of psychiatric hospitalization of this population.

4.3.2: EXISTING FACILITIES FOR SPECIAL NEEDS POPULATIONS

The City is fortunate to have several different organizations and agencies located in the City that provide vital services to special needs populations. Following is a summary of a handful of these organizations and agencies that do this very important work.

Comment [O43]: Behavioral health residences are in short supply and we have a county wide effort being made to correct the over 700 bed shortage we are facing. This data should be part of defining the challenges we are facing

Community Action of Skagit County is a private non-profit human service agency that provides an impressive 35 anti-poverty programs throughout Skagit County. Community Action is one of approximately 1,000 similar agencies across the United States that were formed following the adoption of the Economic Opportunity Action by then President Lynden Johnson in 1964. In 2014 without considering 'in-kind' income Community Action was funded primarily through Federal, State and Local sources (49.6 percent Federal, 33.7 percent State/Local).

Comment [O44]: Can we insert their numbers served here from the last 5 years?

The Friendship House, located in Mount Vernon, is a privately operated, non-profit facility that provides the majority of the shelter services in Skagit County. In addition to the emergency shelters that Friendship House operates they also provide transitional housing, a no-cost daily meal service, the Hunger to Hope program that address unemployment and hunger through food service training, and other services.

Comment [O45]: Can we insert numbers served here from the last 5 years?

Skagit County's Human Services Department funds and coordinates a number of different programs and services throughout Skagit County including everything from their behavioral Health Program to Meals on Wheels.

Comment [O46]: Local data needed

Other service providers for special needs populations located in Mount Vernon include SeaMar Community Health Centers, Compass Health, Phoenix Recovery Services, Sunrise Services, Oasis Teen Shelter operated by the Skagit Valley YMCA, Youthnet, Northwest Youth Services, Skagit Domestic Violence & Sexual Assault Services, and food banks run by Skagit Valley Neighbors in Need and Skagit Gleaners.

Comment [O47]: The local Food Networks all have data about numbers of clients served. They can also tell you how many working families are using food banks to bridge the difference in what they make and what their mortgage or rent costs.

4.4 HOUSING VALUES & COSTS

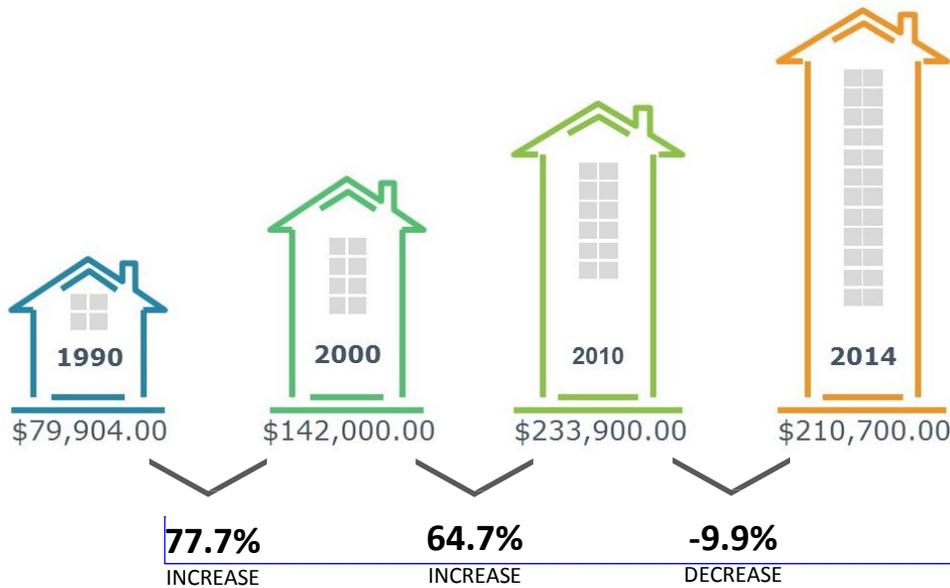
The U.S. Census compiles data on housing values and costs for both owned and rented units along with the percentage of household income that is spent on housing costs.

According to 2014 Census data, Mount Vernon’s median home value was \$210,700.00 which was 21 percent lower than the County’s median home price of \$254,900.00.

TABLE 4.13: MOUNT VERNON HOME VALUES

MEDIAN OWNER OCCUPIED HOME VALUE	
1990	\$79,904.00
2000	\$142,000.00
2010	\$233,900.00
2014	\$210,700.00

ILLUSTRATION 4.14: MOUNT VERNON HOME VALUES OVER TIME



Comment [DM48]: Need to get more current 2015 and early 2016 data.

TABLE 4.15: OWNER OCCUPIED HOME VALUES – 2014

	\$0 to \$50K	\$50K to \$99K	\$100K to \$149K	\$150K to \$199K	\$200K to \$299K	\$300K to \$499K	\$500K & Up	Median
City	10.9%	1.8%	11.5%	21%	39.9%	13.3%	1.6%	\$210,700.00
Census Tracts:								
9522	16.8%	2.2%	10.4%	25.5%	34.2%	9.7%	1.2%	\$190,600.00
9523.01	30.9%	2.6%	5.3%	22%	39.2%	0%	0%	\$168,100.00
9523.02	2.8%	2.1%	5.5%	18.5%	44.4%	23.6%	3.1%	\$258,100.00
9524.01	0%	2.9%	15.2%	32.7%	43.6%	5.6%	0%	\$198,700.00
9524.02	13.8%	.8%	12.8%	13.9%	37.3%	18.3%	3.1%	\$217,100.00
9525	0%	1.7%	27.2%	30%	26%	9.2%	5.9%	\$177,000.00
9526	9.1%	1.8%	12.1%	12.5%	40.5%	18.1%	5.9%	\$230,200.00

The 2014 Census data showed 40 percent of all homes in the City are valued between \$200,000.00 and \$299,000.00 in price. Taking a closer look within the U.S. Census Tracts we find that tract 9523.01 has the vast majority of occupied homes valued up to \$50,000.00; and tracts 9525 and 9526 have the highest percentages of homes valued at \$500,000.00 and more. Tract 9523.01 has a higher percentage of homes valued under \$149,000.00 than any other tract; and this tract also has the lowest median home value as compared to the other tracts at \$168,100.00.

A comparison of 2014 U.S. Census data shows that the City has realized a smaller percentage of change in owner occupied home values as compared to Skagit County, it’s incorporated cities, and the City of Bellingham.

TABLE 4.16: OWNER OCCUPIED HOME VALUES COMPARED OVER TIME

	2014	2010	2000	% CHANGE 2000 TO 2014
Mount Vernon	\$210,700.00	\$233,900.00	\$142,000.00	48.4%
Skagit County	\$254,900.00	\$278,300.00	\$158,100.00	61.2%
Burlington	\$193,200.00	\$217,300.00	\$129,200.00	59.5%
Sedro-Woolley	\$185,500.00	\$217,100.00	\$123,400.00	50.3%
Anacortes	\$312,300.00	\$351,600.00	\$171,000.00	82.6%
Bellingham	\$287,100.00	\$305,500.00	\$156,100.00	83.9%
Everett	\$230,800.00	\$277,100.00	\$168,300.00	37.1%

Between 1990 and 2014 the U.S. Census documents a 152 percent increase in gross rent amounts in Mount Vernon. In 1990 57 percent of renters paid \$300.00 to \$499.00 compared to 2014 where the majority of renters (32.3 percent) are paying \$750.00 to \$999.00 in rent.

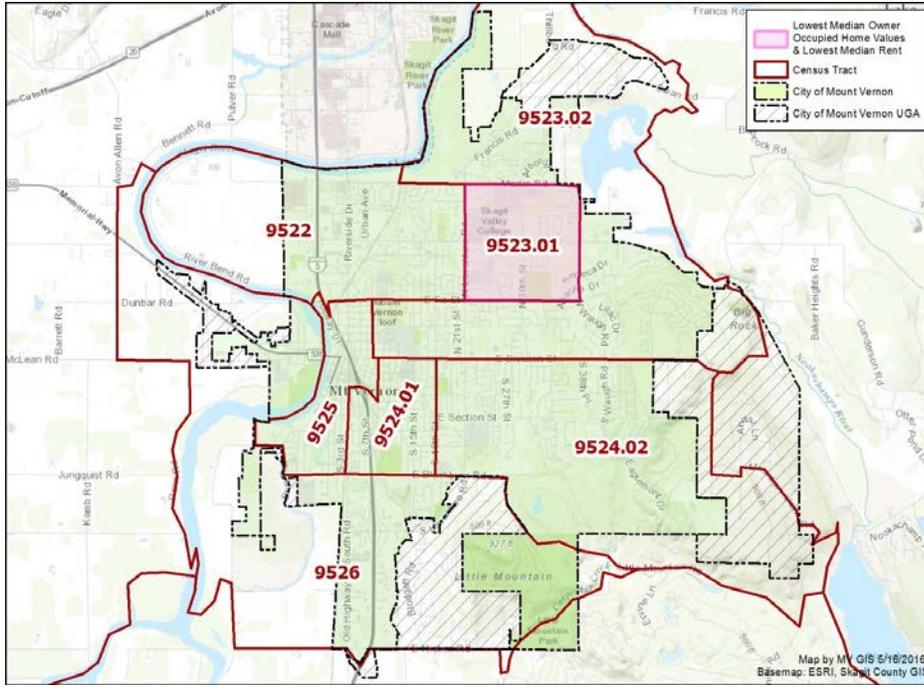
TABLE 4.17: GROSS RENT AND % OF RENT CATEGORIES – MOUNT VERNON

	Units Paying Rent	Less than \$200	\$200 to \$299	\$300 to \$499	\$500 to \$749	\$750 to \$999	\$1,000 to \$1,499	\$1,500 or more	Median
2014	4,896	1.8%	2.3%	5.3%	20.3%	32.3%	28.7%	9.3%	\$906.00
2010	4,580	2.5%	4.5%	7.5%	21.9%	29.9%	23.7%	10%	\$837.00
2000	3,965	5.9%	5%	13.1%	40.8%	23.2%	6.2%	4.2%	\$655.00
1990	2,875	11.1%	17.3%	57.4%	9%	.5%	2.6% (categories merged with 1990 Census)		\$359.00

The City’s median gross rent in 2014 was \$906.00. Table 4.18 provides a breakdown of the number of units available in different rental categories in the City by individual census tract. This table provides a look at rental cost throughout the City. Census tract 9525 has the lowest median contract rent at \$754.00, with 34.7 percent of the units in that census tract having rents under \$750.00. In contrast, Census Tract 9526 has the highest median gross rent of \$1,132.00 with only 6 percent of the units having rents under \$750.00; over 16 percent of the units in this census tract have gross rents that are \$1,500.00 or greater.

TABLE 4.18: GROSS RENT BETWEEN CENSUS TRACTS – MOUNT VERNON, 2014

	0-\$499	\$500-\$749	\$750-\$999	\$1,000-\$1,499	\$1,500 or more	Median
City-wide	9.4%	20.3%	32.3%	28.7%	9.3%	\$906.00
Census Tracts:						
9522	7.8%	11.2%	48.4%	22.7%	9.9%	\$874.00
9523.01	23.9%	30.3%	29%	13.9%	2.9%	\$729.00
9523.02	3.3%	19.6%	22.1%	39%	15.9%	\$1,033.00
9524.01	2.4%	30.4%	34.4%	24%	8.7%	\$900.00
9524.02	5.2%	5.4%	38.2%	39.6%	11.5%	\$1,020.00
9525	13.9%	34.7%	27.1%	24.4%	0%	\$754.00
9526	2.8%	6%	32.2%	42.9%	16.1%	\$1,132.00



The housing data up to this point has been based on U.S. Census data because this data has been deemed the most accurate and reliable. Because this Census data has been collected in uniform ways for decades it is also the most appropriate for historical comparisons and contrasts with different jurisdictions. The only downfall is that the most up-to-date Census data is from year-end 2014 and this Housing Element is dated 2016.

To ensure that Mount Vernon’s rent figures provided in Tables 4.17 and 4.18 are not too different from what is being charged in 2016 the average multi-family rents were obtained from the University of Washington’s Runstad Center for Real Estate Studies. The Runstad data lists an average rent of \$855.00 in the Spring of 2016 for the City of Mount Vernon. A final check of these rental rates was made by looking up the U.S. Department of Housing and Urban Development’s (HUD) fiscal year 2016 Fair Market Rent for the Mount Vernon – Anacortes MSA. This HUD data lists the rent for a two-bedroom unit at \$962.00.

It’s important to know that both the Census and HUD data include basic utilities in their rent amounts; whereas the Runstad data does not. However, the HUD data is for the Mount Vernon-Anacortes MSA; which means that areas outside Mount Vernon’s city limits are included. Of concern with this MSA is that Anacortes historically, and at the present, has higher rent values than Mount Vernon.

None-the-less the HUD and Runstad data provide some assurance that the 2014 Census data could be a little low, but still relevant.

Comparing the 2014 U.S. Census gross rent amounts in 2014 and from 2000 to 2014 we see that, with the exception of the City of Bellingham, Mount Vernon has the lowest median gross rents in 2014. Additionally, between 2000 and 2014 Mount Vernon has the lowest percent increase in median gross rents across the jurisdictions listed in Table 4.19.

TABLE 4.19: MEDIAN GROSS RENT COMPARASONS

	2014	2010	2000	% CHANGE 2000 TO 2014
Mount Vernon	\$906.00	\$837.00	\$655.00	38.3%
Skagit County	\$961.00	\$872.00	\$668.00	43.8%
Burlington	\$1,002.00	\$911.00	\$642.00	56%
Sedro-Woolley	\$1,012.00	\$831.00	\$642.00	57.6%
Anacortes	\$1,026.00	\$943.00	\$736.00	39.4%
Bellingham	\$901.00	\$790.00	\$613.00	47%
Everett	\$965.00	\$878.00	\$687.00	40.5%

5.0

SOCIAL PROFILE

The subsections that follow contain detailed information on a variety of social demographics regarding age, sex, race, ethnicity, education, and household composition for the City’s residents. This information is provided within a historical context and comparisons to other jurisdictions are made to provide a benchmark upon which to compare the metrics presented.

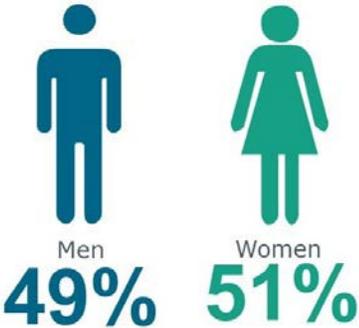
The City’s Land Use Element of the Comprehensive Plan and previous sections within this Element have discussed the overall population and housing of the City. This section will dive into the social makeup of this population that is housed in Mount Vernon. It is important for Cities to have this information about their population because different subgroups of population behave differently and could have different impacts to different amenities and services found in the City.

The demographics discussed within this section include:

- 5.1: AGE & SEX
- 5.2: EDUCATION
- 5.3: HOUSEHOLD COMPOSITION
- 5.4: RACE AND ETHNICITY

5.1 AGE & SEX

The age composition of City residents could influence many different types of land use decisions such as, how much land should be available to accommodate health care services or elementary schools. According to the U.S. Census data Mount Vernon’s median age and percent of males to females has remained constant over many decades. The only age category that has a noticeable change in Mount Vernon is the population under five that has increased by almost 1 percent from 1990 to 2014.



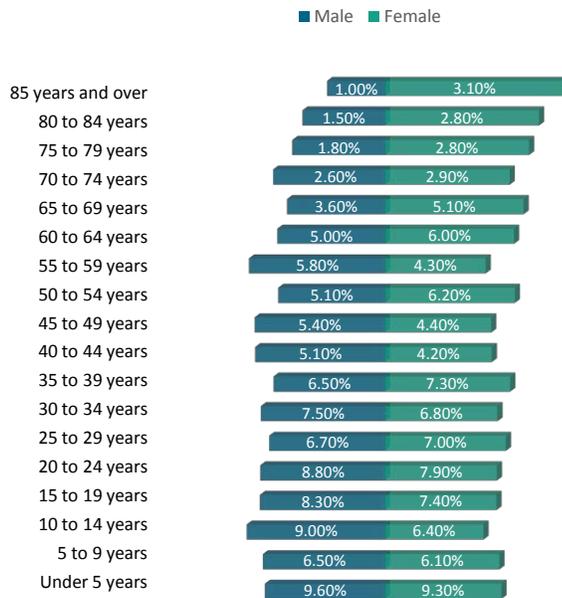
Comment [O49]: Could this section be called demographic profile? Demography encompasses the study of the size, structure, and distribution of these populations, and spatial or temporal changes in them. Demographics are quantifiable characteristics of a given population. Social refers to the behaviors of a species and the interactions – the housing element should be focused on people’s need for shelter. To venture off into social aspects risks misunderstandings. Indirectly creating stereotypes or assumptions about how about people in poverty behave or conclusions about race distract us from the goal of housing. Sticking with demographic data, this section could be shortened and have far less risk in offending people.

Comment [O50]: ?

TABLE 5.0: AGE & SEX COMPOSITION OVER TIME – MOUNT VERNON

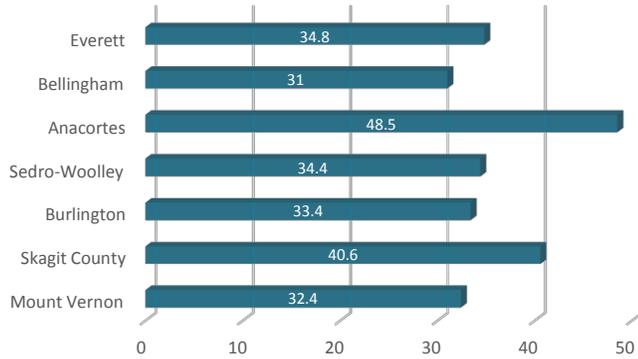
Year	Median Age	% Male to Female	Population Under 5	Population 5 to 19	Population 20 to 44	Population 45 to 64	65 and Older
1990	31.6	48% to 52%	8.6%	22.2%	32.7%	22.5%	13.9%
2000	31.1	49% to 51%	8.4%	24.5%	37%	17.7%	12.6%
2010	32.3	49% to 51%	8.8%	22.3%	34.7%	21.4%	12.7%
2014	32.4	49% to 51%	9.5%	21.9%	33.9%	21%	13.7%

GRAPH 5.1: AGE & SEX COMPOSITION 2014 – MOUNT VERNON



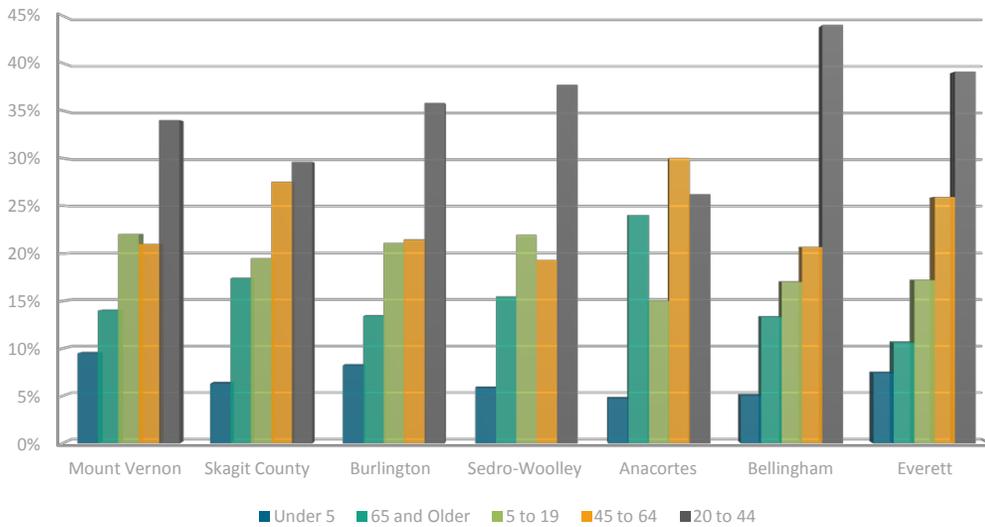
Graph 5.2 is the median age for Mount Vernon and selected nearby jurisdictions from the 2014 U.S. Census. Mount Vernon’s median age is eight years lower than Skagit County’s; yet is very similar to the Cities of Burlington, Sedro-Woolley, Bellingham and Everett. Noteworthy is the City of Anacortes’ median age of 48.5.

GRAPH 5.2: MEDIAN AGE COMPARED



Graph 5.3 contains data on the overall population broken into five different age categories for Mount Vernon and the listed nearby jurisdictions. Mount Vernon has more residents ages five to 19, and under the age of five than any of the other jurisdictions.

GRAPH 5.3: AGE CATEGORIES COMPARED



5.2 EDUCATION

Table 5.4 provides details on the educational attainment of Mount Vernon residents age 25 or older from 2000 to 2014. Over this 14 year period the percentage of those earning Associates, Bachelor, Graduate, and Professional Degrees has increased by almost 1 percent across each category.

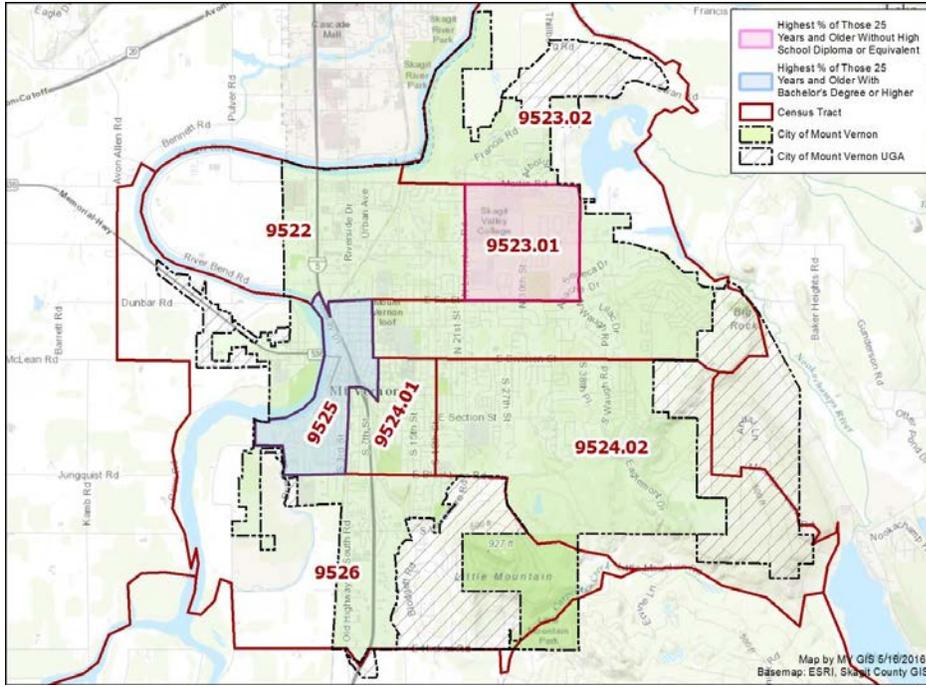
TABLE 5.4: EDUCATIONAL ATTAINMENT – MOUNT VERNON OVER TIME (THOSE AGE 25 & OLDER)

	Less than 9 th Grade	9 th to 12 th Grade, no Diploma	High School Graduate (or Equivalency)	Some College No Degree	Associate's Degree	Bachelor's Degree	Graduate or Professional Degree
2000	10.5%	10.6%	24.7%	26.9%	8.6%	12.2%	6.5%
2010	11.2%	8.7%	25.2%	24.7%	11.8%	10.9%	7.5%
2014	10.2%	9.4%	25%	24.9%	10.1%	13.1%	7.2%

Census tract 9523.01 has a significantly more people with less than a 9th grade education; whereas tract 9525 has the lowest percentage. All of the Census tracts are within 3% of the citywide high school graduate (or equivalency) percentage of 25 percent. Tracts 9523.02 and 9525 both have notably higher rates of those with Bachelor's Degrees and Tract 9524.01 has 2 percent more people with Graduate or Professional Degrees than the city wide average.

TABLE 5.5: EDUCATIONAL ATTAINMENT – MOUNT VERNON 2014 (THOSE AGE 25 & OLDER)

	Less than 9 th Grade	9 th to 12 th Grade, no Diploma	High School Graduate (or Equivalency)	Some College No Degree	Associate's Degree	Bachelor's Degree	Graduate or Professional Degree
Citywide	10.2%	9.4%	25%	24.9%	10.1%	13.1%	7.2%
Tracts:							
9522	11.3%	11.4%	23.1%	26.7%	10.8%	11.5%	5.1%
9523.01	18.6%	14.2%	28.9%	21.4%	6.5%	5.3%	5.1%
9523.02	10.1%	8.8%	22.1%	22.1%	11.2%	17.6%	8.1%
9524.01	5.4%	6.9%	27.5%	27.6%	9.8%	13.7%	9.2%
9524.02	7.4%	6.3%	23.9%	28.3%	11.6%	15.4%	7.1%
9525	3.7%	6.2%	23.4%	24.7%	14.5%	18.9%	8.7%
9526	6.7%	11.1%	26.8%	27.7%	7.1%	14.4%	6.4%



Mount Vernon has a much higher percentage of residents with less than a 9th grade education and also those with a 9th to 12th grade education with no diploma as compared to the other jurisdictions listed in Table 5.6. Both the cities of Anacortes and Bellingham have at least 10% more residents with Bachelor's Degrees and both cities have twice as many residents with Graduate or Professional Degrees as compared to Mount Vernon.

Comment [O51]: What housing goals do we want to develop to encourage affordable student housing at SVC? How can we assist families with improving childcare availability in residential areas?

TABLE 5.6: EDUCATIONAL ATTAINMENT – COMPARED 2014 (THOSE AGE 25 & OLDER)

	Less than 9 th Grade	9 th to 12 th Grade, no Diploma	High School Graduate (or Equivalency)	Some College No Degree	Associate's Degree	Bachelor's Degree	Graduate or Professional Degree
Mount Vernon	10.2%	9.4%	25%	24.9%	10.1%	13.1%	7.2%
Skagit County	4.6%	7.1%	25.7%	27.7%	10.3%	15.4%	9%
Burlington	7.7%	7.9%	34.3%	29.2%	7.5%	8.2%	5.1%
Sedro-Woolley	3.2%	7%	31%	33.1%	11.9%	8.9%	4.9%
Anacortes	1%	4.5%	21.9%	26.6%	9%	22.9%	14.2%
Bellingham	2.9%	4.5%	18.3%	23.3%	10.3%	26.4%	14.3%
Everett	5.1%	8%	26.5%	28%	11.4%	14.9%	6%

5.3 HOUSEHOLD COMPOSITION

Between 1990 and 2014 U.S. Census data shows that the City’s overall percentage of married couple family households has decreased by almost 10 percent. During the same timeframe the percentage of female family householders (with no husband present) has increased by 8 percent.

Comment [O52]: Fix language

The number of households with occupied by one person has decreased from 28.8 percent in 1990 to 24.4 percent in 2014. The opposite trend is seen in households with four or more people: in 1990 this percentage was 23.8 percent and in 2014 it was 28.9 percent.

TABLE 5.7: HOUSEHOLD AND FAMILY COMPOSITION, MOUNT VERNON OVER TIME

	1990	2000	2010	2014
Total Population	17,647	26,232	31,743	32,356
Total Households	6,885	9,276	11,386	11,308
Total Family Households	4,520	6,203	7,260	7,646
Married Couple Family Households	79.6%	78.3%	75%	70.2%
Female Family Householder (no husband present)	15.6%	16.3%	18.6%	23.6%
Households with 1 Person	28.8%	26.1%	29.9%	24.4%
Households with 2 People	32.5%	30.6%	29.5%	32.3%
Households with 3 People	14.9%	14.5%	15.4%	14.4%
Households with 4+ People	23.8%	28.7%	25.2%	28.9%

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5.4 RACE AND ETHNICITY

Mount Vernon is a recipient of Community Development Block Grant (CDBG) funds from HUD. To receive these funds the City completes an Analysis of Impediments to Fair Housing Choice (AI) at regular intervals. An AI, among other things, examines the City’s demographics and conditions of racial and ethnic segregation. As a recipient of these funds the City is required to include real and effective fair housing strategies in its planning and development process to implement the Fair Housing Act (FHA). With regard to this implementation, the Fair Housing Center of Washington states, “to receive federal money jurisdictions are required to create a housing plan that equalizes opportunity in communities”.

Comment [O53]: How has the use of CDGB funds directly benefitted those it was intended for? While most of the last requests were used for the flood wall, what has been done to serve the needs of these populations ?

HUD has a metric called Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs) that is used to identify neighborhoods that are characterized by extreme poverty and where the majority of the population is non-white. HUD’s technical definition for R/ECAPs is a census tract where 40 percent or more households in the tract live in poverty and more than 50 percent of the population is non-white.

Racial and ethnic income gaps are perpetuated and may widen in R/ECAP neighborhoods for many reasons. Neighborhoods with concentrated poverty tend to have high crime rates, health disparities relating to close proximity to environmental hazards, stress, inadequate health care facilities, and poor quality food.

Following is an inventory of the City’s different races and ethnicities over time and as compared to nearby areas.

5.4.1: DIFFERENCE BETWEEN RACE AND ETHNICITY

The difference between race and ethnicity is not well understood by many; and because the U.S. Census does provide data on both, following is a brief explanation.

In the simplest terms a person’s race is associated with biological aspects, whereas ethnicity is associated with culture, customs and traditions. The U.S. Census has included questions about race since its first Census in 1790. Over the years the U.S. Census has added different races to the Census. The U.S. Census defines those of Hispanic or Latino origin as being a person “of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin regardless of race”. This means that people who identify themselves as Hispanic or Latino can be of any race.

5.4.2: PROFILE OF MOUNT VERNON

Table 5.8 shows the racial composition of Mount Vernon has been overwhelmingly “white alone” for decades. However, since 1990 there has been an almost 10 percent drop in residents that identify themselves this way for the U.S. Census. Since 1990 the percentage of the City’s population that identifies their ethnicity as Hispanic or Latino has significantly increased from 10.9 percent in 1990 to 34.3 percent in 2014 – a 23.4 percent increase over this 24 year period.

TABLE 5.8: RACE COMPOSITION OF MOUNT VERNON OVER TIME

	1990	2000	2010	2014
White Alone	89.6%	83.9%	75%	80.3%
Black or African American Alone	.4%	.7%	.78%	.8%
American Indian and Alaska Native Alone	2.3%	.95%	1.1%	.7%
Asian Alone	1.4%	2.2%	2.8%	2.7%
Native Hawaiian and Other Pacific Islander Alone	.1%	.1%	.2%	.2%
Some Other Race Alone	7.5%	9.9%	15.1%	12.3%
Two or More Races	NA	2.2%	5%	3%

GRAPH 5.9: MOUNT VERNON'S RACES

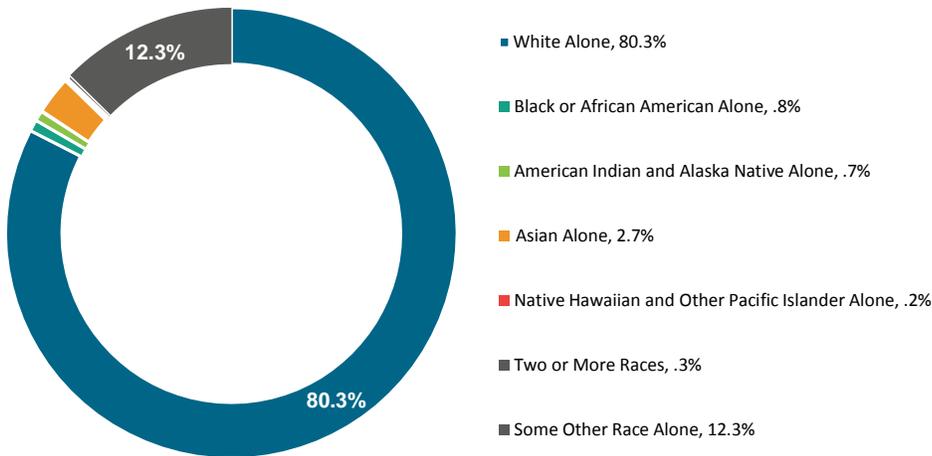


TABLE 5.10: ETHNICITY – HISPANIC OR LATINO COMPOSITION OF MOUNT VERNON OVER TIME

	1990	2000	2010	2014
Hispanic or Latino	10.9%	25.1%	34.2%	34.3%

GRAPH 5.11: MOUNT VERNON'S RACES & ETHNICITIES

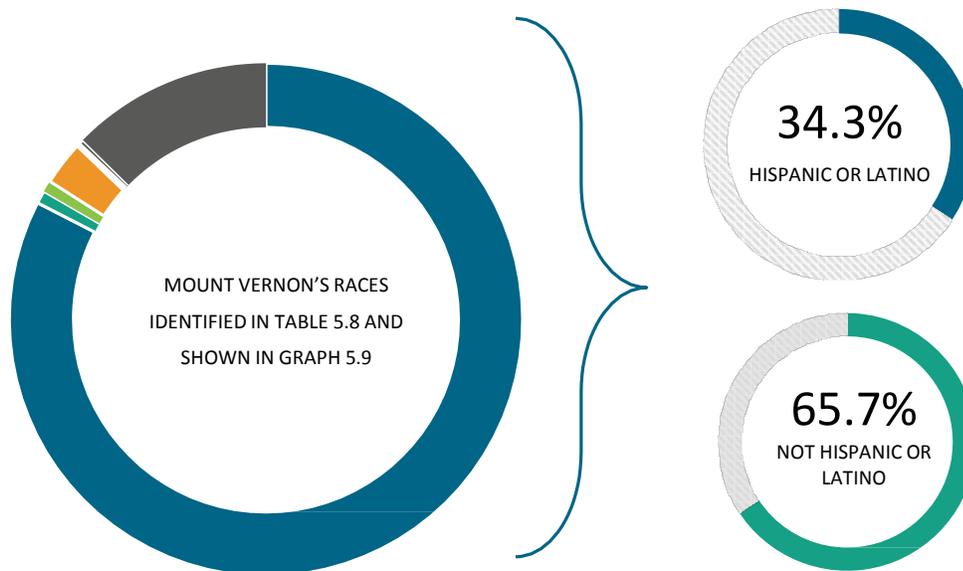


Table 5.11 evaluates the City’s Census Tracts looking for potential patterns of where different racial or ethnic groups could be clustered geographically within the City. This analysis shows that Census Tract 9523.01 has a larger concentration of Black or African American residents than any other City tract and it is three times the City-wide percentage. Census tract 9522 has the highest percentage of Asian residents and is twice the City-wide percentage. Tract 9523.01 has the largest percent of Hispanic or Latino residents at a rate that is 20 percent higher than the City-wide average; Tract 9526 has just 15.8 percent Hispanic or Latino residents which is less than half of the City-wide rate.

TABLE 5.11: RACE & ETHNICITY – MOUNT VERNON’S CENSUS TRACTS, 2014

Race and Ethnicity	City		Census Tracts					
	Wide	9522	9523.01	9523.02	9524.01	9524.02	9525	9526
White Alone	80.3%	79.5%	67.4%	92.8%	83.9%	84.6%	83.1%	92.7%
Black or African American Alone	.8%	.6%	2.4%	.4%	0%	.2%	1.5%	1.1%
American Indian and Alaska Native Alone	.8%	1.1%	.6%	.3%	2.8%	.4%	.4%	.2%
Asian Alone	2.7%	5.6%	1.6%	4.6%	.5%	1.7%	2.1%	.2%
Native Hawaiian and Other Pacific Islander Alone	.2%	.2%	.3%	.1%	.2%	.1%	.2%	0%
Some Other Race Alone	12.3%	11.1%	25.3%	8.6%	8.2%	11.3%	8.8%	1.9%
Two or More Races	3%	2%	2.4%	3.1%	4.3%	1.8%	4%	3.9%
Hispanic or Latino Ethnicity	34.3%	35.2%	53.7%	29.8%	25.3%	31.6%	17.7%	15.8%

Compared to the other jurisdictions listed in Table 5.12 Mount Vernon has a notably higher percentage of residents that identify themselves as “some other race alone”. The only other significant difference between Mount Vernon and the other jurisdictions is Mount Vernon’s overall percentage of residents that are of Hispanic or Latino ethnicity. Mount Vernon’s percentage is 34.3 percent with the jurisdiction having the next closest percentage being the City of Burlington at 25 percent.

TABLE 5.12: RACE AND ETHNICITY COMPARASONS – 2014

	Mount Vernon	Skagit County	Burlington	Sedro-Woolley	Anacortes	Bellingham	Everett
White Alone	80.3%	86.8%	76.3%	86.9%	91.9%	84.8%	75.8%
Black or African American Alone	.8%	.6%	1.3%	1%	.5%	1.1%	4.5%
American Indian and Alaska Native Alone	.7%	1.6%	1.8%	.7%	.9%	1.8%	1%
Asian Alone	2.7%	1.7%	1.7%	1.1%	2.3%	5.3%	8.2%
Native Hawaiian and Other Pacific Islander Alone	.2%	.5%	3.5%	.7%	.3%	.1%	1%
Some Other Race Alone	12.3%	5.3%	9.5%	3.8%	1%	2.2%	3.2%
Two or More Races	3%	3.4%	5.9%	5.8%	3.1%	4.7%	6.2%
Hispanic or Latino	34.3%	17.4%	25%	14.3%	5.4%	8.3%	16.1%

Due to the large difference regionally with Mount Vernon’s overall percentage of Hispanic or Latino residents an additional comparison to the State and nationally were also made in Table 5.13. Table 5.12 shows that Mount Vernon has a significantly higher percentage of Hispanic or Latino residents regionally; whereas Table 5.13 shows that this difference is also observed State-wide and nationally.

TABLE 5.13: ETHNICITY – HISPANIC OR LATINO COMPOSITON COMPARASONS

	Mount Vernon	State of Washington	United States
Hispanic or Latino	34.3%	11.7%	16.9%

GRAPH 5.14: ETHNICITY – HISPANIC OR LATINO COMPOSITON COMPARASONS

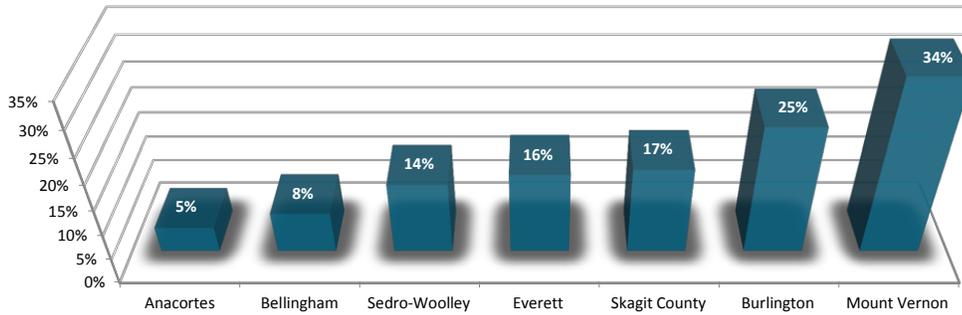
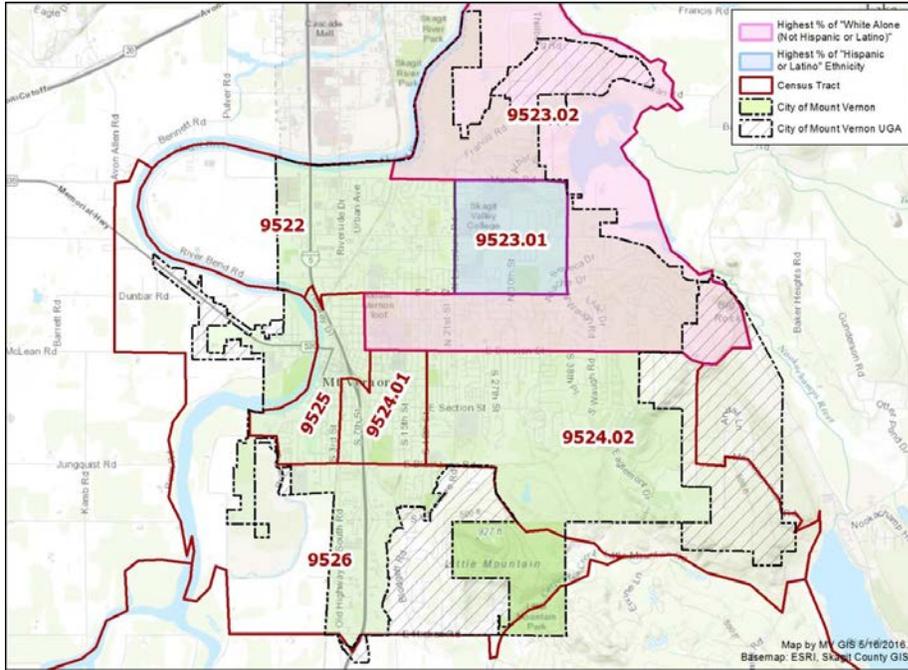


Table 5.15 shows how Mount Vernon’s percentage of residents that are foreign born has changed from 1990 to 2014 and also provides comparisons to nearby jurisdictions. Between 1990 and 2014 the percentage of foreign born residents in Mount Vernon has increased by 153 percent which is considerably higher than any of the other jurisdictions in Table 5.15.

TABLE 5.15: PERCENT OF FOREIGN BORN RESIDENTS COMPARED

	2014	2010	2000	1990	% CHANGE 1990 TO 2014
Mount Vernon	17.5%	20%	19.5%	6.9%	153.6%
Skagit County	9.4%	10.6%	8.8%	4.9%	91.8%
Burlington	11.2%	16.3%	11.6%	6.6%	69.7%
Sedro-Woolley	4.3%	6.2%	3.7%	4.2%	2.4%
Anacortes	6.7%	6.9%	5%	4.2%	59.5%



5.4.3: ETHNIC BASED DISPARITIES

Evaluating race and ethnic data above and comparing it to other metrics such as income, poverty and education (that are also provided within this document) ethnic based disparities are observed across many key indicators in Mount Vernon.

Examination and tracking of these indicators is of the utmost importance to ensure that the City's planning efforts are inclusive and based on a complete understanding of the City's residents and the opportunities and challenges they face.

Following are the key indicators of race-based disparities observed in Mount Vernon:

- **Income and poverty:** those identifying themselves as Hispanic or Latino comprise 34 percent of the City's population, yet they account for a disproportionate number of those living in poverty at a magnitude of over three times the rate of 90 percent of residents that are not Hispanic or Latino.

Hispanic or Latino residents have significantly lower median household and family incomes and their per capita income is far below that of residents that are 'white alone'. Hispanic or Latino households that received food stamps in the 12 months prior to the Census survey are more than double the 'white alone' households.

- **Education:** Hispanic or Latino residents have significantly higher rates of those with less than a high school education and vastly fewer that have earned a Bachelor's degree or higher.
- **Housing:** Hispanic or Latino residents have much lower rates of home ownership; and their homes have more occupants per room than others within the City.

Table 5.15 includes data from the U.S. Census used for the race-based disparity conclusions listed above. The 'White Alone (not Hispanic or Latino Population)' and 'Hispanic or Latino Population' comparison was chosen because in Mount Vernon of the 66 percent of the population that is not Hispanic or Latino is 90 percent 'white alone' and 'not Hispanic or Latino'.

Comment [O54]: Without including farmworker housing needs (over 4,000 unhoused) and the dynamics of the agricultural industry to our economy, the presentation of this data to housing has no context. There are other considerations to include here but space is limited. The bottom-line question is, with this kind of need being presented, what are the recommendations and goals to bridge the disparities? How are children impacted and what goals do we have to serve them and their families?

TABLE 5.16: ETHNIC BASED DISPARITIES, MOUNT VERNON 2014

	White Alone (Not Hispanic or Latino) Population	Hispanic or Latino Population
Household Poverty	12%	39%
Median Household Income	\$50,829.00	\$34,654.00
Median Family Income	\$60,733.00	\$32,928.00
Per Capita Income	\$28,321.00	\$11,119.00
Households that Received Food Stamps in the past 12 months	18%	40%
Housing that is Owned vs. Rented (Tenure)	62% owned 38% rented	34% owned 66% rented
Percentage of occupied housing that has 1.01 occupants per Room (or more)	1.5%	33%
Education*: Less than High School Diploma	9%	52%
Bachelor's Degree or Higher (*of population 25 years and over) 2013 data	25%	4%

6.0

AFFORDABLE HOUSING

Housing is affordable when a household, after paying their rent or mortgage payment and basic utilities, has enough income left to pay for other necessities like transportation, food, medical care, and other such essentials. This means there are two main variables that need to be compared to determine whether housing is affordable; or unaffordable – housing cost and income. As one might expect, the relationship between housing cost and income becomes more critical when households are making less income than the average household would.

Federal housing policy in 1968 set the precedent for evaluating gross income spent on housing (plus basic utilities) as a benchmark to measure affordable housing. Currently, the U.S. Department of Housing and Urban Development (HUD) uses both 30 percent and 50 percent measures of income-to-housing to describe unaffordable housing. HUD considers a household paying more than 30 percent of their income on housing as “cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care”. Further, HUD considers families paying more than 50 percent of their income for housing “extremely cost burdened”.

A second, but still related way, of determining affordable housing was founded by the National Low Income Housing Coalition. This method calculates the amount of income a household needs to make to afford paying “Fair Market Rent” with spending no more than 30 percent of their income on housing. “Fair Market Rent” is a calculation that HUD completes every year to determine the cost of a modest rental unit within a particular area.

Although the comparison of amount of income spent on housing costs is the conventional way that housing affordability has been, and continues to be, measured by many it does have its limitations that need to be understood when using the results – or basing policy - on such analysis.

The Joint Center for Housing Studies at Harvard University summed up the shortfalls of these types of cost burden analysis (percent of income-to-housing approaches) by stating,

“Importantly, standard measures fail to take into account tradeoffs that people make to lower housing costs. These tradeoffs include housing quality, neighborhood quality, and location. Making these tradeoffs can impose other costs on households. These added costs are not now captured by the simple approach of measuring only the share of income households spend on their housing. Counting a portion of those who incur such costs would add to counts of the number of households with housing affordability problems. For example, households in the bottom expenditure quartile that spend 30 percent or less on housing spend on average \$100 more on transportation than those that allocate over half their outlays to housing. Should this \$100 tradeoff get added back to housing costs when estimating who is spending more than a certain amount on housing? Should the time value of longer commutes get added in as well?”

Even with their limitations, methods that measure housing cost-to-income are still the best way to estimate housing affordability, or unaffordability, in Mount Vernon.

The sections that follow are organized into these broad topic areas:

- 6.1: Scope of the Issue
- 6.2: Historic & Existing Condition
- 6.3: Subsidized Housing
- 6.4: Policy Choices & Recommendations

Comment [O55]: If transportation is factored in childcare should also be a consideration. This combination of data can be found in the ALICE report from the United Way.

6.1 SCOPE OF THE ISSUE

The lack of affordable housing is an ever-growing problem nationwide:

The Urban Institute published a paper in June of 2015 that states, “Since 2000, rents have risen while the number of renters who need low-priced housing has increased. These two pressures make finding affordable housing even tougher for very poor households in America. Nationwide, only 28 adequate and affordable units are available for every 100-renter households with incomes at or below 30 percent of the area median income. Not a single county in the United States has enough affordable housing for all its extremely low-income (ELI) renters”.

This begs the question of why would the City of Mount Vernon be concerned about affordable housing anywhere else but the City. The answer to this lies in the City’s desire to find the most effective way, given the City’s limited resources, to help mitigate the lack of affordable housing in the City.

The City’s role in affordable housing issues, although limited, is important. The City does not build or maintain affordable housing units. The City’s primary role is through the adoption and implementation of development regulations that govern the use of land and by being the authority that takes projects through their respective permitting processes.

We have established that the lack of affordable housing is a nationwide problem. As such, we are able to evaluate, and learn, from what other jurisdictions have done successfully – and not so successfully. With this in mind, it is of the utmost importance when evaluating successful affordable housing approaches that one understands:

- 1) How the program/approach was funded – e.g., does the City have access to the same or similar funding source; and,
- 2) The demographic and economic forces at play – e.g., does this other jurisdiction have a shortage of job and retail/sales tax producing land similar to Mount Vernon’s?

We will establish in the following sections that the lack of affordable housing has plagued the City for decades; and that efforts to mitigate this problem have not, in any significant way, made headway in mitigating this problem. Efforts over the last few decades have kept parts of this problem from getting worse, but importantly, they have not made it better.

“The measure of success is not whether you have a tough problem to deal with, but whether it is the same problem you had last year”
– John Foster Dulles, Former US Secretary of State

What this tells the City is that new ways, departing from what has been done historically, need to be understood and new policies need to be put in place.

Comment [O56]: Has a study been done with stakeholders to understand what zoning/code changes could be made to alter this direction? A great amount of effort has been made to have a direct conversation about these issues from both the for and nonprofit developers. We encourage a study session with the City Council to fully discuss the barriers at hand.

6.2 HISTORIC & EXISTING CONDITIONS

This section provides details on the historic and current day affordable housing challenges that the City will continue to face. To quantify this issue the following analysis uses two different ways to measure how cost burdened Mount Vernon households are. The first section uses HUD’s decades old approach of measuring the amount of household income spent on housing. The second section uses an approach of measuring the income needed, as a yearly total and hourly wage, to afford what is described as a modest rental unit within the City. Even though both approaches are measuring housing costs-to-income they provide eye opening data with regard to the magnitude of this issue in the City.

6.2.1: HUD’S 30/50 PERCENT MEASURES

Measuring the amount of income spent on housing provides insight into the amount of income left (after paying for housing) to pay for other household needs such as food, transportation, medical care. HUD’s standard measurement is to categorize those that are paying more than 30 percent of their gross (before tax) income on housing (including basic utilities) as being cost burdened. Further, HUD categorizes those paying more than 50 percent of their gross income on housing as being extremely cost burdened.

Although it is of interest to measure higher income households that are spending more than 30 or 50 percent of their income on housing; the income left after spending this amount on housing is more than adequate to pay for other essential household needs. For example, an upper-income household with a gross income of \$200,000.00 that is spending (in rounded numbers) \$67,000.00 to \$100,000.00 per year on housing is left with \$100,000.00 to \$133,000.00 to spend on other needs. For this reason, we need to separate out those households that are in lower income brackets for this analysis.

To delineate the different income levels HUD sets the following income limits (as required by Federal statute) that determine the eligibility of applicants for HUD’s various housing programs. Most, if not all, federal programs that provide some form of housing assistance define households in terms of the amount of income they earn in relation to the average income of the surrounding area. This average income is termed “Area Median Income” or AMI for many federal programs.

Using the AMI, or other similar benchmarks, households are grouped according to the household income as a percentage of the AMI. The most common grouping of income classifications is as follows:

TABLE 6.0: HUD CLASSIFICATIONS – MOUNT VERNON

% OF AMI	CLASSIFICATION
0% to 35% AMI	Extremely Low Income Households
36% to 50% AMI	Very Low Income Households
51% to 80% AMI	Low Income Households
81% to 95% AMI	Moderate Income Households
96% to 120% AMI	Middle Income Households

To determine what these income levels translate to in terms of actual income Table 6.1 uses the 2015 Area Median Income (AMI) for the Mount Vernon-Anacortes, WA Metropolitan Statistical Area (MSA) and calculates these amounts for a family of four.

TABLE 6.1: MOUNT VERNON MSA AREA MEDIAN INCOME (AMI)

Family Income Level	% of Median Income	Upper Income Limit in FY 2015 Family of 4
2015 MEDIAN INCOME: \$68,200.00		
Extremely Low Income	0% - 35%*	\$24,250.00
Very Low Income	36% - 50%	\$34,100.00
Low Income	51% - 80%	\$54,550.00
Moderate Income	81% - 95%	\$64,790.00
Middle Income	96% - 120%	\$81,840.00
Upper Income	121% and more	\$82,522.00 and up

* This percentage can vary geographically due to the Federal 2014 Consolidated Appropriations Act that changed this definition. It is now either the greater of 30/50th (60%) of the Section 6 very low-income limit or the poverty guideline established by the Department of Health and Human Services (HHS); provided it is not greater than the Section 8 50% very low-income limit.

Using the income classifications from Table 6.0, and the Comprehensive Housing Affordability Strategy (CHAS) Data Query Tool from HUD, Mount Vernon’s households can be categorized as shown in Table 6.2. This data is from 2008 – 2012 and is based on 11,450 households.

TABLE 6.2: COST BURDENED HOUSING – MOUNT VERNON MSA

Household Income Level	% of Median Income	# of Renters	# of Renters	# of Owners	# of Owners
		Paying > 30% Income on Housing ¹	Paying > 50% Income on Housing ¹	Paying > 30% Income on Housing ²	Paying > 50% Income on Housing ²
# Overall Households Data Below is Based on: 11,450					
Extremely Low Income	0% - 30%	1,005	845	180	165
Very Low Income	31% - 50%	1,035	425	470	315
Low Income	51% - 80%	615	35	820	320
Moderate Income	81% - 100%	55	15	240	25
Middle Income +	101% +	80	15	645	25
TOTAL Low Income Levels Renters		2,655 (23.2%)	1,305 (11.4%)		
TOTAL Low Income Levels Owners				1,470 (12.8%)	800 (7%)

¹ Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities).

² For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes.

Table 6.2 shows that renters are significantly more cost burdened than home owners are in Mount Vernon. Nearly 35 percent of renter households in the City, that are making 80 percent (or less) of the area median income (AMI), are paying more than 30 percent of their income on housing; further, nearly one-third of these households are paying more than 50 percent of their income on housing.

Contrasted with homeowners, we see that 19.8 percent of homeowners are paying more than 30 percent of their income on their housing with a little less than one-third of these homeowners paying more than 50 percent of their income on housing.

Taken together we see that 36 percent of Mount Vernon households (both rented and owned) are paying more than 30 percent of their income on housing; and 18.4 percent are paying more than 50 percent of their income on housing. Collectively this means that 54.4 percent of Mount Vernon households are burdened with the cost of their housing. **This is over half of the City's households!**

Table 6.3 compares this data to Skagit County and the U.S. as a whole. This comparison shows us that Mount Vernon has significantly more renters than Skagit County and the U.S. that are paying more than 30 percent of their income on housing in the low income categories.

TABLE 6.3: COST BURDEN HOUSEHOLDS COMPARED

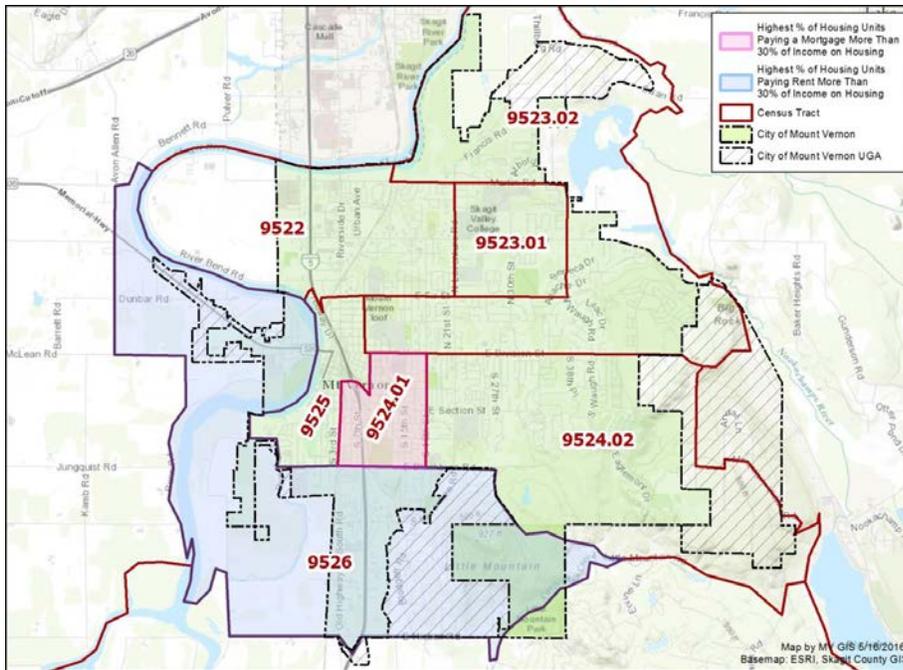
	Mount Vernon	Skagit County	United States
Extremely Low, Very Low and Low Income Households:			
Renters Spending More than 30% Income on Housing	23.2%	13.7%	14.6%
Renters Spending More than 50% Income on Housing	11.4%	7.2%	8.1%
Owners Spending More than 30% Income on Housing	12.8%	11.5%	10.9%
Owners Spending More than 50% Income on Housing	7%	6.6%	6.2%
TOTAL Owners + Renters 30% & 50%:	54.4%	39%	39.8%

What the CHAS data in Table 6.2 is not able to tell us is whether there are specific areas of the City where concentrations of housing exist where occupants are paying more than 30 percent of their income on housing. To determine this U.S. Census data needs to be analyzed. Table 6.4 contains this data; however, it is important to point out that this data represents all Mount Vernon households regardless of their income level. Census Tract 9524.01, as a percentage, there are more homeowners paying more than 30 percent of their income on housing; whereas, census tracts 9524.02 and 9526 both have high percentages of renters paying more than 30 percent of their income on housing at 73.3 percent and 78 percent, respectively.

TABLE 6.4: HOUSING COSTS > 30% OF INCOME, MOUNT VERNON IN 2014

	Housing Units with a Mortgage	Housing Units Without a Mortgage	Housing Units Paying Rent
City Wide	39.8%	23.3%	65.3%
Tracts:			
9522	49.8%	7.4%	67.5%
9523.01	35.3%	40%	63.4%
9523.02	43.8%	9.6%	64.2%
9524.01	51.8%	30.5%	47.3%
9524.02	29.3%	36.1%	73.3%
9525	39.8%	12.9%	60.1%
9526	41.5%	9.6%	78%

Excluding mortgaged units where SMOCAPI and rental units where GRAP cannot be computed



6.2.2: INCOME NEEDED FOR AFFORDABLE HOUSING

Another way to conceptualize affordable housing is to calculate the yearly income and hourly wage that is necessary for a household to afford a median priced home whether that home is rented or owned. In Mount Vernon the Fair Market Rent (this includes basic utilities) in 2015 was \$988.00; and the median priced home in 2014 was valued at \$210,700.00.

Table 6.5 identifies the yearly income and hourly wage that is required to afford renting a modest, two bedroom home in Mount Vernon, Snohomish and Whatcom counties along with the United State as a whole.

Fair Market Rents (FMRs) are rent estimates calculated yearly by HUD. They include rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service.

The 2015 Skagit County FMR for a two bedroom unit bedroom unit was \$988.00.

TABLE 6.5: YEARLY INCOME & HOURLY WAGE TO AFFORD RENTING

	MOUNT VERNON	SNOHOMISH COUNTY	WHATCOM COUNTY	UNITED STATES
Fair Market Rent:	\$988.00	\$1,415.00	\$948.00	\$1,006.00
Housing wage	\$19.00/hour	\$27.21/hour	\$18.23/hour	\$19.35/hour
Annual Income needed to afford 2-bedroom FMR	\$39,520.00	\$56,600.00	\$37,920.00	\$40,240.00

When evaluating affordable housing this way it is helpful analyze the average hourly and yearly wages earned by those in the community. Table 6.6 takes data from the Bureau of Labor Statistics and organizes this data for this type of comparison. From Table 6.5 we see that a household needs to make a minimum of \$19.00/hour to afford housing; in Table 6.6 we can see the type of job necessary to earn this wage.

To keep housing at 30 percent of income households making less than \$19.00/hour need to work more hours, have more than one job, or have more than one worker per household.

TABLE 6.6: HOURLY & YEARLY WAGES IN MOUNT VERNON-ANACORTES AREA

JOB CATEGORY	MEDIAN HOURLY WAGE	MEAN MONTHLY INCOME	MEAN ANNUAL WAGE FULL TIME WORK	AFFORDABLE MONTHLY HOUSING COST AT 30% INCOME
Minimum Wage	\$9.32	\$1,615.00	\$19,385.00	\$484.00
Childcare Workers	\$10.48	\$1,870.00	\$22,440.00	\$561.00
Cashiers	\$11.37	\$2,194.00	\$26,330.00	\$658.00
Bank teller	\$12.87	\$2,217.00	\$26,610.00	\$665.00
Waiter/Waitresses	\$11.72	\$2,891.00	\$34,700.00	\$868.00
Medical Assistant	\$17.30	\$3,051.00	\$36,620.00	\$916.00
Auto Mechanic	\$22.22	\$3,799.00	\$45,590.00	\$1,140.00
Carpenters	\$26.12	\$4,630.00	\$55,570.00	\$1,389.00
Office Manager	\$27.01	\$4,680.00	\$56,170.00	\$1,404.00
Elementary School Teacher	NA	\$4,810.00	\$57,730.00	\$1,443.00
Registered Nurse	\$33.40	\$5,993.00	\$71,920.00	\$1,798.00
Police/Sheriff Officer	\$34.92	\$6,085.00	\$73,030.00	\$1,826.00
Sales Managers	\$55.47	\$10,057.00	\$120,690.00	\$3,017.00
Doctors (family and general practice)	\$108.14 (mean as median not available)	\$18,745.00	\$224,940.00	\$5,623.00

Table 6.7 provides data on the income required to purchase, versus renting, a home in Mount Vernon. This table shows that a low income family of four (earning \$54,560.00/year) can only afford to purchase a median priced home in Mount Vernon if they have \$47,900.00 in hand to use as a 20% down payment on a home to keep their housing costs at 30 percent of their income.

Putting 5 percent as a down payment on a median priced home means that a yearly income of \$66,840.00 would be necessary to keep housing costs no more than 30 percent of income. In addition to higher costs due to financing more of a home, mortgage insurance is also generally required when less than a 20 percent down payment is made.

Comparing the annual income necessary to keep the costs of owning a home at 30 percent of income to the household income categories in Mount Vernon according to the U.S. Census from 2014 we find that 45 percent of Mount Vernon households could keep their housing costs below 30 percent if they were able to qualify for a 30-year fixed rate loan at 4 percent interest and if they have a 20 percent down payment. This percentage drops to 36 percent of homeowners using the same comparison with different financing/insurance requirements of 30-year fixed rate loan at 5 percent interest with a 5 percent down payment.

TABLE 6.7: HOMEOWNERSHIP AFFORDABILITY – MOUNT VERNON

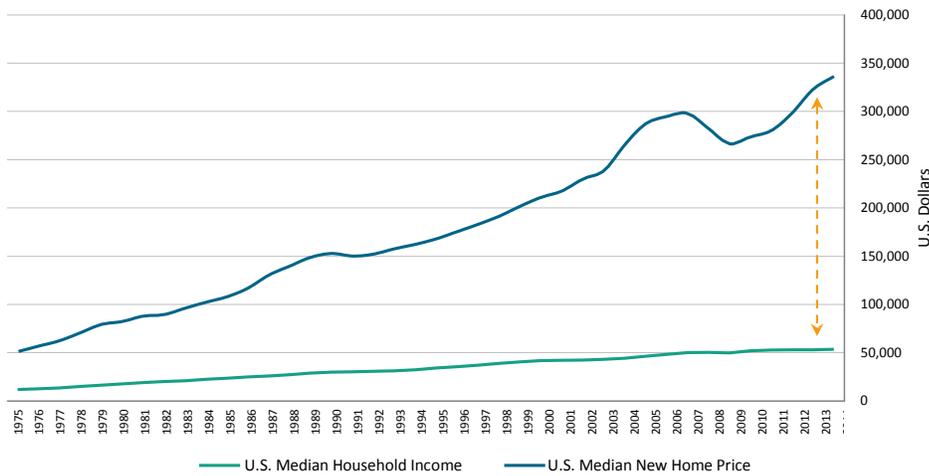
HOUSING/MORTGAGE CHARACTERISTICS	4% INTEREST, 20% DOWN, 30-YEAR FIXED LOAN	5% INTEREST, 5% DOWN, 30-YEAR FIXED LOAN
Median Sales Price for Single Family Home	\$239,500.00 ¹	\$239,500.00 ¹
Estimated annual taxes, assessments, and fees (14.8911/1000 assessed value) ²	\$ 3,566.00.00	\$ 3,566.00.00
Total Annual Mortgage, Taxes, and Insurance for a Median Priced Home in Mount Vernon ³	\$15,187.00 \$1,265.00/month	\$20,052.00/year \$1671.00/month (includes mortgage insurance ³)
Year 2015, income level at 80% of median AMI, family of 4 ⁴	\$54,560.00	\$54,560.00
Annual income necessary to afford the median single family home spending 30% of income	\$50,623.00	\$66,840.00

¹ Median calculated by taking an average of the 2015 median home prices for Skagit County from data published by the University of Washington's Runstad Center for Real Estate of \$257,800.00 and an estimate from Zillow of Mount Vernon's average home sales price in 2015 of \$222,000.00
² The Mount Vernon 2016 total Levy rate of 14.8911 was used
³ Assumes a cost of homeowners insurance of \$645.00/year and mortgage insurance of .52% for the example where less than 20% was put down on the home
⁴ HUD's 2015 Income Limits for Skagit County

6.2.3: GAP BETWEEN INCOME & HOUSING PRICES

Graph 6.8 shows how median income and the median price of a new home across the U.S. have changed from 1975 to 2014. This graph shows that the cost of new homes is rising much faster than the income needed to pay for them.

GRAPH 6.8: NATIONWIDE INCOME VS NEW HOME PRICES OVER TIME



In Mount Vernon we observe a similar trend over the last several decades with the price of new homes and rents increasing at a much faster pace than median incomes have. Table 6.9 shows these relationships. Noteworthy are the increases in rent and home values between 1990 to 2000 and 2000 to 2010 that are significantly larger than the increase in income measured over the same timeframes.

TABLE 6.9: HOME COSTS VS. INCOME – MOUNT VERNON

PERCENT CHANGE IN MEDIAN HOUSEHOLD INCOME OVER THE TIMEFRAMES LISTED		VS.	PERCENT CHANGE IN MEDIAN HOUSEHOLD RENT & HOME VALUES OVER THE TIMEFRAMES LISTED		
Timeframe	Percent Change		Timeframe	Rent	Home Value
1990 to 2000	41%		1990 to 2000	54%	73%
2000 to 2010	21%		2000 to 2010	28%	72%

	Median Income	Percent Increase	Median Gross Rent	Percent Increase	Median House Value	Percent Increase
1990	\$27,022.00		\$426.00		\$78,500.00	
2000	\$37,999.00	40.6%	\$655.00	53.8%	\$136,100.00	73.4%
2010	\$45,986.00	21%	\$837.00	27.8%	\$233,900.00	71.9%

6.3 SUBSIDIZED HOUSING

Housing that the government, charities or other non-profit agencies pay for in whole, or part, constitutes subsidized housing. Common forms of subsidies include direct payments for housing (generally called vouchers), public housing, housing supplements, different forms of co-operatives, and tax credits that are used to build income restricted housing.

The federal government provides the largest source of funding for subsidized housing primarily to assist renters. These federal subsidies are either demand-side, meaning that the subsidy pays for housing selected in a local housing market; or supply-side, meaning that the subsidy lowers the cost of creating and maintaining housing units at affordable levels.

HUD is the primary federal agency that administers and funds housing programs that help communities rehabilitate and create affordable housing stock. However, HUD is not the only agency that subsidizes housing; Table 6.10 contains lists the more common programs used to create and maintain affordable housing from different government agencies.

TABLE 6.10: SELECTED FEDERAL PROGRAMS THAT SUBSIDIZE HOUSING IN THE U.S.

HUD:		
<ul style="list-style-type: none"> Community Development Block Grants 	<ul style="list-style-type: none"> Assisted-Living Conversion Program 	<ul style="list-style-type: none"> Housing Trust Fund
<ul style="list-style-type: none"> Continuum of Care Program 	<ul style="list-style-type: none"> Section 8 Rental Assistance 	<ul style="list-style-type: none"> Self-Help Homeownership Opportunity Program (SHOP)
<ul style="list-style-type: none"> Ginnie Mae I and II, Mortgage-Backed Securities 	<ul style="list-style-type: none"> Section 8 Moderate Rehabilitation Program 	<ul style="list-style-type: none"> Energy Efficient Mortgage Program
<ul style="list-style-type: none"> Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program (previously authorized under the McKinney-Vento Homeless Assistance Act) 	<ul style="list-style-type: none"> Section 202 – Supportive Housing for the Elderly 	<ul style="list-style-type: none"> Home Affordable Modification Program
<ul style="list-style-type: none"> HOME Investment Partnerships 	<ul style="list-style-type: none"> Section 811 – Supportive Housing for Persons with Disabilities 	<ul style="list-style-type: none"> Project-Based Voucher Program
<ul style="list-style-type: none"> Choice Neighborhoods 	<ul style="list-style-type: none"> HOPE VI: Revitalization of Severely Distressed Public Housing 	<ul style="list-style-type: none"> Housing Choice Voucher Program
<ul style="list-style-type: none"> Homeownership Voucher Program 		
U.S.D.A.		
<ul style="list-style-type: none"> Community Facilities Direct Loan and Grant Program 	<ul style="list-style-type: none"> Housing Preservation Grants 	<ul style="list-style-type: none"> Farm Labor Housing Direct Loans and Grants
<ul style="list-style-type: none"> Multi-Family Housing Rental Assistance 		
WA State Housing Finance Commission (from U.S. Dept. of Treasury)		
<ul style="list-style-type: none"> Low Income Housing Tax Credits 		

Table 6.11 contains a list of existing housing in Mount Vernon that is subsidized through some of the programs listed in Table 6.10.

TABLE 6.11: SUBSIDIZED/LOWER-INCOME HOUSING IN MOUNT VERNON

PROJECT	CURRENT OWNER	ADDRESS	UNITS
RENTED HOUSING:			
Alpine Ridge	Campbell-Hogue & Associates	401 N. 17 th Street	60
La Casa De San Jose	Catholic Housing Services of Western Washington	2419 Continental Place	50
La Casa del Padre Miguel	Catholic Housing Services of Western Washington	418 N. LaVenture Road	10
Villa Santa Maria	Catholic Housing Services of Western Washington	3700 E College Way	30
San Isidro/LaVenture Workforce Housing	Catholic Housing Services of Western Washington	1917 N LaVenture Road	42
Milwaukee Park Apartments	Compass Health	209 Milwaukee Street	15
Arbor Park Apartment Homes	Hearthstone Housing Foundation	200 S LaVenture Road	184
Vintage at Mount Vernon	Hearthstone Housing Foundation	2109 Urban Ave	155
La Paloma Apartments	Housing Authority of Skagit	2400 Kulshan Ave	40
Mount Baker Meadows	Housing Authority of Skagit	1700 N 40 th Place	20
President Apartments	Housing Authority of Skagit	310 Myrtle Street	35
LaVenture Village Apartments	Island Skagit Partners	422 N LaVenture	30
Fircrest Apts.	Mercy Housing	1826 E Belair Drive	36
Olympic Apartments	Mercy Housing	1315 N 18 th Street	32
Skagit Village Apartments	Mercy Housing	2107 N LaVenture Road	46
Salem Village	Salem Village Ltd. Partnership	2619 N LaVenture Road	36
Summerglenn Apartments	Preferred Capital Management Inc.	1630 N 26 th Street	153
Highland Greens Senior Apartments & Townhomes	Salem Village Ltd. Partnership	3100 N 30 th Street	78
Kulshan Residences	Shelter America Group	2315 Kulshan View Drive	38
Ridgeview Terrace Apartments	Shelter Resources	1500 William Way	80
Mount Vernon Manor I, II & III	Skagit Council Housing	2405 Austin Lane	101
Somerset Place	Denise Tibbles	1516 N 19 th Street	50
TOTAL:			1,321
OWNED HOUSING:			
Habitat for Humanity	Varies – Home Ownership Program	North 29 th and Habitat Place, Cleveland Ave	9
Self-Home Housing	Varies – Home Ownership Program	Cedar Court, Paul Place David Place, Rosewood	75
Summerlynd	Home Trust of Skagit is underlying land owner	Summerlynd Lane	11
TOTAL:			95
HOUSING FOR SPECIAL POPULATIONS BY BED COUNTS:			
11 Facilities City-Wide	Vary	Vary	147
TOTAL ALL CATEGORIES:			1,563

The subsidized rental housing listed in Table 6.11 is provided, for the most part, to those earning 50 percent or less of the area median income. To be placed in subsidized housing an individual or family generally applies to be put on a waiting list with either Skagit County Housing Authority or Skagit County Community Action. Table 6.12 provides insight into the number of people on these lists historically and now.

Important is that although the overall number of individuals on this list is very concerning, as a percentage of Mount Vernon’s and Skagit County’s populations, the number of people on this list since 1992 is less than one-half of one-percent different. The percentage of those on the wait list to Mount Vernon’s and Skagit County’s populations is provided only as a benchmark to measure change over time. The Skagit County Housing Authority provides housing to many areas of Skagit County, not just the City of Mount Vernon.

TABLE 6.12: SKAGIT COUNTY HOUSING AUTHORITY SUBSIDIZED HOUSING WAIT LIST

	1992	2005	2015
Housing Authority Wait List for Subsidized Housing	991 71% families 21% disabled 8% elderly	1554 79% families	2000
% of Mount Vernon Population	5.6%	5.5%	5.9%
% of Skagit County Population	1.2%	1.4%	1.7%

6.4 POLICY CHOICES & RECOMMENDATIONS

Since 1990 Mount Vernon has put in place policies to encourage the production of affordable housing. As well intended as these policies have been they have not resulted in the creation of more, per capita, housing for low income households. In other words, the creation of housing for low-income households has not kept pace with the growth of the City.

This tells us that the existing, one-dimensional, approach of encouraging affordable housing needs to be reevaluated if the City wishes increase its housing stock available to low income households. Jurisdictions that have had some success in increasing the amount of housing available to low income households have employed multi-dimensional policies and programs aimed at many of the different variables that contribute to affordable housing. Intuitively this makes sense – affordable housing is defined as the relationship of the amount of income spent on housing, so why would the City only focus on the housing part of this relationship? The other part of this equation is household income, which is equally as important.

“Those that fail to learn from history, are doomed to repeat it”.
- Winston Churchill

Comment [O57]: Please provide a table that shows how many housing projects of any kind were proposed since the last Comp. Plan, how many projects were recommended by the planning commission, and how many the city council turned down or approved. If we indeed don't want to repeat "history" we need baseline data to show movement from.

Following are several areas that the City should consider investing time and resources in to be more successful in creating and maintaining affordable housing for low-income households. The following policy recommendations are the basis upon which the Goals, Objectives and Policies found in Section 7.0 were developed.

6.4.1: INCOME & JOB CREATION

- A. **Promote Higher Paying Jobs:** Housing costs are only one part of the affordable housing equation. The second, equally as important part of this equation is household income. As household incomes rise so does the amount of income left, after paying for housing, to pay for other basic needs. The City can play a part in increasing household income by promoting the creation of new; higher paying jobs in the City and supporting programs for employees to obtain education or training to move into higher paying jobs. The creation of more jobs paying higher wages will reduce the demand for lower cost housing and will provide extra income for other basic necessities.
- B. **Decrease Transportation Expenses:** Household income available for necessities can also be increased by decreasing the amount of money households need to spend on transportation expenses. This is important because after the cost of housing, the largest expense for most households is transportation. The further away a household needs to drive to their job the higher their transportation costs are.

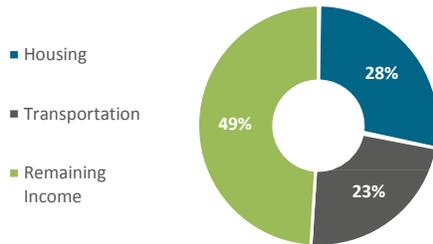
Comment [O58]: If we encouraged the building of units that reflect the more affordable needs in our demographic, this in turn would spur job creation. Having lower housing overhead increases the amount of disposable cash citizens have for other needs.

Comment [O59]: We need to have housing to attract employers. We need housing now and the rate of change in bringing higher paying jobs here will be much slower.

The Center for Neighborhood Technology has created a Housing and Transportation Affordability Index that provides data on transportation related costs that households bear. This data shows that, on average, households in Mount Vernon spend 23 percent of their income on transportation costs with 28 percent spent on housing. This shows that housing costs, on average, are only 5 percent more than transportation costs. This underscores the importance of creating jobs within the City to reduce household transportation costs.

Comment [O60]: Not sure how B is different than A? It draws the same conclusion.

GRAPH 6.13: MOUNT VERNON’S TRANSPORTATION COSTS

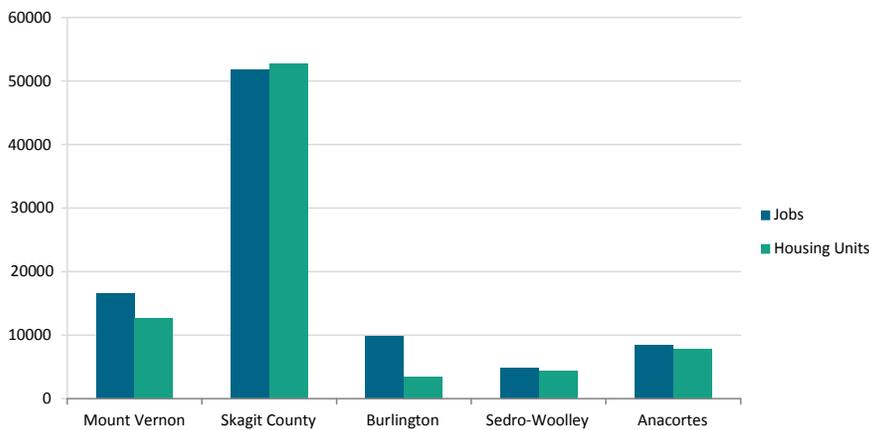


- C. **Promote Mixed Use Neighborhoods:** Encouraging the creation of mixed-use areas characterized by living wage jobs, mixed income housing, and amenities such as parks, grocery stores and schools all within a walkable urban context. Properly located mixed-use areas have well- designed streets that welcome pedestrian activity, they have community focal points and meeting places like parks and trails, and the non-residential uses are compatible with homes that will be in close proximity.

The creation of more jobs paying higher wages will reduce the demand for lower cost housing and will provide extra income for other basic necessities.

Graph 6.14 shows the jobs/housing balance for Mount Vernon, Skagit County and its incorporated cities. It is important that the City balance jobs and housing to ensure that, among other things, workers have access to housing close to their employment. With the very limited amount of job producing land the City has available for development over the next 20-years keeping a strong jobs to housing balance will be a challenge for the City. The creation of mixed use neighborhoods could help to mitigate this challenge.

GRAPH 6.14: JOBS-HOUSING BALANCE RATIO



6.4.2: PRESERVATION & INFILL

- A. **Keeping Existing Subsidized Housing Affordable:** Table 6.11 documents the 1,300+ subsidized apartment units that the City currently has. The subsidies keeping these units affordable expire at different times. If the underlying property owner is not able, or chooses not to renew their subsidies the households living in these units are put in great jeopardy. Focusing on keeping these existing units affordable is just as important as the creation of new affordable units ~~is~~.
- B. **Keeping Existing More Affordable Housing Stock Safe and Healthy:** Aside from the subsidized housing units discussed in the paragraph above, the City has housing stock that due to its age and condition ends up being less expensive, and thus more affordable than newer homes are. Preserving this housing stock provides an inventory of more affordable housing in the City. More common preservation efforts the City could consider include programs that give zero percent loans to low income households for the purpose of completing work on a home like replacing a roof or windows, electrical work, sewer repairs or installation, or foundation or structural repairs. Programs like this could assist a portion of the estimated 570 existing Mount Vernon homes that are lacking complete plumbing or kitchen facilities or are without a fuel source for heating.
- C. **Promoting Infill Housing:** Infill housing that is distributed throughout the City, versus concentrated in larger apartment complexes, should receive just as much attention as new multi-family housing does.

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Infill housing along with what is termed the ‘missing middle housing’ can collectively provide less expensive housing aimed at lower to moderate income households because these types of units are smaller in scale than typical single-family homes making them less expensive to build. In cities like Mount Vernon that are in the process of becoming more dense this type of an approach allows these new units to be woven into and layered within the existing landscape with far less neighborhood impacts than multi-story apartment buildings generate.

Infill housing includes accessory dwelling units, duplexes, and even townhouse type housing constructed on vacant or underutilized property in residential zones. Daniel Parolek of Opticos Design, Inc coined the term ‘the missing middle’ in 2010 to describe a range of multi-unit or clustered housing types compatible in scale with detached single-family homes. The missing middle homes are characterized by being located in a walkable context, these homes have small-to medium-sized footprints and are specifically designed to blend into existing single-family neighborhoods. Below is an illustration from Opticos Design illustrating what ‘the missing middle’ could look like.



6.4.3: TARGET HOME TYPES

Specify the type of affordable housing needed: The demographics of Mount Vernon are different from other jurisdictions, which means that the City's housing needs are different. Targeting the specific type and size of housing most needed in the City will provide the maximum benefits to different types of households.

The City's households have significantly more occupants per room than Skagit County, all of its incorporated cities, the State of Washington, and the United States. In addition, nearly 30 percent of the City's households consist of four-plus people. This means the City needs to encourage the creation of new homes with more bedrooms.

Comment [O61]:

For example, the City's households have significantly more occupants per room than Skagit County, all of its incorporated cities, the State of Washington and the United States. In addition, nearly 30 percent of the City's households consist of four-plus people; and in 2014 the City had an estimated 749 households with 6 or more people living together. These metrics indicate a problem with overcrowding. To assist with this the City needs to encourage the creation of new homes with more bedrooms versus studio or one bedroom units.

Comment [O62]: Where are these overcrowded homes located? Is this relational to the shortage of farmworker housing? Is this a supply a demand issue? Are retail workers, with lower wages, living together?
Seniors and millennials are shifting towards studios and more efficient ways of living and we do not have a supply of these types of homes.
We do not have student housing listed as a housing type for either SVC or the hospital training academy. There are also cultural and economic choices made about multi-generational living that need to be considered.

Table 6.16 provides details on different lifestyle housing needs that exist in Mount Vernon. This table also shows the number of the different types of housing that would need to be constructed if the City's existing lifestyle housing trends remain unchanged. This data is helpful because it provides insight into the type of housing units that need to be produced to match the City's demographics.

Table 6.16 indicates that if the City's existing demographics are similar over the next 20 years that nearly 65 percent of all new housing units would need to consist of at least two bedroom units. Additionally, 20 percent of future homes would need to be targeted for one and two bedroom units that are possibly located in age restricted buildings or neighborhoods as they would be for those 65 and older. The last demographic category to be considered is the 15 percent of those under 65 that are living alone; targeting one bedroom units or studios to this category of household should fit their lifecycle.

Comment [O63]: Data suggests people want other choices. The workforce also needs other types of housing for professional temporary workers. College housing for students is needed both at SVC and for hospital interns. People cannot buy or rent what does not exist.

Create a Fair Share Allocation Method for Subsidized Housing: Skagit County does not currently have a method for calculating the number housing units for households in the low-to-middle income brackets that should be planned for County-wide and within each jurisdiction. However, the Skagit Council of Governments will be working collaboratively with the cities and towns to create such a method to both quantify and allocate these needed units in 2016/2017.

Comment [O64]: How does this conclusion stack up against the demographic data for families? Employers are not looking for housing that is age restricted.

Even though this work has yet to be completed, the City can still make projections, like the ones provided in Table 6.15, to estimate the number of income restricted units needed and their desired characteristics. Table 6.15 takes existing conditions information and projects it into the future assuming the City's housing needs will mirror approximately what currently exists. This table highlights how difficult it will be for the City to encourage housing for low income households in the future due to the sheer magnitude of units that would be needed especially for households with incomes that are 50 percent or less of the average household income (for 50 percent or less AMI households 87± housing units per year for the next 20 years would be needed).

Comment [O65]: The math in this statement is not clear nor is the intention of the sentence.

Streamline the Siting of Housing for Special Populations: New ways to simplify the creation of housing for special populations within the City are needed. Special populations include those that are homeless, elderly, severely mentally ill, addicted to drugs or alcohol, victims of domestic violence among others. This population has very different needs than other households do; and as such, housing for this population needs to be evaluated and permitted differently.

TABLE 6.15: EXAMPLE PROJECTED HOUSING NEEDS

	Existing Number	Existing Percentage	Projected 2036 ²	Per Year Over 20- Year Planning Horizon
Housing Tenure¹:				
Owned	6,810	55%	2,495	124
Rented	5,571	45%	2,041	102
Housing Characteristics¹:				
Single-Family Detached	7,089	58%	2,631	131
2-4 Units Attached ³	992	16%	725	36
5+ Units	3,101	25%	1,134	56
Households Paying 30% or More of their Income on Housing within the following Income Categories⁴:				
Households Extremely Low Income (0% to 35% AMI)	2,195	19.2%	871	43
Households Very Low Income (36% to 50% AMI)	2,245	19.6%	889	44
Households Low Income (51% to 80%)	1,790	15.6%	707	35
Households Moderate Income (81% to 100%)	335	2.9%	131	6
Households Paying Less than 30% of their Income on Housing⁵:				
Any Income Category	4,855	42.7%	1,937	96

1 Existing housing characteristics based on 2014 Census figures with an overall number of housing units of 12,382.

2 2036 estimates based on 4,537 new homes being constructed in Mount Vernon over the planning horizon

3 A policy choice of moving the existing 8% of the City with mobile homes to the 2-4 unit attached was made with this line item

4 Estimates from HUD's CHAS data base from 2008-2012 using 11,450 households

5 Remaining households from HUD's CHAS data base, 2008-2012

TABLE 6.16: EXAMPLE LIFECYCLE HOUSING NEEDS

Lifecycle Type ¹ :	Lifestyle Housing Needs ²	Existing No.	Existing %	2036 Projection	Yearly # Units per Projection
Husband & Wife w/ kids under 18	Family sized units with two or more bedrooms. Access to services, schools, parks and employment.	2,537	22.4%	1,106	55
Husband & Wife w/o kids under 18, under age 64	One or two bedroom units. Access to transit, amenities, services, jobs.	1,865	16.5%	748	37
Family Household w/o kids under 18, w/ other related individuals	Larger units, multiple bedrooms. Access to employment, transit, services, and amenities.	774	6.8%	308	15
Non-Family Households Living with Others	Larger units, multiple bedrooms. Access to employment, transit, services, and amenities	900	8%	362	18
Single Parents	Two plus bedroom units. Access to transit, amenities, services, jobs.	1,268	11.2%	508	25
Husband & Wife 65 and older	One or two bedroom units. Access to transit, amenities, services, jobs. Possibly age restricted buildings with variable levels of health care and other supportive services.	999	8.8%	399	19
Those 65 and Older Living Alone	One bedroom units or Studios. Possibly age restricted buildings with variable levels of health care and other supportive services.	1,370	12.1%	548	27
Those 65 and Under Living Alone	One bedroom units or Studios. Access to transit, amenities, services, jobs.	1,670	14.8%	671	33

Comment [O66]: Biased language

Comment [O67]: Same as above

Comment [O68]: Same as above

¹ Estimates from 2014 Census, multiplied by 4,537 new homes expected over the planning horizon
² Desired housing characteristics from the Puget Sound Regional Council, Housing Element Guide, July 2014

DRAFT – MAY 25, 2016

7.0

GOALS, OBJECTIVES & POLICIES

The following Goals, Objectives and Policies specific to Housing are organized into broad categories including:

- 7.1: Housing Availability
- 7.2: Enhance Existing Neighborhoods
- 7.3: Jobs to Housing Balance & Mixed Use Neighborhoods
- 7.4: Affordable and Subsidized Housing
- 7.5: Housing for Vulnerable Populations

SEE SEPERATE DOCUMENT FOR THE GOALS, OBJECTIVES AND POLICIES

**2016 COMP PLAN DRAFT
CITIZEN ADVISORY COMMITTEE (CAC)
LAND USE AND HOUSING ELEMENTS
BACKGROUND AND AREAS OF FOCUS**

WHAT

- WE KNOW:**
- *Skagit County/Mount Vernon is in a crisis in regards to lack of housing.
 - *We Need: Transitional housing, Farm worker housing, Low Income housing, Student housing (College and Skagit Regional Health Graduate Medical Education), Senior housing, and Market housing.
 - *We have 2,000 homeless
 - *Mount Vernon wants commercial industry BUT employers have their Human Resource Depts. research areas for housing before they commit to moving their companies to a new community. Without housing our commercial sector will not grow with good jobs.
 - *Young professionals are career driven and very mobile. They will move to where the jobs are. They want rental housing and most are not interested in owning early in their careers.
 - *The top 5 Property Management Companies in Skagit County manage in excess of 2,000 multi family and single family housing units. The current vacancy this week is approximately .0065. Most companies state they have not had a vacancy last more than a couple of days in 5 years.

WHAT

- TO CONSIDER:**
- *Multi Family (MF) can meet these needs economically and is the quickest means to add housing volume to our community.
 - *This can be obtained by increasing Multi Family density for both affordable and available housing markets.
 - *Low income MF needs to be near services. Market MF wants to be near retail services
 - *C-2 land is available and near these services. Developing a mix zone of commercial and MF will develop a good tax base for Mount Vernon.

**WHAT
COULD BE
DONE:**

- Re establish the Conditional Use Permit in the C-2 zone with preliminary criteria for ALL developers.