

Housing Solutions for San Juan Communities

DRAFT Housing Action Plan



Community Conversation: Preserving Our Vibrant Island Communities

Developed by the Housing Solutions Coalition in conjunction with San Juan County and the Town of Friday Harbor

May 2011

With Funding provided by a CDBG grant from the Washington Department of Commerce and a grant from the Opportunity Council

The goal of the Housing Solutions Workgroup is to maintain vibrant island communities by ensuring year-round residents and essential service providers have housing they can afford.

Housing Solutions Coalition member organizations include:

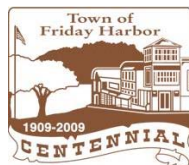


Table of Contents

Introduction	4
Background	5
Relationship to Existing Housing Planning	5
Housing Needs in San Juan County (Needs Assessment)	5
Housing Affordability in San Juan County	6
Existing Affordable Housing Inventory (current models)	6
Housing Solutions Workgroup	8
Planning Effort	9
Timeline of Meetings and Events	9
Goals	10
Housing Solutions Action Plan Components	12
Methodology:	12
Community Member Interviews	15
Community Engagement	17
Polling Results	49
Community Meeting Ideas and Recommendations	52
Possible Funding Mechanisms	56
UW Student Solutions Study	73
Next Steps	74
Appendices	75
San Juan County Rental Market Survey Report Summary	76
Graphical Results by Question	85

Introduction

When coalition members began this planning effort two years ago, we knew San Juan County was experiencing a housing market failure – in the sense that our tourism based economy had resulted in very low wages, yet high per capita income from externalities was driving up the housing costs beyond what most locals could afford. Some coalition members had a great deal of knowledge on the topic from extensive amounts of data analyzed in the failed attempt to introduce a real estate excise tax in 2006¹. We also knew from the experiences documented about other tourism based areas, such as Aspen and Nantucket, where this lack of housing affordability would lead². And yet, we were moved to action by our knowledge of what was at stake - the vibrant island communities that we love.

As we tried to synthesize the data into a compelling message that would resonate with the local community, giving them hope and hopefully inspiring them to action, we realized that this would be a very long and arduous process. But we also realized that the process itself was important and we couldn't risk making a fatal error by rushing to action before preparing the groundwork. In order for a housing market intervention to succeed it would need to be supported by the community as a whole. And that we must take the time and put in the effort in our outreach to educate the community about the extent of and reasons for the problem and give them the opportunity to give themselves "permission to believe". Another imperative was that specific solution alternatives were not being pushed on the community by the coalition, but that we were asking community members what they felt were appropriate solutions for our island communities and what they could support.

Through our outreach efforts through interviews, meetings and presentations we reached over 400 people and asked them for their ideas and opinions. After two years we have made some good progress, but we know we are really only at the very beginning of this endeavor.

The following pages of this report outline our planning effort over the past two years, detail the public outreach campaign, summarize the findings of the "Community Conversation" we have been engaged in, and provide some thought as to what next steps for this effort should be. This report is in no way a conclusion of this planning effort, but rather a documentation of the steps we have taken and what we have learned so far.

¹ There was a failed attempt to pass a real estate excise tax for affordable housing in 2006, which was overwhelmingly defeated by county voters.

² "Living and Working In Paradise: Why Housing Is Too Expensive and What Communities Can Do About It" by Dr. William S. Hettinger.

Background

Relationship to Existing Housing Planning

San Juan County adopted a revision to its Comprehensive Plan Housing Element and Housing Needs Assessment in June 2009. The Town of Friday Harbor updated its Comprehensive Plan in 2002.

The Housing Solutions coalition developed this DRAFT Housing Action Plan with the goal that in its final iteration it will be adopted by the County and the Town as “supplemental” to these already existing planning documents.

Housing Needs in San Juan County (Needs Assessment)

The San Juan County Comprehensive Plan Housing Needs Assessment provides excellent data on the current and projected need for affordable housing for low to moderate income groups and is the basis for our need assumptions. However, it is important to note that recent annual wage data shows the average annual wage in San Juan County in 2009 was \$30,330³, the sixth lowest in the state. This also happens to be *below* 50% of the Area Median Income for a family of three in the county⁴. The reason for the dichotomy is that less than 35%⁵ of households in the county get their income from wages generated locally, the majority of incomes come from investments, wages earned from jobs held outside the county and retirement income.

Many of the workers who have been in the county for decades are approaching retirement age. Whether or not they stay in their homes or sell them into a high-price market, their housing units will not be available for replacement workers. The challenge the community faces is how to provide the projected need by 2025 for over 4,500 additional housing units for people earning less than 150% of the median income. This projection considers the need based upon population increase and to discourage large scale commuting to jobs in the county⁶.

As mentioned, this DRAFT Housing Action Plan uses the County’s Comp Plan document as a basis for its assumptions concerning the need for affordable housing in the county, and therefore, it does not go into great detail surrounding the need. However, it does make reference to some new study data the Workgroup developed, for example, the *San Juan County Rental Market Survey* conducted in February 2011, which was used to ascertain the relative affordability and availability of rental units in the county for low to moderate income cohorts.

³ Washington Employment Security Department, Employment and Wage Data 2009

⁴ HUD AMI for San Juan County 2010, 50% AMI for family of three is \$30,600

⁵ Bureau of Economic Analysis, PNREAP report May 2009, earned income was 34.61% See *SJC Needs Assessment*

⁶ San Juan County Comprehensive Plan Housing Needs Assessment, June 2009

Housing Affordability in San Juan County

San Juan County is the least affordable of all of Washington's thirty-nine counties⁷ (a fact that is clearly detailed in the Comp Plan Housing Needs Assessment) and this situation has not improved since the economic downturn began.

In 2009, when the County updated the Needs Assessment, the number of second homes were estimated to be 29% of the existing housing stock. Early numbers from the 2010 Census indicate that the number is now at 43%. This revelation further motivates coalition members, who realize that we don't have much time left if we hope to accomplish our goals.

Existing Affordable Housing Inventory (current models)

There are a total of 584 units of existing affordable housing in the county that were developed by private or non-profit developers over the last twenty years using Federal, State and local government programs and/or funding sources (14 on San Juan just received certificates of occupancy). These units include single family ownership, multi-family ownership and multi-family rentals.

Inventory of Affordable Units in San Juan County

Housing Type	Lopez	Orcas	San Juan	Totals
Homeownership	34	180	83	297
Apartments	20	45	142	207
Modular Park ⁸			80	80
	54	225	291	584

The market rate (non-subsidized) year-round rental houses and apartments in the county are estimated at a little more than 2,000 units⁹. These units are a very important segment of our housing stock. Our Workgroup conducted an extensive market survey¹⁰ of rental units in the county, including "affordable" and "market rate" units that covered approximately 21% of the estimated year-round rentals. What we found was that nearly 30% of the single family house rentals were vacant and 11% of the market rate apartments were vacant. By comparison, the vacancy in the affordable units was only 7%. The conclusion the Workgroup came to was that although there were people looking for housing, many of the single income households didn't have adequate incomes to afford the market rate rentals. Finding a way to bridge the affordability gap with subsidies for these rentals would help many families access housing and also help local landlords improve their occupancy.

⁷ WSU Center for Real Estate Research San Juan TRENDS Report 2009 and Housing Market Snapshot Q1 2011

⁸ The Oaks Mobile Home Park on San Juan Island is a collection of independently owned modular homes on leased land

⁹ See CTED Prospector Demographics SJC at

<http://www.sanjuanco.com/CDP/docs/CompPlanHousing/CTED%20Prospector%20Demographics%20SJC.htm.pdf>

¹⁰ A summary of the Rental Market Survey for San Juan County, February 2011, is included in the Appendices

As mentioned earlier, the US Census 2010 indicates San Juan County has over 13,000 housing units and that 5,700 (43%) of them are vacant (i.e. second homes, or vacation properties)¹¹. Many of these vacant homes are high-end waterfront and not appropriate year-round rentals, but there are certainly many of them that would be. So the question of how to access some of the more modest vacant homes for affordable housing, both for sale and rental, would seem to be a more cost effective solution alternative than simply building new low-cost housing, but a new funding source or mechanism will need to be found.

The current affordable housing non-profits in the county focus on homeownership models (community land trust and USDA Self-Help Housing). The funding sources that have been used up until now have been drastically cut (State Housing Trust Fund and USDA Rural Development funding). Whether or not the existing non-profits have the organizational capacity or interest in focusing on rental housing is also in question. With the exception of OPAL CLT¹², most of the non-profits do not have any, or very few, rentals currently.

¹¹ US Census 2010 has San Juan County's total housing units at 13,313, with 5,700 vacant, or 43%

¹² OPAL owns 9 rentals currently and is buying Lavender Hollow Apartments in Eastsound (22 units). Lopez CLT owns 2 studio rentals at their new Common Ground development.

Housing Solutions Workgroup

Steering Committee Members

1. Lisa Byers, Director, OPAL Community Land Trust, Steering Committee Chair
2. Allen Smith, OPAL Board Member, GAP Analysis Committee Chair
3. Patty Miller, San Juan County Council Member, Steering Committee Member
4. John Campbell, Homes for Islanders Board Member, Steering Committee Member
5. Justin Roche, Director, Homes for Islanders, Steering Committee Member
6. Nancy DeVaux, Director, San Juan Community Home Trust, Steering Committee Member
7. Rip Van Camp, Lopez Housing Options Board Member, Steering Committee Member
8. Carol Steckler, Housing Bank Commission Member, Steering Committee Member
9. Angie Lausch, SJC Affordable Housing Coordinator, Steering Committee Member

Other Workgroup Members

Orcas Island

10. Anita Castle, Director, Domestic Violence and Sexual Assault Service of the San Juans
11. Matthew Maher, Design Builder, Stem Creative Space
12. Hilary Canty, Director, Orcas Island Community Foundation
13. Wally Gudgell, Real Estate Broker, Windermere Real Estate
14. Fred Klein, Architect
15. Jeanne Beck, OPAL Community Land Trust

Lopez Island

16. Sandy Bishop, Director, Lopez Community Land Trust
17. Barbara Thomas, San Juan County Planning Commissioner

San Juan Island

18. Michael Roger, San Juan County Housing Bank Commission
19. Bill Agosta, San Juan County Housing Bank Commission
20. Mike Taylor, Loan Officer, Whidbey Island Bank
21. Pamela Gross, Board Member, San Juan Community Foundation
22. Charles Anderson, Board Member, San Juan Community Foundation

Other participants

23. Howie Rosenfeld, San Juan County Council
24. Carrie Lacher, Mayor, Friday Harbor
25. Dave Finet, Director, Opportunity Council
26. Mike Bertrand, Land Use Administrator, Friday Harbor
27. Colin Maycock, Senior Planner, San Juan County

Planning Effort

Timeline of Meetings and Events

1. Initial interviews for Consultant April 20, 2009
Interviewers: Charles Anderson, Pamela Gross, Lisa Byers, Mike Bertrand, Nancy DeVaux, Angie Lausch, Karen Vedder
Interviewees: Beckwith Consulting, Building Changes, Steve Price.
2. Opportunity Council CSBG Grant \$15,000 Awarded April 30, 2009
3. Interviews continued on May 21st: Carleton Hart Architects
Selected Carleton Hart Architects as consultant for the project
4. Interviewed potential Workgroup Members August 17 – 19, 2009 and August 27, 2009.
Interviews conducted by consultant and staff
5. CDBG Planning Only Grant \$40,000 Awarded September 2009
6. Kick-Off Meeting - November 4, 2009, San Juan Community Theater, Friday Harbor
7. Second Workgroup Meeting - December 11, 2009, Mullis Senior Center, Friday Harbor
8. Third Workgroup Meeting – January 29, 2010, Orcas Hotel
9. After meeting on January 29, 2010 Carleton Hart contract completed
10. Finance Committee Retreat April 20, 2010, pre-cursor to Steering Committee
11. RFQ for new project consultant advertised June 25, 2010
12. Fourth Workgroup Meeting - June 30, 2010, Earthbox Motel & Spa, Friday Harbor
Steering Committee Selected. First Task to select new consultant
13. Steering Committee Videoconference September 10, 2010. Selected Jason Robertson & Company as consultant for the next phase of the project
14. Steering Committee Teleconference October 12, 2010
15. University of Washington Professor Dennis Ryan assigns a study of Affordable Housing Solution Alternatives to three Community, Environment and Planning students, Seneca Lutke, Jenn Robinson-Jahns and Chuek Yung
16. Steering Committee Meetings Nov 3-5, 2010 on San Juan, Orcas and Lopez with consultant, Jason Robertson

17. Steering Committee Teleconference December 3, 2010
18. Fifth Workgroup Meeting - December 6, 2010, Earthbox Motel & Spa, Friday Harbor. A presentation and summary report of the *Affordable Housing Study of San Juan County* is given to the Steering Committee by University of Washington students (this report is available in its entirety on the Housing Solutions website)
19. Steering Committee Teleconference January 19, 2011
20. Housing Solutions website goes live on February 15, 2011 www.sjchousingsolutions.com
21. Sixth Workgroup Meeting - February 17, 2011, Orcas Hotel. Introduces Speakers Bureau Presentation to Workgroup
22. March – May, Speakers Bureau volunteers give the presentation to sixteen groups and organizations totaling over 300 people
23. Steering Committee Teleconference April 20, 2011
24. Seventh Workgroup Meeting – May 13, 2011, via videoconference
25. Public Meeting May 23rd - Lopez Community Center, 33 attend
26. Public Meeting May 24th – Mullis Community Senior Center, Friday Harbor, 22 attend
27. Public Meeting May 25th – Orcas Senior Center, 34 attend
28. Draft Housing Action Plan submitted to Department of Commerce May 31, 2011
29. CDBG Grant closed out May 31, 2011

Goals

The Housing Solutions Steering Committee adopted the following goals for the planning process. These were affirmed by the Workgroup at the December 6, 2010 meeting.

The goal of the Housing Solutions Workgroup is to maintain vibrant island communities by ensuring year-round residents and essential service providers have housing they can afford.

Housing Solutions is a community-wide housing planning effort, whose objectives are listed below:

1. Implement programs and policies that will enable more of San Juan County's citizens to live in housing that they can afford.

2. Engage the citizens of San Juan County (especially those who are currently not involved in affordable housing issues) in a productive, creative and effective process;
3. Develop a menu of realistic proposals, grounded in the conditions of each community, that could be implemented within the next one to ten years;
4. Produce a written plan that is engaging, informative and compelling, and that is endorsed by at least five non-governmental organizations representing a diversity of community perspectives;
5. Gain community support for the plan and the political endorsement by the Town and County Councils through their adoption of the plan.
6. Implement 75% of plan recommendations in five years, with review and necessary revisions of the plan annually.

Updated Summary of Timeline:

Date Range	Task	Outcome
Oct - Nov. 2010	Data Analysis	Steering Committee analysis of current and projected housing needs and trends, primary barriers and promising opportunities.
Dec. 6, 2010	Solution Alternatives and Case Statement	Workgroup review of draft case statement and solution options.
Jan. 2011	Community Conversation	Workgroup agreement on preferred solution options and community conversation talking points.
Feb. - April 2011	Community Conversation	Workgroup conversations with community members in a range of different forums (speakers bureau, forums, web survey), with feedback collected and analyzed. Workgroup to revise case statement and solution options.
April - June 2011	Housing Action Plan	Workgroup adopts a Plan that is endorsed by at least five different non-governmental organizations.
June - Sept 2011	Community Review	Final Plan is adopted by the Town and County Councils.

Housing Solutions Action Plan Components

Methodology:

Communications Plan

Approach

We do not have, nor will we in any way promote, any preconceived solutions for the housing challenges facing San Juan County. On the contrary, we believe solutions will come from the broader community once people become more aware of the challenges and understand how inaction may impact us all.

To that end, we have structured a multi-phased, grass-roots outreach campaign – with the goal of reaching broad consensus on the scope and nature of our primary housing challenges, and identifying community priorities among various solutions. The most successful solutions are those that come from, and are embraced by the community they're intended to serve. Planned phases include:

- **Phase 1** (January-April)
Conduct research and analysis to support development of a “case statement” outlining housing trends, challenges, and persons impacted – and why we should act. Directly engage the community through small group discussions, community forums and other venues to test the case statement and generate community-supported solutions.
- **Phase 2** (April-June)
Develop a housing solutions action plan framework incorporating community feedback and suggestions.
- **Phase 3** (June-September)
Preview and test housing solutions action plan in second round of community engagement. Refine and supplement plan per public input, identify potential partners and timeline for implementation of various solutions. Seek endorsements of action plan to build momentum and enthusiasm.
- **Phase 4** (TBD – but assumed to be over five-year period between 2012-2016)
Implement community-supported solutions.

Communications Framework and Tools

The Housing Solutions Workgroup shaped this public communications program around several guiding principles, including:

- **Take the message to the community, before asking them to come hear it** – emphasize opportunities to present to standing community groups/organizations.
- **Pursue an iterative planning process** – provide information, ask for feedback, update the information, ask for feedback, propose a plan, test the plan, update and act.
- **Listen, learn and adapt** – the goal is to shape a plan that fits our community strengths and personality, not convince people to adopt solutions they may not like or understand.
- **Build a case statement that people recognize** – housing challenges affect all of us, but in different ways, so it's important to show the real impacts on real islanders.
- **Introduce solutions by sharing what other communities have done** – the goal in this phase is to get people thinking and talking, a task made easier by discussing what “others” have tried rather than discussing the relative merits of past and present island-based efforts.

The Work Group has also identified several specific communications tools for Phase 1, as follows:

- **Contextual Interviews** – a series of informational interviews with employers, people searching for housing, people served by existing housing providers, part-time residents, seniors and others to better define the impacts of housing challenges on islanders we know or count on.
- **The Case Statement** – written and visual description of the problem, its impacts and the reasons we all should care, with an introduction to solutions applied here and in peer communities.
- **Media Coordination** – request advance notification of activities, events and other outreach efforts, and support through editorial board, articles other features to help convey the message and promote public understanding of and participation in potential solutions.
- **Speakers' Bureau Circuit** – the core outreach mechanism, these islander-to-islander conversations will enable Workgroup volunteers to share the challenges on a personal level, and engage the community in development of island-appropriate solutions.
- **Community Forums** A Community Meeting will be held on each ferry-served island to broaden the community conversation surrounding housing solutions and potentially test support through the use of electronic polling or other interactive exercises.

- **Web Survey** Following the Forums, a web survey, available 24/7 might provide another opportunity for island residents to participate in an evaluation of alternative solutions, especially those unable to attend a community forum or participate in a speakers bureau presentation/conversation (this option could be hosted on the website, where islanders could also access additional background materials).
- **Action Plan Framework** – the action plan framework will provide a listing of potential solutions, partners and timelines, and provide the community a direct opportunity to comment on and influence future endeavors to improve housing options.

Target Audiences

The Housing Solutions Workgroup Team would like to reach the broadest audiences possible. The housing challenges we face in the years ahead will impact all of us – whether one is seeking housing they can afford or simply reliant on others that can't find it. To get started, the group has identified several target "categories" it believes can help spread the word and create in-roads with other audiences. These include:

- Lions, Kiwanis, other service orgs
- Seniors
- Cultural organizations
- Faith community
- Arts community
- Chambers of Commerce
- Economic Development Council, business groups
- Realtors
- Veterans
- Educators
- Full-time & Part-time residents
- Elected officials, et al.

Community Member Interviews

In February 2011, the Coalition interviewed approximately twenty-four community members from diverse backgrounds located on Orcas, Lopez and San Juan Islands to gain their perspectives on the county's housing situation. The Interview Narrative follows:

Listed below are a sample of the comments and thoughts that she gathered over a two-week period:

Impact

- My children are more stable. There is a sense of relief and less anxiety.
- Purchasing a land trust home meant I didn't have to endure a bad relationship to be a homeowner.
- Though I have lived and worked on this island for 24 years, I always thought I would have to move to the mainland to retire, but this house has allowed me to stay in my own community.
- History will be lost if the local kids cannot come back home to live.
- Many of my employees have looked at land trust homes, but were over income. It's like if you really start to get ahead you don't qualify for any of the goodies.

Solutions

- County government needs to step up and take the reins on the housing problem.
- We need accountability of how we govern ourselves – on all levels.
- Whatever works to get people into housing.
- The solution on a county level is higher density, more quality rentals, and less punitive building codes.
- We need leadership from the county.
- We have to find a way to allow guest housing that is used for long-term rentals.
- Perhaps we can give a tax exemption for long term rentals.

Thoughts

- This county has a non-spoken no-growth policy. The silent majority does not want any growth, doesn't want an influx of people.
- Our role, as a community, is to be sure people have shelter.
- Not every yahoo that walks off the ferry boat and lands a job washing dishes needs to buy a house on the island.
- Land-trust needs to present themselves differently, more mainstream. Many people see it as hippie people living off of the federal/state; that it's a give-away, socialism; need to change image and educate the public as to how it works.

Forecast

- The depressed rental market has created a "ticking bomb" in that many are moving to the islands because they can find affordable long-term rentals, but when the real

estate market picks up, these people will be forced out of these homes, either by rising rental rates or from the sale of the home, and then where will they go? By then, they'll be part of the fabric of our community.

- Local investment should be explored by housing groups as a means to replace government grants.
- Affordable housing needs to include quality rentals, such as single-family homes, duplexes, townhouses, or apartments.
- We need to address the Hispanic community – it's a population that is exploding overnight.

Trends

- Allow guest housing to alleviate scarcity of long-term rental stock.
- Revise building codes to reduce cost/time of building.
- County government needs to provide leadership.
- Non-profit housing groups need to continually define themselves and their mission.
- Partner with local private investment to fill the gap left by reductions in government grants.
- Affordable housing efforts need to address the homeless.
- Special attention to the Hispanic community.
- Affordable housing should include high quality rental homes.

Community Engagement

Speakers Bureau List of Events March – May 2011

Steering Committee members met with a variety of groups and organizations throughout the county to present the Case Statement presentation. These groups included:

1. Friday Harbor Town Council, March 3, 2011, approx 12
2. Senior Center Lunch, March 4, 2011, Lopez Island, approx 25
3. Kiwanis Club, Orcas Island, March 15, 2011, approx 10
4. Rotary Club, March 23, 2011, Friday Harbor, approx 25
5. Soroptomists, March 23, 2011, Friday Harbor, approx 30
6. Economic Development Council board meeting, March 23, 2011, approx 10
7. Orcas Senior Center luncheon, April 1, 2011, approx 60
8. Eastsound Planning & Review Committee, April 7, 2011, approx 14
9. Olga Community Club, Orcas Island, April 9, 2011, approx 30
10. League of Women Voters, April 11, 2011, Friday Harbor, approx 30
11. Lions Club, April 12, 2011, Friday Harbor, approx 25
12. San Juan County Council, April 19, 2011, approx 12
13. League of Women Voters, Orcas Island, April 27, 2011, approx 7
14. Senior Center Lunch, April 28, 2011, Friday Harbor, approx 7
15. Education Foundation, Orcas Island, May 2, 2011, approx 6
16. Kiwanis Club, Friday Harbor, May 12, 2011, approx 13

The initial round of Speakers Bureau presentations were given to over 300 people in the county.

Community Meetings

The Housing Solutions Workgroup summarized the objective of the Community Meetings as the following:

- To Learn (listen)
- To Educate
- To Inspire (engage)

The Town Hall Meetings were held on Lopez, San Juan and Orcas Islands on May 23rd, 24th and 25th, respectively. These events were advertised in four local papers, notices were placed in online community calendars and flyers were put up at numerous locations on each island.

The meetings were attended by nearly 100 people, who shared their views and opinions about the housing problem and appropriate “Solutions” through Electronic Polling and small discussion groups.

Below is an example of advertising for these events.

Island Housing Solutions: A Community Conversation

Join us for a Town Hall Meeting

- Is there really an affordability problem?
- What are the implications for you and the community?
- How will local business, workers and our economy be impacted?
- What can we do about it?

Join the discussion, explore possible solutions and have your opinions heard with Electronic Polling!

Monday, May 23rd, Lopez Community Center

Tuesday, May 24th, Mullis Center, Friday Harbor

Wednesday, May 25th, Orcas Senior Center

All events 5:30 pm to 7:30 pm
Refreshments provided



For more info visit: www.sjchousingsolutions.com

The following pages contain the “Case Statement” PowerPoint presented at the meetings, with some captions highlighting specific messaging for each.



Town Hall Meeting on Orcas Island



Town Hall Meeting on Lopez Island



Community Conversations: Preserving our Vibrant Island Communities

Who is working on Housing Solutions and Why?

1

San Juan Housing Solutions Working Group

- Volunteers (~ 30) from throughout San Juan County
- Each Housing Non-Profit Organization
- Realtors
- County Officials
- Businesses
- Concerned Citizens

Our Task is to answer two questions:

- 1. What is the need today and in the future?*
- 2. What financial or legislative tools are available to meet those needs?*

Community Conversations: Preserving Our Vibrant Island Communities

The Housing Solutions Coalition includes nearly 30 individuals from a variety of community sectors. We have been working together for about two years...

Our Goal Today

2

- ❖ Begin a *conversation* within our community about affordable housing.
- ❖ Explore the nature, causes, and extent of *the need* for affordable housing in the San Juan Islands.
- ❖ Share early thoughts on possible *solutions*.

5/26/2011

The situation has changed over the last two years, what do the longer term trends look like and what might have changed.

San Juan County is a Great Place to Live



This is our blessing...and our challenge.

Community Conversations: Preserving Our Vibrant Island Communities

5/26/2011

We have a fragile environment and a fragile community...

Changing Demographics: More Seniors, Fewer Working-Age Residents



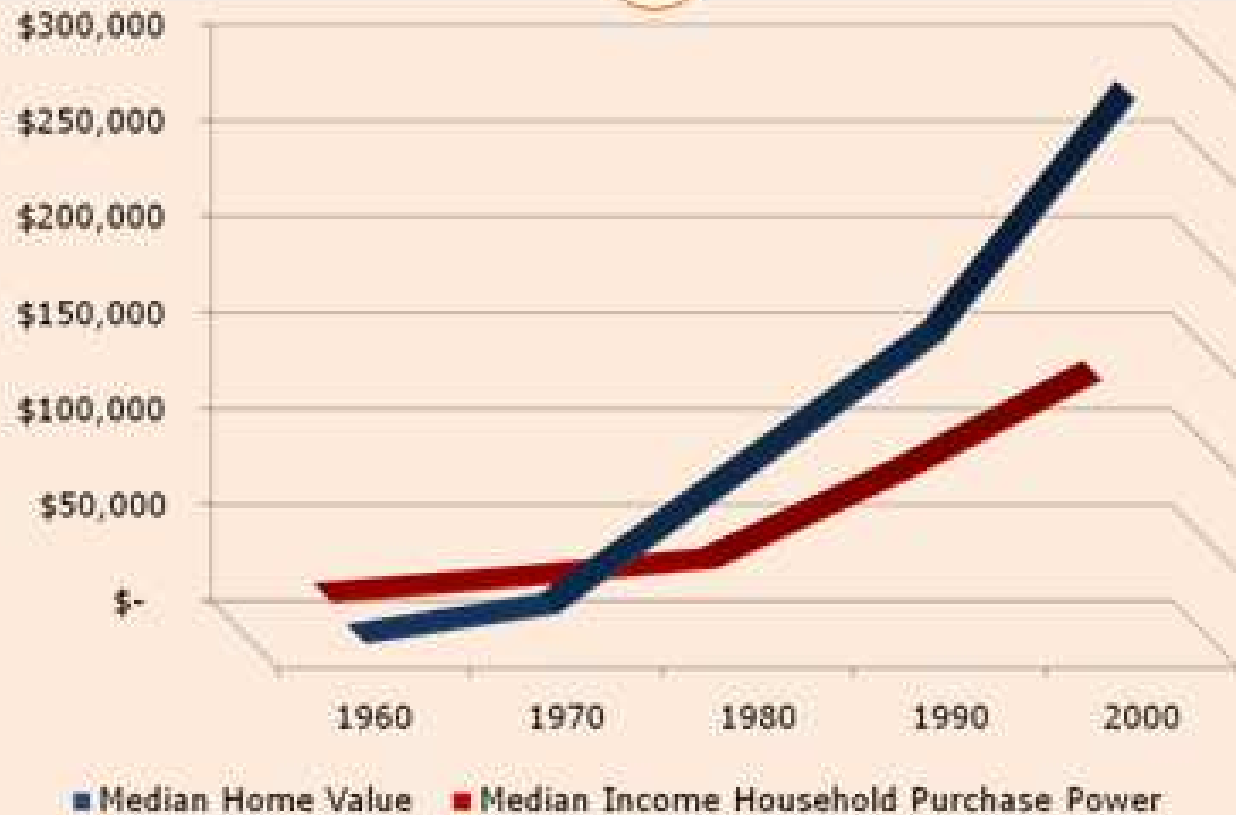
Community Conversations: Preserving Our Vibrant Island Communities

5/26/2011

Our population is increasing in number and growing older...

Purchasing Power is Fading

6



Community Conversations: Preserving Our Vibrant Island Communities

5/26/2011

In the 60's and 70's it was possible for most people to purchase a home here, but those times appear to have passed up by...

Why should I care about finding affordable housing for people I don't know?

7

- *Enlightened Self Interest*—Housing is needed for those who make it possible for **me** to live here:
 - Police
 - Healthcare workers
 - Builders
 - Home maintenance
 - Waiters
 - Checkers
 - Small shopkeepers
 - Teachers
- *Enlightened Self Interest*—A diverse community is a **healthy community**:
 - Mixed ages
 - Mixed incomes
 - Cultural Heterogeneity
 - Artists and Artisans
 - Writers
- *It's the right thing to do*—Islanders help other islanders

The Need: Rentals

8



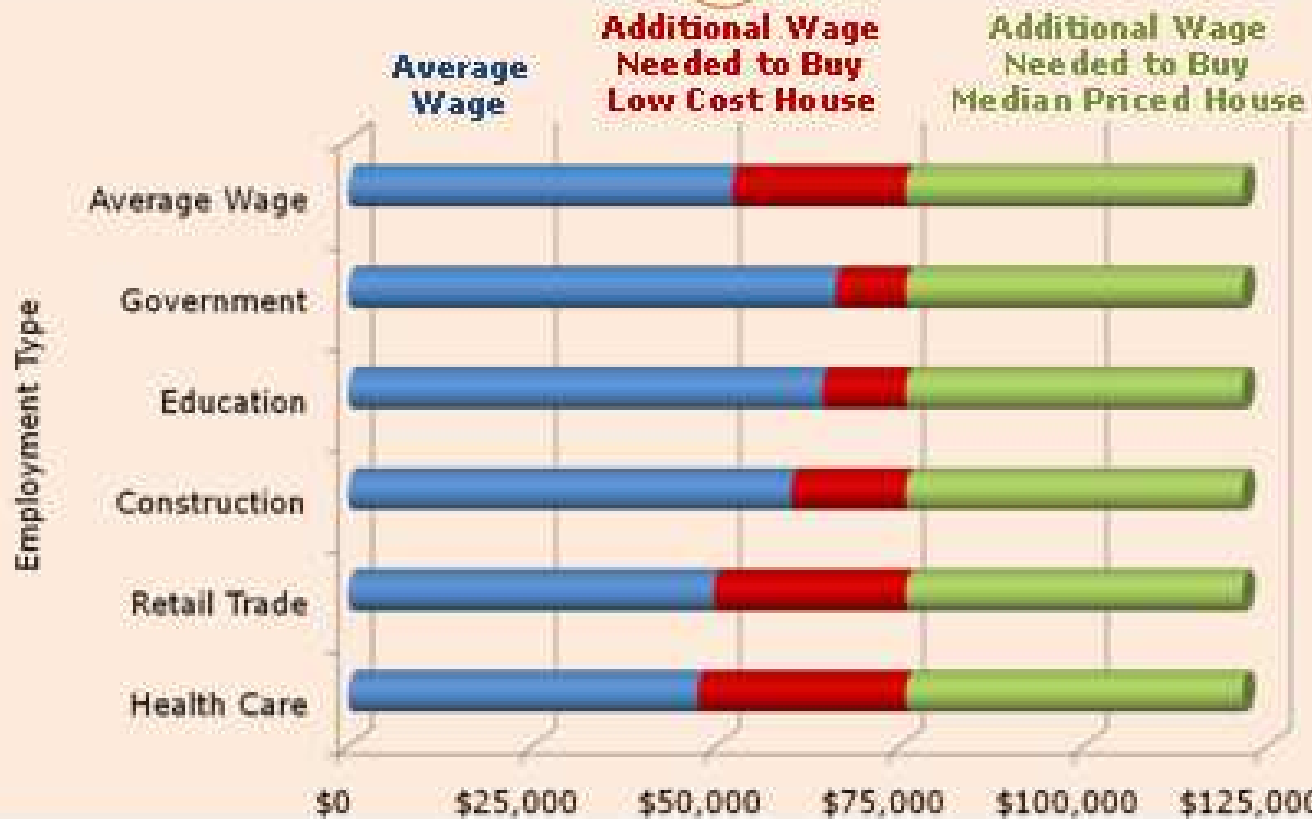
Community Conversations: Preserving Our Vibrant Island Communities

5/26/2011

Market rate rentals are out of reach for many individuals working here...

Dual Wage Household Price Gap (2009)

9



Community Conversations: Preserving Our Vibrant Island Communities

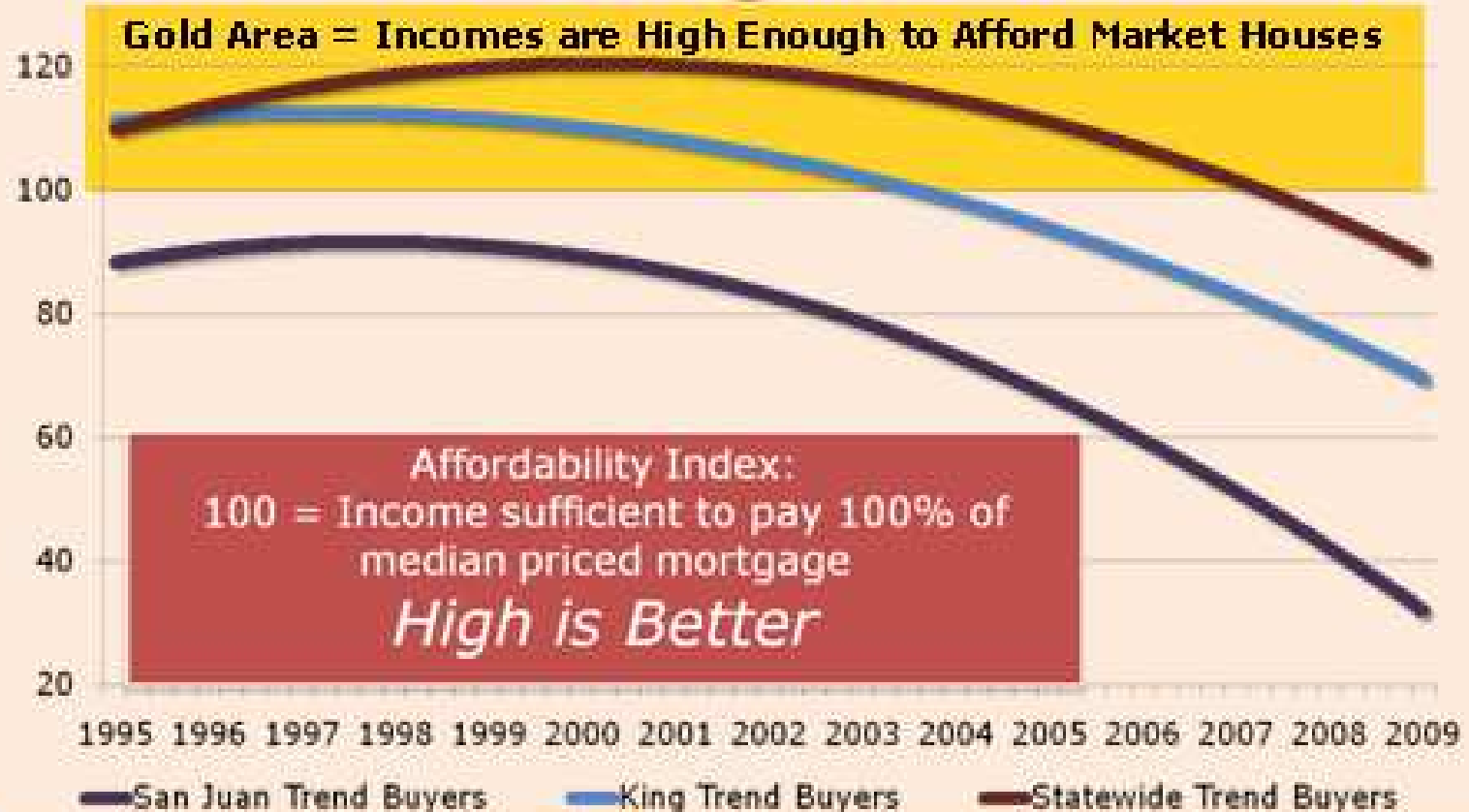
5/26/2011

Dual wage households would need to earn between \$15,000 and \$30,000 more to afford the average low cost house sold in San Juan County, and another \$50,000 more per year to afford the median priced home...

Ownership Affordability Index

San Juan County, King County, and Washington State

10



Community Conversations: Preserving Our Vibrant Island Communities

5/26/2011

Market rate homes to own are unaffordable here and the price gap is widening...

We have made progress over the years



With public and private assistance, over 570 households live in basic housing they otherwise could not afford.



Community Conversations: Preserving Our Vibrant Island Communities

5/26/2011

There is some good news...570 households are a lot of our neighbors...

12



Who are these people that live in affordable housing? There is a broad range of jobs in our community filled by folks who live in housing provided by government assistance and through the non-profits...

How do they give back to the community?

13

- *Costume crew for Community Shakespeare Company
- *Vice President Lopez Cooperative Preschool Board
- *Assistant soccer coach Lopez Elementary
- *Volunteer at the library desk
- *Secretary of the Board of Fisherman Bay Water Ass'n
- *Treasurer of LOHO
- *Volunteer in the LCCA office
- *San Juan County Parks Monitor
- *Lopez Thrift Store
- *Lopez Community Land Trust
- *S.J. Islands National Conservation Area
- *BLM lands monitor
- *Trumpeter Swan survey
- *Patos Island Lighthouse beach cleaner
- *Turn Point Lighthouse volunteer
- *Lopez Historical Museum
- *Lopez Artist Guild scholarship committee
- *Hospice Home Support
- *Lopez Senior Center
- *Islands Energy Coalition
- *Lopez Energy Challenge
- *Juggle Fest
- *Pie baking for Thanksgiving baskets
- *Greens Are Us
- *Energy class at Elementary School
- *Trail culture Class in Elementary School
- *Mentoring the energy group in Secondary School
- *Teaching after-school Lego class
- *Soccer instructor at Lopez Elementary
- *Committee member of Member Owned Renewable Energy (MORE) advisory committee to OPALCO
- *Technical lead on micro-hydropower projects in Burma-Thai border area Green Energy Team (BGET)
- *Lopez Island Family Resource Center
- *Lopez Fresh
- *"Read to a Dog" program at Lopez Island Library
- *Summit Dog Assistance

Community Conversations: Preserving Our Vibrant Island

5/26/2011

When people have stable housing they can afford, they have a little more time – and can give back to the community in their volunteer efforts...

We've Just Begun to Address the Challenge



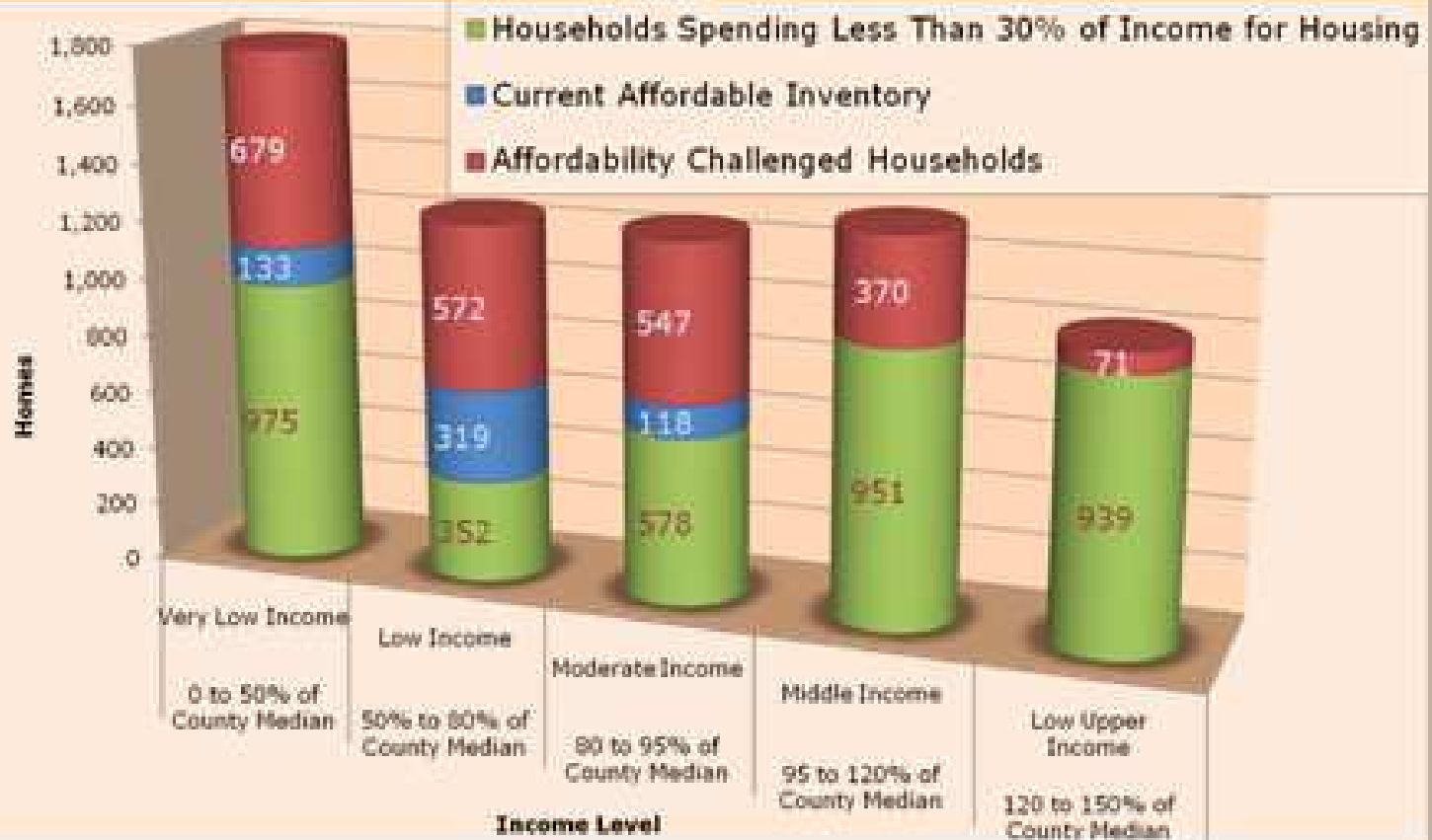
Community Conversations: Preserving Our Vibrant Island Communities

5/26/2011

Here is a breakout of the 570 households that have been helped so far – they show up in the income cohorts of the very-low, low and moderate income ranges. This is a very important segment of our community that does struggle with housing...

Current Demand Exceeds Supply

15



Community Conversations: Preserving Our Vibrant Island Communities

5/26/2011

...there are a large number of households who are economically stressed and many are struggling to make it here.
Our challenge is how to help those households...

In a Nutshell...

16

- There is a problem in San Juan County finding affordable housing for those who make the islands work;
- The problem is big and getting worse;
- The problem affects everyone who lives or visits here, regardless of wealth;
- Local non-profits are making valiant efforts but aren't keeping up with the current or anticipated needs.

It's going to take a mix of solutions
to ensure the islands remain
vibrant for all.



*But we're hopeful – islanders have always
helped islanders.*

Break for Questions...

18



Community Conversations: Preserving Our Vibrant Island

5/26/2011

We have given you a lot of information, so now is the point in the presentation where we stop to answer any questions you may have about what we have just discussed...and then we will talk a little about Solutions.

A Framework for Thinking About Solutions

20



- Specific projects that provide affordable housing to qualified buyers.
- May be a single home, an apartment building, or an entire neighborhood.
- For example:
 - Common Ground (Lopez)
 - Surina Meadows Apartments (San Juan)
 - Rife House (Orcas)

Solution Elements

22



Solution Elements

21

The financial and government “tools” that make a solution possible.



Community Conversations: Preserving Our Vibrant Island Communities

5/26/2011

- State and Federal subsidies have played a big role here.
- Local philanthropy has been tremendous in this community – people who really care have made a lot happened out of their generosity and their creativity.
- Market Based Solutions have worked well in other communities, but have not been used much here.
- Local government plays a role with development policies and regulation, things like zoning, and density bonuses for affordable housing developments. Creating a Housing Authority would be another possibility.
- Local taxation should also be explored; it has been very effective in other communities.

Anatomy of Some Affordable Housing Solution Types

23



Community Conversations: Preserving Our Vibrant Island

5/26/2011

Solution Type: Neighborhood Clusters of Owned Stand-Alone Homes



Funding Model per Home



15%-35% Donated Funds/Labor
▪ "Sweat Equity"

15%-35% State/Federal/Private Grants

50%-60% Subsidized Buyer's Mortgage



Solution Elements

- USDA Mortgage Loans
- Housing Grants

- Annual Giving
- Donated Labor/Materials

- "Sweat Equity"

- Density Bonuses
- Zoning Adjustments

None

Sale/Resale Restrictions:

- Qualifying Buyers: Low or Moderate Income (Depending on the sources of funds)
- (In some Neighborhoods) Pricing Restriction Formula Based on CPI

Solution Type: "Legacy" Gifts of Land and/or Houses

25

Funding Model

Costs

- Varies by case, but can include:
 - Land
 - House Moving
 - Renovation



Sources

Value of Donated Land/House
25-50%

Buyer's Mortgage
50-75% (May or may not be subsidized)

Solution Elements

- USDA Mortgage Loans
- Donated Land/Houses
- Conventional Mortgage Loans
- Permitting
- Land Use Zoning
- None

Sale/Resale Restrictions:

- Buyer qualification criteria can be set locally
- (Sometimes) pricing restriction formula based on CPI

Solution Type: Affordable Apartments

26

Funding Model

For Investors

Fed Tax Credit

Investment

Subsidized
USDA Loan



For Renters

*(in Apartments Eligible for USDA
Rent Subsidy)*

USDA pays Balance

Renter pays 30% of Income



Solution Elements

- USDA Low Interest Mortgage Loans for Owner
- Federal Tax Credit for Investors
- USDA Rent Subsidy
- VA State Housing Trust Fund

• Socially Conscious
Investors

• Socially Conscious
Investors

• Higher Density Zoning

None

Rental Restrictions:

- Priority to renters <50% of Area Median Income
- Only some units are eligible for USDA rental subsidy

Community Conversations: Preserving Our Vibrant Island Communities

5/26/2011

(Solutions Elements in order- State & Fed Subsidies; Local Philanthropy; Market-Based Solutions; Local Government; Local Taxes)

In a Nutshell...



- *The financial gap is widening between what it costs to deliver an affordable home and what buyers/renters can afford to pay.*
- *State and federal funding sources are drying up.*
- *New business models and sources of funds must be found.*

Finding Solutions That Fit

Questions for the Small Groups



1. How can we better-connect with all islanders on housing issues, and engage them in identifying and implementing solutions that fit? Do you think people need more information and, if so, what kind?
2. Given what you've heard tonight, and what you know about your fellow islanders, what types of solutions and solution elements do you think people will support? What are your top 1-2 suggestions to explore?
3. (All) Where would (or do) you tell a friend or loved one to look for help or solutions if they can't find housing they can afford?

Your Turn!



Visit us online at:
www.sjchousingsolutions.com



Electronic Polling was conducted at each meeting.



Electronic Polling at San Juan meeting



Polling Results

The following is a summary of the results of the Electronic Polling exercise conducted at each meeting:

Twenty-one people took the poll on San Juan and thirty-four took it on Orcas. Lopez initially had thirty-three take the poll, but the original polling results were lost, so a web survey was sent to Lopez event attendees, which resulted in nineteen retaking the survey online.

- 95.45% on San Juan and 100% on both Orcas and Lopez responded that their “island” home was their primary residence

Demographic Responses:

- 70% were over 56 years old on both San Juan and Orcas, compared to 42% on Lopez
- Only 5% were under 35 years old on both San Juan and Lopez and 12% were on Orcas
- Retirees comprised 23% on San Juan, 21% on Lopez and 41% on Orcas
- 82% were homeowners on San Juan, 84% on Lopez and 91% on Orcas
- 33% on San Juan, 29% on Orcas and 11% on Lopez had annual incomes over \$100,000
- 14% on San Juan, 21% on Orcas and 33% on Lopez had annual incomes under \$30,000
- 52% on San Juan and 21% on both Orcas and Lopez reported paying less than 10% of their income for housing costs monthly

Sampling of Opinion Questions:

- We have a responsibility to ensure all year-round islanders have access to decent housing.
 - 95% on San Juan, 100% on Lopez and 73% on Orcas moderately or strongly agreed
- I’m all for new solutions as long as you don’t ask ME to pay for them.
 - 95% on San Juan, 100% on Lopez and 73% on Orcas moderately or strongly **disagreed**
- 59% on San Juan, 61% on Lopez and 56% on Orcas reported having friends, co-workers, etc. leave the islands because they couldn’t afford housing.
- If you could only help one group of people get access to more affordable housing, whom would you help?
 - 45% on San Juan, 26% on Lopez and 42% on Orcas chose Essential Service Providers
 - 29% on San Juan, 37% on Lopez and 27% on Orcas chose Families with Children
 - On both San Juan and Orcas, only 1% chose Low Income Seniors, Lopez was 0%

- Do you think a shortage of affordable housing does or will someday have a negative impact on our community?
 - 100% on both San Juan and Lopez and 91% on Orcas agreed
- Do you think a shortage of affordable housing does or will someday have a negative impact on YOU or your household?
 - 95% on San Juan, 72% on Lopez and 76% on Orcas agreed
- Future affordable housing construction should be directed to...
 - San Juan – 38% chose “Areas next to current villages & towns” and 33% chose “Locations that make sense at the time”. 23% chose “Town centers as infill”.
 - Orcas - 44% chose “Areas next to current villages and towns” and 41% chose “Locations that make sense at the time”. Only 6% chose “Town centers as infill”.
 - Lopez – 47% chose “Areas next to current villages & towns” and 26% chose “Locations that make sense at the time”, 16% chose “Town centers as infill” and 11% chose “Rural cluster developments”.
- Respondents were asked to select their level of support for four categories of Solution Elements: Local Philanthropy, Policy and Land Use, Local Taxes and Using State and Federal Grants & Loans.
 - San Juan – 57% were Completely Supportive of Local Philanthropy; 64% were Completely Supportive of Policy and Land Use; 78% were Completely Supportive of Local Taxes; and 86% were Completely Supportive of Using State and Federal Grants & Loans.
 - Orcas- 74% were Completely Supportive of Local Philanthropy; 57% were Completely Supportive of Policy and Land Use; 36% were Completely Supportive of Local Taxes; and 59% were Completely Supportive of Using State and Federal Grants & Loans.
 - Lopez- 79% were Completely Supportive of Local Philanthropy; 63% were Completely Supportive of Policy and Land Use; 58% were Completely Supportive of Local Taxes; and 68% were Completely Supportive of Using State and Federal Grants & Loans.
- Who is impacted when islanders can’t find housing they can afford? Answer options included: Workers and service providers; Businesses; Seniors; Young Families; Any resident who relies on local services; Health care providers; Volunteer organizations; and All of the Above.
 - 86% on San Juan, 100% on Lopez and 93% on Orcas chose “All of the Above”

The complete Graphical Responses by Question Reports for each meeting are included in the Appendices.

Small group breakout sessions took place after E-Polling. Groups' spokespersons reported back the top ideas generated by their group.



Small discussion groups on San Juan



Discussion group reports on Lopez

Community Meeting Ideas and Recommendations

The following is a summary of ideas and suggestions for Solutions generated at all three meetings.

Summary:

- Whatever the methods, make sure the housing solutions conversation is a “sustained” effort that reaches and involves all (or most) islanders over time.
 - Make the conversation “live” by wearing pins, hitting the airwaves and generally keeping the topic front of mind in multiple venues.
- Tap into existing networks to build “education force” that can help communicate the extent of the challenge and generate community-driven solutions (e.g. Leadership San Juan Islands, Economic Development Council, service orgs).
- Directly engage those who have previously expressed concern about interventions in the housing market, and invite them to help frame workable solutions (e.g. real estate brokers, building associations, taxpayer advocates).
- Continue to provide feature stories, other information to local news outlets to keep housing in the public eye and communicate the importance of housing to our overall quality of life.
 - If you buy ads, you might get better coverage of your topic.
- Expand the “speakers’ bureau” program to include display booths or kiosks at high pedestrian traffic locations (e.g. farmers markets, County Fair, libraries, etc.).
- Put a “face” on the housing discussion by using real people’s stories.
- Continue sharing the “housing solutions” presentation with as many community groups as possible; recruit and encourage others to present the information to peer groups, churches, etc.
- Take the housing solutions presentation to social media (Facebook or blog to encourage dialogue and solutions).
- Remember people tend to act on emotions rather than facts....tell a story; have other people tell their own personal story.
- First, make sure people know about the great resources we already have (OPAL, LCLT, HFI, etc.)
- Recognize that many people believe “if you’re employed here, you don’t have a housing problem.”
- There’s a resistance to helping middle-aged people who come here as a “lifestyle choice.” So, focus on young families who grow up here.

- There's some sympathy for those who choose to work here, but can't afford decent housing at the wages they earn. Consider emphasizing that contingent in messaging.
- Many people believe home ownership is not a "right." Don't forget that.
- Promote housing options in sub-communities. For example, target marketing in Orcas might include Doe Bay, West Sound, East Sound, etc.
- People get attached to local businesses/services – be sure to cite specific examples of "folded" businesses when communicating the problem.
 - Make sure to let people know "5 more OPAL homes" isn't enough to solve the challenge.

Prospective Solutions to Explore

- Increase the proportion of funding that comes from planned (legacy) giving.
- Provide micro-loans to assist with down payment capital.
- Work with local banks to create special locals-only loan packages.
- Ask realtors to provide and promote affordable housing inventory.
- Develop a series of rent or price-capped mobile home parks.
- Expand economic development programming to add jobs and raise wages.
- Think long-term by providing better skills training for youth (match to local employer needs).
- Better promote the availability of HUD rent subsidies.
- Develop housing cooperatives on all ferry-served islands (possibly an artists' cooperative).
- Work with employers to create employee-focused solutions.
- Acquire foreclosed homes and apartment buildings for use as rent-controlled housing stock.
- Establish socially-conscious investor groups to acquire or build apartment buildings.
- Create a San Juan Housing Authority dedicated to securing and managing stock, and provide appropriate financial authority (one-stop shopping and bonding).
 - Proactively "forego" use of eminent domain to reduce opposition.
- Encourage the County to advocate for USDA, other federal and state funding through lobbying.
- Promote the availability of "no-cost" solutions on each island (e.g. housing leads available at/through Lopez Rocks, Craig's List and other bulletin boards, Family Resource Council, Westview Apartments, Take it or Leave It, Soroptomist Guest House, etc.).
- Create a network of homeowners willing to rent rooms, and advertise the network as a whole.
- Identify funding sources to replace declining state and federal housing dollars.

- Levy an excise tax dedicated to affordable housing.
 - Consider taxing at higher-income or real estate values only (not sure that's possible)
- Research the prospective use of lodging tax dollars to fund service worker housing.
- Recruit and elect local officials who support real, sustainable housing solutions.
- Loosen regulations for construction, use of accessory dwelling units (ADUs).
- Consider tax incentives for second-home owners that rent vacant homes at affordable prices (would require someone to enroll, manage, monitor and promote).
- Raise new construction permit fees and dedicate revenues to affordable housing.
- Elevate affordable housing on the list of philanthropic priorities.
- Make it easier for farm owners to provide on-site housing for workers; consider "leased" housing on farmland.
- In the vein of providing a variety of solutions, consider a well-done trailer park tailored to people not interested in other solutions; look for private investors.
- Review zoning and amend where smaller footprints can create more housing units (e.g. build higher not wider).
- Encourage mixed use development, where ground floor commercial or office requires upper story residential.
- Provide youth hostels to accommodate summer labor.
- Purchase vacant homes, remove from free market and offer as affordable stock.
- Focus first on creating more rental options, before investing resources in home ownership models.
- Define and allow low-impact, small-footprint cluster developments just outside established urban areas/town centers.
- Limit housing solutions to existing, year-round residents filling essential service jobs.
 - Focus message (and resources) on assisting essential service providers.
- Acquire land now (during economic recession) so there are resources available to implement future solutions.
- Pursue a rural cluster strategy to spread affordable housing island-wide and reduce noticeable impact.
- Consider creating a new "community" or "town" within or according to GMA mandates.
 - Build affordable housing on the "edge" of existing town centers and villages to allow for easy access without diminishing sense of place.
- Find a way to build up (the hamlets must rise).
- Consider developing a series of pilot projects to test various solutions (as outlined above), and pursue those that best fit with community values and preferences.
- Opinion leaders here often cite that 40-60% of home costs are generated by the permitting process – identify options for reducing this up-front load.

- Provide relief for land owners with parcels between 5-9 acres. If single-family development is limited to one structure per 10 acres; allow permanent single-family residence on 5-acre parcel and 1 “affordable housing” rental on the other >5 acres. Additional housing structure would require compliance with “affordability” definition (tbd).
 - This would provide opportunity for construction trades, land owners and other stakeholders in addition to those in need of decent, affordable housing.
 - Over 15,000 lots have been eliminated for affordable housing use by the “5-acre minimum” lot size rule.
 - Need to clarify message – right now, it seems government is supportive of affordable housing, but against development...how do we reconcile?
- People will support affordable housing that is “green.”

Possible Funding Mechanisms

Independent of the Community Meetings, the Housing Solutions Workgroup explored the following List of possible funding mechanisms and how they might apply to San Juan County as potential Solutions (sorted alphabetically):

1. CDC (Community Development Corp.)
2. CDFI
3. Code changes & associated fees
4. County Tax Credit
5. Employer Partnership
6. Employer Partnerships
7. Fee Waivers from local jurisdictions for building permits & fees.
8. Farmer's Home Administration (FMHA)
9. Foundations
10. Grants
11. Guest Houses
12. Homelessness Prevention and Rapid Re-Housing (HPRP)
13. Housing Trust Fund (HTF)
14. Impact Fees
15. Incentives
16. Legacy Giving
17. Low Income Housing Tax Credits (LIHTC)
18. New Market Tax Credits
19. Port District: Economic Development
20. Property Tax Exemption
21. Property Tax Levy
22. REET (Real Estate Excise Tax)
23. Retention of Existing Housing Stock
24. Sales Tax
25. Shared Equity
26. SJCF (San Juan County Finance Corp.)
27. Standard Mortgages
28. Surplus Land
29. Sweat Equity
30. Tax Exempt Bonds
31. TDR (Transfer Development Rights)
32. Unique "One Off" Funding Situations
33. Utility Breaks from local utilities

Community Development Corporation (CDC)

Description: A CDC is a broad term referring to not-for-profit organizations incorporated to provide programs, offer services and engage in other activities that promote and support a community. CDCs usually serve a geographic location such as a neighborhood or a town. They

often focus on serving lower-income residents or struggling neighborhoods. They can be involved in a variety of activities including economic development, education, community organizing and real estate development. These organizations are often associated with the development of affordable housing.

Where it applies in San Juan County:

The local non-profit housing providers including the Land Trusts and Homes for Islanders are CDCs according to this definition. However, their focus has largely been affordable housing and development with some emphasis on economic development.

Pro's:

These local organizations are actively providing affordable housing in our county.

Con's:

These organizations cannot meet all of the housing needs here due to limited funding sources and organizational capacity.

Community Development Finance Institution (CDFIs)

Description: CDFIs are mission driven financial institutions providing financial products and services to people underserved by traditional financial institutions. However, CDFIs do not supplant conventional financial institutions. In fact, they complement each other. Because CDFIs and banks share a market-based approach to serving communities, CDFIs often work in partnership with banks to develop innovative ways to deliver loans, investments, and financial services to distressed communities. Oftentimes, they jointly fund community projects, with the CDFI assuming the more risky subordinated debt.

Where it applies in San Juan County: The San Juan Island Community Foundation is exploring the creation of a SJC Finance Corporation.

Pro's: A CDFI could provide a creative funding source for affordable housing developments in our county as well as economic development. It would also provide an opportunity for local investment in projects which would directly benefit our community.

Con's:

The CDFI industry raises capital from banks, corporations, philanthropic sources, individuals, and government sources. One crucial source of support for CDFIs is the CDFI Fund, which is the largest single source of funding and the largest source of hard-to-get equity capital for the CDFI industry. Since its inception, the CDFI Fund has made more than \$700 million in awards to community development organizations and financial institutions. Unfortunately, it appears that the CDFI fund, like a number of other federal funds, restrict their granting to those counties whose average per capita income is below a threshold which San Juan unfortunately is above.

Code Changes and Associated Fees

Description: Unified develop code revisions to produce a streamlined, less costly, and more efficient development permitting system include the following examples:

- Change all activity centers to allow for Affordable Housing Density Bonuses.
- Complete waiver of all permitting fees and fast track affordable housing projects through the permitting process.
- Change development standards to include taller buildings and mixed uses.
- Increase densities in UGA's

Where it applies in San Juan County:

San Juan County has very low densities in most of the UGAs and Activity Centers in comparison to other jurisdictions. For example, Lopez Village is the highest density on Lopez Island and the density is 4 units per acre (with affordable housing bonus density units this can be increased to 8 units per acre). Friday Harbor's highest density is 14 units per acre. In comparison, multifamily permit densities in King County increased from 22 units per acre in 2004 to 30 units per acre, with some as high as 60 units per acre. The highest in San Juan County is Eastsound Commercial, which is 40 units per acre.

Local property owners and developers complain that costs to develop land are too high due to these restrictions, making affordable housing unprofitable to build.

Pro's: Code changes could allow higher densities in UGAs and other activity centers making developments more attractive by making them more affordable for developers to build. We need housing to accommodate new workers and their families and to economize on infrastructure costs, while preserving open space and reducing the distance between homes and jobs.

Con's: Many communities no longer accept population growth with open arms. When anyone proposes the development of affordable or multifamily housing, ambivalence about growth often shifts to hostility. Hostility feeds and strengthens certain myths, When people argue against new high-density and affordable housing, often myths are used to convince decision-makers that the new development and its residents don't belong there. Traffic will be too heavy; schools will become overcrowded; buildings will clash with existing neighborhoods; people won't fit in; and a criminal element may even emerge.

Employer Partnerships (Employer Assisted Housing or EAH)

Description: The most-common mechanism is provision by employers of supplemental funds (usually in the form of a grant or forgivable loan) toward the up-front costs of purchasing a home. EAH can be a cost-effective business strategy for employers who are having difficulty recruiting and retaining workers in locations with tight housing markets, or who are operating in distressed communities.

EAH initiatives have tended to stem from local corporate and community experiences (including within areas in decline) rather than as part of a larger national trend. EAH programs

are still most commonly associated with municipal governments (partly as a response to the continued depopulation of cities) and anchor institutions, such as universities and hospitals, rather than with typical private-sector employers.

Where it applies in San Juan County: There are no EAH programs currently in San Juan County.

Pro's: An EAH program can be an extremely desired benefit for employees in areas with unaffordable or scarce housing. EAH programs can also help regional economies by holding down labor costs, reducing congestion and maintaining area competitiveness.

Con's: They are costly so most smaller businesses cannot afford to supplement housing for workers. Local governments often are criticized by citizens when EAH programs are offered only to government workers.

Farmer's Home Administration (FMHA)

Description: This program has been renamed and is now the Rural Development Loan Program under the US Department of Agriculture. The Program has a number of loan products. The most frequently used is the "502 Loan", which offers \$0.00 down, up to 100% financing, and no monthly mortgage insurance or mortgage insurance premium (MIP).

Pro's: Borrowers can purchase an existing home or a building site and construct a home in rural areas.

Con's: Loans are only available for very low or low income borrowers, 50% to 80% AMI.

Fee Waivers from local jurisdictions for building permits & fees *see Code Changes and Associated Fees

Foundations

Description: A Foundation is a legal categorization of nonprofit organizations. Foundations may also and often have charitable purposes. This type of nonprofit organization may either donate funds and support to other organizations, or provide the sole source of funding for their own charitable activities.

Where it applies in San Juan County: There are two Community Foundations in San Juan County, the San Juan Island Community Foundation (SJICF) and the Orcas Island Community Foundation (OICF). Other local (Washington) foundations providing grants in our community include, but are not limited to, The Paul G. Allen Foundation and the Gate's Foundation.

Pro's: Foundations provide philanthropy in areas such as education, the environment, arts & culture, general community, technology, basic needs, and health & wellness.

Con's: Foundations generally have a limited giving focus and mission that does not allow them to give grants for certain projects.

Grants

Description: A grant is an award of financial assistance in the form of money to an eligible grantee with no expectation that the funds will be paid back. The term does not include technical assistance, which provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations.

Where it applies in San Juan County: Many affordable housing projects have been made possible by grants from the State Housing Trust Fund (HTF), Community Development Block Grants (CDBG) and Foundations.

Pro's: Grants make affordable housing possible by lowering the amount of borrowed funds necessary to develop a project, making it more affordable to build.

Con's: Grant funding from the HTF has been cut significantly due to the recession, which has also affected many Foundations who have seen their investments decline drastically reducing the amount of funding available for grants.

Guest House (Long Term)

Description: An accessory dwelling unit that is not rented, but is designed and most commonly used for irregular occupancy by family members, guests, and persons providing health care or property maintenance for the owner.

Where it applies in San Juan County: San Juan County limits the number of Accessory Dwelling Units (ADUs) by lottery. ADUs can be used as guest houses or as rentals.

Pro's: Allows for higher densities on properties containing a primary residence. Existing ADUs could be used to increase the number of affordable rentals in our county if owners were willing to rent them.

Con's: Owned by individuals, and not nonprofits organizations that have affordable housing goals, so use is not limited to affordable rentals. Development of ADUs is very restricted in San Juan County. In other communities where ADUs are allowed only for affordable housing, enforcement is a big problem.

Homelessness Prevention and Rapid Re-Housing (HPRP)

Description: The Homelessness Prevention and Rapid Re-Housing Program (HPRP) is funded under the Homeless Prevention Fund created under Title XII of Division A of the American Recovery and Reinvestment Act (Recovery Act) of 2009.

The purpose of the HPRP is to provide homelessness prevention assistance to households who would otherwise become homeless - many due to the economic crisis - and to provide assistance to rapidly re-house persons who are experiencing homelessness. The funds under this program are intended to target individuals and families who would be homeless but for

this assistance. The funds provide for a variety of assistance, including: short-term or medium-term rental assistance and housing relocation and stabilization services, including such activities as mediation, credit counseling, security or utility deposits, utility payments, moving cost assistance, and case management.

Where it applies in San Juan County: In San Juan County these funds have been provided by the Opportunity Council to the Family Resource Centers on Lopez and San Juan Islands and OPAL on Orcas Island.

Pro's: Funding for two year period has been received by local organizations who can use it for a variety of support and services.

Con's: Paperwork is extensive and funding is not significant. San Juan County received a total of \$40k in HPRP funds for two years.

Housing Trust Fund (HTF)

Description: Housing trust funds are distinct funds established by city, county or state governments that receive ongoing dedicated sources of public funding to support the preservation and production of affordable housing and increase opportunities for families and individuals to access decent affordable homes. Housing trust funds systemically shift affordable housing funding from annual budget allocations to the commitment of dedicated public revenue. While housing trust funds can also be a repository for private donations, they are not public/private partnerships, nor are they endowed funds operating from interest and other earnings.

There are now 38 states with housing trust funds, as well as the District of Columbia, and more than 550 city and county housing trust funds in operation. They dedicate in excess of \$1.6 billion each and every year to help address critical housing needs throughout the country. The number of housing trust funds has doubled in the last five years.

Where it applies in San Juan County: San Juan County does not have its own HTF. Nonprofit organizations here generally apply to the State's HTF for funding affordable housing projects.

Pro's: A San Juan County HTF could be set up and could be a significant source of funding for affordable housing projects and developments.

Con's: Requires a local funding source such as a levy or REET. The State HTF has experienced drastic funding cuts as a result of the recession.

Impact Fees

Description: An impact fee is a fee that is implemented by a local government on a new or proposed development to help assist or pay for a portion of the costs that the new development may cause with public services to the new development. They are considered to be a charge on new development to help fund and pay for the construction or needed expansion of offsite capital improvements. These fees are usually implemented to help

reduce the economic burden on local jurisdictions that are trying to deal with population growth within the area.

Where it applies in San Juan County: Capital facilities such as water and waste water treatment require replacement or improvements to provide adequate levels of service for new developments and existing homeowners. Impact fees are levied to balance capital facilities service levels with the municipality's ability to provide and/or fund, and residents' ability to pay for, needed improvements.

Pro's: Helps to share the cost of capital facilities improvements by new developments.

Con's: Adds cost to affordable housing developments.

Incentives (Regulatory)

Description: Washington State Legislature enacted HB 1464 in 2009 which updated RCW 36.70A.540 as follows:

Any city or county planning under RCW 36.70A.040 may enact or expand affordable housing incentive programs providing for the development of low-income housing units through development regulations or conditions on rezoning or permit decisions, or both, on one or more of the following types of development: Residential; commercial; industrial; or mixed-use. An affordable housing incentive program may include, but is not limited to, one or more of the following:

- (i) Density bonuses within the urban growth areas and activity centers;*
- (ii) Height and bulk bonuses;*
- (iii) Fee waivers or exemptions;*
- (iv) Parking reductions; or*
- (v) Expedited permitting(, conditioned on provision of low-income housing units; or*
- (vi) Mixed use projects)).*

Where it applies in San Juan County: San Juan County offers bonus density for housing developments providing some affordable housing units within the development.

Pro's: This approach enlists private sector help in contributing to the affordable housing supply, and reduces segregation of affordable and market-rate housing.

Con's: It is a voluntary incentive and not required so it cannot be counted on to greatly increase the number of affordable units in the county.

Legacy Giving

Description: A gift of property, personal property or money, by will; a bequest. Whether referred to as planned giving, bequests, deferred giving or legacy gifts, they are all terms to describe the mode of donating through estate-planning vehicles such as trusts and wills. And

during the current economic slowdown when a non-profit organization's donors may be reluctant to submit regular donations, instead of closing shop a charitable organization may want to establish a planned giving program to allow donors to leave a legacy of supporting a cause.

Where it applies in San Juan County: One example is Endow Orcas, the Orcas Island Community Foundation initiative to sustain the island community in perpetuity. Through workshops and educational programs, Endow Orcas helps donors realize their charitable capacity and goals by exploring estate planning and legacy gift opportunities.

Endow Orcas works with the nonprofit community to help strengthen organizations to ensure endowments and legacy style gifts are properly stewarded and continue to fulfill donor intent. All Orcas Island non-profits are welcome to participate.

Pro's:

- Planned gifts can offer tax benefits to donors.
- Offers donors a say in how the funds will be used.
- Allows donors to support a cause without affecting the donor's current financial situation.
- Gives non-profits additional fundraising options.
- Planned gifts are often larger than annual or capital gifts.

Con's: Non-profits should consider engaging an attorney who is knowledgeable about estate planning and also has a good working knowledge about tax implications for the non-profit as well as for the donor.

Low Income Housing Tax Credit (LIHTC)

Description: Tax incentive created in the Tax Reform Act of 1986 that is designed to attract equity capital for investment in rent restricted affordable housing. The program encourages the production of affordable housing by offering its owners tax credits for a ten year period based upon the cost of development and the number of low income units produced. In Washington State, apartments developed with tax credits have a 40 year affordability requirement.

Where it applies in San Juan County: There are several apartment buildings that were built in the county using LIHTC. However, none have been built in over a decade. The older buildings only had a 15 year affordability requirement, which is running out in 2010 for two of projects in Friday Harbor.

Pro's: The LIHTC gives investors a dollar-for-dollar reduction in their federal tax liability in exchange for providing financing to develop affordable rental housing. Investors' equity contribution subsidizes low-income housing development, thus allowing some units to rent at below-market rates. In return, investors receive tax credits paid in annual allotments, generally over 10 years.

Con's: The tax credit program is complex with many technical rules governing a building's qualification for credit, the amount of the credit, and the ability of the owner to use the tax credit to offset federal income tax liability. If done incorrectly, fees can be forfeited, credits can be lost, and projects may fail.

Obtaining tax credits is very competitive. It is difficult for smaller projects to compete, in San Juan County a viable project would need to be larger than those built in the past and may require multiple sites.

Major Employer Contributions *see Employer Partnerships (EAH)

New Market Tax Credits (NMTC)

Description: The New Market Tax Credit (NMTC) Program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period. An organization wishing to receive awards under the NMTC Program must be certified as a CDE by the Fund.

To qualify as a CDE, an organization must:

- be a domestic corporation or partnership at the time of the certification application;
- demonstrate a primary mission of serving, or providing investment capital for, low-income communities or low-income persons; and
- maintain accountability to residents of low-income communities through representation on a governing board of or advisory board to the entity.

An organization that is currently certified as a CDFI by the CDFI Fund or designated as a Specialized Small Business Investment Company by the Small Business Administration automatically qualifies as a CDE and may register to become a CDE.

Where it applies in San Juan County: There are no CDEs currently in San Juan County.

Pro's: An organization must be certified as a CDE in order to benefit from the New Market Tax Credit (NMTC) Program. Certification as a CDFI automatically enables an entity to qualify for CDE certification; therefore, a San Juan FinCorp possibly could apply for CDE status.

Con's: Without a CDE there is no opportunity to take advantage of the New Market Tax Credit program.

Port District Economic Development

Description: Washington's ports have a crucial mandate: job creation. A port district is uniquely capable of creating economic growth and increasing the number of family-wage jobs in a community, because of the specific authorities granted by the legislature. Ports are the only public agencies whose primary purpose is economic development.

Ports create jobs and economic growth in many diverse ways. They own and operate shipping terminals, marinas and docks, airports, industrial sites, railroads, and parks and recreational facilities. Some ports operate in all of these sectors, others in only one or two, but almost every Washington port pursues an aggressive program of economic development.

Specifically, ports have the authority to:

- Develop marine terminals, airports and other facilities for handling cargo and accommodating passengers
- Buy and improve pieces of property for lease - or sometimes to sell - to private industry for industrial and commercial uses
- Provide air and water pollution control facilities
- Operate trade centers and export trading companies
- Establish and operate foreign trade zones
- Provide environmental enhancement, protection and public access
- Build and operate or lease out marinas and related facilities and provide public boat ramps for public use
- Promote tourism as an economic stimulus within the port district

Where it applies in San Juan County: San Juan County has three port authorities Port of Friday Harbor, Port of Orcas and Port of Lopez.

Pro's: Ports can aggressively pursue economic development, which is crucial for job creation.

Con's: Development of affordable housing is not one of the specific authorities granted to Ports by the legislature.

Property Tax Exemption

Description: In some municipalities affordable housing developments are exempt from paying all or part of their annual property tax assessments in order to encourage development of affordable housing in targeted areas. The City of Seattle's Municipal Code Chapter 5.73 2004 MULTIFAMILY HOUSING PROPERTY TAX EXEMPTION PROGRAM is one example.

Where it applies in San Juan County: There is no such exemption in the county.

Pro's: Would encourage the development of multifamily housing opportunities within the UGAs. San Juan County has only 7.5% of housing units in multi-family properties, compared to 25.6% statewide. This could encourage the creation of both rental and homeownership housing for moderate wage workers and the development of mixed-income housing.

Con's: Removes properties from the tax roles for a period of time (compliance period) in Seattle it is 12 years.

Property Tax Levy RCW 84.52.105

Description: A county, city or town may impose additional regular property tax levies of up to fifty cents per thousand dollars of assessed value of property in each year for up to ten consecutive years to finance affordable housing for very low-income households (*at or below fifty percent of the area median income*) when specifically authorized to do so by a majority of the voters of the taxing district voting on a ballot proposition authorizing the levies. (In 2002, the voters of Seattle passed a seven-year, \$86 million property tax levy to provide affordable housing opportunities for low-income Seattle residents. On November 3, 2009, Seattle voters overwhelmingly approved the renewal of the Seattle Housing Levy for \$145 million dollars. The average cost per household is \$65 per year).

Where it applies in San Juan County: A housing levy could provide funding for a San Juan County HTF. On assessed valuations totaling \$7,976,669,632 in the county (for 2009), \$0.50 cents per \$1,000 of value would generate \$3,988,335 annually. At the maximum level a \$500,000 house would pay about \$250 a year in additional taxes.

Pro's: Good source of funding for a HTF for development of affordable housing.

Con's: Must have voter approval. Funds must be used for housing that is affordable for income groups at 50% or less AMI.

Real Estate Excise Tax (REET)

Description: A REET is an additional excise tax on the purchase and sale of real property in the county at the rate of one-half of one percent of the selling price. The proceeds of the tax must be used exclusively for the development of affordable housing including acquisition, building rehabilitation, and maintenance and operation of housing for very low (30% - 50% AMI), low (50% - 80% AMI) and moderate income (80-95% AMI) persons and those with special needs. An affordable housing REET was placed on the ballot in San Juan County in 2006, but it was not passed by a majority of San Juan County voters.

A REET for affordable housing may not be imposed unless the county imposed a tax under RCW 82.46.07- at the maximum rate and the tax was imposed by January 2003. San Juan County has this other excise tax, which is used exclusively for the acquisition and maintenance of conservation areas; it is the primary funding source for the San Juan County Landbank.

Where it applies in San Juan County: San Juan County voters turned down the affordable housing REET in 2006.

Pro's: Good Source of funding for a HTF for development of affordable housing. Can be used for housing affordable to income groups up to 95% AMI.

Con's: Limited to only one-half of one percent of the selling price. In an average year this would mean only 1 to 2 million dollars in revenue. For example, in 2008 this would have generated \$1,035,134 in revenues, which would be helpful, but certainly wouldn't be enough to solve our housing crisis.

Retention of Existing Rental Housing Stock

Description: Rental housing preservation policies seek to ensure the continued, long-term availability of quality affordable rental homes -- an essential part of the housing stock for working families, the elderly, people with a disability, and others. Across the country, hundreds of thousands of subsidized rentals, affordable to low- and moderate-income households, are at risk of being lost. Millions of unsubsidized rental homes that are affordable to moderate-income families are also at risk of becoming less affordable as rents rise and older properties are either upgraded to serve higher-income families or allowed to deteriorate. According to Harvard University's Joint Center for Housing Studies, in the past decade more than 1.2 million of these units were lost -- to escalating rents or condominium conversions in strong markets, to abandonment and demolition in weaker markets.

There is no single "magic bullet" that can ensure that affordable rental homes are preserved. Rather, multiple, coordinated and flexible policies are needed to identify properties at risk (and in time to preserve their affordability), provide the resources needed to facilitate the rehabilitation and/or purchase of target properties, and create the incentives needed to encourage owners to preserve and improve their properties.

Where it applies in San Juan County: San Juan County has ten apartment properties that are either LIHTC or USDA Rural Development financed with rent and income restrictions. Two of these projects in Friday Harbor have their affordability requirement expiring in 2010.

Pro's: Developing new rental properties is expensive. Retaining existing properties is generally less expensive than new development.

Con's: Buying existing rental properties is difficult and expensive. OPAL Community Land Trust is purchasing Lavender Hollow on Orcas in order to maintain its status as an affordable rental property. There are no other organizations in the county either willing to or able to purchase any additional properties that may be expiring. OPAL has stated they are not willing to purchase any additional properties.

Sales Tax

HB1141 provides an exemption in the form of a refund for state and local sales and use taxes imposed on materials, labor and services related to the construction or reconstruction of affordable housing.

Where it applies in San Juan County: Affordable housing developers and non-profit organizations can take advantage of the sales tax exemption.

Pro's: Helps offset the cost of development.

Con's: None.

Shared Equity

Description: Shared equity homeownership ensures that the home remains affordable to lower income households on a long-term basis by restricting the appreciation that the owner can retain, preserving affordable housing in areas where rising prices are forcing lower income households out of the market. At the same time, by placing the owner within a community-based support system, such as a community land trust or limited equity cooperative, shared equity homeownership can mitigate the risks of homeownership, potentially increasing the benefits of homeownership both for the owner and the neighborhood in which he/she lives.

Where it applies in San Juan County: The Community Land Trust's model uses shared equity to maintain affordability in perpetuity.

Pro's: These homeownership opportunities are created as a result of public subsidy or other public intervention, as in the case of an inclusionary unit. Sharing the equity is a reasonable quid pro quo, in light of the considerable shelter value that the homebuyer has gained as a result of the public subsidy or intervention, and the public policy value of preserving affordable housing for future generations.

Con's: The concept of shared equity, restricting the home value appreciation that flows to the homeowner on resale, can be controversial. Some economic fundamentalists object to any limitation on appreciation as an infringement of private property rights, while others see it as hindering the ability of lower-income households to build wealth, a goal that is certainly a legitimate one.

San Juan County Finance Corporation (SJCFinCorp)

Description: The San Juan Island Community Foundation is exploring the creation of a new form of organization which would support community development activities using unique blends of capital sources. This type of organization would support non-profits, government and even for profit enterprise projects that are focused on community infrastructure. The SJCFinCorp would provide lending, bonding and guarantee services using capital derived from a combination of private investment for return, philanthropy, foundation and government grants.

Where it applies in San Juan County: Feasibility is currently being explored.

Pro's: This new entity would be a locally governed, not-for-profit corporation that would partner with traditional community institutions (banks, community foundations, government) to tailor both capital and operational funding to each projects needs. Emphasis would be placed on public-private partnership projects to encourage operational sustainability.

Con's: Limited to financing projects, but would not develop them. Still need a vehicle or organization to create the housing.

Standard Mortgage

Description: Loan made in accordance with generally accepted underwriting criteria to qualifying borrowers of all income levels. It should have a single interest rate and level payments that fully amortizes over its term.

Where it applies in San Juan County: Available at all local lending institutions for those who are credit worthy and income qualify.

Pro's: Excellent way to finance the purchase of a home for those who qualify.

Con's: Generally requires a large down payment, higher income and very good credit to qualify.

Surplus Land

Description: Numerous government departments and agencies, with and without housing-related missions, hold surplus or underutilized property which could be suitable for the development of affordable homes.

Through legal mechanisms such as ordinances and codes, governments can authorize the use of underutilized or surplus public land for affordable homes whenever feasible. Ordinances and codes can also clarify procedures for marketing available parcels and ensuring that affordable housing goals are met.

Where it applies in San Juan County: The County and Friday Harbor could identify surplus land they own that is suitable for affordable housing development.

Pro's: Greatly reduces the cost of land for developments.

Con's: Could be perceived as using public land for private use.

Sweat Equity

Description: Sweat equity is a term used to describe the contribution made to a project by people who contribute their time and effort. The term can also be used to describe the value added to real estate by owners who make improvements by their own toil. The more labor applied to the home, and the greater the resultant increase in value, the more sweat equity that has been used. Examples of Sweat Equity programs for affordable housing include Habitat for Humanity and the USDA's Rural Self-Help Housing Program used locally by Homes for Islanders.

Where it applies in San Juan County: This is the model used by Homes for Islanders locally.

Pro's: Home purchasers can earn about \$100,000 in equity in one year of sweat equity building their own home.

Con's: Difficult for home buyers to commit the time required while working without significant help from family and others. Still must income qualify for a mortgage.

Tax-exempt Bonds

Description: Tax-exempt private activity bonds provide lower cost financing for eligible projects. Tax-exempt means the bond investor does not have to pay federal taxes on interest earned on the bonds. Private activity bonds (PABs) are financing for projects that have a substantial benefit for private business or individuals, but also provide significant benefits to the public. Unless authorized under the Bond Cap Allocation Program (BCAP), PABs do not qualify for tax-exempt status.

By authorizing the issuance of tax-exempt private activity bonds, BCAP enables less expensive financing and access to tax credits for low- and moderate-income housing projects, access to mortgage assistance for first-time home buyers, less expensive loans for Washington students, and job retention and creation through industrial development and infrastructure. Businesses or developers work with public authorities to develop projects and issue the bonds for financing.

A private or government entity submits a request for bond financing to a bond issuing authority. The issuing authority assesses the financing options. If the project qualifies for tax-exempt private activity bonds, they submit an application to BCAP to issue bonds against the State Cap. Generally the issuer will only submit the request after all other financing is in place, the project is at an advanced stage of readiness, and they are confident the bonds will be sold.

BCAP reviews the application and, if it approves the project, awards a Certificate of Allocation to the issuing authority. The Certificate allows the issuing authority to issue the tax-exempt bonds. The bonds must be issued by the deadline stated in the certificate, generally no later than December 15th of the same year.

Where it applies in San Juan County: Housing authorities can issue bonds, but San Juan County does not have a housing authority. Locally bonds could be issued by the Washington State Housing Finance Commission WSHFC.

Pro's: Because the interest is tax-exempt, the debt has lower interest rates than traditional financing. The interest rate depends on the characteristics of the project and the rating of the bonds.

Con's: Fees for bond issuance can be significant.

Transfer of Development Rights (TDRs)

Description: TDR is the exchange of zoning privileges from areas with low population needs, such as farmland, to areas of high population needs, such as downtown areas. These transfers allow for the preservation of open spaces and historic landmarks, while giving urban areas a chance to expand and experience continued growth. They require identifying “sending zones” and “receiving zones” where the TDRs can be used.

Where it applies in San Juan County: There is no TDR program in San Juan County.

Pro’s: The concept of a typical transfer of development rights (TDR) program is a market-based mechanism that encourages the voluntary transfer of growth from places where a community would like to see less development, referred to as sending areas, to places where a community would like to see more development, referred to as receiving areas.

Con’s: Difficult to identify receiving zones.

Unique “One-Off” Funding Situations

Description: Other sources of funding not yet identified.

Where it applies in San Juan County: unknown

Pro’s: unknown

Con’s: unknown

Utility Breaks from Local Utilities

Description:

- **OPALCO – Project PAL** (electricity). Project PAL is 100% funded with voluntary donations from OPALCO members. Project PAL is run by an independent, volunteer council. This anonymous council of six member volunteers reviews Project PAL applications and makes award decisions monthly during the heating season, November through April. Half of PAL funds each year are designated for seniors and disabled persons of low income. Members must income qualify, they can receive up to \$250 annually in PAL funds.
- **Energy Assistance Program** – Federal funding from the Opportunity Council administered county-wide through Family Resource Centers and OPAL. Provides low income families with money to pay their utility bills. San Juan used 60 slots last year, for this year they are allotted 45-50; Orcas used 60 last year, amount for this year was not given; last year Lopez used 56 slots, this year they are allotted 40.
- **Utility Assistance Program** (sewer & water) Town of Friday Harbor program administered through the SJ Island Family Resource Center. There was \$6,800 distributed to low income applicants in 2009, funds ran out October 1st. The Town has added donation options to the utility bill asking for \$1, \$5 or \$10 donations. There has been a great increase in demand for this assistance.

Where it applies in San Juan County: Several programs listed above. See also HPRP.

Pro's: Helps homeowners and renters struggling to pay their utility bills.

Con's: Limited funding, demand exceeds available funds.

UW Student Solutions Study

The Housing Solutions Workgroup was pleased to be the beneficiary of a study completed by three University of Washington Community, Environment and Planning students at the request of their professor, Lopez resident Dennis Ryan.

After exhaustive research, students Seneca Luetke, Jenn Robinson-Jahns and Cheuk Yung, completed a 54 page report titled *Affordable Housing Study- San Juan County*, which explored affordable housing solutions alternatives used in other communities. They included recommendations based upon what they felt were the most appropriate solutions for the San Juans. Two of the students, Robinson-Jahns and Yung, presented their findings at the Housing Solutions Workgroup meeting on December 6, 2010. This report is available in its entirety on the Housing Solutions website www.sjchousingsolutions.com. An excerpt of their conclusions is below:

“To sum up our recommendations, legacy giving programs partnering with a nonprofit organization, like Endow Orcas, Employer Partnerships, and Private Foundation Grants are the three out of nine mechanisms that the San Juan Affordable Housing Team believes are the most interesting and potentially useful options for the county. Legacy giving programs may be a complicated yet useful tool due to the process of engaging an attorney. However, expanding Endow Orcas or implementing similar tool in other places is particularly useful because if donors can choose where to spend their funds, then more donors, especially local residents in support of maintaining affordability may be more willing to donate. Besides legacy giving program, the group also believes employer partnerships is a viable option as well, although it may be challenging given the fact that there are no employer partnerships or EAH being employed in San Juan and businesses in the area may be of smaller scale and lack the resources to implement such a program. However, the group believes mixing employees and non-employees in a complex is another way to potentially reduce the cost to the owner. Finally, since community foundation grants and even HTF appear to have weaknesses in regards to local implementation, private foundation grants seem to be the priority to look at. These are the affordable housing group’s recommendations and the group strongly believes these recommendations can at least provide alternative solutions or fresh ideas to the county.”

Next Steps

As mentioned earlier, this is only the beginning phase of our planning effort - we have much more to do in the community engagement process in order to identify the solutions that have the most community support. The next steps will include:

- Continued community outreach and education through Speakers Bureau events, along with providing more opportunities for community members to share their ideas and voice their opinions about solutions through website polls and surveys.
- Synthesize the community responses into a cohesive and detailed list of recommendations, and work closely with County and Town officials to implement the solutions that can be enacted by local government.
- A complete build-out analysis of the UGA's will be conducted to determine the feasibility of additional affordable developments that could occur through zoning changes.
- Focus efforts on engaging with local planning entities, such as, the Eastsound Planning and Review Committee, Lopez Village Planning and Review Committee, and the County and Town Planning Commissions to push for local government to incorporate these solutions into their land use policies and regulations.
- Explore new and existing resources to improve the infrastructure in the UGA's to enable them to handle increased development. Evaluate feasibility of possible funding mechanisms that are supported by the community.
- Get a commitment from local non-profit organizations to adopt their part of the solution strategies into their own long range plans.

Appendices

Rental Market Survey Report 76

Graphical Responses by Question Reports..... 85

San Juan County Rental Market Survey Report Summary

February 3, 2011

The data presented in this report clearly demonstrates the gap that exists in San Juan County between rents and what tenants, whose wages are generated locally, can afford.

Information provided in this report represents only a sampling of the year-round rental market situation in San Juan County, it in no way represents the rental market in its entirety. In gathering information for this report, I spoke with a dozen different apartment owners and managers, representing twenty different apartment buildings totaling 288 units. In addition, I gathered data from two of the county's largest management companies, who manage single family home and condominium rentals. They provided data on 146 rental homes in the county, so combined the report reflects 434 rental units, or about 21% of the estimated rental market¹³.

The apartment data was divided into two categories, those buildings that have rent and tenant income restrictions, which include tax credit or USDA financed properties. These are collectively referred to as "Low-Income Apartments" in this report. The other apartment category is referred to as "Market Rate Apartments", which includes all unrestricted apartment units, which means they have a conventional bank loan that does not restrict rent levels or tenant's income, the only restrictions are those set by the market itself (what tenants are willing/able to pay).

It is also relevant to mention that there are rental subsidy programs in existence in the county that reduce the amount of rent a tenant pays to generally about 30% of their income¹⁴, the balance being paid by the subsidy. These subsidies (in San Juan County) include USDA Rental Assistance Subsidies (104 units), HUD Section 8 (20 units), Tenant Based Rental Assistance (9 units) and the San Juan County Senior Rent Subsidy (12 units). All of these subsidies are restricted to low, very low or extremely low income tenants¹⁵. Due to program restrictions, which limit the amount of rent that can be charged, they are primarily housed in the low income apartments; however, some may be residing in market rate units in the county. Adding additional subsidies would greatly improve occupancy in the existing inventory of rental housing, especially in the lower rent apartments and houses, by bridging the gap between what lower wage workers can afford and what landlords need to charge to remain solvent.

Conclusions from the report are as follows:

¹³ Office of Financial Management estimated 2,019 rentals in San Juan County as of 2008.

¹⁴ The Department of Housing and Urban Development (HUD) has determined that in order for housing to be considered affordable, it should be limited to 30% of a tenant's income.

¹⁵ Low income is considered 80% of the Area Median Income, very low is 50% AMI and extremely low income is 30% of AMI (as determined by HUD).

- Vacancy reported by managers is very high for rental homes, nearly 30%.
- The low income apartments are experiencing much lower vacancy at 7%.
- The market rate apartments are not fairing as well with vacancy reported at 11%.
- Combined, the overall vacancy rate for apartments is 8%.
- Recent wage data pretty clearly explains the higher vacancy in the single family home rentals (see chart). People who generate their income by working in the county overwhelmingly cannot afford the rent for the average priced rental home (\$1,093 per month). It can be assumed that only two-wage earning households, individuals working more than one job, or people whose income is generated externally, can afford the average single family rental home.
- By comparison, low-income apartments are more affordable; most average wage earners can afford to rent the low-income apartments and many of these tenants receive rental subsidies, which contributes to their lower vacancy.
- Rental Rates have remained flat in the market rate apartments over the past year, or come down slightly (-.2%), but have increased in the low-income apartments (up 12% since 2008). As demonstrated earlier, about half of the low-income units have rent subsidies, which means the majority of the rent comes from the subsidy, not the tenant occupying the unit.
- Prior year rates for the single family rentals were not available. Anecdotally, the property managers for single family rentals stated that rents have been flat over the last two years, and have come down in many cases.

Although 8% overall vacancy in the apartment rentals would not lead one to conclude that there is a shortage of apartments currently, additional low-income apartments and subsidies will be needed, as this form of housing is much more affordable. This is especially true for Orcas and Lopez Islands where they are very scarce.

The most obvious conclusion that one can draw from this report is that there is a surplus of single family homes for rent; however, there is a large affordability gap between what landlords are charging for rent and what workers can actually afford. How to bridge this gap should be a major focus of the Housing Solutions planning effort.

San Juan County Rental Market Survey Summary
Market Rate Apartments February 2011

	Unit Type	# of Units	Monthly Rents
Wisteria Court	studio	2	\$450
Totals:		2	\$450

	Unit Type	# of Units	Monthly Rents
Montecito Condos	1 bdrm	4	\$1,200
Montecito Condos	1 bdrm	5	\$925
Madrona Court	1 bdrm	12	\$728
Village Green	1 bdrm	8	\$728
University Court	1 bdrm	7	\$728
Heather Court	1 bdrm	12	\$725
Sandpiper Condos	1 bdrm	4	\$675
Northern Heights	1 bdrm	2	\$605
Wisteria Court	1 bdrm	4	\$550
Northern Heights	1 bdrm	10	\$530
Totals:		68	\$723

	Unit Type	# of Units	Monthly Rents
University Court	2 bdrm	3	\$975
Village Green	2 bdrm	4	\$900
Wisteria Court	2 bdrm	4	\$700
Totals:		11	\$848

Market	
Rate:	95
Affordable:	207
Combined	
Total:	302

San Juan County Rental Market Survey Summary
Affordable Apartments February 2011

	Unit Type	# of Units	Monthly Rents
LCLT Common Field	Studio	2	\$480
Totals:		2	\$480

	Unit Type	# of Units	Monthly Rents
Lavender Hollow	1 brm	12	\$650
Surina Meadows	1 brm	3	\$645
Islewood	1 brm	10	\$628
Westview	1 brm	6	\$627
Rosewood	1 brm	4	\$619
Harborview	1 brm	12	\$597
Island Meadows	1 brm	17	\$574
Gerard Park	1 brm	20	\$558
OPAL Reddick	1 brm	5	\$485
Orcas Longhouse	1 brm	16	\$440
Totals:		105	\$570

	Unit Type	# of Units	Monthly Rents
Rosewood	2 brm	10	\$714
Islewood	2 brm	8	\$705
Friday Harbor Village	2 brm	8	\$705
Lavender Hollow	2 brm	8	\$705
Surina Meadows	2 brm	15	\$703
Westview	2 brm	12	\$697
OPAL Reddick	2 brm	2	\$675
Gerard Park	2 brm	1	\$616
Harborview	2 brm	8	\$614
Island Meadows	2 brm	2	\$609
Totals:		74	\$690

	Unit Type	# of Units	Monthly Rents
Friday Harbor Village	3 brm	12	\$800
Rosewood	3 brm	4	\$774
Lavender Hollow	3 brm	2	\$753
Surina Meadows	3 brm	2	\$735
Totals:		20	\$784

	Unit Type	# of Units	Monthly Rents
Friday Harbor Village	4 bdrm	6	\$875
Totals:		6	\$875

**Total affordable
units: 207**

San Juan County Rental Market Survey Houses & Condos

	Rent	Address	Type	BDRM	Status	Island
1	\$525	town	condo	1		San Juan
2	\$550	town	condo	1		San Juan
3	\$550	town	condo	1	vacant	San Juan
4	\$550	town	condo	1		San Juan
5	\$600	Roche area	house	1		San Juan
6	\$725	town	house	1		San Juan
7	\$750	town	house	2		San Juan
8	\$750	town	duplex	2		San Juan
9	\$750	town	triplex	1		San Juan
10	\$800	Point Caution	house	1		San Juan
11	\$800	Straits View	house	2		San Juan
12	\$800	town	duplex	2		San Juan
13	\$800	town	triplex	2		San Juan
14	\$900	Cattle Point Rd	modular	2		San Juan
15	\$900	town	house	3		San Juan
16	\$900	Cape San Juan	house	2		San Juan
17	\$900	Cape San Juan	house	2		San Juan
18	\$900	San Juan Drive	duplex	1	vacant	San Juan
19	\$900	Point Caution	house	1		San Juan
20	\$950	Wildflower	house	2	vacant	San Juan
21	\$950	town	condo	2		San Juan
22	\$950	Wildflower	house	2		San Juan
23	\$975	town	house	3		San Juan
24	\$995	Mount Dallas Road	house	1	vacant	San Juan
25	\$1,000	town	house	3		San Juan
26	\$1,000	town	house	2	vacant	San Juan
27	\$1,000	Bailer Hill Rd	house	2		San Juan
28	\$1,000	town	condo	2		San Juan
29	\$1,000	Point Caution	house	2		San Juan
30	\$1,000	town	condo	2		San Juan
31	\$1,050	town	condo	2		San Juan
32	\$1,050	town	condo	2		San Juan
33	\$1,050	town	house	2		San Juan
34	\$1,050	town	condo	2		San Juan
35	\$1,075	town	house	2	vacant	San Juan
36	\$1,075	town	house	2		San Juan

37	\$1,100	town	condo	2		San Juan
38	\$1,100	town	house	2		San Juan
39	\$1,100	Limestone Point	house	2		San Juan
40	\$1,100	town	condo	2		San Juan
41	\$1,150	town	house	3		San Juan
42	\$1,150	town	condo	2		San Juan
43	\$1,175	Point Caution	house	2		San Juan
44	\$1,175	town	condo	2		San Juan
45	\$1,175	West Valley	house	3		San Juan
46	\$1,200	town	house	3		San Juan
47	\$1,200	Ocean View	house	3		San Juan
48	\$1,200	Cape San Juan	house	2	vacant	San Juan
49	\$1,200	Point Caution	house	3		San Juan
50	\$1,200	Shadows Dr.	house	3		San Juan
51	\$1,200	Mount Dallas Road	house	3	vacant	San Juan
52	\$1,250	town	condo	3		San Juan
53	\$1,250	Point Caution	house	4		San Juan
54	\$1,300	Point Caution	house	2		San Juan
55	\$1,300	town	condo	3		San Juan
56	\$1,400	town	house	2		San Juan
57	\$1,400	town	condo	2		San Juan
58	\$1,500	Point Caution	house	3		San Juan
59	\$1,500	Smuggler's Cove	house	3	vacant	San Juan
60	\$1,500	Shenoa	house	2		San Juan
61	\$1,500	San Juan Drive	house	2	vacant	San Juan
62	\$1,500	Bailer Hill Road	house	2	vacant	San Juan
63	\$1,600	town	house	3		San Juan
64	\$1,800	town	house	2		San Juan
65	\$1,900	town	house	2	vacant	San Juan
66	\$1,900	town	house	3	vacant	San Juan
67	\$2,000	Straits View	house	4		San Juan
68	\$2,050	Point Caution	house	2		San Juan
69	\$2,100	town	house	3		San Juan
70	\$450	Eastsound	Mobile	1	vacant	Orcas
71	\$500	Olga	House	1		Orcas
72	\$550	Orcas	Duplex	0	vacant	Orcas
73	\$700	Eastsound	Apartment	2	vacant	Orcas
74	\$750	Orcas	House	3		Orcas
75	\$750	Deer Harbor	House	0		Orcas
76	\$750	Eastsound	Mobile	1		Orcas

77	\$750	Doe Bay	House	1		Orcas
78	\$800	Rosario	Duplex	2	vacant	Orcas
79	\$900	Orcas	Guest House	1		Orcas
80	\$900	Deer Harbor	House	2	vacant	Orcas
81	\$975	Orcas	House	2	vacant	Orcas
82	\$1,000	Eastsound	House	2		Orcas
83	\$1,000	Rosario	House	3	vacant	Orcas
84	\$1,000	Eastsound	House	2		Orcas
85	\$1,050	Eastsound	Condo	2		Orcas
86	\$1,050	Eastsound	Condo	2		Orcas
87	\$1,050	Eastsound	House	2	vacant	Orcas
88	\$1,100	Doe Bay	House	2		Orcas
89	\$1,200	Eastsound	Mobile	3		Orcas
90	\$1,200	Rosario	House	3		Orcas
91	\$1,200	Eastsound	House	3	vacant	Orcas
92	\$1,200	Eastsound	House	3		Orcas
93	\$1,200	Rosario	House	2	vacant	Orcas
94	\$1,200	Eastsound	House	2	vacant	Orcas
95	\$1,250	Rosario	House	2	vacant	Orcas
96	\$1,300	Eastsound	House	5		Orcas
97	\$1,300	Eastsound	House	2		Orcas
98	\$1,300	Rosario	House	2	vacant	Orcas
99	\$1,400	Rosario	House	3		Orcas
100	\$1,400	Rosario	House	1		Orcas
101	\$1,400	Rosario	House	3		Orcas
102	\$1,400	Eastsound	House	5	vacant	Orcas
103	\$1,600	Rosario	House	2		Orcas
104	\$1,600	Deer Harbor	House	2	vacant	Orcas
105	\$1,600	Rosario	House	4	vacant	Orcas
106	\$1,700	Eastsound	House	4		Orcas
107	\$1,700	Rosario	House	3	vacant	Orcas
108	\$3,500	Eastsound	House	4	vacant	Orcas
109	\$900	south	house	3		Lopez
110	\$950	north	house	1		Lopez
111	\$1,000	west	house	2	vacant	Lopez
112	\$1,100	northeast	house	3	vacant	Lopez
113	\$1,100	south	panabode	2	vacant	Lopez
114	\$1,100	south east	a frame cabin	1	vacant	Lopez
115	\$1,400	whiskey hill	house	3		Lopez

116	\$1,600	north-HH	house	3		Lopez
Avg:	\$1,142		Avg:	2.20	30%	Vacancy rate

Other Orcas Rental Houses

	Rent Range		Type	Average		Vacancy rate
30	\$500-\$1,400	Orcas Island	house	2	\$900	27%

Combined Totals:

total	average rent			size		avg. vacancy
146	\$1,093			2		29.52%

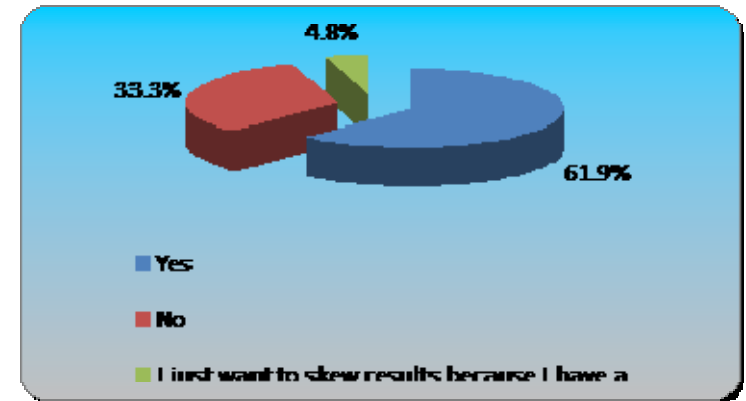
Graphical Results by Question

Session Name: San Juan Island Town Hall Meeting E-Polling Results

Created: 5/24/2011 6:46 PM

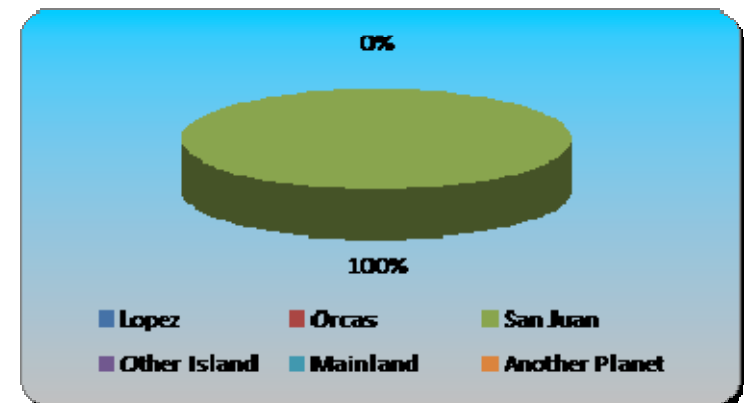
1.) Is this your first time participating in electronic polling exercise? (multiple choice)

	Responses	
Yes	13	61.90%
No	7	33.33%
I just want to skew results because I have a	1	4.76%
...		
Totals	21	100%



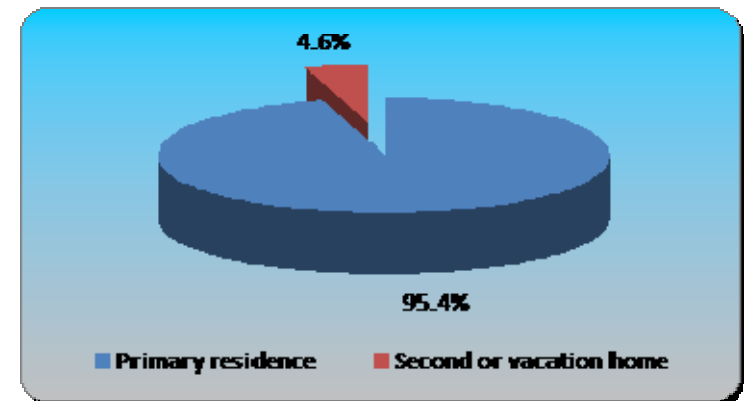
2.) Where do You Live? (multiple choice)

	Responses	
Lopez	0	0%
Orcas	0	0%
San Juan	21	100%
Other Island	0	0%
Mainland	0	0%
Another Planet	0	0%
Totals	21	100%



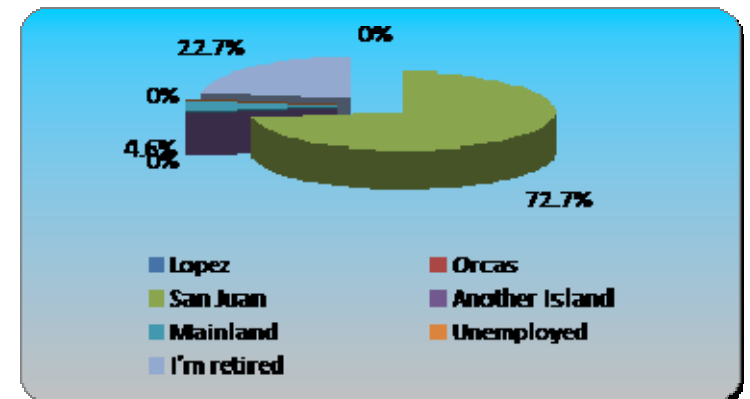
3.) Is your Island Home...? (multiple choice)

	Responses	
Primary residence	21	95.45%
Second or vacation home	1	4.55%
Totals	22	100%



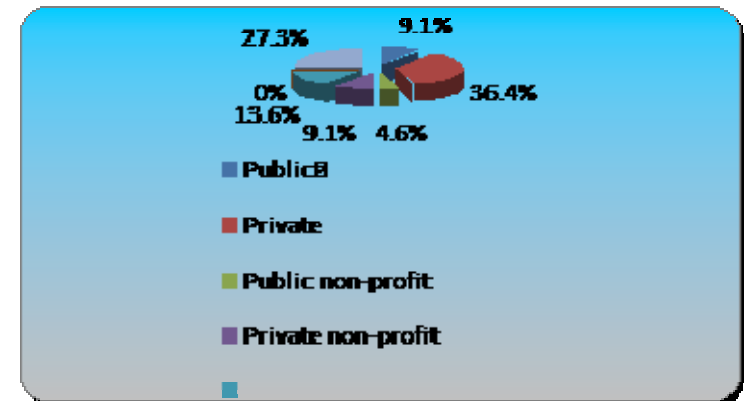
4.) Where do you work (mostly)? (multiple choice)

	Responses	
Lopez	0	0%
Orcas	0	0%
San Juan	16	72.73%
Another Island	0	0%
Mainland	1	4.55%
Unemployed	0	0%
I'm retired	5	22.73%
Totals	22	100%



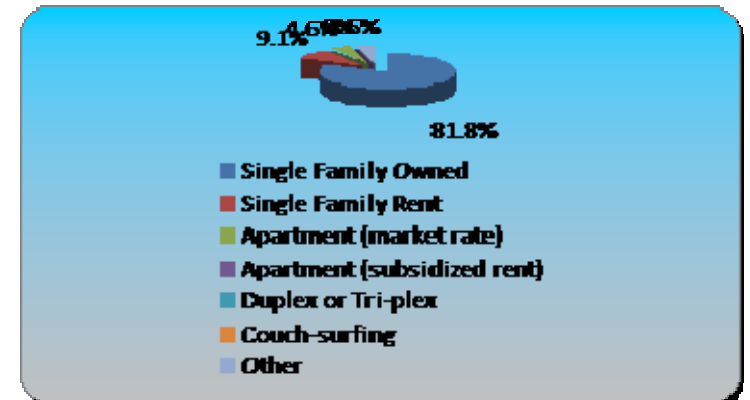
5.) In which sector are you (mostly) employed? (multiple choice)

	Responses	
Public	2	9.09%
Private	8	36.36%
Public non-profit	1	4.55%
Private non-profit	2	9.09%
A little of this, a little of that...	3	13.64%
Unemployed at the moment	0	0%
I'm retired	6	27.27%
Totals	22	100%



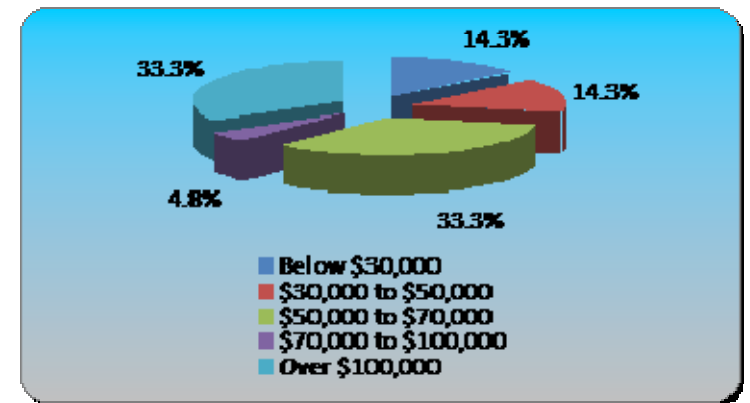
6.) What best describes your current housing situation? (multiple choice)

	Responses	
Single Family Owned	18	81.82%
Single Family Rent	2	9.09%
Apartment (market rate)	1	4.55%
Apartment (subsidized rent)	0	0%
Duplex or Tri-plex	0	0%
Couch-surfing	0	0%
Other	1	4.55%
Totals	22	100%



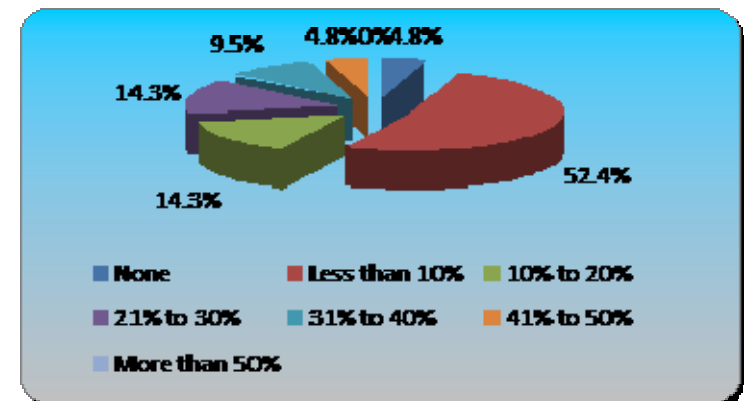
7.) What is your current “household” income? (multiple choice)

	Responses	
Below \$30,000	3	14.29%
\$30,000 to \$50,000	3	14.29%
\$50,000 to \$70,000	7	33.33%
\$70,000 to \$100,000	1	4.76%
Over \$100,000	7	33.33%
Totals	21	100%

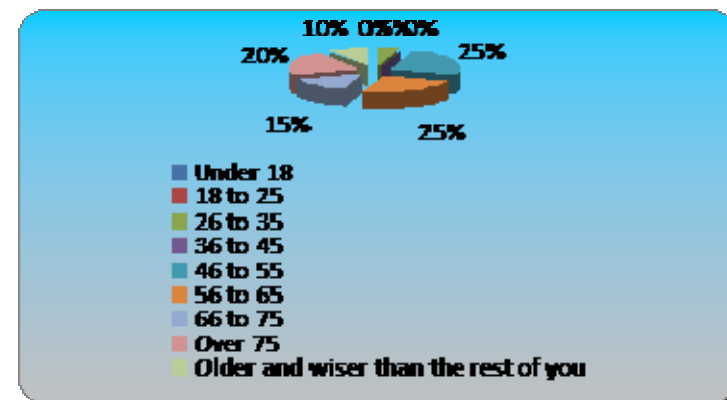


8.) What % of your income pays for housing (include pensions, etc.)? (multiple choice)

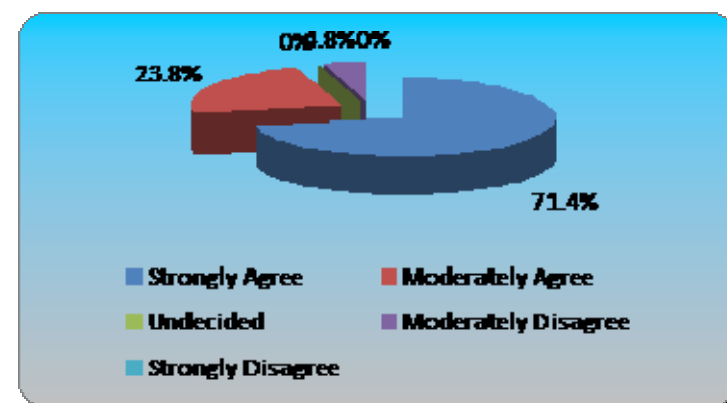
	Responses	
None	1	4.76%
Less than 10%	11	52.38%
10% to 20%	3	14.29%
21% to 30%	3	14.29%
31% to 40%	2	9.52%
41% to 50%	1	4.76%
More than 50%	0	0%
Totals	21	100%



9.) How young are you? (multiple choice)	Responses	
Under 18	0	0%
18 to 25	0	0%
26 to 35	1	5%
36 to 45	0	0%
46 to 55	5	25%
56 to 65	5	25%
66 to 75	3	15%
Over 75	4	20%
Older and wiser than the rest of you	2	10%
Totals	20	100%

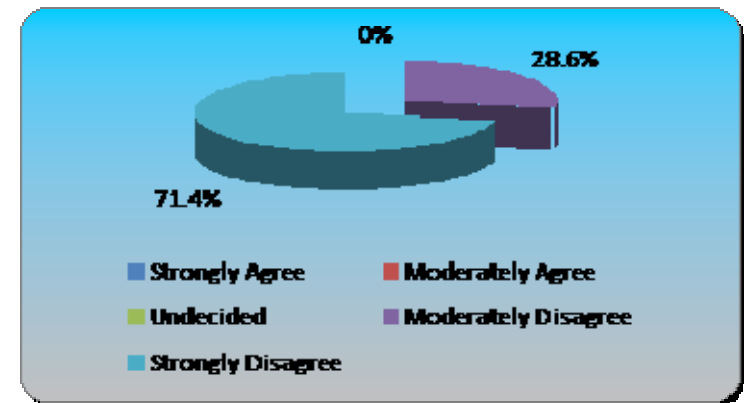


10.) We have a responsibility to ensure all year-round Islanders have access to decent housing. (multiple choice)	Responses	
Strongly Agree	15	71.43%
Moderately Agree	5	23.81%
Undecided	0	0%
Moderately Disagree	1	4.76%
Strongly Disagree	0	0%
Totals	21	100%



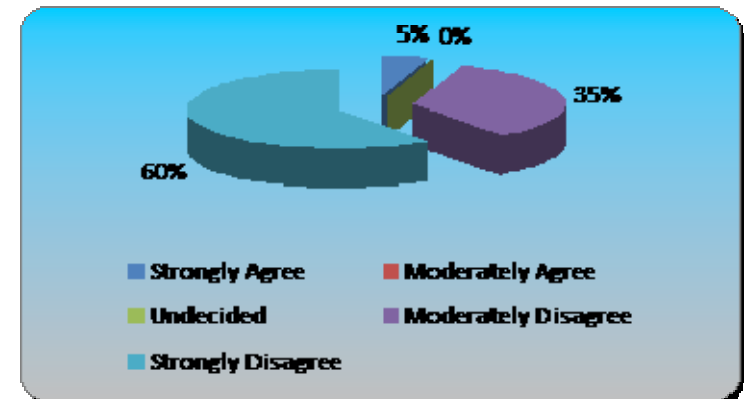
11.) Get out of the way and let the market determine housing solutions. (multiple choice)

	Responses	
Strongly Agree	0	0%
Moderately Agree	0	0%
Undecided	0	0%
Moderately Disagree	6	28.57%
Strongly Disagree	15	71.43%
Totals	21	100%



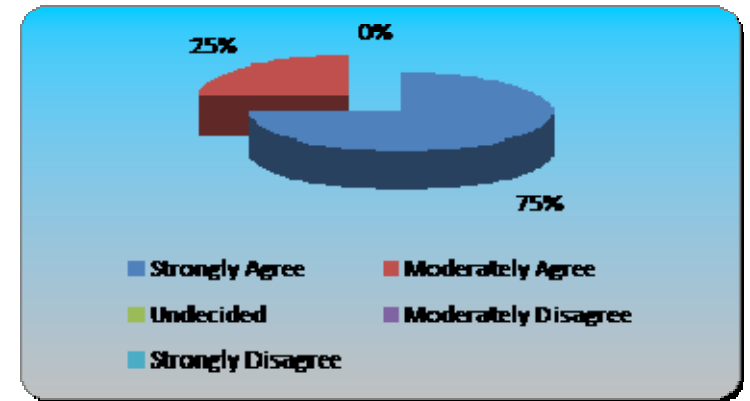
12.) I'm all for new solutions as long as you don't ask ME to pay for them. (multiple choice)

	Responses	
Strongly Agree	1	5%
Moderately Agree	0	0%
Undecided	0	0%
Moderately Disagree	7	35%
Strongly Disagree	12	60%
Totals	20	100%



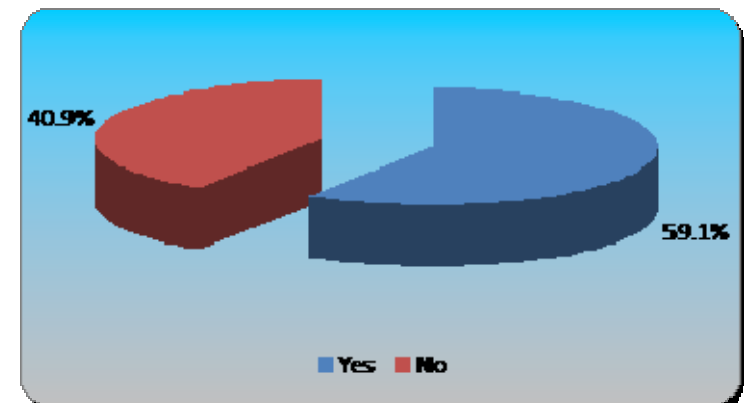
13.) I'm willing to help with housing solutions through a personal contribution (hammers and nails, donations, other). (multiple choice)

	Responses	
Strongly Agree	15	75%
Moderately Agree	5	25%
Undecided	0	0%
Moderately Disagree	0	0%
Strongly Disagree	0	0%
Totals	20	100%



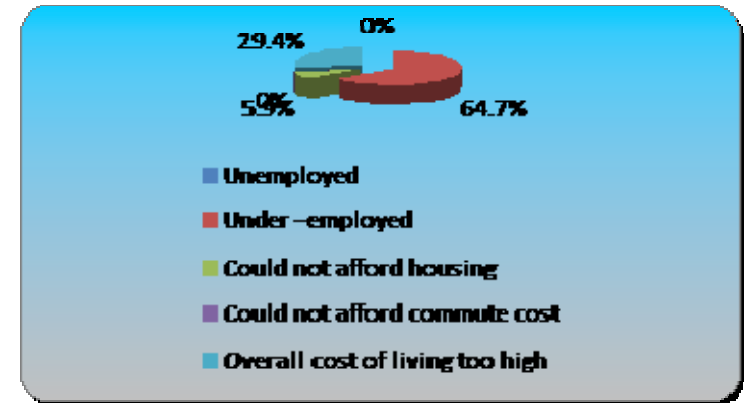
14.) Have any of your friends, co-workers, fellow volunteers, etc. had to leave the islands because they couldn't afford housing? (multiple choice)

	Responses	
Yes	13	59.09%
No	9	40.91%
Totals	22	100%



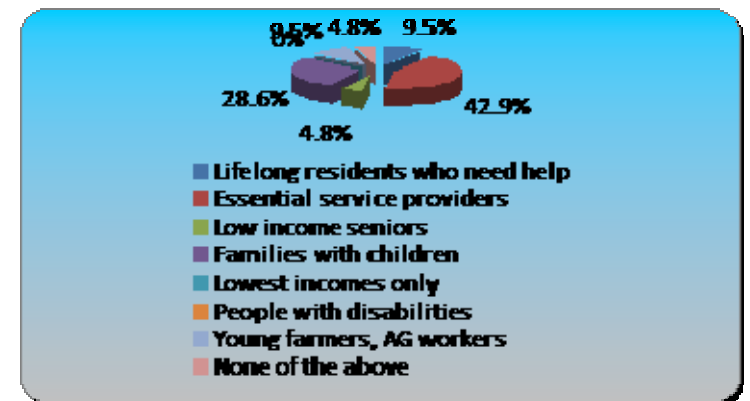
15.) If someone you know has left the islands due to finances, what was the PRIMARY reason they couldn't afford to stay? (multiple choice)

	Responses	
Unemployed	0	0%
Under –employed	11	64.71%
Could not afford housing	1	5.88%
Could not afford commute cost	0	0%
Overall cost of living too high	5	29.41%
Totals	17	100%



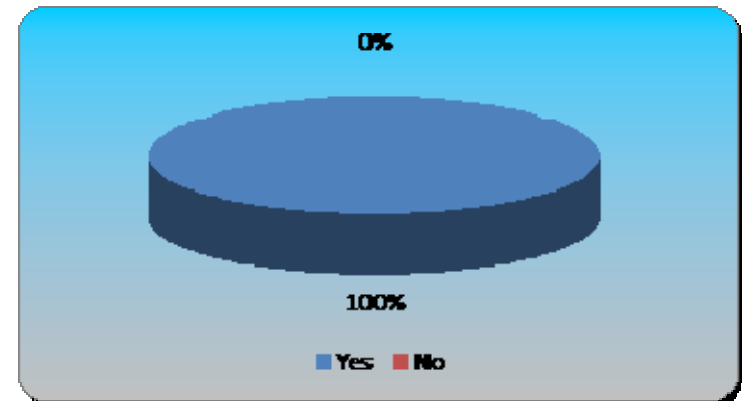
16.) If you could only help one group of people get access to more affordable housing, whom would you help? (multiple choice)

	Responses	
Lifelong residents who need help	2	9.52%
Essential service providers	9	42.86%
Low income seniors	1	4.76%
Families with children	6	28.57%
Lowest incomes only	0	0%
People with disabilities	0	0%
Young farmers, AG workers	2	9.52%
None of the above	1	4.76%
Totals	21	100%



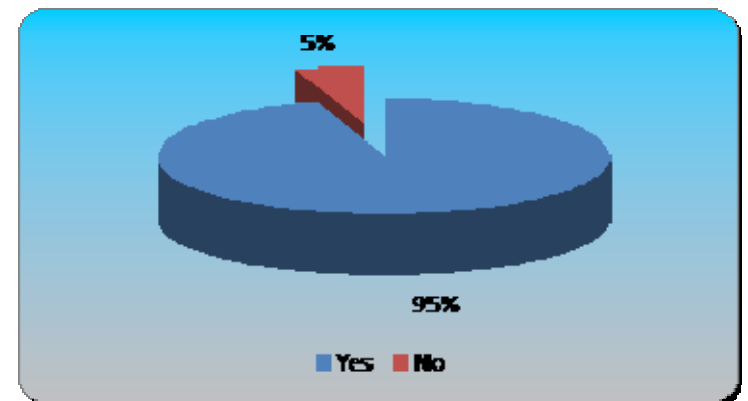
17.) Do you think a shortage of affordable housing does or will someday have a negative impact on our community?
(multiple choice)

	Responses	
Yes	22	100%
No	0	0%
Totals	22	100%



18.) Do you think a shortage of affordable housing does or will someday have a negative impact on YOU or your household? (multiple choice)

	Responses	
Yes	19	95%
No	1	5%
Totals	20	100%



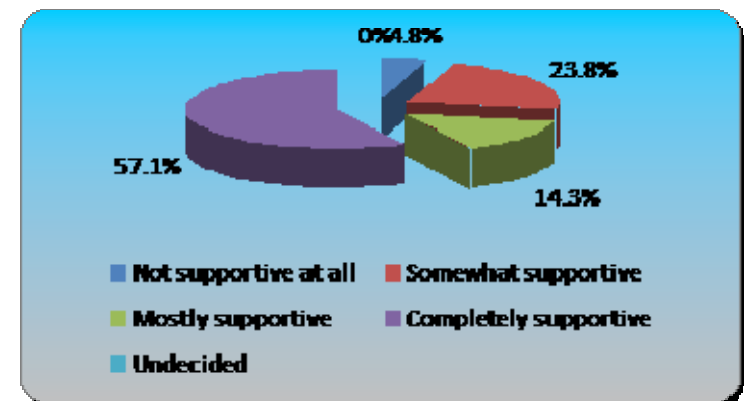
**19.) Future affordable housing construction should be directed to....
(multiple choice)**

	Responses	
Town centers as infill	5	23.81%
Rural areas as cluster development	0	0%
Areas next to current villages & towns	8	38.10%
Locations that make sense at the time	7	33.33%
I don't know	1	4.76%
Totals	21	100%



20.) Local philanthropy (multiple choice)

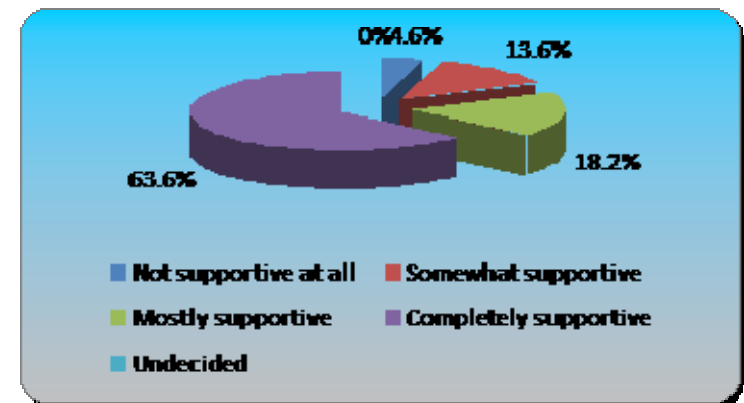
	Responses	
Not supportive at all	1	4.76%
Somewhat supportive	5	23.81%
Mostly supportive	3	14.29%
Completely supportive	12	57.14%
Undecided	0	0%
Totals	21	100%



21.) Policy and Land Use (multiple choice)

Responses

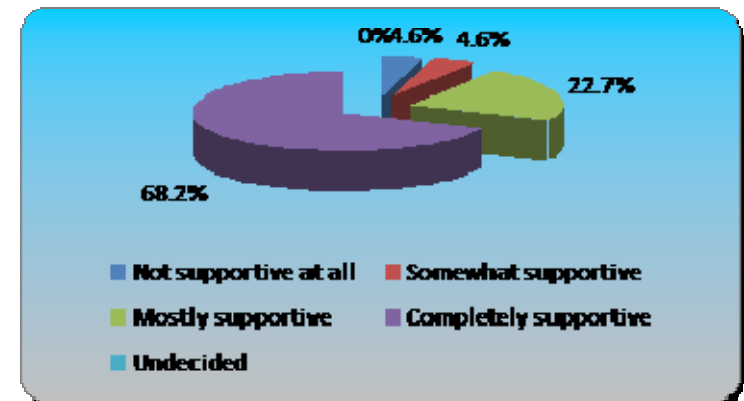
Not supportive at all	1	4.55%
Somewhat supportive	3	13.64%
Mostly supportive	4	18.18%
Completely supportive	14	63.64%
Undecided	0	0%
Totals	22	100%



22.) Local Taxes (multiple choice)

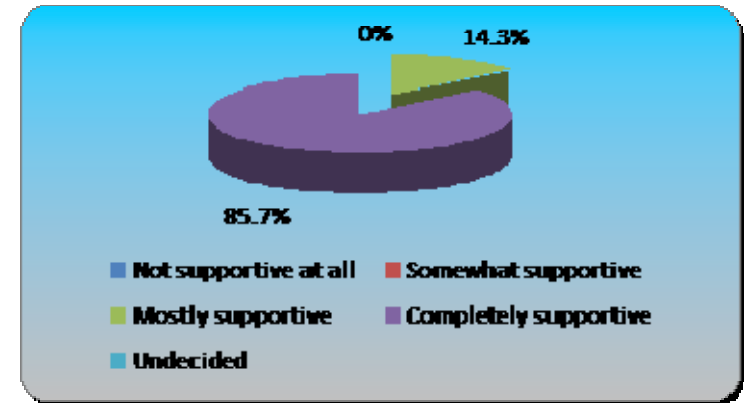
Responses

Not supportive at all	1	4.55%
Somewhat supportive	1	4.55%
Mostly supportive	5	22.73%
Completely supportive	15	68.18%
Undecided	0	0%
Totals	22	100%



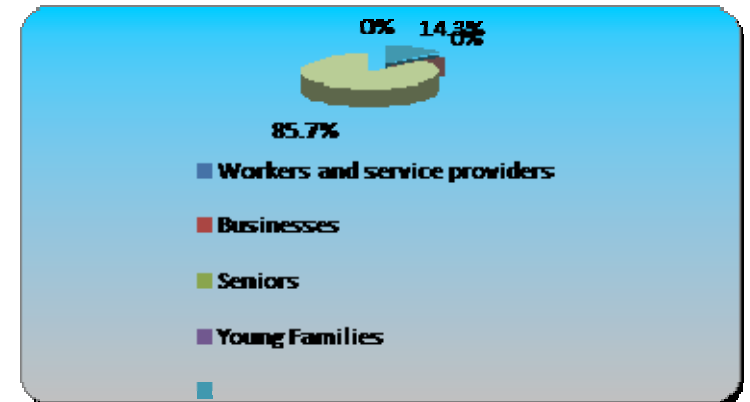
23.) Using State and Federal Grants and Loans (multiple choice)

	Responses	
Not supportive at all	0	0%
Somewhat supportive	0	0%
Mostly supportive	3	14.29%
Completely supportive	18	85.71%
Undecided	0	0%
Totals	21	100%



24.) Who is impacted when islanders can't find housing they can afford? (multiple choice)

	Responses	
Workers and service providers	0	0%
Businesses	0	0%
Seniors	0	0%
Young Families	0	0%
Any resident who relies on local services	3	14.29%
Health Care Providers	0	0%
Volunteer Organizations	0	0%
Tax Payers	0	0%
All of the Above	18	85.71%
Totals	21	100%

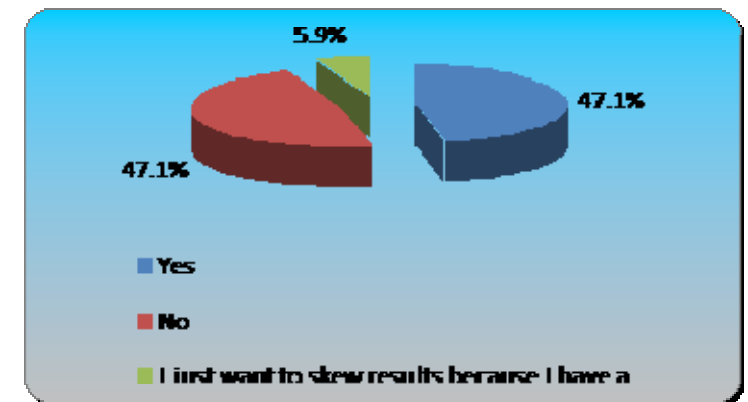


Graphical Results by Question

Session Name: Orcas Island Town Hall Meeting E-Polling Results
Created: 5/25/2011 6:51 PM

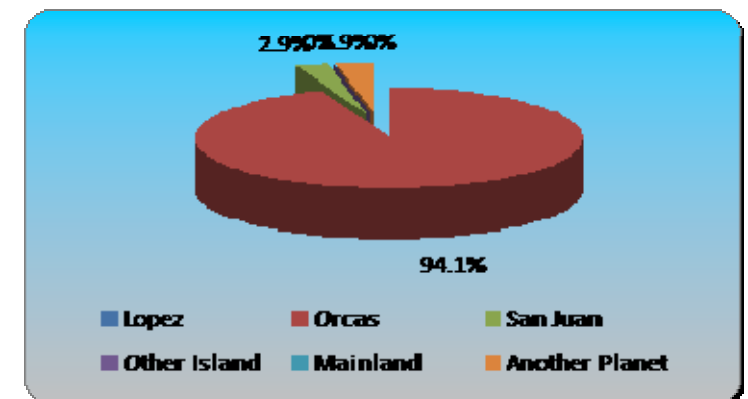
1.) Is this your first time participating in electronic polling exercise? (multiple choice)

	Responses	
Yes	16	47.06%
No	16	47.06%
I just want to skew results because I have a ...	2	5.88%
Totals	34	100%



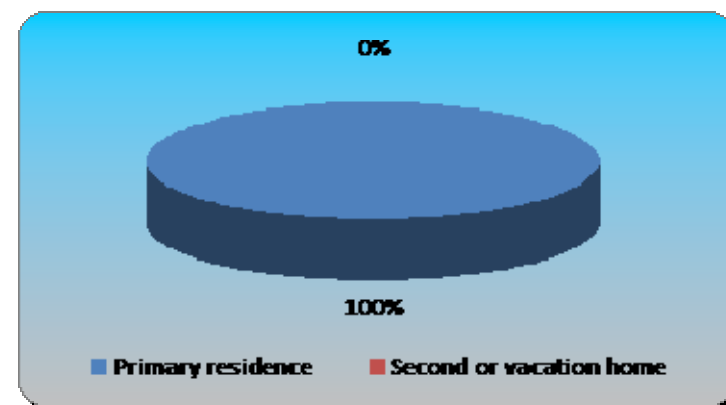
2.) Where do You Live? (multiple choice)

	Responses	
Lopez	0	0%
Orcas	32	94.12%
San Juan	1	2.94%
Other Island	0	0%
Mainland	0	0%
Another Planet	1	2.94%
Totals	34	100%



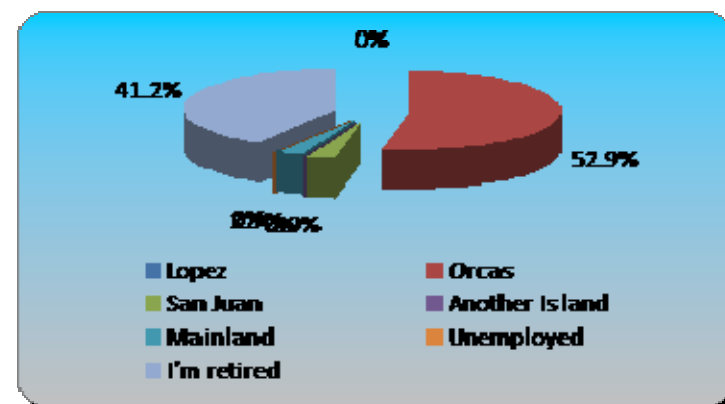
3.) Is your Island Home...? (multiple choice)

	Responses	
Primary residence	34	100%
Second or vacation home	0	0%
Totals	34	100%



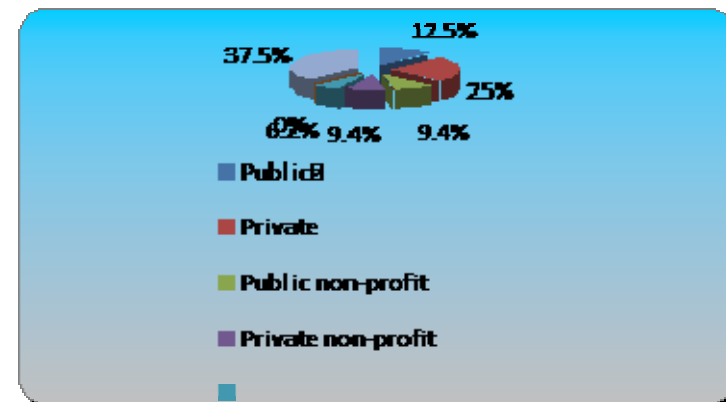
4.) Where do you work (mostly)? (multiple choice)

	Responses	
Lopez	0	0%
Orcas	18	52.94%
San Juan	1	2.94%
Another Island	0	0%
Mainland	1	2.94%
Unemployed	0	0%
I'm retired	14	41.18%
Totals	34	100%



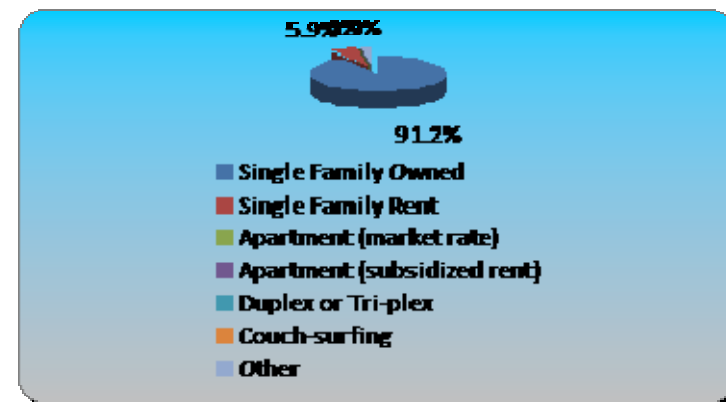
5.) In which sector are you (mostly) employed? (multiple choice)

	Responses	
Public	4	12.50%
Private	8	25%
Public non-profit	3	9.38%
Private non-profit	3	9.38%
A little of this, a little of that...	2	6.25%
Unemployed at the moment	0	0%
I'm retired	12	37.50%
Totals	32	100%



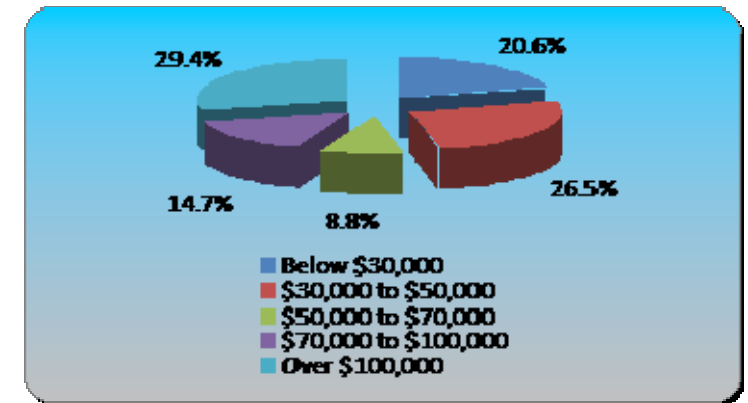
6.) What best describes your current housing situation? (multiple choice)

	Responses	
Single Family Owned	31	91.18%
Single Family Rent	2	5.88%
Apartment (market rate)	0	0%
Apartment (subsidized rent)	0	0%
Duplex or Tri-plex	0	0%
Couch-surfing	0	0%
Other	1	2.94%
Totals	34	100%



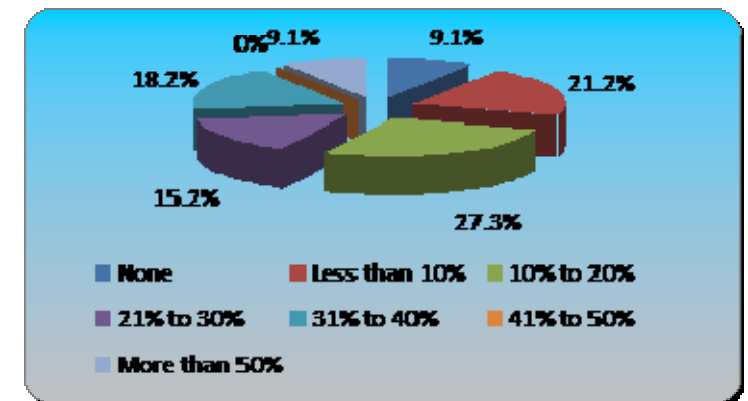
7.) What is your current "household" income? (multiple choice)

	Responses	
Below \$30,000	7	20.59%
\$30,000 to \$50,000	9	26.47%
\$50,000 to \$70,000	3	8.82%
\$70,000 to \$100,000	5	14.71%
Over \$100,000	10	29.41%
Totals	34	100%



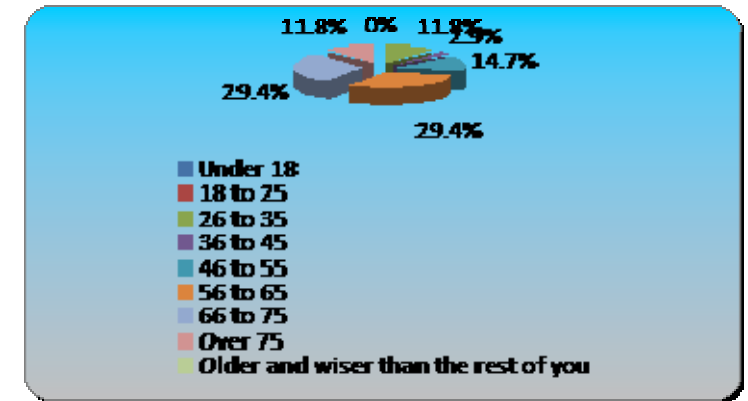
8.) What % of your income pays for housing (include pensions,etc.)? (multiple choice)

	Responses	
None	3	9.09%
Less than 10%	7	21.21%
10% to 20%	9	27.27%
21% to 30%	5	15.15%
31% to 40%	6	18.18%
41% to 50%	0	0%
More than 50%	3	9.09%
Totals	33	100%



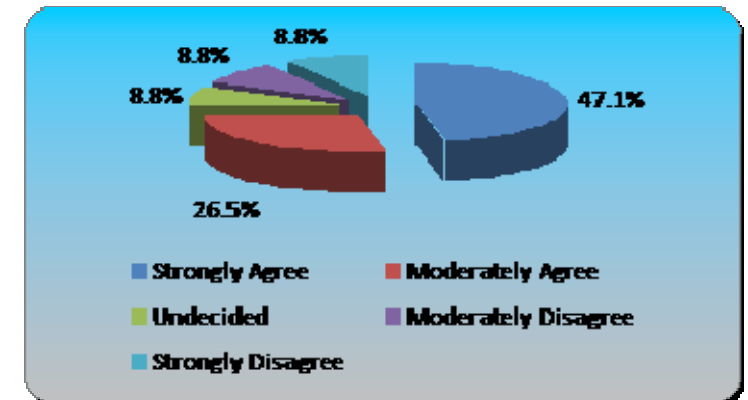
9.) How young are you? (multiple choice)

	Responses	
Under 18	0	0%
18 to 25	0	0%
26 to 35	4	11.76%
36 to 45	1	2.94%
46 to 55	5	14.71%
56 to 65	10	29.41%
66 to 75	10	29.41%
Over 75	4	11.76%
Older and wiser than the rest of you	0	0%
Totals	34	100%



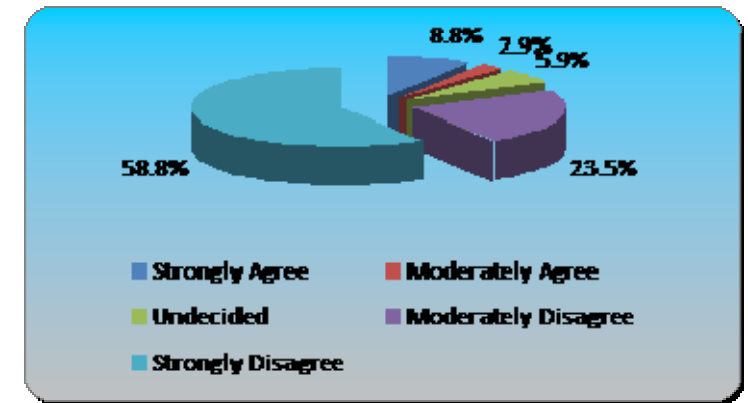
10.) We have a responsibility to ensure all year-round Islanders have access to decent housing. (multiple choice)

	Responses	
Strongly Agree	16	47.06%
Moderately Agree	9	26.47%
Undecided	3	8.82%
Moderately Disagree	3	8.82%
Strongly Disagree	3	8.82%
Totals	34	100%



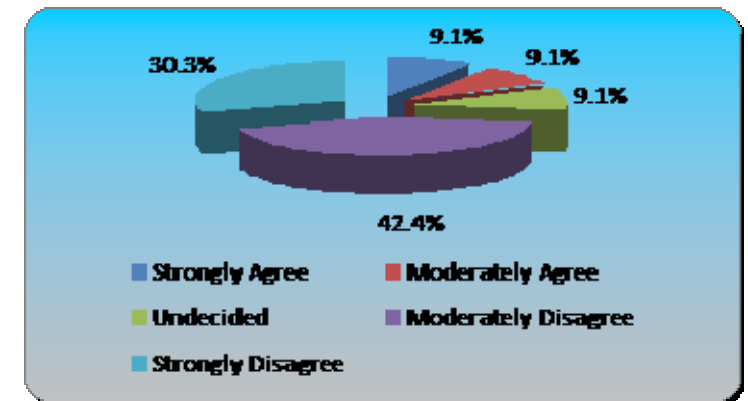
**11.) Get out of the way and let the market determine housing solutions.
(multiple choice)**

	Responses	
Strongly Agree	3	8.82%
Moderately Agree	1	2.94%
Undecided	2	5.88%
Moderately Disagree	8	23.53%
Strongly Disagree	20	58.82%
Totals	34	100%



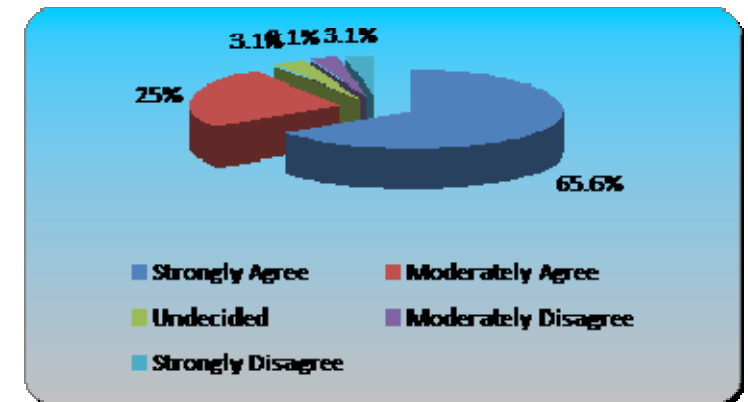
**12.) I'm all for new solutions as long as you don't ask ME to pay for them.
(multiple choice)**

	Responses	
Strongly Agree	3	9.09%
Moderately Agree	3	9.09%
Undecided	3	9.09%
Moderately Disagree	14	42.42%
Strongly Disagree	10	30.30%
Totals	33	100%



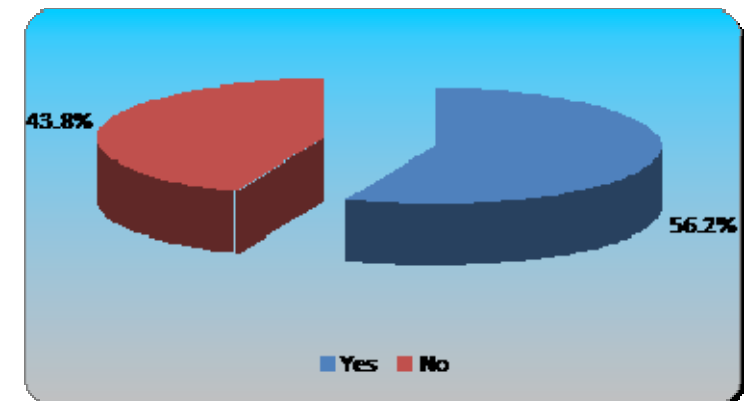
13.) I'm willing to help with housing solutions through a personal contribution (hammers and nails, donations, other). (multiple choice)

	Responses	
Strongly Agree	21	65.62%
Moderately Agree	8	25%
Undecided	1	3.12%
Moderately Disagree	1	3.12%
Strongly Disagree	1	3.12%
Totals	32	100%



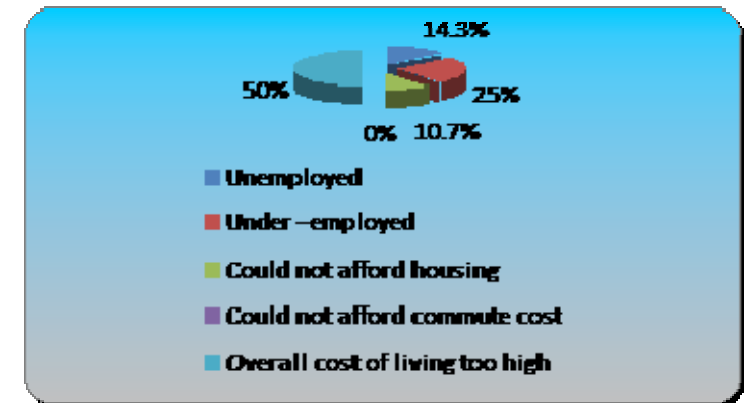
14.) Have any of your friends, co-workers, fellow volunteers, etc. had to leave the islands because they couldn't afford housing? (multiple choice)

	Responses	
Yes	18	56.25%
No	14	43.75%
Totals	32	100%



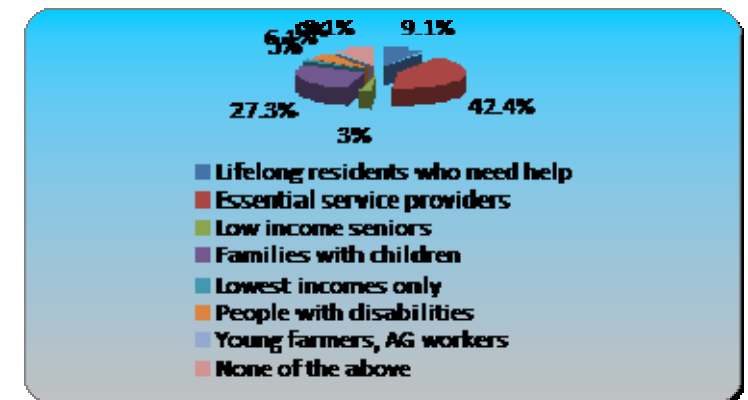
15.) If someone you know has left the islands due to finances, what was the PRIMARY reason they couldn't afford to stay? (multiple choice)

	Responses	
Unemployed	4	14.29%
Under –employed	7	25%
Could not afford housing	3	10.71%
Could not afford commute cost	0	0%
Overall cost of living too high	14	50%
Totals	28	100%



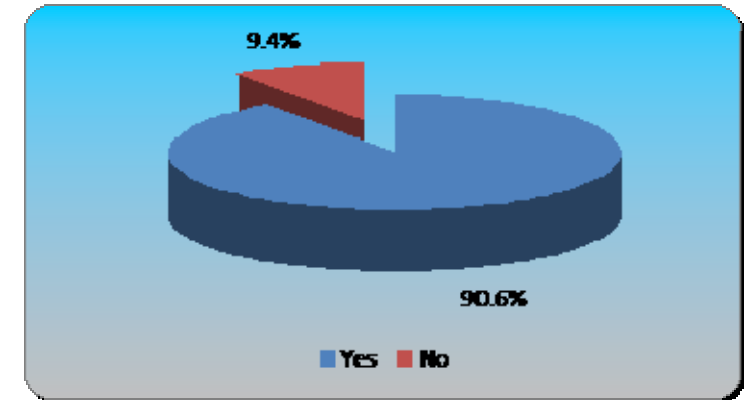
16.) If you could only help one group of people get access to more affordable housing, whom would you help? (multiple choice)

	Responses	
Lifelong residents who need help	3	9.09%
Essential service providers	14	42.42%
Low income seniors	1	3.03%
Families with children	9	27.27%
Lowest incomes only	1	3.03%
People with disabilities	2	6.06%
Young farmers, AG workers	0	0%
None of the above	3	9.09%
Totals	33	100%



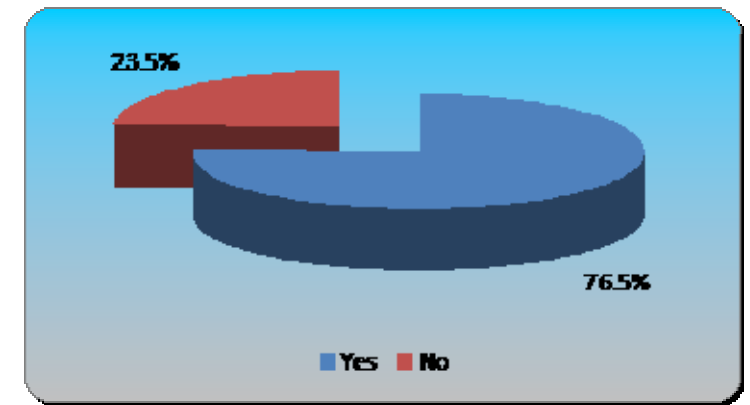
17.) Do you think a shortage of affordable housing does or will someday have a negative impact on our community? (multiple choice)

	Responses	
Yes	29	90.62%
No	3	9.38%
Totals	32	100%



18.) Do you think a shortage of affordable housing does or will someday have a negative impact on YOU or your household? (multiple choice)

	Responses	
Yes	26	76.47%
No	8	23.53%
Totals	34	100%



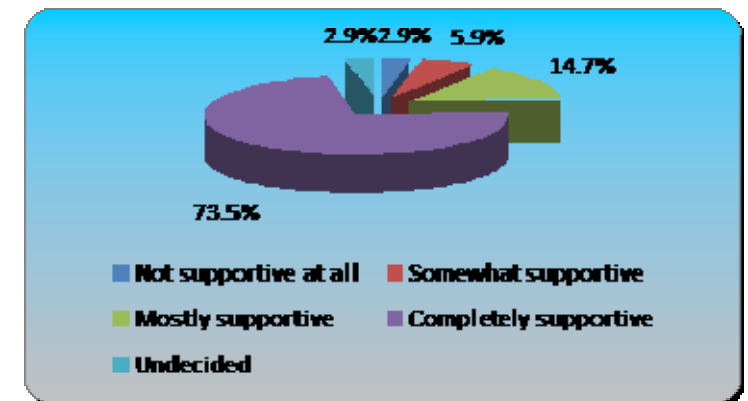
19.) Future affordable housing construction should be directed to.... (multiple choice)

	Responses	
Town centers as infill	2	6.25%
Rural areas as cluster development	1	3.12%
Areas next to current villages & towns	14	43.75%
Locations that make sense at the time	13	40.62%
I don't know	2	6.25%
Totals	32	100%



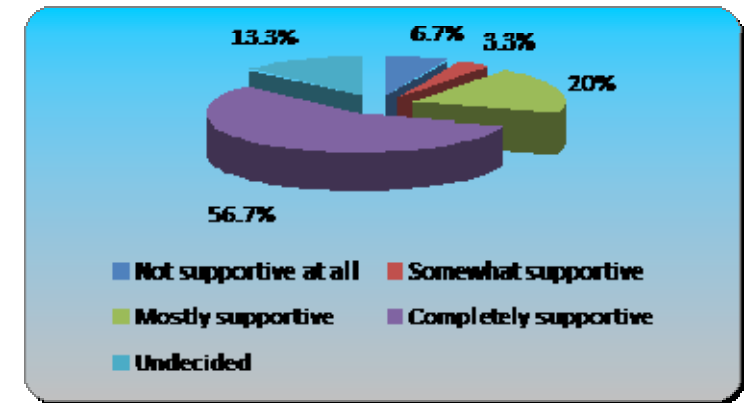
20.) Local philanthropy (multiple choice)

	Responses	
Not supportive at all	1	2.94%
Somewhat supportive	2	5.88%
Mostly supportive	5	14.71%
Completely supportive	25	73.53%
Undecided	1	2.94%
Totals	34	100%



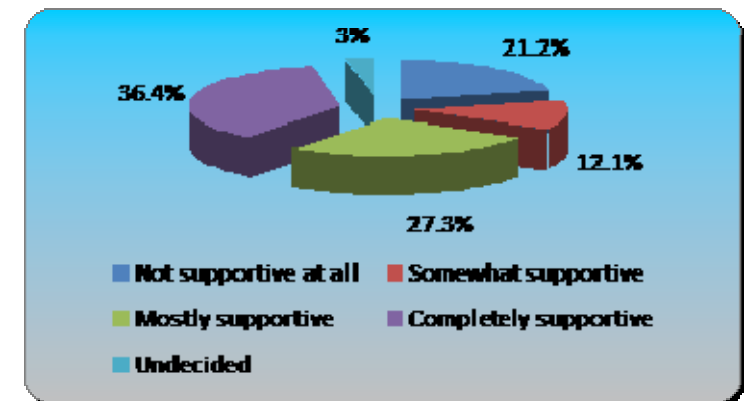
21.) Policy and Land Use (multiple choice)

	Responses	
Not supportive at all	2	6.67%
Somewhat supportive	1	3.33%
Mostly supportive	6	20%
Completely supportive	17	56.67%
Undecided	4	13.33%
Totals	30	100%



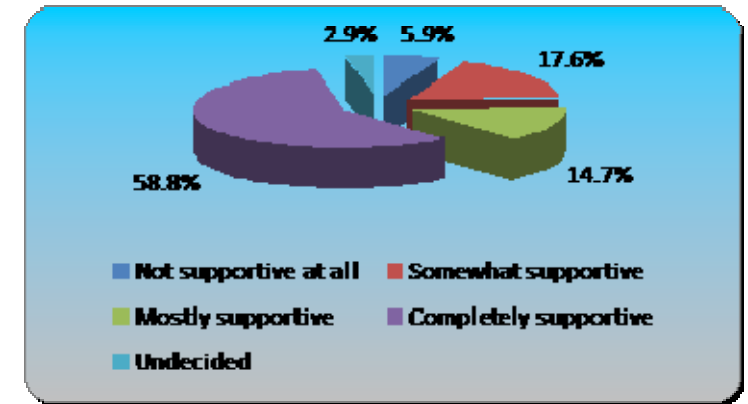
22.) Local Taxes (multiple choice)

	Responses	
Not supportive at all	7	21.21%
Somewhat supportive	4	12.12%
Mostly supportive	9	27.27%
Completely supportive	12	36.36%
Undecided	1	3.03%
Totals	33	100%



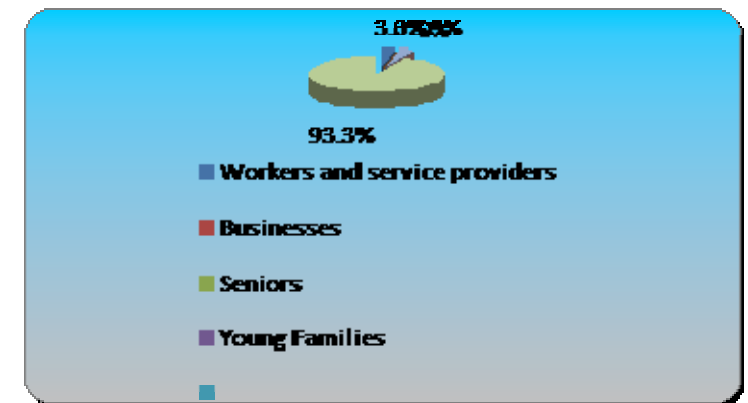
23.) Using State and Federal Grants and Loans (multiple choice)

	Responses	
Not supportive at all	2	5.88%
Somewhat supportive	6	17.65%
Mostly supportive	5	14.71%
Completely supportive	20	58.82%
Undecided	1	2.94%
Totals	34	100%



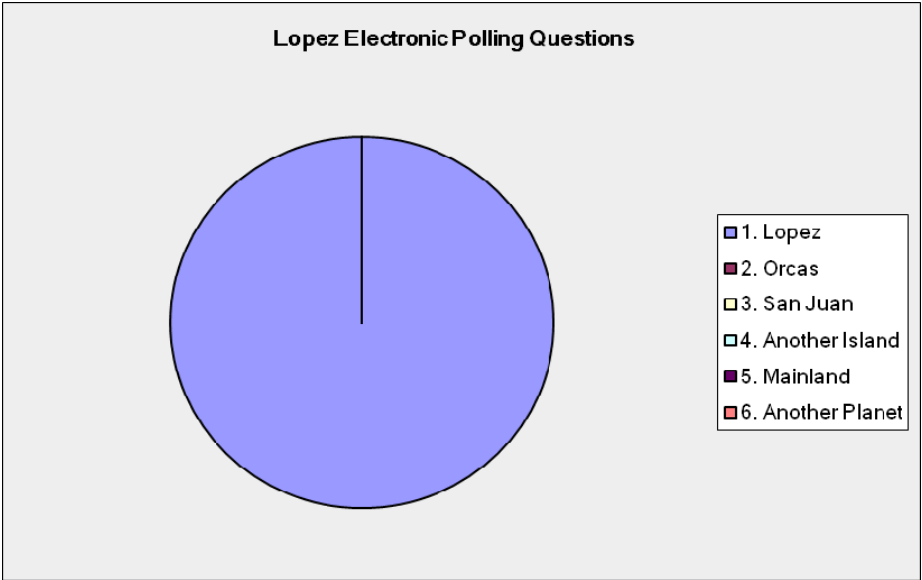
24.) Who is impacted when islanders can't find housing they can afford? (multiple choice)

	Responses	
Workers and service providers	1	3.33%
Businesses	0	0%
Seniors	0	0%
Young Families	0	0%
Any resident who relies on local services	0	0%
Health Care Providers	0	0%
Volunteer Organizations	1	3.33%
Tax Payers	0	0%
All of the Above	28	93.33%
Totals	30	100%

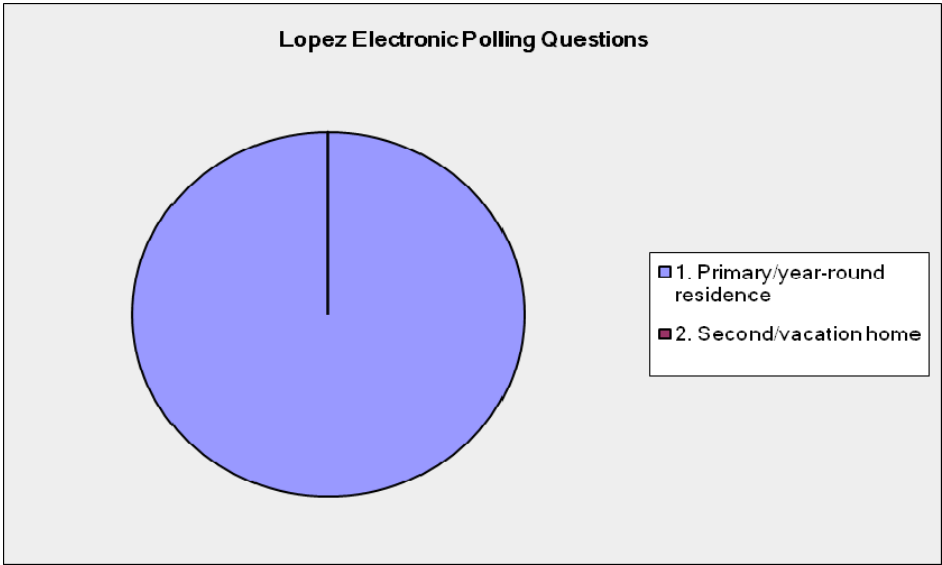


Graphical Results by Question -Lopez web survey

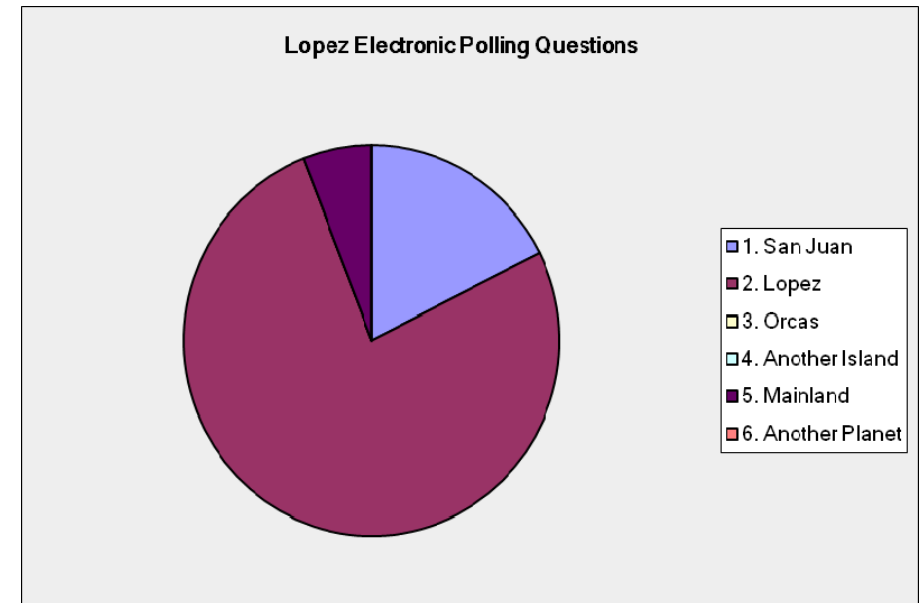
Where do you live?		
Answer Options	Response Percent	Response Count
1. Lopez	100.0%	19
2. Orcas	0.0%	0
3. San Juan	0.0%	0
4. Another Island	0.0%	0
5. Mainland	0.0%	0
6. Another Planet	0.0%	0
answered question		19
skipped question		0



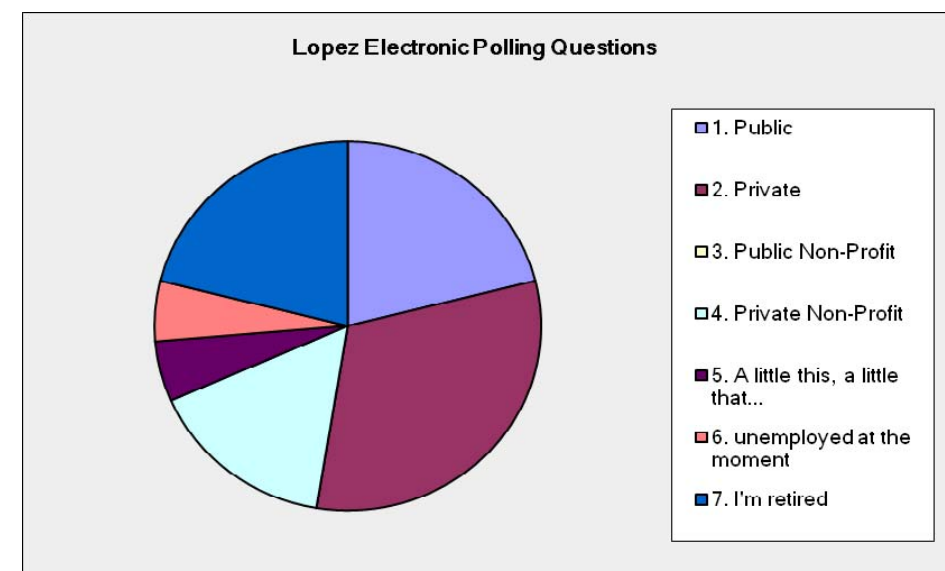
Is your island home...?		
Answer Options	Response Percent	Response Count
1. Primary/year-round residence	100.0%	19
2. Second/vacation home	0.0%	0
answered question		19
skipped question		0



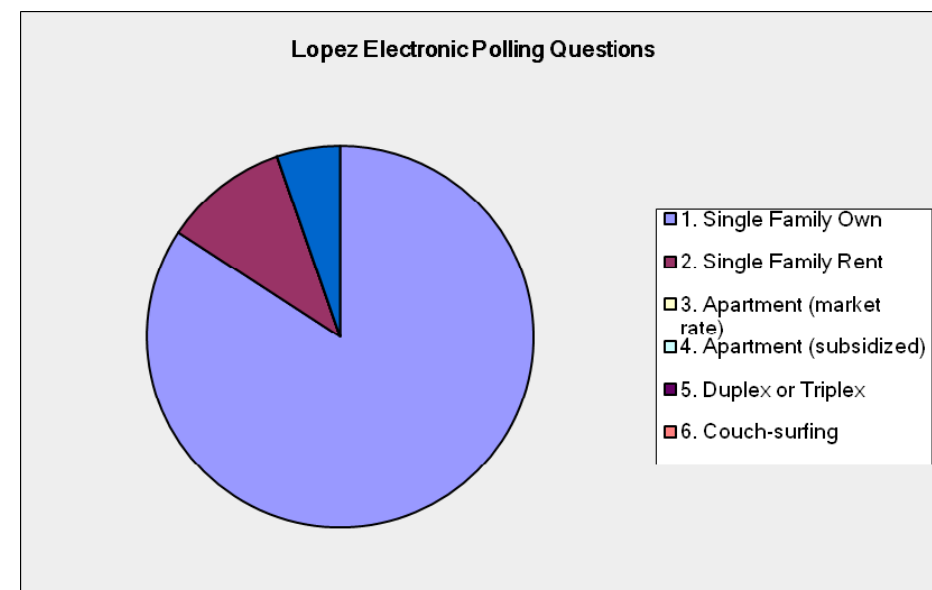
Where do you work (mostly)?		
Answer Options	Response Percent	Response Count
1. San Juan	17.6%	3
2. Lopez	76.5%	13
3. Orcas	0.0%	0
4. Another Island	0.0%	0
5. Mainland	5.9%	1
6. Another Planet	0.0%	0
<i>answered question</i>		17
<i>skipped question</i>		2



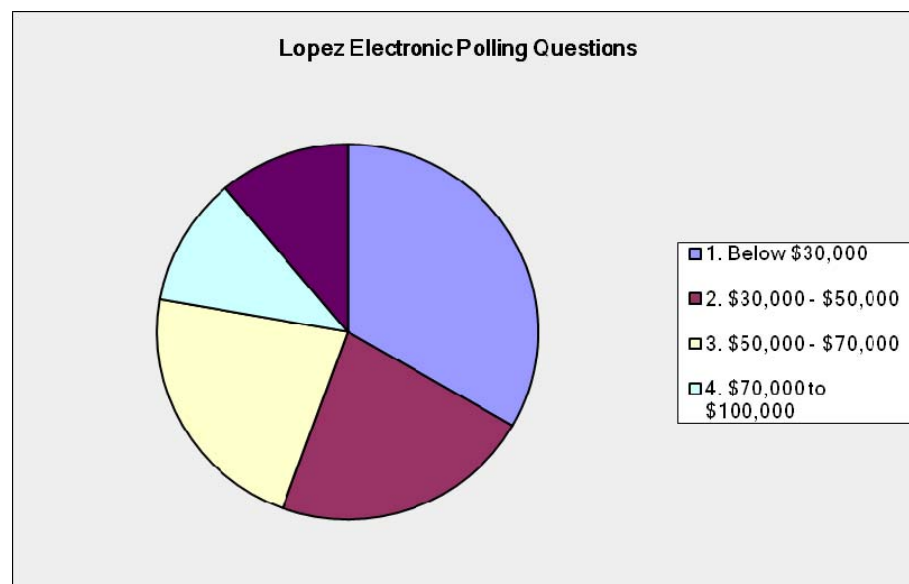
In what sector do you (primarily) receive your income?		
Answer Options	Response Percent	Response Count
1. Public	21.1%	4
2. Private	31.6%	6
3. Public Non-Profit	0.0%	0
4. Private Non-Profit	15.8%	3
5. A little this, a little that...	5.3%	1
6. unemployed at the moment	5.3%	1
7. I'm retired	21.1%	4
<i>answered question</i>		19
<i>skipped question</i>		0



What best describes your current housing situation?		
Answer Options	Response Percent	Response Count
1. Single Family Own	84.2%	16
2. Single Family Rent	10.5%	2
3. Apartment (market rate)	0.0%	0
4. Apartment (subsidized)	0.0%	0
5. Duplex or Triplex	0.0%	0
6. Couch-surfing	0.0%	0
7. Other	5.3%	1
answered question		19
skipped question		0

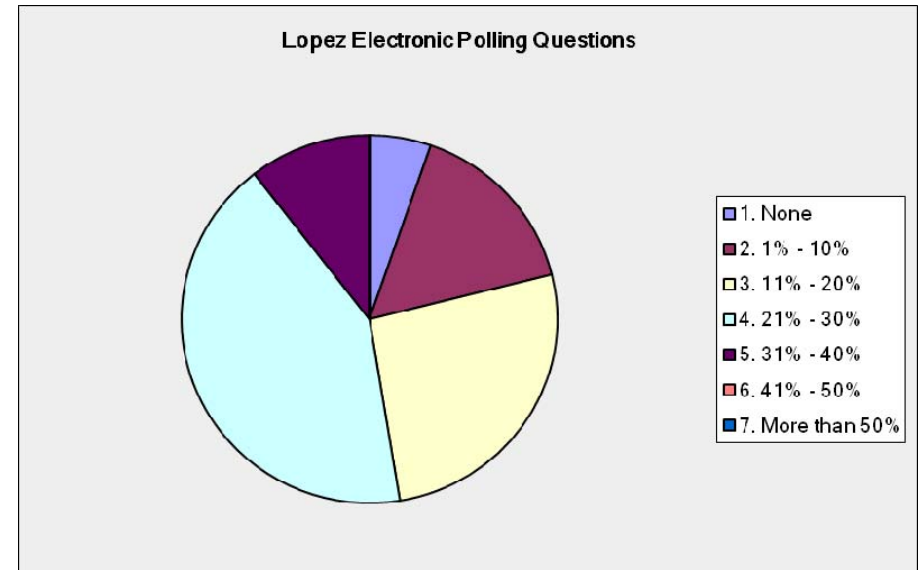


What is your current "household" income (including pensions, etc.)?		
Answer Options	Response Percent	Response Count
1. Below \$30,000	33.3%	6
2. \$30,000 - \$50,000	22.2%	4
3. \$50,000 - \$70,000	22.2%	4
4. \$70,000 to \$100,000	11.1%	2
5. Over \$100,000	11.1%	2
answered question		18
skipped question		1



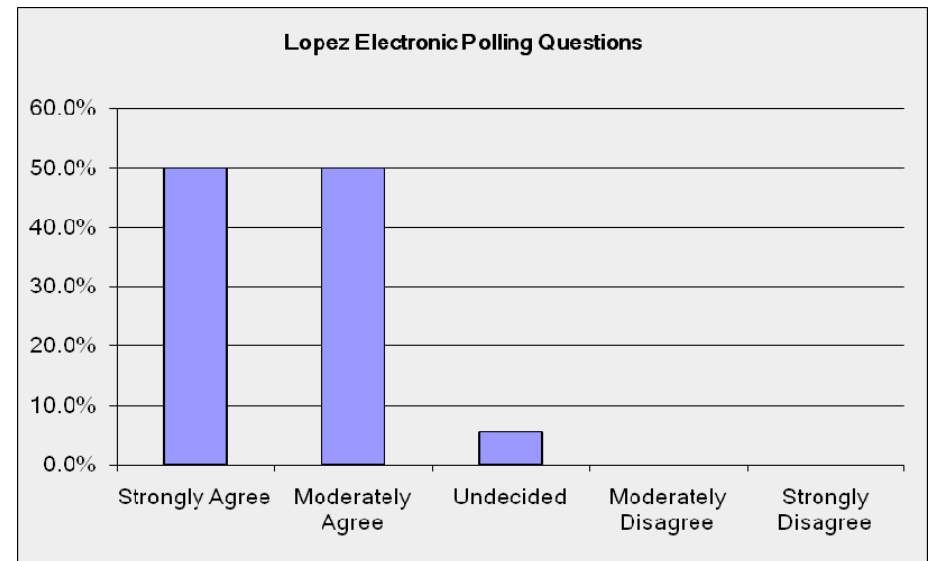
What percentage of your monthly income pays for housing? (your best estimate will do)

Answer Options	Response Percent	Response Count
1. None	5.3%	1
2. 1% - 10%	15.8%	3
3. 11% - 20%	26.3%	5
4. 21% - 30%	42.1%	8
5. 31% - 40%	10.5%	2
6. 41% - 50%	0.0%	0
7. More than 50%	0.0%	0
answered question		19
skipped question		0

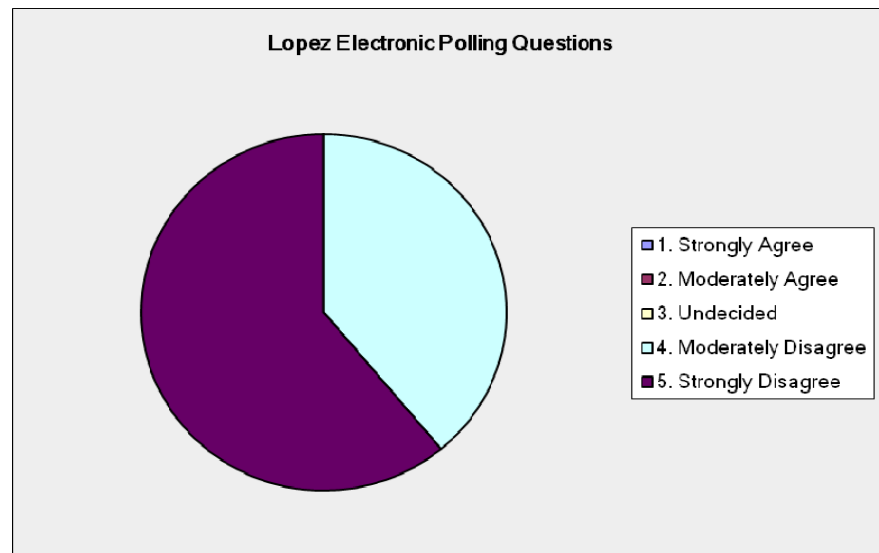


We have a responsibility to ensure all year-round islanders have access to decent housing..

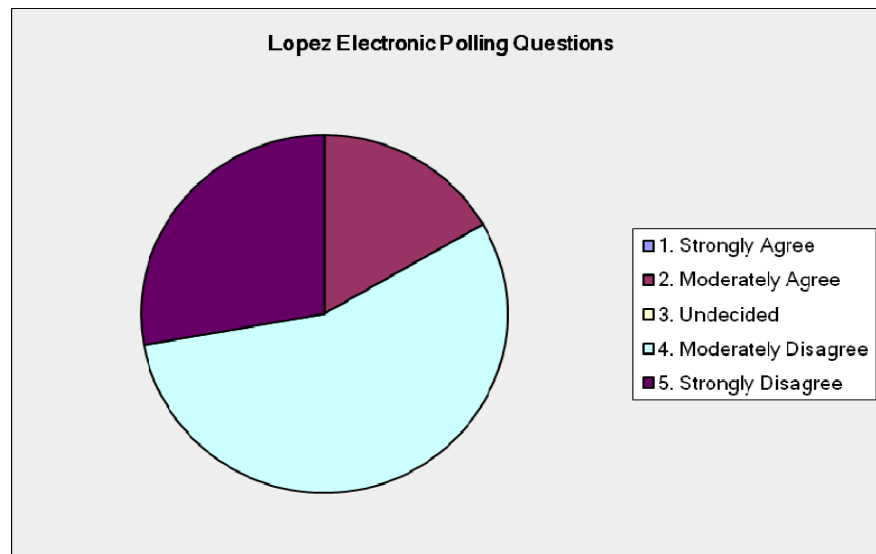
Answer Options	Response Percent	Response Count
Strongly Agree	50.0%	9
Moderately Agree	50.0%	9
Undecided	5.6%	1
Moderately Disagree	0.0%	0
Strongly Disagree	0.0%	0
answered question		18
skipped question		1



Get out of my way and let the market determine housing solutions...		
Answer Options	Response Percent	Response Count
1. Strongly Agree	0.0%	0
2. Moderately Agree	0.0%	0
3. Undecided	0.0%	0
4. Moderately Disagree	38.9%	7
5. Strongly Disagree	61.1%	11
<i>answered question</i>		18
<i>skipped question</i>		1



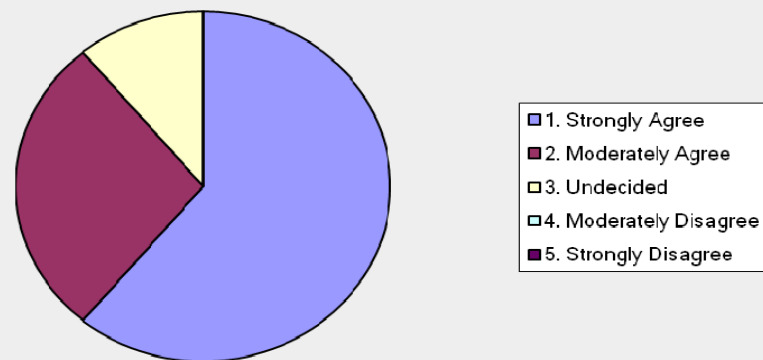
I am all for new solutions as long as you don't ask ME to pay for them...		
Answer Options	Response Percent	Response Count
1. Strongly Agree	0.0%	0
2. Moderately Agree	16.7%	3
3. Undecided	0.0%	0
4. Moderately Disagree	55.6%	10
5. Strongly Disagree	27.8%	5
<i>answered question</i>		18
<i>skipped question</i>		1



I am willing to help with housing solutions through a personal contribution (hammers & nails, donations, other).

Answer Options	Response Percent	Response Count
1. Strongly Agree	61.1%	11
2. Moderately Agree	27.8%	5
3. Undecided	11.1%	2
4. Moderately Disagree	0.0%	0
5. Strongly Disagree	0.0%	0
<i>answered question</i>		18
<i>skipped question</i>		1

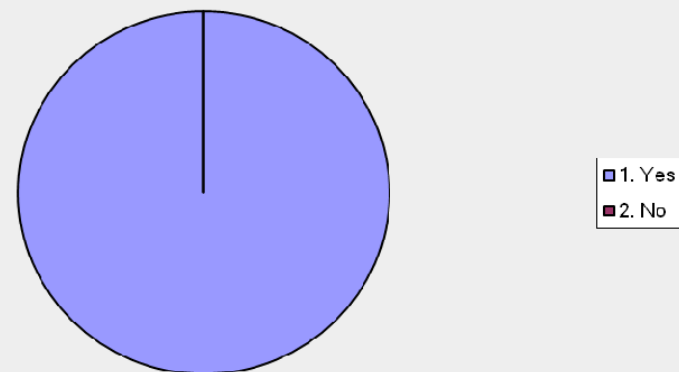
Lopez Electronic Polling Questions



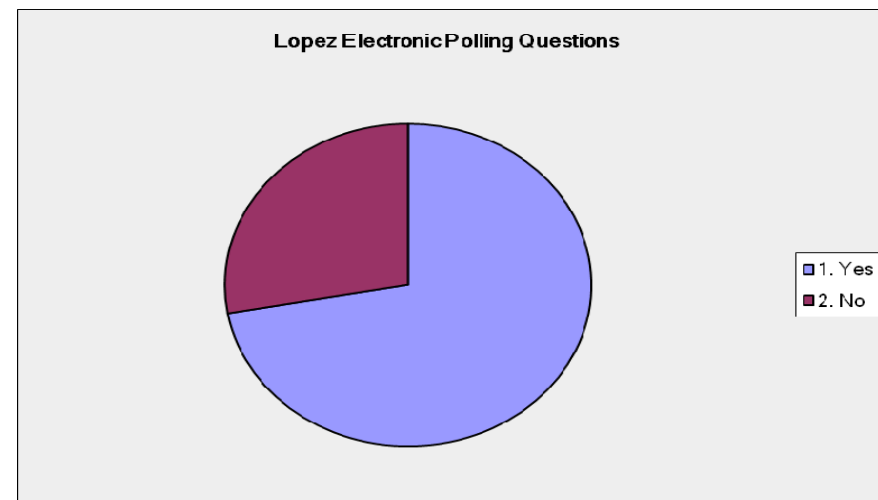
Do you think a shortage of affordable housing does or will someday have a negative impact on our community?

Answer Options	Response Percent	Response Count
1. Yes	100.0%	18
2. No	0.0%	0
<i>answered question</i>		18
<i>skipped question</i>		1

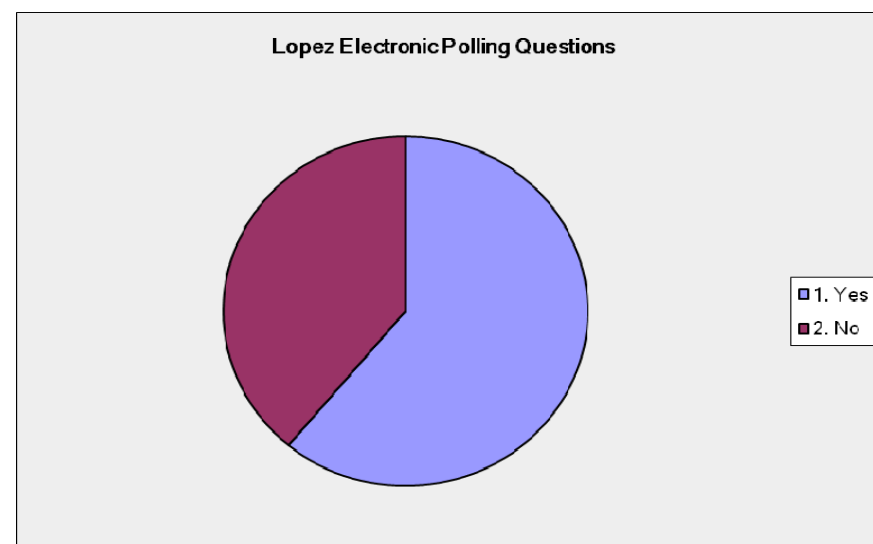
Lopez Electronic Polling Questions



Do you think a shortage of affordable housing does or will someday have a negative impact on YOU or your household?		
Answer Options	Response Percent	Response Count
1. Yes	72.2%	13
2. No	27.8%	5
<i>answered question</i>		18
<i>skipped question</i>		1



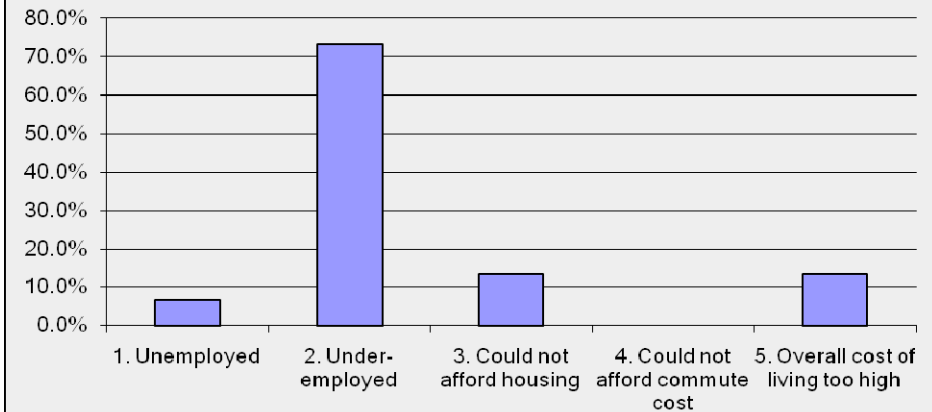
Have any of your friends, co-workers, fellow volunteers, etc. had to leave the islands because they couldn't afford housing?		
Answer Options	Response Percent	Response Count
1. Yes	61.1%	11
2. No	38.9%	7
<i>answered question</i>		18
<i>skipped question</i>		1



If someone you know has left the islands due to FINANCES, what was the PRIMARY reason they couldn't afford to stay?

Answer Options	Response Percent	Response Count
1. Unemployed	6.7%	1
2. Under-employed	73.3%	11
3. Could not afford housing	13.3%	2
4. Could not afford commute cost	0.0%	0
5. Overall cost of living too high	13.3%	2
answered question		15
skipped question		4

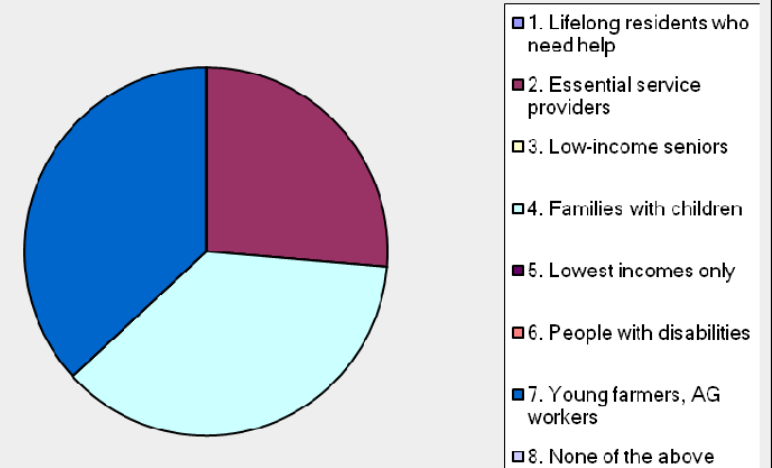
Lopez Electronic Polling Questions



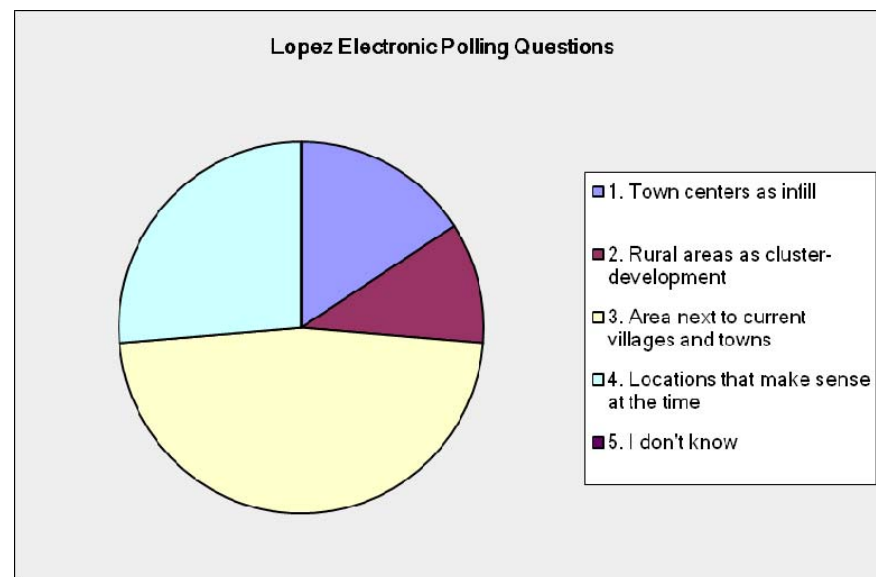
If you could help only one group of people get access to more affordable housing, whom would you help?

Answer Options	Response Percent	Response Count
1. Lifelong residents who need help	0.0%	0
2. Essential service providers	26.3%	5
3. Low-income seniors	0.0%	0
4. Families with children	36.8%	7
5. Lowest incomes only	0.0%	0
6. People with disabilities	0.0%	0
7. Young farmers, AG workers	36.8%	7
8. None of the above	0.0%	0
answered question		19

Lopez Electronic Polling Questions

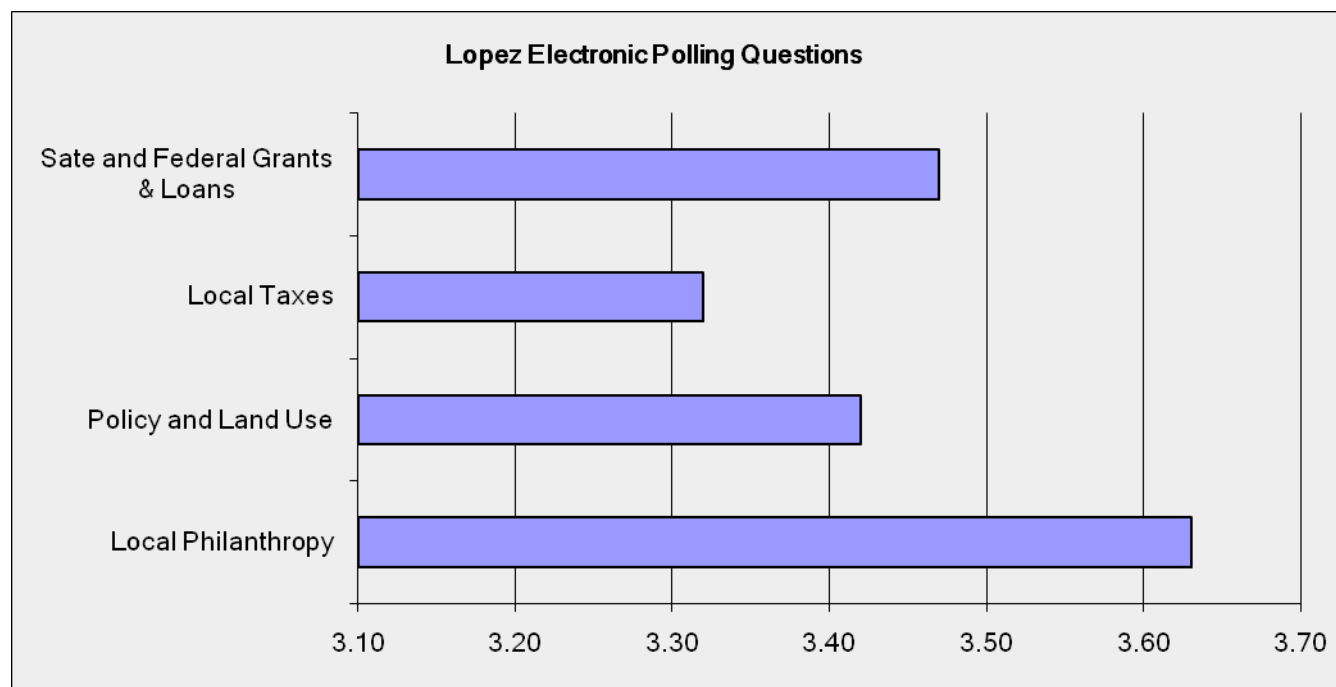


Future affordable housing construction should be directed to...		
Answer Options	Response Percent	Response Count
1. Town centers as infill	15.8%	3
2. Rural areas as cluster-development	10.5%	2
3. Area next to current villages and towns	47.4%	9
4. Locations that make sense at the time	26.3%	5
5. I don't know	0.0%	0
<i>answered question</i>		19
<i>skipped question</i>		0



As of today, how supportive are you of the following potential housing solutions?

Answer Options	Not Supportive at all	Somewhat Supportive	Mostly Supportive	Completely Supportive	Undecided	Rating Average	Response Count
Local Philanthropy	1	1	2	15	0	3.63	19
Policy and Land Use	1	2	4	12	0	3.42	19
Local Taxes	2	1	5	11	0	3.32	19
Sate and Federal Grants & Loans	1	2	3	13	0	3.47	19
<i>answered question</i>							19
<i>skipped question</i>							0



Who is impacted when islanders can't find housing they can afford?		
Answer Options	Response Percent	Response Count
1. Workers and service providers	0.0%	0
2. Businesses	0.0%	0
3. Seniors	0.0%	0
4. Young Families	0.0%	0
5. Any resident who relies on local services	0.0%	0
6. Health care providers	0.0%	0
7. Volunteer organizations	0.0%	0
8. Tax payers	0.0%	0
9. All of the above	100.0%	18
answered question		18
skipped question		1

