

Housing Profile: City of Stanwood

Prepared by the Alliance for
Housing Affordability

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Table of Contents

Executive Summary.....	iv
Maps, Figures, & Tables	vi
Introduction.....	1
Population and Community.....	2
Existing Housing Stock	7
<i>Subsidized Housing Units: Permanent and Transitional</i>	9
<i>Workforce Housing</i>	10
<i>Market Rate Rental Units</i>	10
<i>Home Ownership</i>	12
Current Challenges and Opportunities.....	15
Maps.....	17
Appendices	
<i>Appendix A: Market Rate Rent Comparables by Property</i>	31
<i>Appendix B: Assisted Units by Property, Stanwood</i>	32
<i>Appendix C: Single Family Home Sales, 2008-2012, City of Stanwood</i>	33
<i>Appendix D: Affordable Housing Glossary</i>	34
<i>Appendix E: Methodology</i>	36

Executive Summary

Situated in the northwest corner of Snohomish County, Stanwood is a small city with a small town atmosphere and rich history. Steady growth is projected to continue moving forward, with an estimated 4,745 additional residents by 2035. Reflecting both its history and recent growth, Stanwood features a high concentration of both new and very old homes, with 57% of homes built after 1990 and 17% before 1949. Both of these concentrations are much higher than the County average. While Stanwood has sufficient capacity to accommodate projected growth over the next 20 years, it will still likely see significant changes. Current estimated capacity is split between single family and multifamily units, with a high portion of potential in redevelopable parcels. The City will likely see a shift toward more multifamily units. Stanwood faces the challenge of preserving its historic rural character while accommodating growth and the changing needs of future communities.

Based on 2012 American Community Survey five year estimates, 44% of Stanwood's 2,343 households are estimated to be cost burdened, meaning they spend more than 30% of their monthly income on housing. Cost burden is most challenging for those with low incomes, who may have to sacrifice other essential needs in order to afford housing. In Stanwood, 78% of extremely low-income households are cost burdened, renters and owners combined, compared to 25% of middle income households. Additional summary statistics are provided below.

A Summary of Stanwood Housing by the Numbers

Population	6,340 ¹
Total Households	2,343 ²
Family Households with Minor Children	797
Cost-Burdened Households	1,031
Households Earning Less than 50% AMI	921
2012 Median Household Income	\$61,637
Minimum Income to Afford 2012 Median Home Sale	\$50,778 ³
Total Dwellings	2,343
Single Family Homes, Detached or Attached	1,627
Multifamily Homes	703
Manufactured Homes	13
Section 8 Housing Choice Vouchers	6 ⁵
Other Dedicated Subsidized Housing Units	174

1 Washington State Office of Financial Management, 2013

2 US Census Bureau; American Community Survey, 2008-2012

3 Snohomish County Assessor, 2014; Housing Authority of Snohomish County, 2014

4 US Census Bureau; American Community Survey, 2008-2012

5 Everett Housing Authority, 2014; Housing Authority of Snohomish County, 2014

Workforce Housing Units	58
Total Renter-Occupied Housing Units	895
Total Owner-Occupied Housing Units	1,448
Total Vacant Housing Units	133

38% of Stanwood's occupied housing units are rented, compared to 33% across the County. 69% of dwellings are single family homes, almost the same as the County average. 94% of Stanwood homeowners live in single family homes, compared to 30% of renters.

Stanwood renters earning less than 50% AMI are about as likely to be cost burdened as their counterparts across the County, though cost burden improves more dramatically for City residents as income rises above this level. While 80% of Stanwood renters earning between 30 and 50% Area Median Income (AMI) are cost burdened, only 11% of those earning between 50 and 80% AMI are cost burdened. This portion drops to zero above 80% AMI. Cost burden improves as income rises for homeowners as well, but at a more modest rate. While Stanwood homeowners earning less than 50% AMI are much less likely to be cost burdened compared to the County overall, the ratios track very close to each other for higher income levels.

Rent data from Dupre and Scott echoes these trends, with average rents for all sizes and types of units affordable to households earning at least 50% AMI, the minimum to be considered low income. There is also a limited supply of one and two bedroom units affordable to very low income households, those earning between 30 and 50% AMI. There is no evidence of market rate units of any size that are affordable to extremely low income households.

In 2012, the median sale price for a home in Stanwood was \$210,669. For a family to afford this home, an estimated minimum annual income of \$50,778 is required. This is considered low income for a household three to five individuals in size. All home sales in 2012 were affordable to households earning at least 80% AMI, which is the minimum income level typically recommended for homeownership. However, while monthly ownership costs on many homes may be affordable to lower income households, there are still other possible barriers to home ownership not captured in these figures, such as lack of access to financing or a down payment. There are also other concerns for existing homeowners, like vulnerability to foreclosure. Most importantly, 2012 was near the bottom of the housing market collapse. Adjusting for inflation, the minimum income to afford the median home dropped more than \$40,000 from 2008 to 2012, as shown in Appendix C. As home values continue to recover, which is supported by data on assessed value, affordability will likely retreat.

While Stanwood's median age is younger than that of the County overall, the City is still seeing an increase in the number of older adults, which is likely to continue. Many adults develop disabilities as they age, and may require housing with specific features to continue to live independently, including locations where essential services are accessible without driving. In addition, many seniors also have fixed incomes, limiting their choices for housing further.

Maps, Figures, & Tables

Figure 1.1. Population Growth and Projections, City of Stanwood, 1990-2035.....	2
Figure 1.2. Population Share by Housing Tenure, City of Stanwood & Snohomish County	3
Figure 1.5. City of Stanwood Population Pyramid, 2000 - 2010	6
Table 1.1. Cost Burden by Income and Housing Tenure, City of Stanwood & Snohomish County	4
Figure 1.3. Household Share by Income Level, City of Stanwood and Snohomish County	4
Figure 1.4. Estimated Housing & Transportation Costs as a Share of Income, City of Stanwood & Snohomish County.....	5
Figure 2.1. Age Distribution of Housing Stock, City of Stanwood & Snohomish County.....	7
Figure 2.2. Dwelling Type by Housing Tenure, City of Stanwood	7
Figure 2.3. Net Newly-Permitted Units, City of Stanwood & Snohomish County	8
Figure 2.4. Newly Permitted Units by Type, City of Stanwood	8
Table 2.1. Assisted Units by Income Level Served, City of Stanwood.....	9
Table 2.2. Subsidized Units by Funding Source, City of Stanwood.....	9
Table 2.3. Workforce Units by Funding Source, City of Stanwood	10
Table 2.4. Renter-Occupied Units by Rent and Unit Size, City of Stanwood (Without Utilities).....	11
Table 2.5. Average Rent Affordability by Size, Northwest Snohomish County (Including Utilities)	11
Table 2.6. Distribution of Rent Affordability by Size, Northwest Snohomish County.....	11
Table 2.7. Average Rents by Size, Single- and Multifamily, Northwest Snohomish County	12
Table 2.8. Affordable Home Sales by Size, City of Stanwood, 2012.....	13
Figure 2.5. Home Sale Affordability, 2008-2012, City of Stanwood.....	13
Figure 3.1. Income allocation of projected new housing units, City of Stanwood.....	15
Map 1.1. Total Population (Block Groups).....	18
Map 1.2. Average Family Size (Block Groups).....	19
Map 1.3. Average Household Size (Block Groups).....	20
Map 1.4. Renter-Occupied Housing Units (Block Groups).....	21
Map 1.5. Vacant Housing Units (Block Groups)	22
Map 1.6. Homeowners with Mortgages (Block Groups)	23
Map 1.7. Very Low-Income Households (Block Groups).....	24
Map 1.8. Cost-Burdened Renters (Block Groups).....	25
Map 1.9. Cost-Burdened Owners (Block Groups).....	26
Map 1.10. Housing & Transportation, Percent of Low HH Income	27
Map 2.1. Age of Housing Stock	28
Map 2.2. Condition of Housing Stock.....	29
Map 2.3. Housing Density	30
Table E.1. Maximum Monthly Housing Expense by Household Size, Seattle-Bellevue HMFA 2012	36

Introduction

In Snohomish County's Countywide Planning Policies, Housing Goal 5 (HO-5) states that "the cities and the county shall collaborate to report housing characteristics and needs in a timely manner for jurisdictions to conduct major comprehensive plan updates and to assess progress toward achieving CPPs on housing". Building on the County's efforts in preparing the countywide "HO-5 Report", this profile furthers this goal by providing detailed, local information on existing conditions for housing in Stanwood so the City can plan more effectively to promote affordable housing and collaborate with neighboring jurisdictions. This profile will present the spectrum of its subsidized and market rate housing stock.

Several affordable housing-specific terms and concepts will be used throughout the profile. Income levels will be defined by their share of "Area Median Income", or AMI. For this report, median income for the Seattle-Bellevue HUD Metro Fair Market Rent Area (HMFA) will be used for AMI because it is the measure HUD uses to administer its programs. The affordable housing field defines income levels as they relate to AMI. These are:

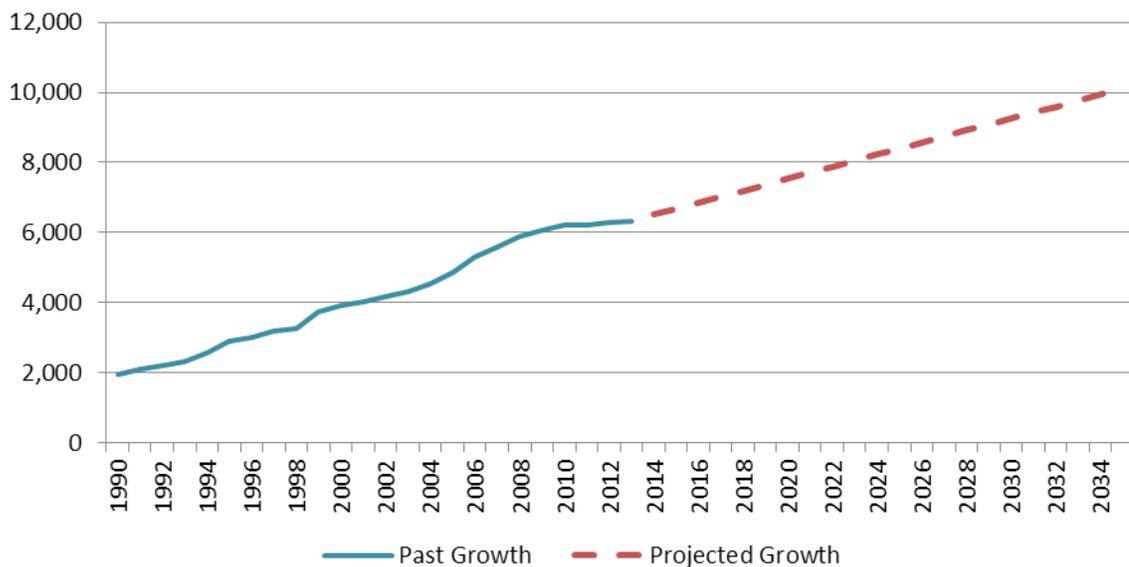
- Extremely Low Income - up to 30% AMI
- Very Low Income - up to 50% AMI
- Low Income - up to 80% AMI
- Moderate Income - up to 95% AMI
- Middle Income - up to 120% AMI

When a household spends more than 30% of their income on housing, they are considered to be "cost burdened", and, if lower income, will likely have to sacrifice spending on other essentials like food and medical care. "Cost burden" is used as a benchmark to evaluate housing affordability.

Population and Community

In 2013, Stanwood was home to 6,340 people, representing a 62% increase over its 2000 population of 3,923.¹ While there were annexations during this period, population growth through annexation only accounts for a very small portion of overall growth. Strong growth is projected to continue, with Stanwood accommodating an estimated 4,745 additional residents by 2035 in its current limits and UGA. This increase would require 1,595 additional housing units, just under the City’s current estimated capacity of 1,629 units. Current capacity is split almost evenly between single family and multifamily units. 49% of capacity is in redevelopable or partially used parcels, 27% in vacant, and 24% in pending parcels. Growth in Stanwood’s unincorporated UGA is projected to be dramatic, with 836 additional residents by 2035, an increase of more than 600% over the current population.²

Figure 1.1. Population Growth and Projections, City of Stanwood, 1990-2035



Source: Washington State Office of Financial Management, 2013; Snohomish County Tomorrow, 2014

The 2012³ population includes 2,343 households. Of these, 1,578, or 67%, are family⁴ households, and 51% of those families have children. In Snohomish County overall, 68% of households are families, and 48% of those families have children. The average family size in Stanwood is 3.22, compared to 3.13 for the County. Overall, the City’s renter households are smaller than its homeowner households. The average renter household size in Stanwood is 2.09 versus 2.86 for owners. While renter households are usually smaller than owner

1 Washington State Office of Financial Management, 2013

2 Snohomish County Tomorrow Planning Advisory Committee, “Housing Characteristics and Needs in Snohomish County”, 2014

3 2012 data is used as, at time of writing, it is the most recent ACS 5-year data available

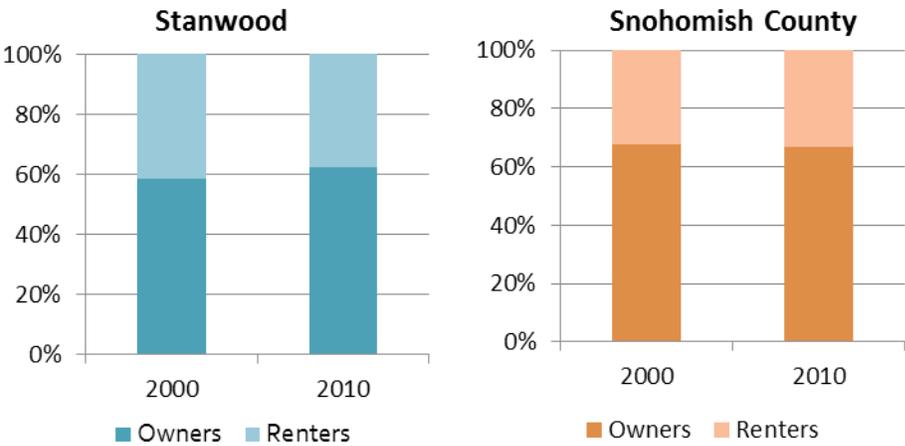
4 Based on the US Census Bureau’s definition of family, which “consists of two or more people (one of whom is the householder) related by birth, marriage, or adoption residing in the same housing unit.”

households in most communities, the gap between the two averages is wider in Stanwood compared to the County overall, where the average owner household size is 2.71, smaller than in Stanwood, and the average renter size is 2.44, larger than in Stanwood.⁵

Stanwood has a lower portion of foreign-born residents than the County as a whole—5% compared to 14%. The population of foreign-born residents who are not U.S. citizens is lower in Stanwood than the County as well—39% of foreign born Stanwood residents versus 51% of foreign born County residents. Asian residents constitute 48% of the City’s foreign-born population, while North American residents compose another 28%. 5% of Stanwood residents speak a language other than English in the home and 2% of residents speak English “less than very well”⁶

As shown in Figure 1.2, the number of households living in rented homes in Stanwood is higher compared the County overall. Almost 38% of City households rent their homes compared to 33% across the County. While the rate was relatively constant in the County during this decade, Stanwood saw a slight decline in the share of renter households from 2000 to 2010.⁷ The City’s 2012 vacancy rate for all homes was 5.4%, compared to 6.4% across the County.⁸

Figure 1.2. Population Share by Housing Tenure, City of Stanwood & Snohomish County



Source: US Census Bureau, 2000; US Census Bureau, 2010

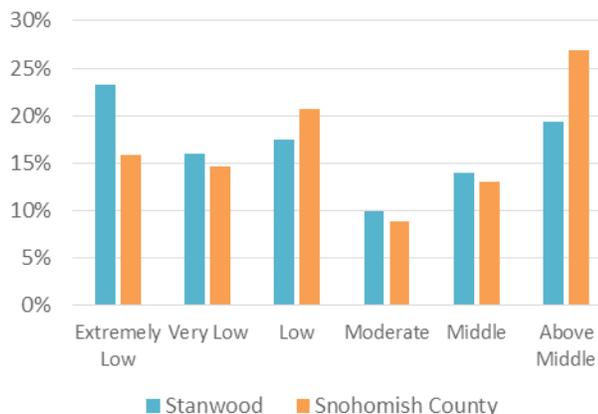
2012 Seattle-Bellevue HUD Metro Fair Market Rent Area median income (HMFA AMI), which includes Snohomish County and is referenced in this report as a standard for AMI, is \$88,000, higher than the County’s overall 2012 median income of \$68,338. Stanwood’s 2012 median income is lower than both at \$61,637. There are economic segments of the City’s population that could be at risk of housing cost burden. Compared to HMFA AMI and based on 2012 American Community Survey (ACS) 5-year estimates:

- 546 households, or 23% of Stanwood’s total, are considered to be extremely low income, earning less than 30% of area median income (AMI),

5 US Census Bureau; American Community Survey, 2008-2012
 6 Ibid
 7 US Census Bureau, 2000; US Census Bureau, 2010
 8 US Census Bureau; American Community Survey, 2008-2012

- 376, or 16%, are considered very low income, earning between 30 and 50% of AMI,
- 410, or 18%, are considered low income, earning between 50 and 80% of AMI, and
- 232, or 10%, are considered moderate income, earning between 80 and 95% of AMI

Figure 1.3. Household Share by Income Level, City of Stanwood and Snohomish County



A comparison of income distribution in the City and County is presented graphically in Figure 1.3, above. As shown, Stanwood has a higher share of extremely low income households, and a lower share of households above middle income. There is a slightly higher portion of moderate and middle income households in Stanwood, however. Note that these percentages are not adjusted for household size due to data constraints. Here, a household consisting of two adults with an income level equal to another household consisting of two adults and three children would both be placed at the same percentage of AMI, even though the larger family would likely be more constrained financially. HUD’s AMI calculations include ranges for households sized 1-8 people, and, in this report, sensitivity for household size is used wherever possible, as detailed in Appendix E. Maps 1.8 and 1.9 show the percentage of renter and owner households in each census tract that are cost burdened, meaning that they spend more than 30% of their income on housing. Overall, 44% of households in Stanwood are cost burdened, renters and owners combined.⁹

Source: US Census Bureau; American Community Survey, 2008-2012

Table 1.1 shows the estimated percentage of each income group that is cost burdened in Stanwood and Snohomish County by housing tenure. With the exception of extremely low income renters, people are less likely to be cost burdened in Stanwood compared to the County overall. For both renters and owners, cost burden improves as income rises, with the most dramatic improvement above the group considered very low income, especially for renters. This table does not address differences in degrees of cost burden – for example, a household that spends 31% of its income on housing would be considered cost burdened along with a household that spends 80% of its income

Table 1.1. Cost Burden by Income and Housing Tenure, City of Stanwood & Snohomish County

Income Level	Renters		Owners		All	
	Stanwood	Snohomish County	Stanwood	Snohomish County	Stanwood	Snohomish County
Extremely Low	85%	80%	59%	73%	78%	78%
Very Low	80%	85%	50%	80%	58%	64%
Low	11%	27%	40%	59%	36%	54%
Moderate	0%	15%	39%	44%	28%	37%
Middle	0%	5%	31%	32%	25%	25%

Source: US Census Bureau; American Community Survey, 2008-2012

9 Ibid

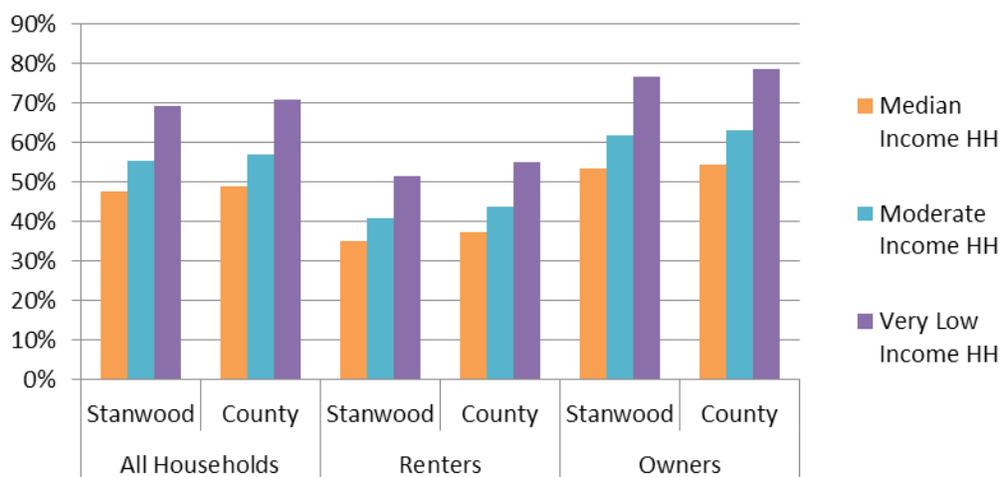
on housing.¹⁰

HUD's Location Affordability Index uses a number of variables to estimate the affordability of a location including both housing and transportation costs. According to the index, a "regional typical household"¹¹ could expect to spend 47% of their income on housing and transportation if they rent or own in Stanwood, compared to 49% overall for the County. 45% is proposed as a targeted maximum percentage of income to be spent on housing and transportation combined to be affordable according to HUD, meaning that Stanwood is estimated to be close to the goal for a "regional typical household". A low income household,¹² however, could still expect to devote more than 69% of their income to housing and transportation living in Stanwood. A regional moderate family may have to devote 56% of their household income to transportation and housing.¹³

Housing and transportation affordability estimates for a number of different household types are presented in Figure 1.4, below. As shown, it is estimated that owners will generally spend more on housing and transportation than renters, regardless of location or household type. Stanwood residents could generally expect to spend a little less on housing and transportation, regardless of tenure or household type.

The 2012 unemployment rate was 3.7% in Stanwood, compared to 5.9% for the County. For employed

Figure 1.4. Estimated Housing & Transportation Costs as a Share of Income, City of Stanwood & Snohomish County



Source: US Dept. of Housing & Urban Development; Location Affordability Portal, 2013

Stanwood residents, the mean commute time is 26 minutes, compared with 29 minutes for the County. 80% of city residents drive to work alone compared to 74% of all County workers. The most common occupations for Stanwood residents are in management, business, science, and arts occupations, with 37% of the employed population, followed by sales and office occupations with 28% of the employed population. The most dominant industries employing city residents are educational,

10 Ibid

11 Defined as a household with average household size, median income, and average number of commuters in Seattle-Bellevue HUD HMFA

12 Defined as a household with 3 individuals, one commuter, and income equal to 50% AMI

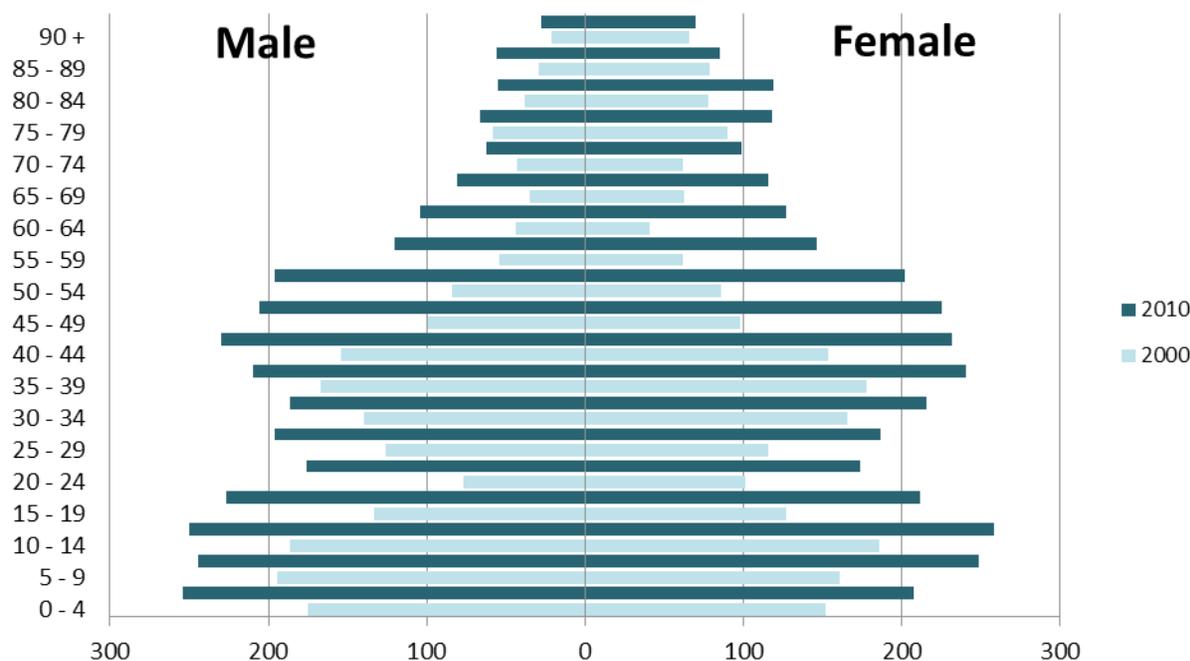
13 US Department of Housing & Urban Development; Location Affordability Portal, 2013

healthcare and social services, with 24.2% of workers, and manufacturing, with 18.7% of workers.¹⁴

According to Snohomish County, Stanwood is home to 3,456 jobs.¹⁵ PSRC data suggests that the largest employment sector is education, followed by health care and social assistance. Other significant local employers include retail and arts, entertainment and recreation.¹⁶

Stanwood has 1.34 jobs per occupied home compared to 1.05 employed people per home. Across the County, there are only .94 for jobs per occupied home compared to 1.31 employed people per home. Even if every employed Stanwood resident worked locally, there would still be positions held by people living elsewhere. In actuality, 75% of employed Stanwood residents work outside the city.¹⁷

Figure 1.5. City of Stanwood Population Pyramid, 2000 - 2010



Source: US Census Bureau, 2000; US Census Bureau, 2010

The shape of the City’s population pyramid, shown in Figure 1.5, offers additional insight into its housing needs and how they may be changing. While the City saw growth in every cohort, the most dramatic growth from 2000 to 2010 was in adults between 45 and 55. The City’s 2012 median age, at 35.5, is still lower than the County median age of 37.2, but the City may see an increase in the share of seniors as this growing group ages and moves into retirement. Across the County, accommodating the needs of seniors will be an important consideration for housing planning moving forward.

14 US Census Bureau; American Community Survey, 2008-2012

15 “Countywide Planning Policies for Snohomish County”, 2011

16 Puget Sound Regional Council; Covered Employment Estimates, 2012

17 US Census; American Community Survey, 2008-2012; Puget Sound Regional Council; Covered Employment Estimates, 2012

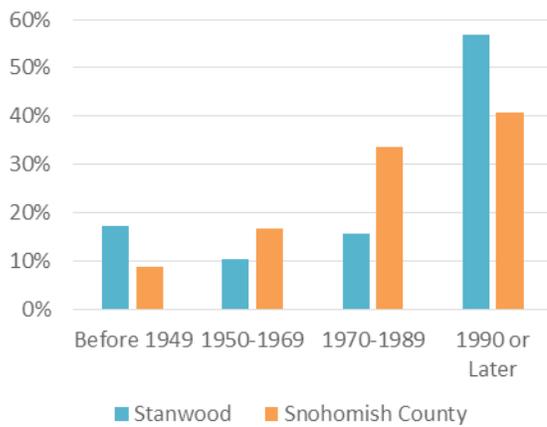
Existing Housing Stock

Located in the northwest corner of Snohomish County, bounded to the west by Camano Island and to the east by I-5, Stanwood is a historic, growing small city. Compared to the County overall, Stanwood has a high concentration of both new and old homes – 57% built after 1990, compared to 41% across the County, and 17% before 1949 versus 9% across the County. This reflects both the City’s long history and more recent dramatic increases in growth. 69% of the City’s dwellings are single family homes, almost exactly the same share as the County overall, and 62% of all dwellings are owner-occupied, slightly below the County average of 67%.¹⁸ Current development capacity is estimated to be sufficient to accommodate increased housing supply through 2035, with potential split nearly evenly between single family and multifamily dwellings.¹⁹

Figure 2.2 shows the distribution of renter and owner households among different types of housing. As shown, 94% of homeowners live in single family homes, compared to 30% of renters. Multifamily units are almost exclusively occupied by renters.²⁰

Figures 2.3 and 2.4, on the following page, provide information on newly permitted units in the City in recent years. Figure 2.3 shows the net newly-permitted residential units per year from 2001 to 2012 for both the City and County, with the City on the left axis and the County on the right. Figure 2.4 shows the share of the City’s new units composed of single- and multifamily units. As shown, residential and multifamily permits peaked in 2004 for the City and

Figure 2.1. Age Distribution of Housing Stock, City of Stanwood & Snohomish County



Source: US Census Bureau; American Community Survey 2008-2012

Figure 2.2. Dwelling Type by Housing Tenure, City of Stanwood



Source: US Census Bureau; American Community Survey, 2008-2012

18 US Census Bureau; American Community Survey, 2008-2012

19 Snohomish County Tomorrow Planning Advisory Committee, “Housing Characteristics and Needs in Snohomish County”, 2014

20 In this case, “single family home” is defined as a property where there is only one housing unit in the structure, including townhomes.

in 2005 for the County, followed by sharp declines following the national housing market collapse. Throughout this period, development in Stanwood has largely been comprised of single family homes. For both the City and County, 2012 saw the beginning of a recovery.²¹

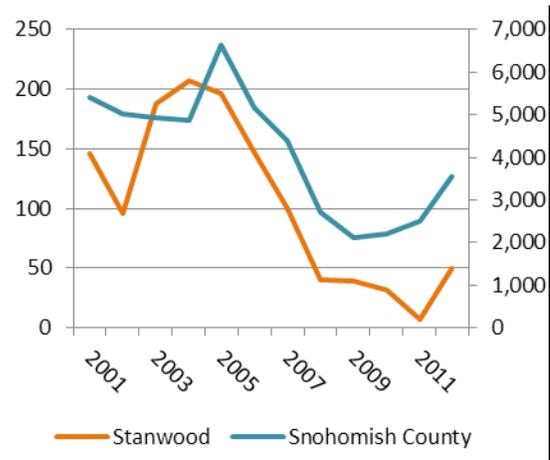
For the purposes of this report, Stanwood’s housing stock is divided into subsidized rental units, workforce rental units, market rate rental units (both single- and multi-family), and home ownership.

Subsidized rental units are targeted toward households with the lowest incomes, typically less than 30% AMI. Populations targeted for subsidized rental units often include the disabled, elderly, and other populations living on fixed incomes with special needs. A subsidized property is one that receives funding, perhaps rental assistance or an operating subsidy, to insure that its residents pay no more than 30% of their income in rent. Some properties only apply their subsidy to select units. It is also common for subsidized units to be restricted to certain groups like families, the elderly, or homeless. A subsidized property may have also benefited from workforce-type housing subsidies, and it is also common for only a portion of a property’s units to be subsidized. Stanwood’s emergency and transitional housing units will also be discussed in this section.

Workforce rental units are targeted to working households that still cannot afford market rents. Workforce rental units and subsidized rental units are both considered “assisted”, but differ in several areas. The key difference between subsidized and workforce units is that workforce units have a subsidy “built in” through the use of special financing methods and other tools, allowing (and typically requiring) the landlord to charge less for rent. An example of this would be when a private investor benefits from low income housing tax credits when building a new residential development. In exchange for the tax credit savings, the property owner would have to restrict a certain number of units to a certain income level for a certain period of time. When the owner is a for-profit entity, this often means that rents on restricted units will become market rate units when the period of restriction has ended. While nonprofit owners may also utilize workforce tools for capital funding, they are more likely to preserve restrictions on units longer than required. The distribution of Stanwood’s assisted units by income level served, both subsidized and workforce, is presented in Table 2.1, on the following page.

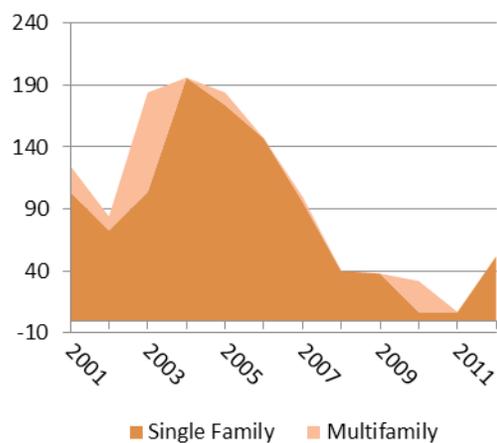
Market rate rental units are the stock of all housing units available for rent in the open market.

Figure 2.3. Net Newly-Permitted Units, City of Stanwood & Snohomish County



Source: Puget Sound Regional Council, 2012

Figure 2.4. Newly Permitted Units by Type, City of Stanwood



Source: Puget Sound Regional Council, 2012

These are units that are privately owned and whose rents are determined by market supply and demand pressures. A market rate rental unit can also be a subsidized rental unit, as is the case with the Federal Section 8 Housing Choice Voucher (HCV) Program. Section 8 vouchers can be used to rent any unit, as detailed below.

Home ownership units include all single family homes for sale – detached and attached single family homes, condominiums, and manufactured homes.

Table 2.1. Assisted Units by Income Level Served, City of Stanwood

Extremely Low	151
Very Low	96
Low	4
Moderate	0
Total	251

Subsidized Housing Units: Permanent and Transitional

Stanwood has 180 units of permanent subsidized housing funded with a range of rental assistance sources including Section 8 Housing Choice Vouchers (HCVs), Section 8 Project-Based Vouchers, HUD Section 202 Supportive Housing for the Elderly, and USDA Rental Assistance. As of July 2014, there were 6 HCVs in use in Stanwood administered by the Everett Housing Authority (EHA).²² All assisted properties are listed in Appendix B. Table 2.2 shows the distribution of subsidized units by funding source.

Families making up to 50% of AMI are eligible for Section 8 vouchers, however, 75% of these vouchers are limited to those making no more than 30% of AMI. Public Housing Authorities (PHAs) receive federal funds from the US Department of Housing and Urban Development (HUD) to administer the HCV program. HUD sets Fair Market Rents (FMRs) annually and PHAs determine their individual payment standards (a percentage of FMR) by unit bedroom size. The tenant identifies a unit, then the PHA inspects the unit to make sure it meets federal Housing Quality Standards and determines if the asked rent is reasonable. If the unit is approved, the tenant pays rent equal to 30-40% of their income, and the PHA pays the difference directly to the landlord. While the voucher amount is set up so that a family does not need to spend more than 30% of their income on housing, including an allowance for utilities, a family may choose to spend up to 40% of their income on housing. This happens most often when the family chooses a home that is larger than the size approved for their voucher. The two PHAs that administer the HCV program in Snohomish County are HASCO and the Everett Housing Authority (EHA).

Table 2.2. Subsidized Units by Funding Source, City of Stanwood

Section 8 HCV	6
Section 8 Project-Based Voucher	17
Section 202 Supportive Housing for the Elderly	41
Washington Housing Assistance Payment	13
USDA Rental Assistance	92

Source: HASCO, 2014

Because the number of vouchers a PHA can distribute is limited by the amount of federal funding they receive, the wait for a new applicant to receive an HCV can be extremely long and is usually dependent on existing voucher holders leaving the program. Until recently, the wait to receive an HCV from HASCO had been about six years. Federal funding for the HCV program was frozen during the 2013 budget sequester, at which time HASCO closed their waitlist.

Stanwood is also home to one property with 13 units of transitional housing. Transitional housing is like subsidized housing in that an operational funding source is typically required, but differs because residents' tenancy is limited to some period or program duration. Stanwood's property with transitional housing, Lervick Family Village, is owned and operated by Housing Hope and serves

homeless families. Operational funding is through Washington State’s Housing Assistance Payment program, and capital funding sources include County CDBG and HOME.

Workforce Housing

Stanwood is home to 58 units of workforce housing in three properties, each listed in Appendix C. Assisted workforce housing units are defined by the fact that they received some form of one-time subsidy in exchange for rent restrictions. Workforce funding types do not involve ongoing rental assistance, and rents are not tailored to individual household incomes. These subsidies can include:

- Capital Financing - Low-interest-rate mortgages, mortgage insurance, tax-exempt bond financing, loan guarantees, and pre-development cost reduction financing.
- Low-Income Housing Tax Credits (LIHTC) – Tax credits provided to developers that can be sold for the purposes of up front debt reduction.
- Federal, State, and County Grant Programs – Grants provided to local governments from the federal government for construction or renovation of below-market-rate units. Community Development Block Grants and HOME Investment Partnership grants are two popular examples.

Table 2.3 shows the number of workforce units funded per major source in Stanwood, with full information provided in Appendix C. Table 2.3 only includes units that do not have additional rental assistance (Considered ‘subsidized’ in this report), which often also use workforce subsidies as part of their financing. As most workforce properties use more than one funding source, there are units counted multiple times in the different funding categories listed in Table 2.3. Financing for any affordable housing project is often very complicated and can involve an array of public, nonprofit, and private entities.

Table 2.3. Workforce Units by Funding Source, City of Stanwood

USDA 515 Loan	29
HOME (City, County, and/or State)	24
Housing Trust Fund (City, County, and/or State)	24

Source: HASCO, 2014

While not currently the case in Stanwood’s workforce properties, many workforce housing properties only dedicate a portion of their units for lower income tenants. This is typical of properties developed or rehabilitated by private entities using tax credits or tax-exempt bond financing in exchange for income restrictions on the properties. In those cases, affordable housing requirements are limited to a certain period of time, typically 20 to 30 years, after which time the property owners can increase rents to market rates. Some properties feature both subsidized and workforce units.

Market Rate Rental Units

There are an estimated 895 units of rental housing in Stanwood located in properties ranging from single family homes to large apartment buildings. According to American Community Survey estimates, 627 out of 895 renter-occupied housing units are in multifamily properties. This compares to 72 multifamily units out of 1,448 owner-occupied units.²³

Table 2.4, on the following page, summarizes ACS data on the number of units available at certain rent levels by bedroom size in Stanwood. ACS rent data is not consistent with other sources of local market rate rent data for the City. This could be because the ACS sample may include subsidized units and less formal rent arrangements – renting rooms or mother-in-law suites in single family homes, renting

23 US Census Bureau; American Community Survey, 2008-2012

Table 2.4. Renter-Occupied Units by Rent and Unit Size, City of Stanwood (Without Utilities)

	No Bedrooms	1 Bedroom Units	2 Bedroom Units	3+ Bedroom Units
Less than \$200	0	28	0	0
\$200 to \$299	0	83	0	41
\$300 to \$499	0	25	0	0
\$500 to \$749	11	45	70	14
\$750 to \$999	13	100	40	0
\$1,000 or more	10	30	148	196

from family members – that could be more affordable. ACS rent data also does not include utility allowances.

To provide a better idea of what a household looking for a home today could expect to pay in rent and utilities for a home in Stanwood, rent data was obtained from Dupre and Scott. This data, which includes both multifamily and single family rental units, is summarized in Table 2.5 and presented in full in Appendix A. Due to the limited number of rent comparables from Stanwood city limits, comparables from Arlington, Marysville, and the surrounding rural area have been included. All comparables are provided in Appendix A with location noted. Table 2.5 lists the minimum full time wage to afford each average rent in hourly and annual terms as well as the number of hours one would have to work per week earning Washington State’s minimum wage to afford the unit.

Table 2.5. Average Rent Affordability by Size, Northwest Snohomish County (Including Utilities)

	Average Rent (With Utilities)	Minimum Income Required		Hours/Week at WA Minimum Wage	Range
		Per Hour	Annual		
1 Bed	\$845	\$16.25	\$33,800	70	\$772-\$1,000
2 Bed	\$1,048	\$20.15	\$41,920	86	\$777-\$1,421
3 Bed	\$1,647	\$31.79	\$66,120	136	\$1,340-\$2,065
4 Bed	\$1,820	\$36.17	\$75,240	155	\$1,422-\$2,242
5 Bed	\$2,209	\$42.21	\$87,800	181	\$2,175-\$2,275

Source: Dupre & Scott, 2013; National Low Income Housing Coalition, 2014

Table 2.6 shows the affordability distribution of average rents in Stanwood by size, including utilities. In this table, “Yes” means that the average rent is affordable to a household at that income level, adjusting for household size, “Limited” means that the average rent is not affordable but there are lower end affordable units, and “No” means that the entire rent range is not affordable. As shown,

Table 2.6. Distribution of Rent Affordability by Size, Northwest Snohomish County

	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed
Extremely Low	No	No	No	No	No
Very Low	Limited	Limited	No	No	No
Low	Yes	Yes	Yes	Yes	No
Moderate	Yes	Yes	Yes	Yes	Yes
Middle	Yes	Yes	Yes	Yes	Yes

Source: Dupre and Scott, 2013

Stanwood’s rental homes are generally affordable to households earning at least 50% AMI, the minimum to be considered low income. There is also a limited supply of one and two bedroom units affordable to very low income households, those earning between 30 and 50% AMI. There is no evidence of market rate units of any size that are affordable to extremely low income households.

The difference in minimum required income by size between single- and multifamily units is shown in Table 2.7. As shown, multifamily units tend to be more affordable than single family homes. As multifamily units also tend to be smaller than single family homes, smaller units also tend to be more affordable than larger units. (Minimum incomes listed in Table 2.7 account for household size.)

Table 2.7. Average Rents by Size, Single- and Multifamily, Northwest Snohomish County

	Multifamily Average Rent	Minimum Income	Single Family Average Rent	Minimum Income
1 Bed	\$845	Low	n/a	n/a
2 Bed	\$993	Low	\$1,253	Low
3 Bed	\$1,400	Low	\$1,631	Low
4 Bed	n/a	n/a	\$1,820	Low
5 Bed	n/a	n/a	\$2,226	Moderate

Source: Dupre and Scott, 2013

Even after accounting for the fact that utility costs are not included in ACS data, ACS’ rent range is generally lower than that of the market as sampled by Dupre and Scott. Again, this could be explained by the ACS sample including subsidized units and informal rent arrangements. While ACS data is important as it shows what Stanwood renters are actually paying, it does not give an accurate indication of what a typical renter searching for a market rate unit can expect to pay.

Home Ownership

Between 2008 and 2012, 60% of single family homes sold in the City of Stanwood were three bedrooms in size. 28% of homes sold were four bedrooms in size, meaning that three and four bedroom homes together represented 88% of sales. 7% were two bedrooms and 5% were five bedrooms. This includes detached single family homes, common wall single family homes (townhouses), manufactured homes, and condominiums. Home sale information is calculated from assessor’s data, geocoded to include only sales within city limits.²⁴

In 2012, the median sale price for a single family home in Stanwood was \$210,551. Assuming a 20% down payment and using average rates of interest, property taxes, utilities and insurance as determined by the Federal Housing Funding Board, the monthly cost of this home would be \$1,269. To afford this monthly cost, a family would require an annual income of at least \$50,778, which is below the City’s median income. This is considered low income for a household at least three to five individuals in size.²⁵

Appendix C provides high level statistics on sales of single family homes from 2008-2012 as well the minimum income necessary to afford the median sale home by year. During this time period, the median home sale price declined by 31%. In 2012 dollars, this translates to a difference of nearly \$40,000 in minimum income necessary for affordability—from a high of \$90,305 to afford the 2008 median home to \$50,778 in 2012.²⁶ The housing market across the region has since began to recover from the recession. While home sale affordability for 2013 cannot be calculated at this time, assessed

24 Snohomish County property use codes 111, 112, 116, 117, 118, 119, 141, 142, 143

25 Snohomish County Assessor, 2014

26 Ibid

value support that values in Stanwood have begun to climb again, with a 6.3% rise in average residence value between 2013 and 2014. This is lower than the average increase across the County, 9.7%.²⁷

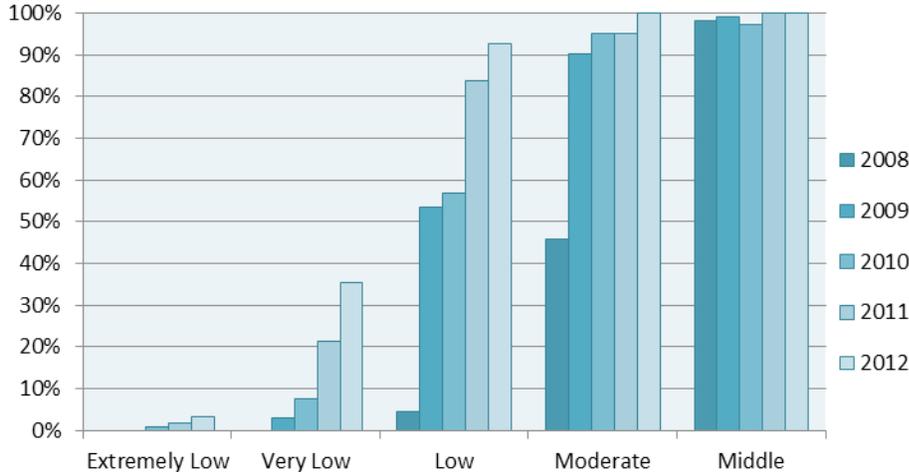
Table 2.8 lists the estimated percentage of 2012 sales of home sales that are affordable to each income level by home size. "Not affordable" means that the minimum income required is higher than the middle income upper cutoff. All of the percentages specify the portion of homes of that size that someone in the particular income group could afford, adjusting for household size as detailed in Appendix E. As shown, there is decreasing affordability as size increases, though moderate and middle income households could theoretically afford the monthly cost of any of the homes sold in 2012. Moderate income is still recommended as the minimum ideal household income for home ownership to be a reasonable option.

Table 2.8. Affordable Home Sales by Size, City of Stanwood, 2012

Bedrooms	Extremely Low	Very Low	Low	Moderate	Middle	Not Affordable	Total Sales
1-2	22%	67%	100%	100%	100%	0%	9
3	2%	41%	95%	100%	100%	0%	59
4	0%	10%	86%	100%	100%	0%	21
5+	0%	25%	75%	100%	100%	0%	4

Figure 2.5 shows how the percentage of sales affordable to each income level changed from 2008 to 2012, tracing the trajectory of the recession. As shown, affordability by this estimate was never a significant challenge for households earning at least 80% AMI after 2009. As the housing market continues to improve following the recession, affordability for this moderate income households may retreat again. While there are affordable options for low income households, and ownership may be

Figure 2.5. Home Sale Affordability, 2008-2012, City of Stanwood



Source: Snohomish County Assessor, 2014

a good option for certain low income households (those earning between 50 and 80% AMI), these households are considered the exception rather than the rule.

HomeSight, a local nonprofit Community Development Corporation, is one example of how an organization can work with lower-income households to overcome barriers to ownership. HomeSight offers a homebuyer education class to first-time homebuyers in Snohomish and King Counties. Upon completion of the class, homebuyers undergo a financial assessment where they can qualify for purchase assistance options that include low down payments and mortgage rates. HomeSight also provides services for homeowners facing foreclosure, including counseling and rescue loans. Local governments can partner with organizations like HomeSight to support vulnerable homeowners.

While these measures consider the ongoing affordability of home ownership in terms of monthly payments, there are other important factors not easily measured. While a 20% down payment is assumed in calculating the monthly debt service, the question of whether or not a household can obtain the funds necessary for a down payment is another important question, particularly for lower income households. This also assumes that the household could be approved for a mortgage at an average interest rate, despite the fact that the mortgage market has tightened. Even assuming all these things are possible, due to ongoing repair and maintenance costs, home ownership may not be a good choice for many lower income households. For all these reasons, home ownership is generally targeted for households earning at least 80% AMI.

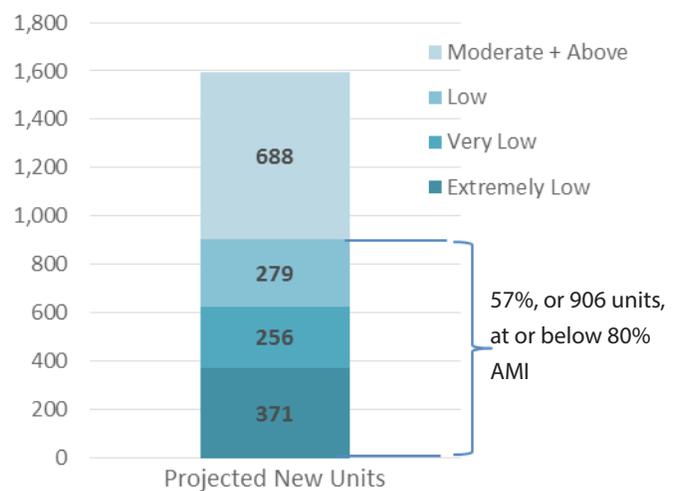
Many of the most affordable sales were likely only so affordable because they were foreclosed homes sold by banks. While low priced foreclosed homes can put home ownership within reach for more households, this is accomplished at the expense of previously displaced homeowners. Additionally, these sales contribute to ongoing uncertainty about market home values. Low income home buyers could also become cost burdened by higher property taxes on these “bargain” homes.

Current Challenges and Opportunities

While the City of Stanwood has sufficient capacity to accommodate growth projected over the next 20 years, it will still be challenged with preserving its historic rural character while accommodating growth and the changing needs of future communities. Of the current capacity for development, there is an almost even split in multifamily and single family zoned areas, with a high portion to come through redevelopment.²⁸ In general, the City will eventually see a greater share of multifamily housing if growth continues as projected.

Stanwood’s median household income is lower than that of the County overall. Assuming that the City’s income mix stays constant, it is estimated that 906 units, or 57% of the total projected increase, will serve households at or below 80% AMI. The share of projected units by income level is shown in Figure 3.1

Figure 3.1. Income allocation of projected new housing units, City of Stanwood



According to 2013 Dupre and Scott data, Stanwood rental housing market is generally affordable to households earning at least 50% AMI. Households earning between 30 and 50% AMI will find some homes smaller than three bedrooms affordable as well. Rental units of any size are not affordable to homes making up to 30% AMI, though this is expected in almost all communities due to the costs of construction and maintenance in today’s market. Cost burden data supports these conclusions, with a significant reduction in cost burden for both renters and owners at income levels above 50% AMI.²⁹ Overall, 44% of Stanwood households are cost burdened.³⁰

Home ownership became much more affordable during the recession in Stanwood. From 2008 to 2012, the minimum income required to purchase the median home sale price each year dropped from \$90,305 in 2008 to \$50,778 in 2012. As the market recovers, affordability for moderate income households may retreat again.³¹

There are many ways cities can support vulnerable homeowners, with a range of required resources. At the most basic level, they can publicize resources available through outside organizations, and form partnerships with those same organizations. The City of Boston’s [Home Center](#) is an example of a local government “one stop shop” for local housing resources.

28 Snohomish County Tomorrow Planning Advisory Committee, “Housing Characteristics and Needs in Snohomish County”, 2014
 29 Dupre and Scott, 2013
 30 US Census Bureau; American Community Survey, 2008-2012
 31 Snohomish County Assessor, “Snohomish County Assessor’s Annual Report for 2014 Taxes”, 2014

In the near future, the Alliance for Housing Affordability will serve as a Snohomish County resource for this kind of information. Even in the current climate of reduced resources and budgets, there are still organizations offering services to would-be homeowners in Snohomish County. HomeSight and the Washington State Housing Finance Commission (WSHFC) both offer free education programs for prospective homeowners. Once homeowners have gone through the curriculum, they are eligible to apply for other programs, including down payment assistance loans and low-rate mortgages. Both also have resources for homeowners facing foreclosure, including financial counseling and, in the case of HomeSight, rescue loans. Identifying local lenders familiar with options for lower income homebuyers is another lower-cost option for local governments. Going further, some cities pursue grant funding (commonly HOME and CDBG) so they can offer loans to help homeowners with repairs. At the most resource-intensive end, cities can develop trust funds to fund affordable housing directly. King County ARCH member cities contribute to a pooled trust fund which funds a range of affordable housing projects and a down payment loan program. In the case of funded affordable homeownership properties, covenants restrict the sale of these homes to households within certain income limits, as well as the maximum sale price. ARCH also monitors funded projects for program compliance.

For those lacking sufficient credit or income, renting is still often the best choice, due to many factors including ongoing maintenance expenses. Households earning less than 50% AMI will struggle to find market rate housing, however. The City features 174 units of dedicated subsidized housing targeted to this group. Another three properties benefited from workforce-type subsidies to offer another 58 units of housing with affordable rents. With a total of 921 Stanwood households earning less than 50% AMI, the supply of housing affordable to this group still needs to increase.

The City has made efforts to supply attractive and safe housing options for needy households in the community. To respond to the need to provide affordable housing for the community, the City has undertaken a series of measures and strategies to promote affordable housing including:

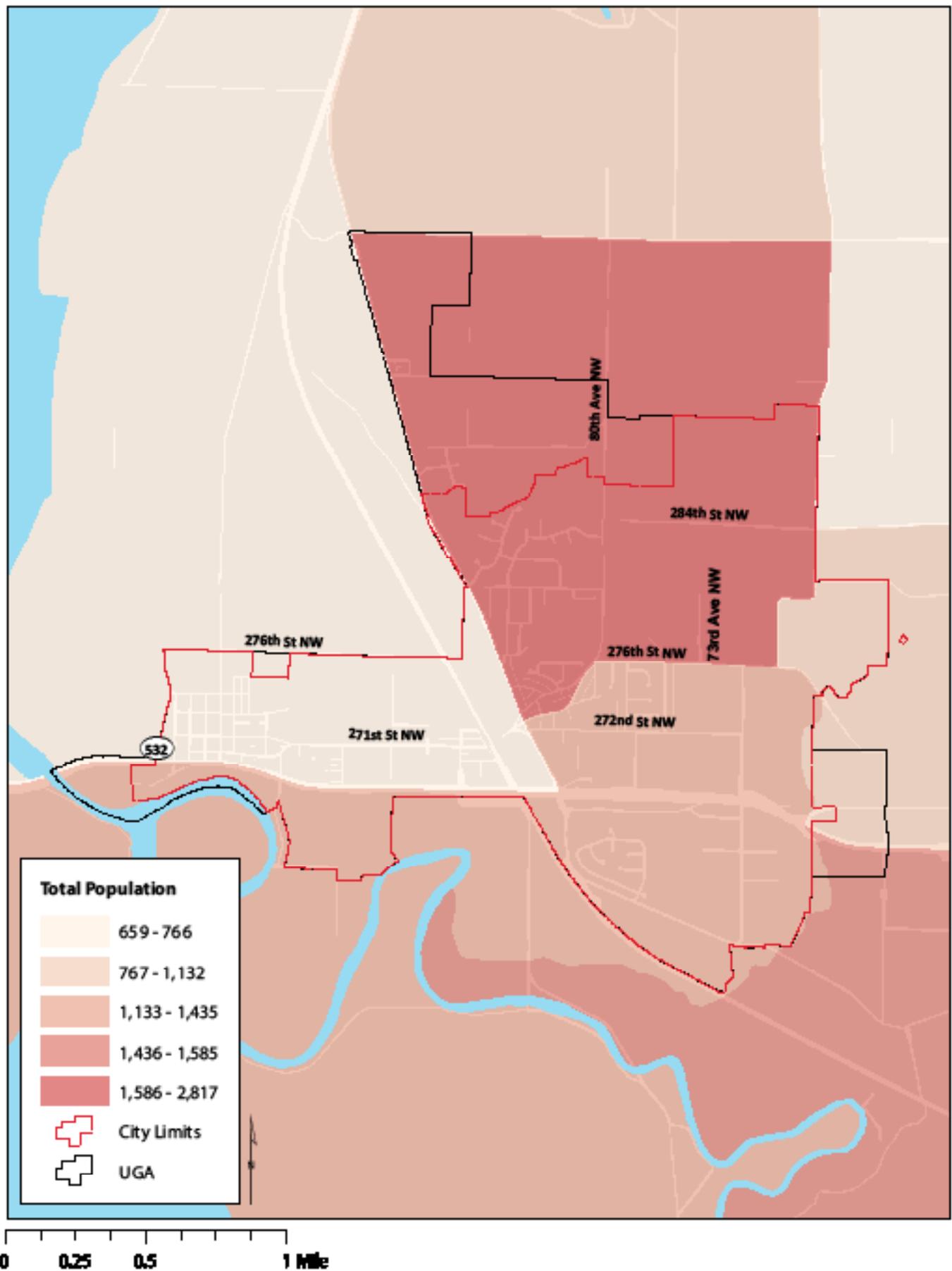
- Designating small lot districts
- Allowing for infill development
- Offering density bonuses
- Reducing side yard setback and off street parking requirements
- Streamlining permitting processes
- Encouraging mixed-use development
- Establishing accessory dwelling units and manufactured homes in residential areas
- Providing financial incentives to encourage development of affordable units

The City has pursued a range of implementation measures for these strategies. In addition to pursuing further identified appropriate measures, the City should continue to monitor their use and evaluate policies to make sure there are not unnecessary regulatory barriers to use.

Maps

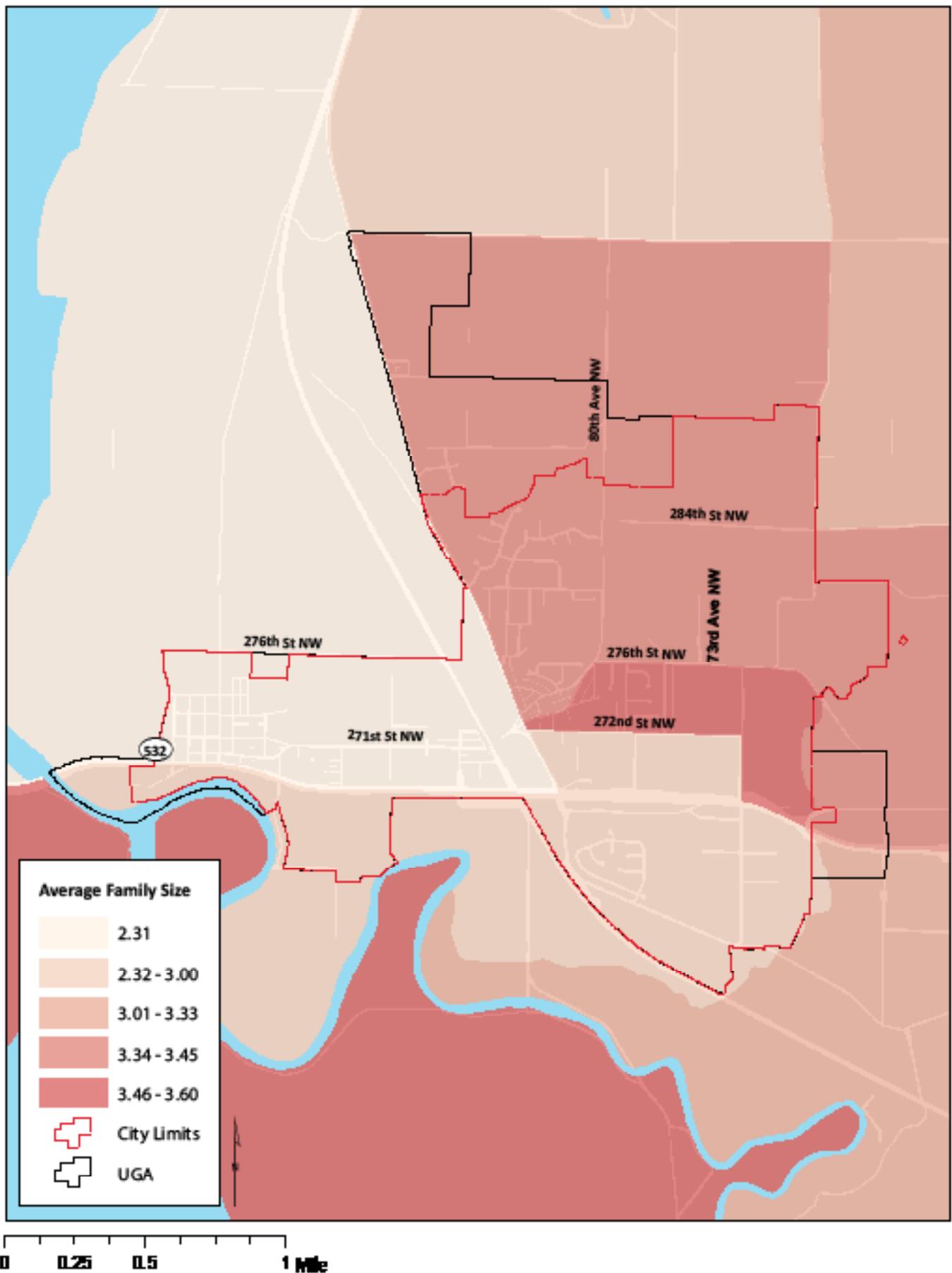
Map 1.1. Total Population (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



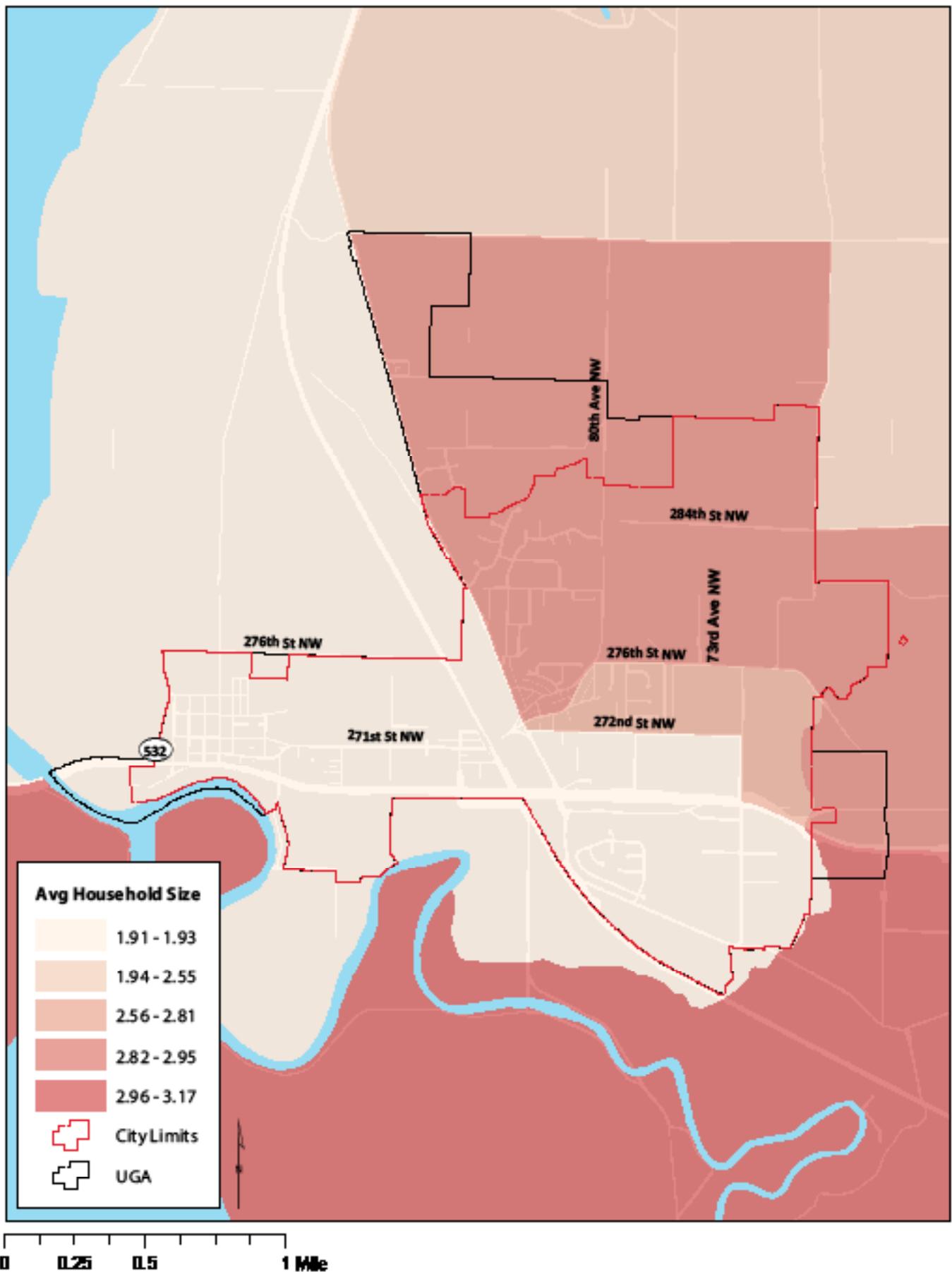
Map 1.2. Average Family Size (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



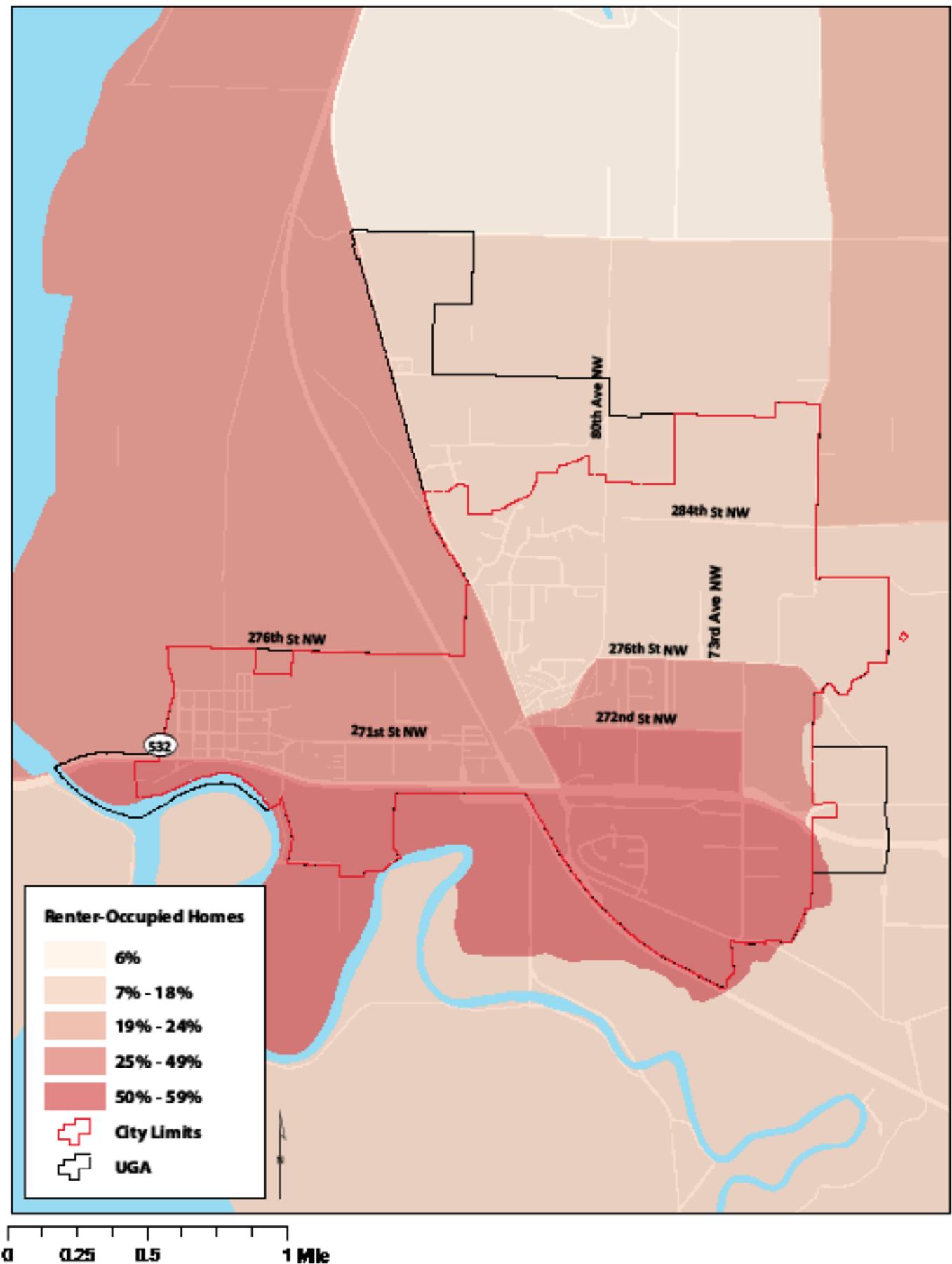
Map 1.3. Average Household Size (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



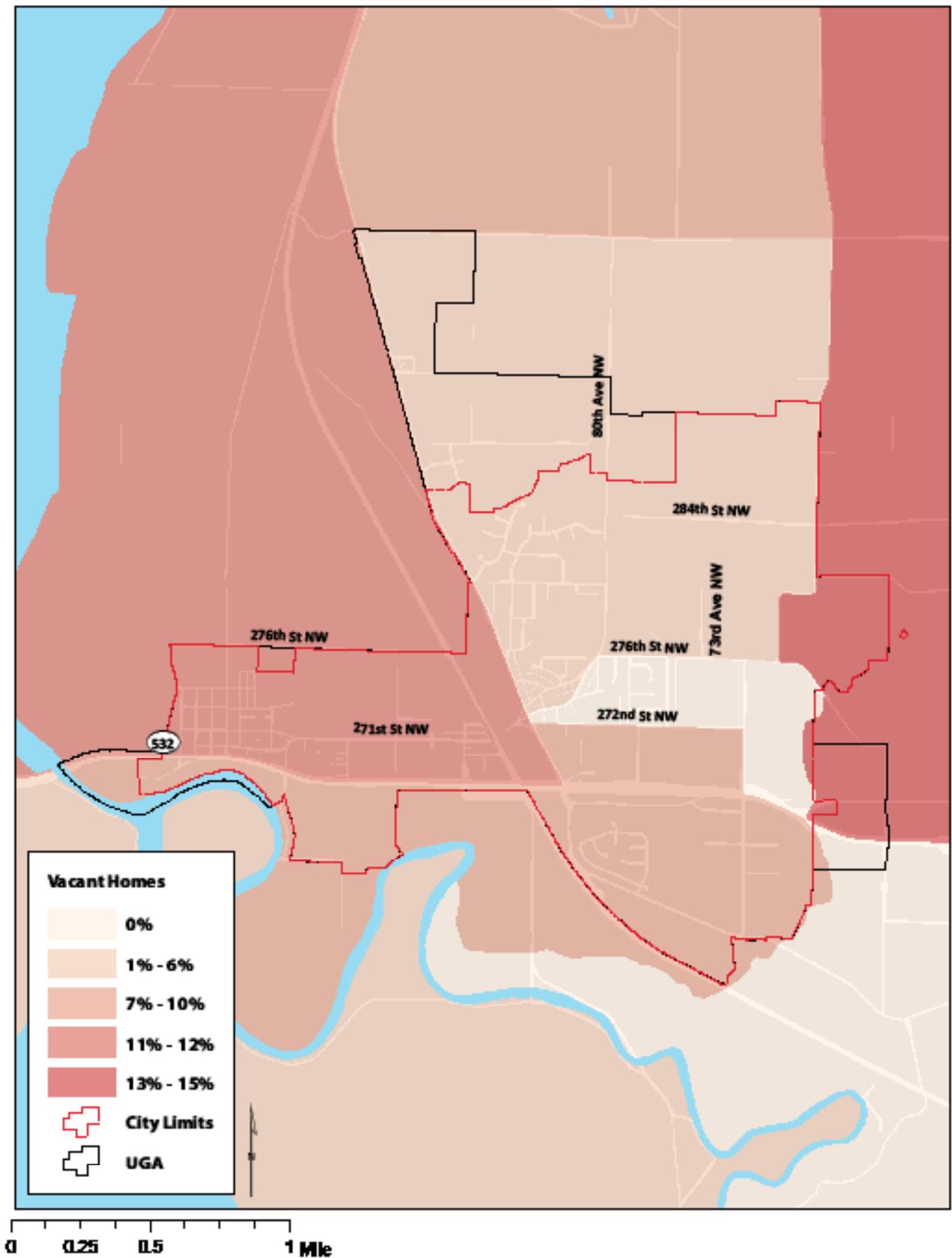
Map 1.4. Renter-Occupied Housing Units (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



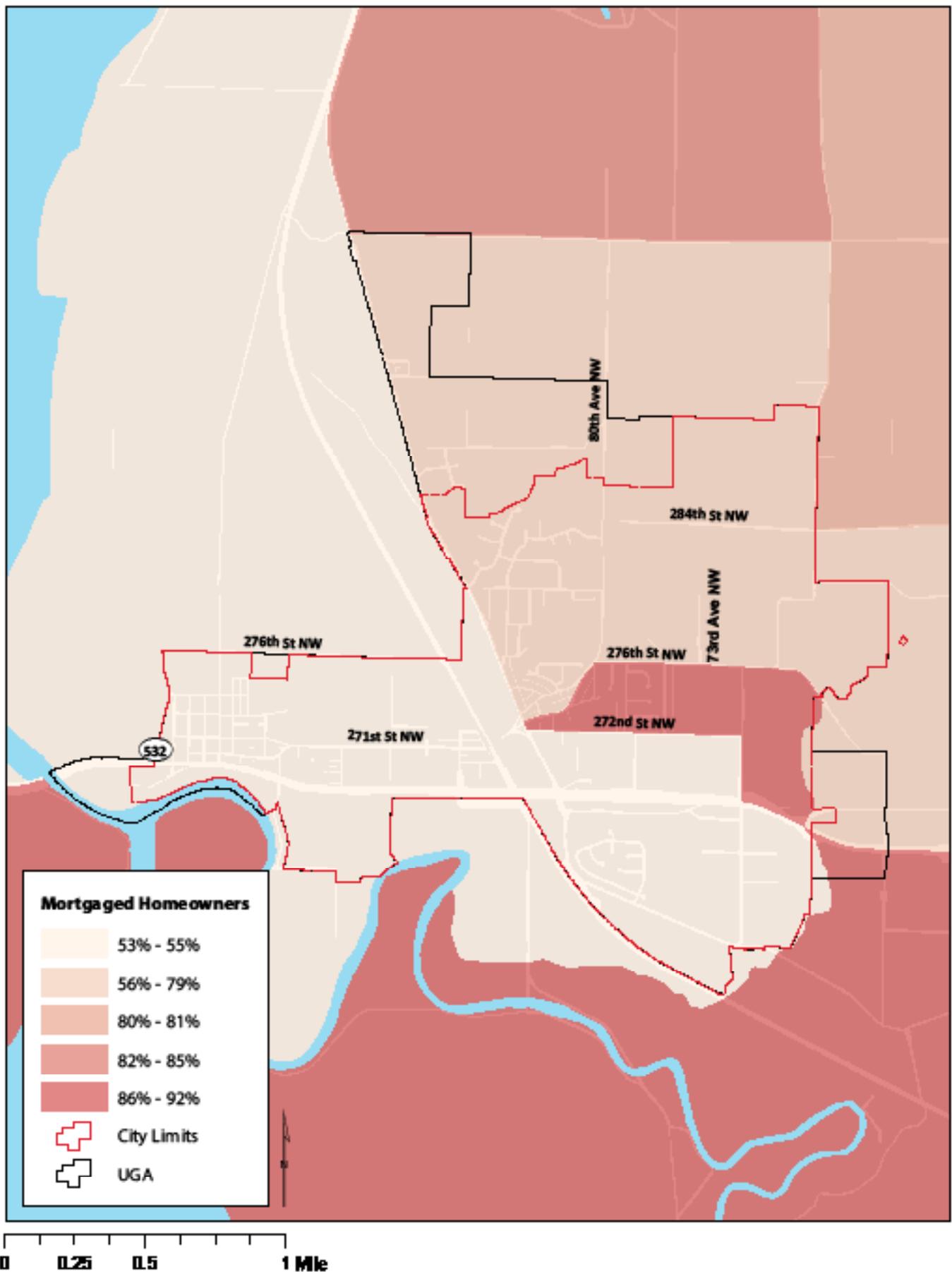
Map 1.5. Vacant Housing Units (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



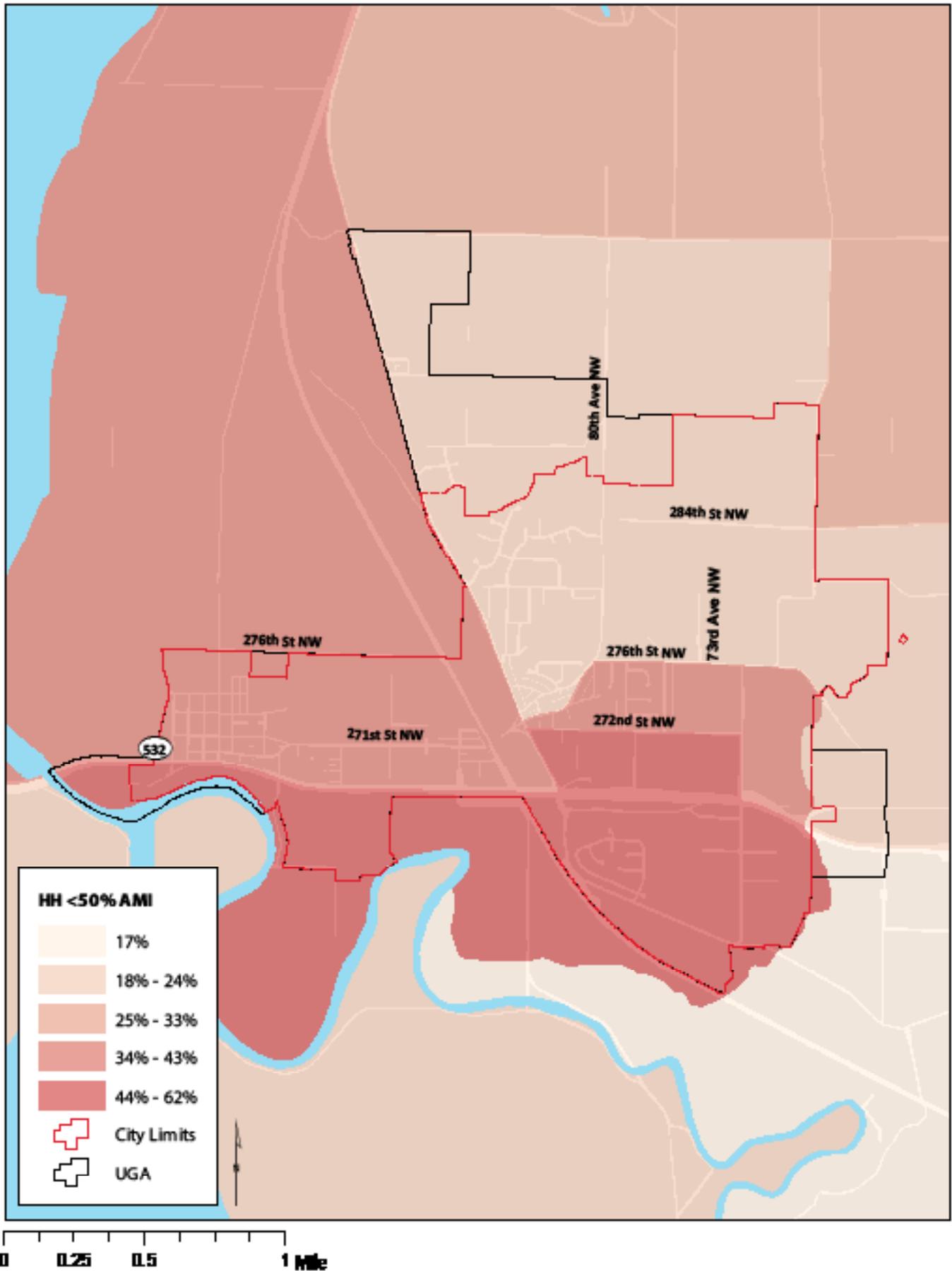
Map 1.6. Homeowners with Mortgages (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



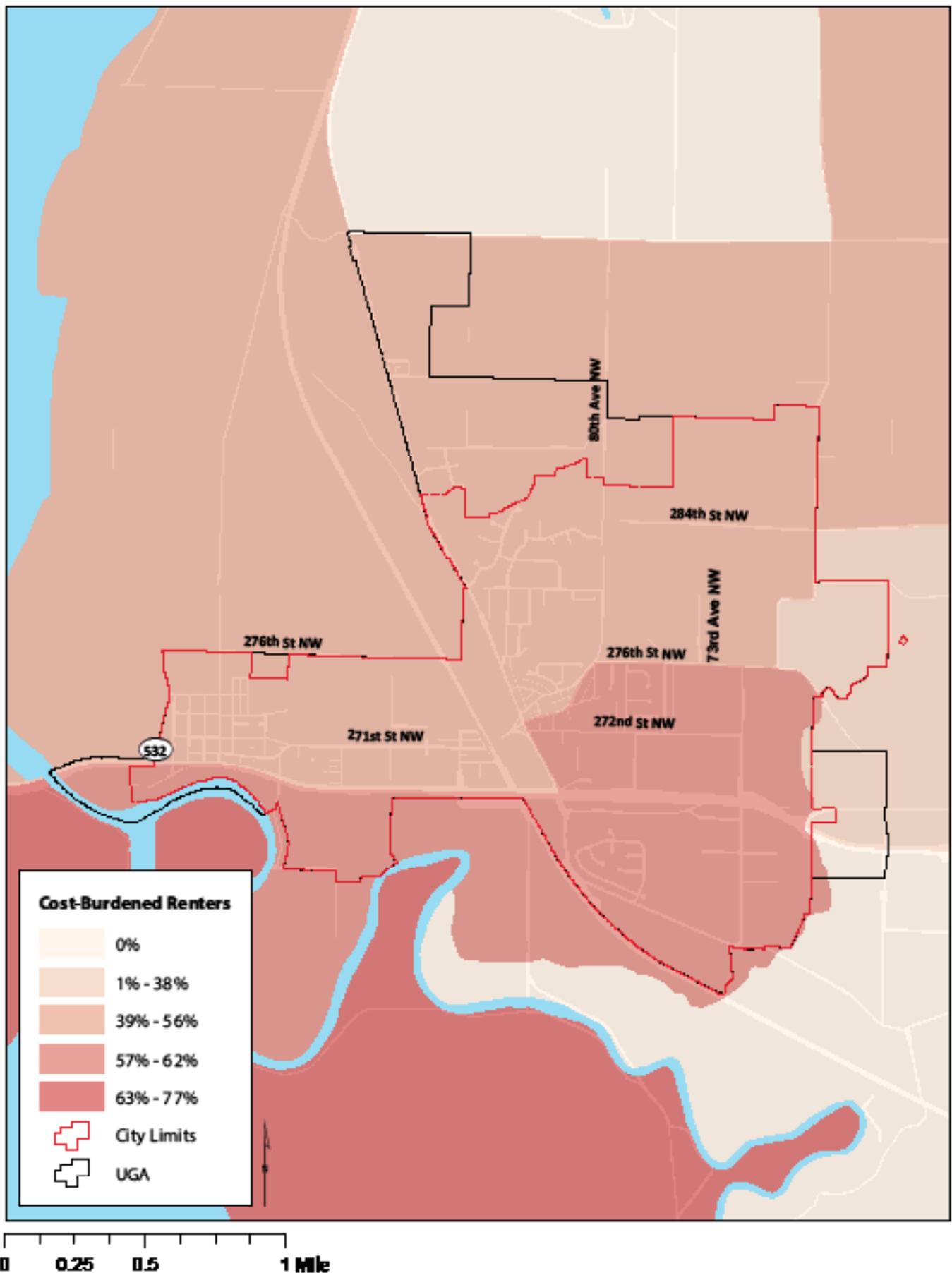
Map 1.7. Very Low-Income Households (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



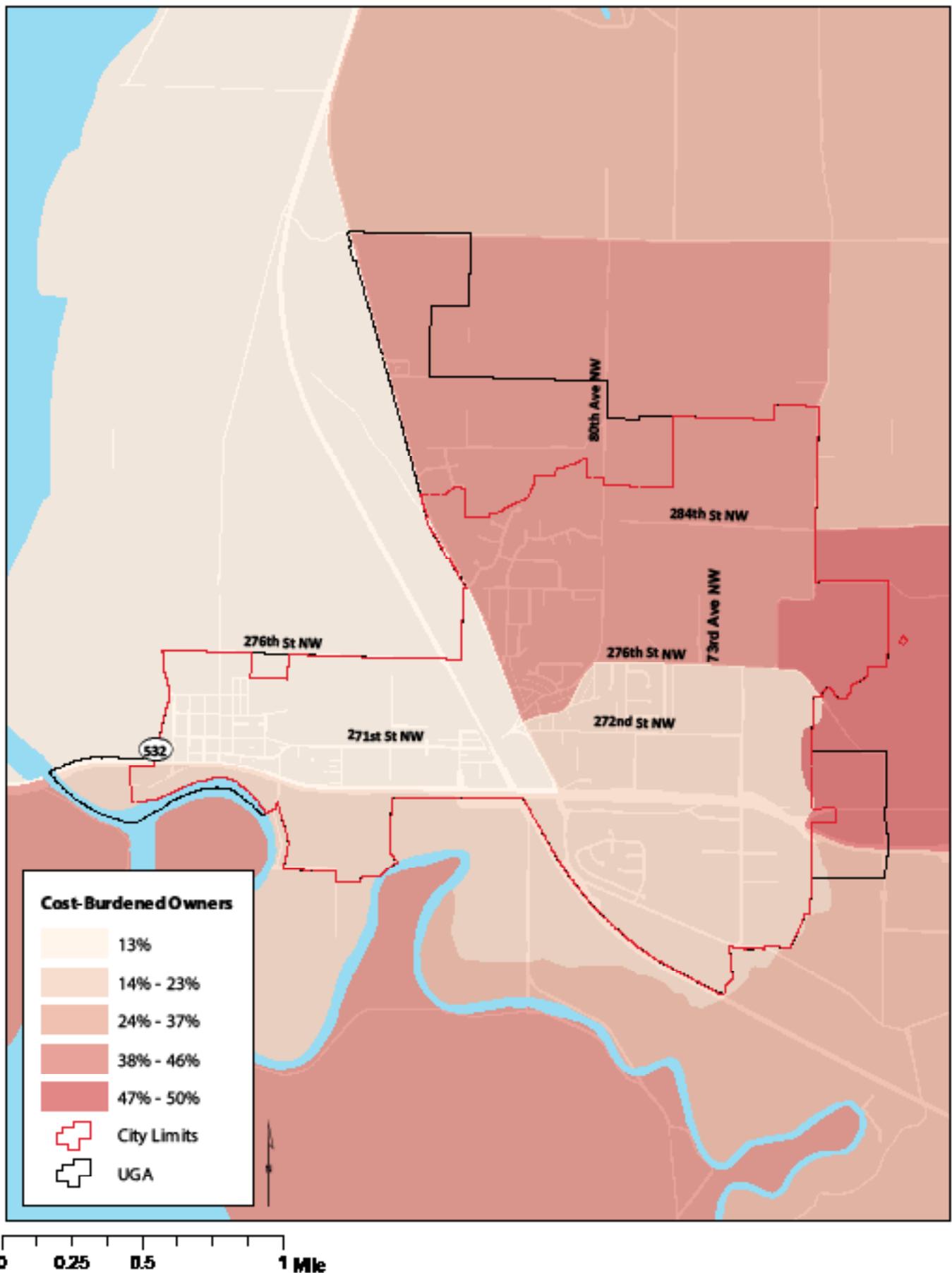
Map 1.8. Cost-Burdened Renters (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



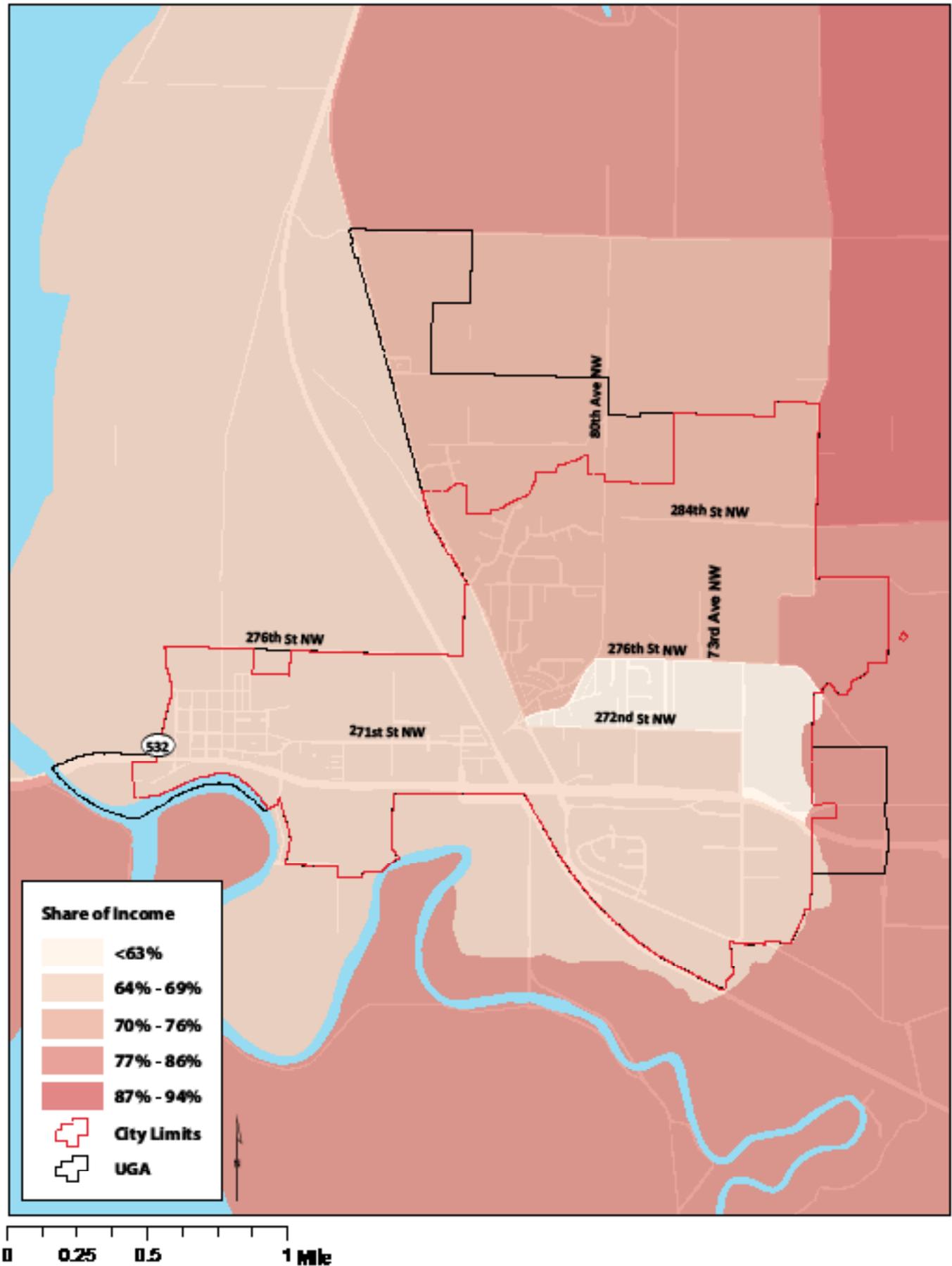
Map 1.9. Cost-Burdened Owners (Block Groups)

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



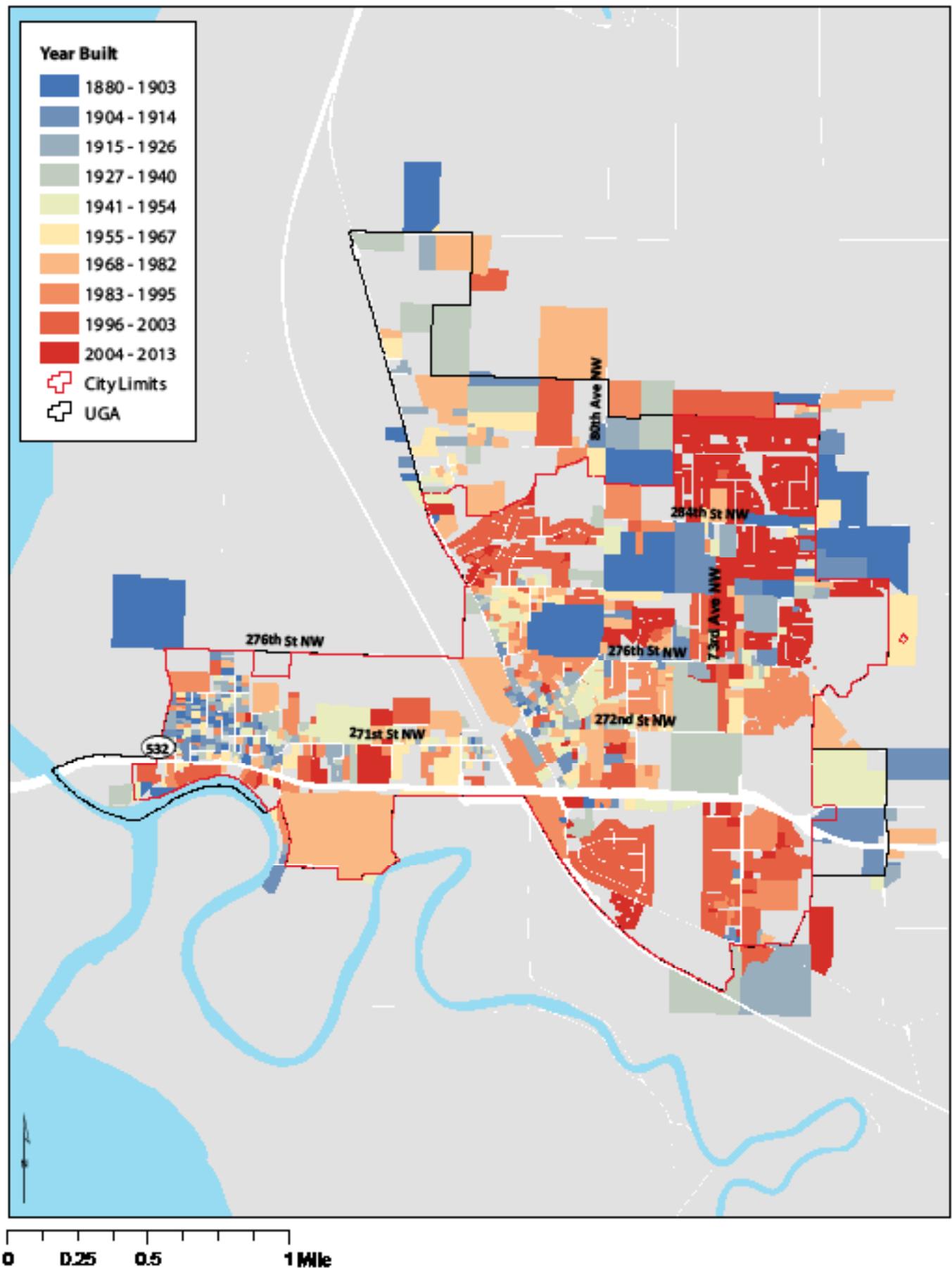
Map 1.10. Housing & Transportation, Percent of Low HH Income

Sources: American Community Survey, 2008-2012; Snohomish County Information Services, 2013



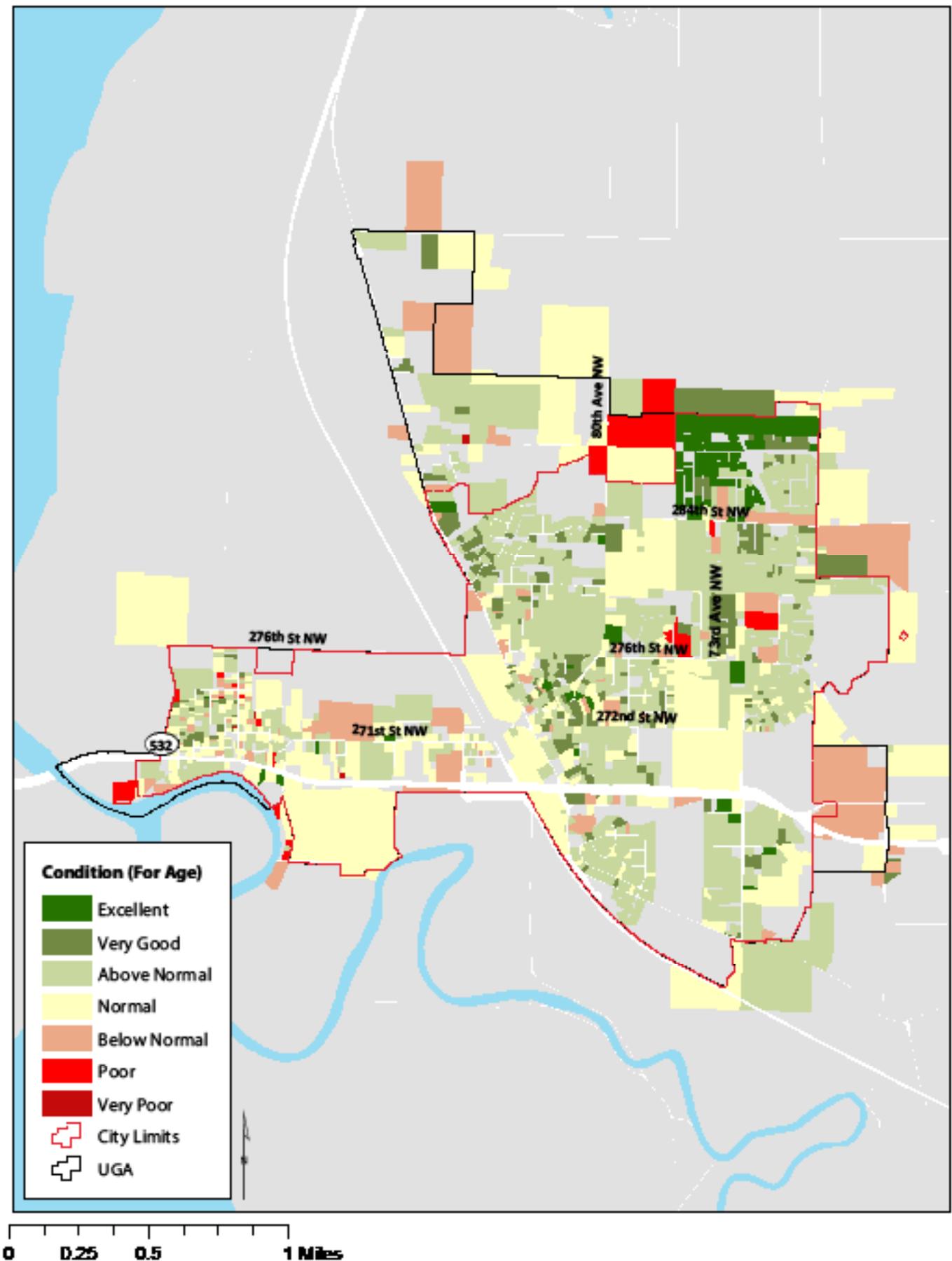
Map 2.1. Age of Housing Stock

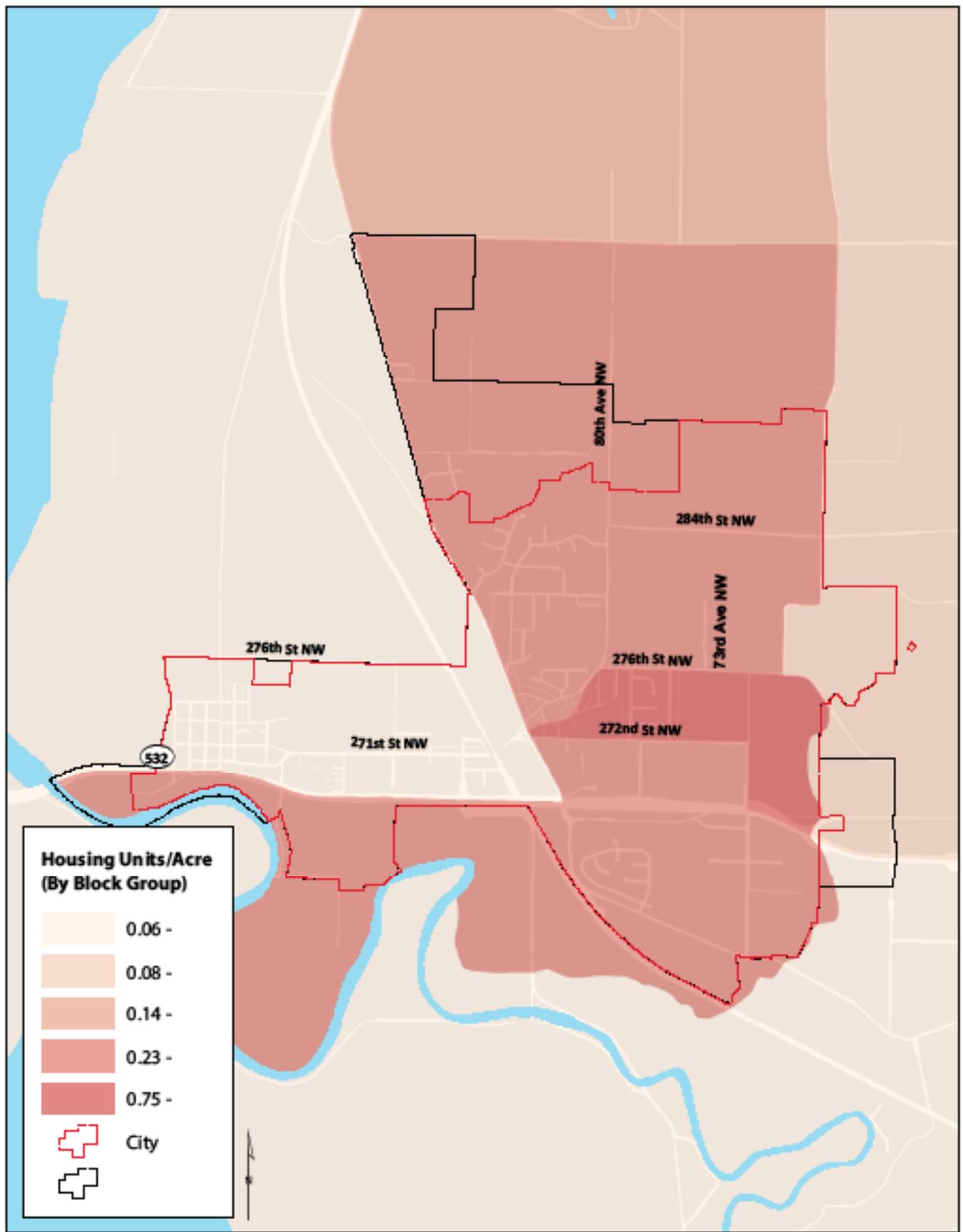
Sources: Snohomish County Assessor, 2012; Snohomish County Information Services, 2012



Map 2.2. Condition of Housing Stock

Sources: Snohomish County Assessor, 2014; Snohomish County Information Services, 2013





0 0.25 0.5 1 Mile

Appendix A: Market Rate Rent Comparables by Property, Northwest Snohomish County

1 Bedroom							2 Bedroom							3 Bedroom							4 Bedroom							5 Bedroom						
Units in Building	Age	1Bd-Rent	Utilities	Total	Minimum Income	Location	Units in Building	Age	2/1-Rent	Utilities	Total	Minimum Income	Location	Units in Building	Age	Rent	Utilities	Total	Minimum Income	Location	Units in Building	Age	4Bed-Rent	Utilities	Total	Minimum Income	Location	Units in Building	Age	5Bed-Rent	Utilities	Total	Minimum Income	Location
20+	1985	\$796	\$62	\$ 858	Low	Marysville	2-3	1965	\$1,050	\$77	\$1,127	Low	Arlington	SF	2000	\$1,275	\$220	\$1,495	Low	Marysville	SF	1900	\$1,175	\$247	\$1,422	Low	Marysville	SF	2010	\$1,900	\$276	\$2,176	Moderate	Marysville
20+	1990	\$829	\$171	\$1,000	Low	Stanwood	20+	1990	\$916	\$191	\$1,107	Low	Stanwood	2-3	2000	\$1,150	\$220	\$1,370	Low	Stanwood	SF	1990	\$1,450	\$247	\$1,697	Low	Stanwood	SF	2010	\$1,999	\$276	\$2,275	Moderate	Stanwood
20+	1965	\$795	\$62	\$ 857	Low	Marysville	4-19	1965	\$735	\$77	\$812	Very Low	Marysville	SF	1975	\$1,275	\$220	\$1,495	Low	Marysville	SF	2000	\$1,495	\$247	\$1,742	Low	Marysville	SF	2010	\$1,899	\$276	\$2,175	Moderate	Stanwood
20+	1990	\$755	\$62	\$ 817	Very Low	Marysville	SF	1945	\$1,195	\$191	\$1,386	Low	Marysville	SF	1945	\$1,350	\$220	\$1,570	Low	Marysville	SF	1990	\$1,500	\$247	\$1,747	Low	Marysville	SF	2010	\$1,899	\$276	\$2,175	Moderate	Stanwood
20+	1990	\$795	\$62	\$ 857	Low	Marysville	20+	1990	\$885	\$77	\$962	Very Low	Marysville	SF	1975	\$1,300	\$220	\$1,520	Low	Marysville	SF	1990	\$1,500	\$247	\$1,747	Low	Marysville	SF	2010	\$1,899	\$276	\$2,175	Moderate	Stanwood
20+	1985	\$750	\$62	\$ 812	Very Low	Marysville	4-19	1945	\$850	\$77	\$927	Very Low	Marysville	SF	1975	\$1,300	\$220	\$1,520	Low	Marysville	SF	2010	\$1,695	\$247	\$1,942	Moderate	Stanwood	SF	2010	\$1,999	\$276	\$2,275	Moderate	Stanwood
20+	2000	\$750	\$62	\$ 812	Very Low	Marysville	SF	1900	\$1,000	\$191	\$1,191	Low	Marysville	SF	1990	\$1,345	\$220	\$1,565	Low	Marysville	SF	2010	\$1,799	\$247	\$2,046	Moderate	Stanwood	SF	2010	\$1,899	\$276	\$2,175	Moderate	Stanwood
20+	1990	\$735	\$62	\$ 797	Very Low	Marysville	4-19	1965	\$995	\$77	\$1,072	Low	Marysville	SF	2000	\$1,325	\$220	\$1,545	Low	Marysville	SF	2010	\$1,825	\$247	\$2,072	Moderate	Stanwood	SF	2010	\$1,899	\$276	\$2,175	Moderate	Stanwood
20+	1990	\$695	\$171	\$866	Low	Stanwood	SF	1900	\$1,230	\$191	\$1,421	Low	Marysville	20+	1990	\$1,120	\$220	\$1,340	Low	Stanwood	SF	2000	\$1,995	\$247	\$2,242	Moderate	Stanwood	SF	2000	\$1,995	\$247	\$2,242	Moderate	Stanwood
4-19	1945	\$710	\$62	\$ 772	Very Low	Marysville	4-19	1985	\$700	\$77	\$777	Very Low	Marysville	SF	1975	\$1,350	\$220	\$1,570	Low	Marysville	SF	2000	\$1,995	\$247	\$2,242	Moderate	Stanwood	SF	2000	\$1,995	\$247	\$2,242	Moderate	Stanwood
							2-3	1965	\$840	\$77	\$917	Very Low	Arlington	SF	1975	\$1,395	\$220	\$1,615	Low	Marysville	SF	1900	\$1,200	\$247	\$1,447	Low	Marysville	SF	1900	\$1,200	\$247	\$1,447	Low	Marysville
							20+	1965	\$850	\$77	\$927	Very Low	Marysville	SF	1985	\$1,200	\$220	\$1,420	Low	Marysville	SF	2000	\$1,350	\$247	\$1,597	Low	Marysville	SF	2000	\$1,350	\$247	\$1,597	Low	Marysville
							20+	1985	\$854	\$77	\$931	Very Low	Marysville	SF	2000	\$1,200	\$220	\$1,420	Low	Marysville	SF	1965	\$1,475	\$247	\$1,722	Low	Marysville	SF	1965	\$1,475	\$247	\$1,722	Low	Marysville
							20+	2000	\$800	\$77	\$877	Very Low	Marysville	SF	2000	\$1,225	\$220	\$1,445	Low	Marysville	SF	1975	\$1,495	\$247	\$1,742	Low	Marysville	SF	1975	\$1,495	\$247	\$1,742	Low	Marysville
							20+	1985	\$800	\$77	\$877	Very Low	Marysville	SF	1900	\$1,250	\$220	\$1,470	Low	Marysville	SF	2000	\$1,495	\$247	\$1,742	Low	Marysville	SF	2000	\$1,495	\$247	\$1,742	Low	Marysville
							20+	1965	\$825	\$77	\$902	Very Low	Marysville	SF	2010	\$1,375	\$220	\$1,595	Low	Marysville	SF	2010	\$1,595	\$247	\$1,842	Low	Rural	SF	2010	\$1,595	\$247	\$1,842	Low	Rural
							20+	1990	\$855	\$77	\$932	Very Low	Marysville	SF	1990	\$1,395	\$220	\$1,615	Low	Rural	SF	1990	\$1,600	\$247	\$1,847	Low	Marysville	SF	1990	\$1,600	\$247	\$1,847	Low	Marysville
							20+	1990	\$860	\$77	\$937	Very Low	Marysville	SF	2000	\$1,395	\$220	\$1,615	Low	Marysville	SF	2000	\$1,600	\$247	\$1,847	Low	Marysville	SF	2000	\$1,600	\$247	\$1,847	Low	Marysville
							20+	1975	\$862	\$77	\$939	Very Low	Marysville	SF	1990	\$1,399	\$220	\$1,619	Low	Marysville	SF	1990	\$1,600	\$247	\$1,847	Low	Marysville	SF	1990	\$1,600	\$247	\$1,847	Low	Marysville
							2-3	1985	\$700	\$77	\$777	Very Low	Rural	SF	2010	\$1,350	\$220	\$1,570	Low	Marysville	SF	1990	\$1,650	\$247	\$1,897	Moderate	Marysville	SF	1990	\$1,650	\$247	\$1,897	Moderate	Marysville
							4-19	1945	\$795	\$77	\$872	Very Low	Marysville	2-3	1990	\$1,200	\$220	\$1,420	Low	Marysville	SF	2000	\$1,600	\$247	\$1,847	Low	Marysville	SF	2000	\$1,600	\$247	\$1,847	Low	Marysville
							20+	1975	\$850	\$77	\$927	Very Low	Marysville	2-3	1990	\$1,250	\$220	\$1,470	Low	Marysville	SF	1990	\$1,600	\$247	\$1,847	Low	Marysville	SF	1990	\$1,600	\$247	\$1,847	Low	Marysville
							20+	1990	\$820	\$191	\$ 1,011	Low	Stanwood	SF	1985	\$1,500	\$220	\$1,720	Moderate	Marysville	SF	1985	\$1,695	\$247	\$1,942	Moderate	Marysville	SF	1985	\$1,695	\$247	\$1,942	Moderate	Marysville
							2-3	1985	\$950	\$77	\$ 1,027	Low	Rural	SF	1965	\$1,845	\$220	\$2,065	Moderate	Marysville	SF	2000	\$1,995	\$247	\$2,242	Moderate	Stanwood	SF	2000	\$1,995	\$247	\$2,242	Moderate	Stanwood
							20+	1985	\$961	\$77	\$ 1,038	Low	Marysville	SF	2010	\$1,800	\$220	\$2,020	Moderate	Marysville	SF	2010	\$1,800	\$247	\$2,047	Moderate	Marysville	SF	2010	\$1,800	\$247	\$2,047	Moderate	Marysville
							4-19	1975	\$750	\$77	\$ 827	Very Low	Marysville	SF	2000	\$1,500	\$220	\$1,720	Moderate	Marysville	SF	2000	\$1,500	\$247	\$1,747	Moderate	Marysville	SF	2000	\$1,500	\$247	\$1,747	Moderate	Marysville
							20+	1990	\$825	\$77	\$ 902	Very Low	Marysville	SF	1975	\$1,500	\$220	\$1,720	Moderate	Marysville	SF	1975	\$1,500	\$247	\$1,747	Moderate	Marysville	SF	1975	\$1,500	\$247	\$1,747	Moderate	Marysville
							20+	1985	\$825	\$77	\$ 902	Very Low	Marysville	SF	1975	\$1,525	\$220	\$1,745	Moderate	Marysville	SF	1975	\$1,525	\$220	\$1,745	Moderate	Marysville	SF	1975	\$1,525	\$220	\$1,745	Moderate	Marysville
							20+	2000	\$825	\$77	\$ 902	Very Low	Marysville	SF	1975	\$1,550	\$220	\$1,770	Moderate	Marysville	SF	1975	\$1,550	\$220	\$1,770	Moderate	Marysville	SF	1975	\$1,550	\$220	\$1,770	Moderate	Marysville
							4-19	1965	\$875	\$77	\$ 952	Very Low	Marysville	SF	1990	\$1,500	\$220	\$1,720	Moderate	Marysville	SF	1990	\$1,500	\$247	\$1,747	Moderate	Marysville	SF	1990	\$1,500	\$247	\$1,747	Moderate	Marysville
							20+	1990	\$885	\$77	\$ 962	Very Low	Marysville	SF	1990	\$1,550	\$220	\$1,770	Moderate	Marysville	SF	1990	\$1,550	\$220	\$1,770	Moderate	Marysville	SF	1990	\$1,550	\$220	\$1,770	Moderate	Marysville
							20+	2000	\$895	\$77	\$ 972	Very Low	Marysville	SF	1990	\$1,525	\$220	\$1,745	Moderate	Marysville	SF	1990	\$1,525	\$220	\$1,745	Moderate	Marysville	SF	1990	\$1,525	\$220	\$1,745	Moderate	Marysville
							20+	1990	\$935	\$77	\$ 1,012	Low	Marysville	SF	2000	\$1,400	\$220	\$1,620	Low	Marysville	SF	2000	\$1,400	\$247	\$1,647	Low	Marysville	SF	2000	\$1,400	\$247	\$1,647	Low	Marysville
							SF	1900	\$850	\$191	\$1,041	Low	Marysville	SF	2000	\$1,400	\$220	\$1,620	Low	Marysville	SF	1985	\$1,695	\$247	\$1,942	Moderate	Marysville	SF	1985	\$1,695	\$247	\$1,942	Moderate	Marysville
							20+	1975	\$869	\$191	\$1,060	Low	Marysville	SF	2000	\$1,400	\$220	\$1,620	Low	Marysville	SF	2000	\$1,695	\$247	\$1,942	Moderate	Marysville	SF	2000	\$1,695	\$247	\$1,942	Moderate	Marysville
							20+	1985	\$875	\$191	\$1,066	Low	Marysville	SF	1990	\$1,450	\$220	\$1,670	Low	Marysville	SF	2010	\$1,699	\$247	\$1,946	Moderate	Marysville	SF	2010	\$1,699	\$247	\$1,946	Moderate	Marysville
							SF	1900	\$900	\$191	\$1,091	Low	Marysville	SF	2010	\$1,450	\$220	\$1,670	Low	Marysville	SF	2000	\$1,700	\$247	\$1,947	Moderate	Marysville	SF	2000	\$1,700	\$247	\$1,947	Moderate	Marysville
							20+	1975	\$915	\$191	\$ 1,106	Low	Marysville	SF	2000	\$1,550	\$220	\$1,770	Moderate	Marysville	SF	2000	\$1,700	\$247	\$1,947	Moderate	Marysville	SF	2000	\$1,700	\$247	\$1,947	Moderate	Marysville
							2-3	1965	\$1,050	\$77	\$1,127	Low	Arlington	SF	2010	\$1,450	\$220	\$1,670	Low	Marysville	SF	1990	\$1,300	\$247	\$1,547	Low	Marysville	SF	1990	\$1,300	\$247	\$1,547	Low	Marysville
							4-19	1975	\$950	\$191	\$1,141	Low	Marysville	SF	1945	\$1,475	\$220	\$1,695	Moderate	Marysville	SF	1985	\$1,750	\$247	\$1,997	M								

Appendix B: Assisted Units by Property, Stanwood

PROPERTY NAME	STREET ADDRESS	PARCEL ID	ASSISTED UNITS BY INCOME LEVEL				SUBSIDIZED UNITS	WORKFORCE UNITS	TRANSITIONAL UNITS	OWNER	POPULATION SERVED	CAPITAL FUNDING SOURCES	OPERATIONAL FUNDING SOURCES
			Extremely Low	Very Low	Low	Moderate							
Section 8 Housing Choice Vouchers (EHA)	Various	Various	5	1			6			Public (Everett Housing Authority)	Various		HUD Section 8 Housing Choice Vouchers
Bayview Gardens	7822 272nd St NW	32041900403600	14	16			30			Private For-Profit	Seniors	USDA Rural Rental Housing Loan, Washington State Housing Trust Fund	USDA Rental Assistance
Hilltop	8001 272nd St NW	32041900409800		30			30			Public (HASCO)	Seniors, People with Disabilities	USDA Rural Rental Housing Loan	USDA Rental Assistance
Island View Apartments	7930 272nd St NW	32041900403300	20	7	2			29		Private For-Profit		USDA Rural Rental Housing Loan	
Lervick Family Village	8321-8329 272nd St NW	00443500200600	9	4					13	Private Nonprofit (Housing Hope)	Homeless Families	Snohomish County Community Development Block Grant, Snohomish County HOME	State Housing Assistance Payment
Lincoln Hill Senior Apartments	7430 276th St NW	32042000302400	41				41			Private Nonprofit (Stanwood Senior Center)	Seniors		HUD Section 8 Project Based Vouchers (17)
Lincoln Hill Village Apartments	27522 72nd Ave	32042000301400		24				24		Private Nonprofit (Housing Hope)	Family	County Housing Trust Fund, County HOME, State Housing Trust Fund, State HOME	
Lincoln School Senior Apartments	7336 276th St NW	32042000302700	41				41			Private Nonprofit (Stanwood Senior Center)	Seniors		HUD Section 202 Supportive Housing for the Elderly
Scandia Village	8401 Hennings Dr	681200002300	16	13	2		31			Private For-Profit	Family	USDA Rural Rental Housing Loan	USDA Rental Assistance
Soundview Association Group Home	8707 288th St NW	32041800303600	5					5		Private Nonprofit (Soundview Association)	People with Developmental Disabilities	DSHS Group Home Contract, Public Donation	
Stanwood House	8315 272nd St NW	32041900408600		1			1			Private Nonprofit (Housing Hope)	Family	Snohomish County HOME, Public Donation	USDA Rental Assistance, Transitional Housing Operating and Rent Program

Appendix C: Single Family Home Sales, 2008-2012, City of Stanwood

	2008	2009	2010	2011	2012
Number of Sales	111	103	104	122	93
Average Sale Price	\$ 305,664	\$ 252,492	\$ 241,292	\$ 218,816	\$ 208,551
Median Sale Price	\$ 306,900	\$ 246,945	\$ 239,963	\$ 219,925	\$ 210,669

Median Sale Price Home Affordability

	2008	2009	2010	2011	2012
Mortgage Amount	\$ 245,520	\$ 197,556	\$ 191,970	\$ 175,940	\$ 168,535
Interest Rate	6.09%	5.06%	4.83%	4.58%	3.66%

Monthly PITI

Principal + Interest	\$ 1,486	\$ 1,068	\$ 1,011	\$ 900	\$ 772
Property Taxes	\$ 256	\$ 206	\$ 200	\$ 183	\$ 176
Insurance	\$ 97	\$ 78	\$ 76	\$ 70	\$ 67
Utilities	\$ 278	\$ 269	\$ 275	\$ 282	\$ 255
TOTAL	\$ 2,117	\$ 1,620	\$ 1,562	\$ 1,435	\$ 1,269

Minimum Annual Income	\$ 84,684	\$ 64,818	\$ 62,479	\$ 57,400	\$ 50,778
in 2012 Dollars	\$ 90,305	\$ 69,368	\$ 65,784	\$ 58,588	

First Quartile Sale Price Home Affordability

	2008	2009	2010	2011	2012
Mortgage Amount	\$ 208,000	\$ 178,730	\$ 164,000	\$ 140,840	\$ 136,000
Interest Rate	6.09%	5.06%	4.83%	4.58%	3.66%

Monthly PITI

Principal + Interest	\$ 1,259	\$ 966	\$ 863	\$ 720	\$ 623
Property Taxes	\$ 217	\$ 186	\$ 171	\$ 147	\$ 142
Insurance	\$ 82	\$ 71	\$ 65	\$ 56	\$ 54
Utilities	\$ 267	\$ 261	\$ 270	\$ 274	\$ 247
TOTAL	\$ 1,825	\$ 1,484	\$ 1,369	\$ 1,196	\$ 1,065

Minimum Annual Income	\$ 73,010	\$ 59,349	\$ 54,764	\$ 47,853	\$ 42,605
in 2012 Dollars	\$ 77,856	\$ 63,514	\$ 57,662	\$ 48,843	

Appendix D: Affordable Housing Glossary

Affordable Housing: For housing to be considered affordable, a household should not pay more than 30 percent of its annual income on housing. This includes all costs related to housing - rent, mortgage payments, utilities, etc.

AMI: Area Median Income. The measure of median income used in this report is that of the Seattle-Bellevue HMFA. This measure is used in administering the Section 8 voucher program in Snohomish County.

Cost-Burdened: Households that spend more than 30 percent of their income on housing.

Extremely Low Income: Households that make up to 30 percent of AMI.

Fair Market Rent: HUD determines what a reasonable rent level should be for a geographic area, and sets this as the area's fair market rent. Section 8 voucher holders are limited to selecting units that do not rent for more than fair market rent.

HMFA: HUD Metro FMR Area

Low Income: Households that make up to 80 percent of AMI.

Median Income: The median income for a community is the annual income at which half the households earn less and half earn more.

Middle Income: Households that make up to 120 percent of AMI.

Moderate Income: Households that make up to 95 percent of AMI.

PHA: Public Housing Agency

Section 8: HUD's Section 8 Housing Choice voucher program. Qualifying households can take their voucher to any housing unit which meets HUD safety and market rent standards. HUD funds are administered by PHAs.

Severely Cost-Burdened: Households that spend more than 50 percent of their income on housing.

Subsidized Rental Unit: A unit which benefits from a direct, monthly rent subsidy. This subsidy will vary to ensure that a household does not spend more than 30% of their income on housing. Section 8 Housing Choice Vouchers are an example of a direct rent subsidy.

Very Low Income: Households that make up to 50 percent of AMI.

Workforce Rental Housing: Workforce rental units have rents which are set in order to be affordable to households at certain income levels. While a household may need to have

income below a certain level to apply for a workforce rental unit, the rent level does not adjust to their actual income. A property may feature units with rents affordable to households with 50% AMI, but a household earning 30% AMI would still have to pay the same rent.

Appendix E: Methodology

Affordability - Adjustment for Household Size

Where it is indicated that housing cost affordability is assessed adjusting for household size, several factors are considered. First, using HUD standards, the appropriate size range that could inhabit the housing unit in question is determined. For example, the appropriate range for a 2 bedroom unit would be 2-4 people. Next, the cutoff income levels are averaged across the household size range, and this average is used for comparison.

To assess whether or not a 2 bedroom unit is affordable to extremely low income households using this method, one would first average the extremely low cutoff levels for 2-, 3-, and 4-person households. For 2012, these levels were \$21,150, \$23,800, and \$26,400. Their average is \$23,783. A household with this income can afford to spend no more than \$595 per month on housing. If the unit in question rents for less than this amount, then one can say that, on average, it is affordable to extremely low income households, adjusting for household size.

Table E.1, below, shows the maximum a household at each income level can afford to spend on housing per month by household size.

Table E.1. Maximum Monthly Housing Expense by Household Size, Seattle-Bellevue HMFA 2012

	Number of Persons Per Household								HMFA Overall
	1	2	3	4	5	6	7	8	
Extremely Low	\$455	\$520	\$585	\$650	\$703	\$755	\$806	\$859	\$650
Very Low	\$759	\$868	\$976	\$1,084	\$1,171	\$1,258	\$1,345	\$1,431	\$1,084
Low	\$1,128	\$1,289	\$1,450	\$1,610	\$1,740	\$1,869	\$1,998	\$2,126	\$1,734
Moderate	\$1,442	\$1,648	\$1,855	\$2,059	\$2,225	\$2,389	\$2,556	\$2,719	\$2,059
Middle	\$1,821	\$2,082	\$2,343	\$2,601	\$2,811	\$3,018	\$3,228	\$3,435	\$2,601

Source: US Department of Housing & Urban Development, 2012

Home ownership affordability

Home ownership affordability was calculated using similar techniques to the California Association of Realtor's Housing Affordability Index. First, property sale data was acquired from the Snohomish County Assessor, and single family home sales in Stanwood were separated. Next, the monthly payment for these homes was calculated using several assumptions:

- Assuming a 20% down payment, the loan amount is then 80% of the total sale price
- Mortgage term is 30 years
- Interest rate is the national average effective composite rate for previously occupied homes as reported by the Federal Housing Finance Board
- Monthly property taxes are assumed to be 1% of the sale price divided by 12
- Monthly insurance payments are assumed to be 0.38% of the sale price divided by 12

Using all of these assumptions, the monthly payment is the sum of principal and interest;

taxes; and insurance.

Household Income Levels

Area Median Income, or AMI, is an important part of many housing affordability calculations. In Snohomish County, HUD uses the Seattle-Bellevue HMFA median income as AMI. This is recalculated every year, both as an overall average and by household size up to 8 individuals. Standard income levels are as follows:

- Extremely low income: <30% AMI
- Very low income: between 30 and 50% AMI
- Low income: between 50 and 80% AMI
- Moderate income: between 80 and 95% AMI
- Middle income: between 95 and 120% AMI

Household Profiles

Information on households was gathered from Section 8 Housing Choice Voucher data. All names have been changed as well as many other nonessential details to protect privacy.