



Affordable Housing Inventory and Market Analysis

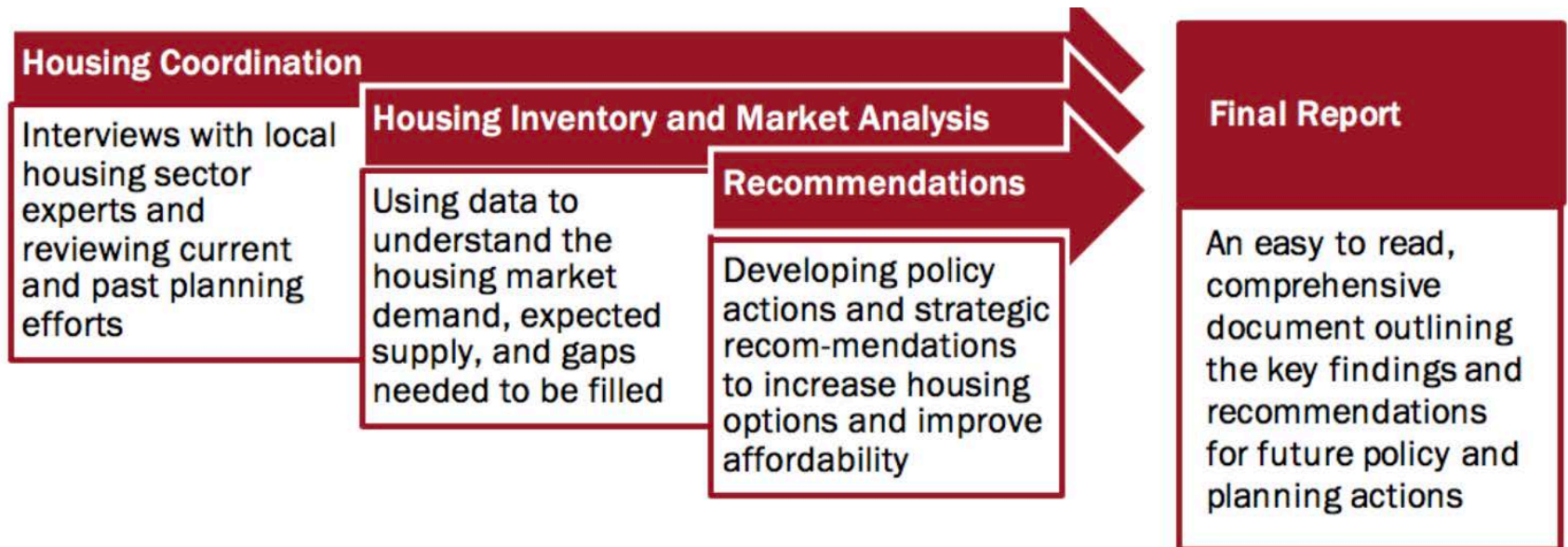
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November 17, 2020
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Affordable Housing Study Process

10-month process (spring '19 – winter '20)

1. Interviews and housing planning document review
2. Data analysis to determine housing needs
3. Recommendations and strategies
4. Final report and presentations



Jurisdictions Haven't Produced Enough Housing

Kitsap County will see 59,297 new people by 2036 (OFM)

- 3,490 new people / year
- Likely continue seeing growth in extremely low-income and higher-income households

Kitsap will need 25,150 new housing units

- 1,480 new units / year
- All units, types, and prices

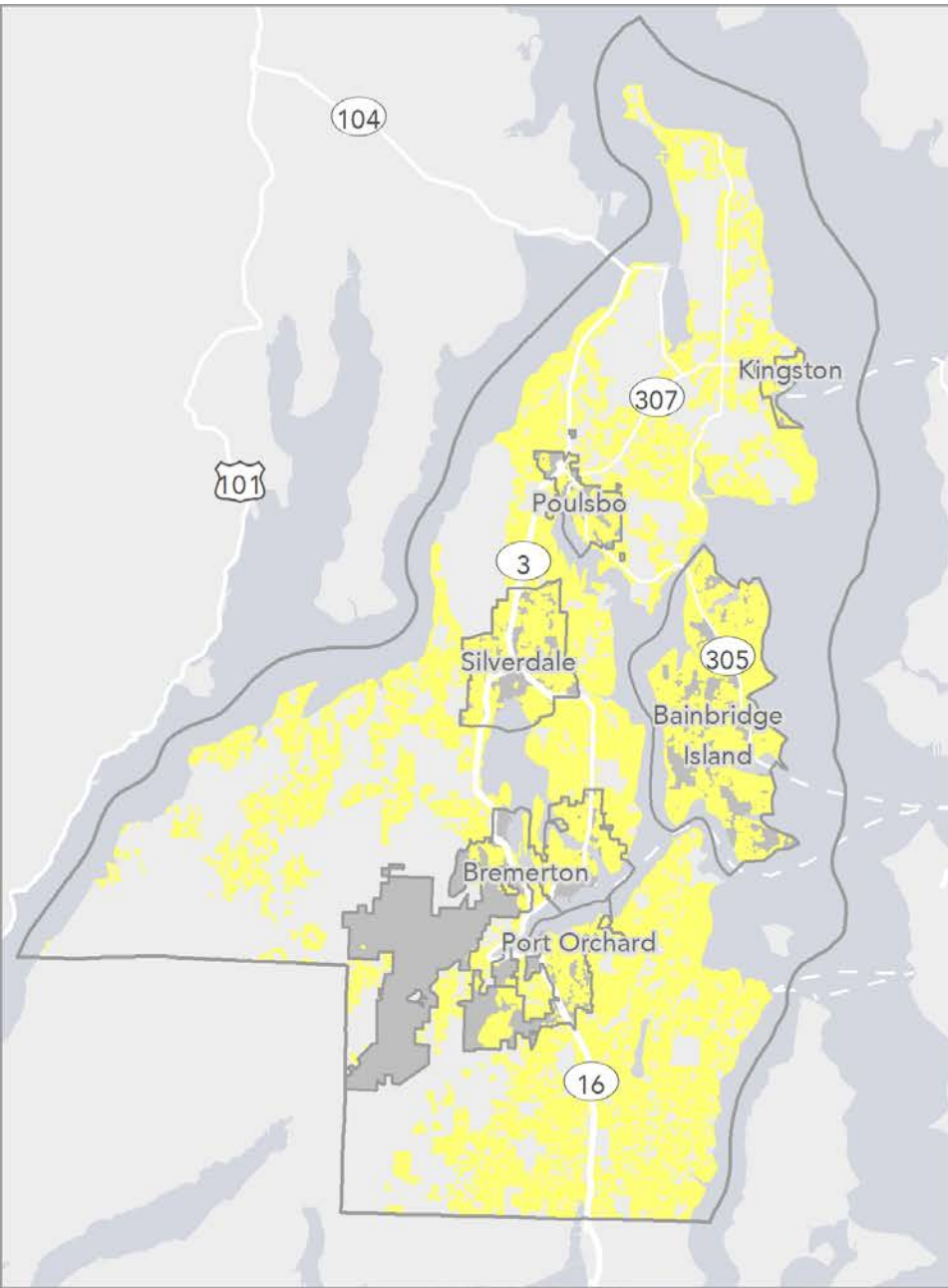
Jurisdictions Haven't Built Enough Housing ('10-'17)

Area	# Units Produced	% Change	Units per Year
Kitsap County	3,577	3%	511
Bainbridge Isl.	(224)	(2%)	(32)
Bremerton	1,268	7%	181
Port Orchard	830	18%	119
Poulsbo	197	5%	28
Kingston	(35)	(3%)	(5)
Silverdale	496	2%	71

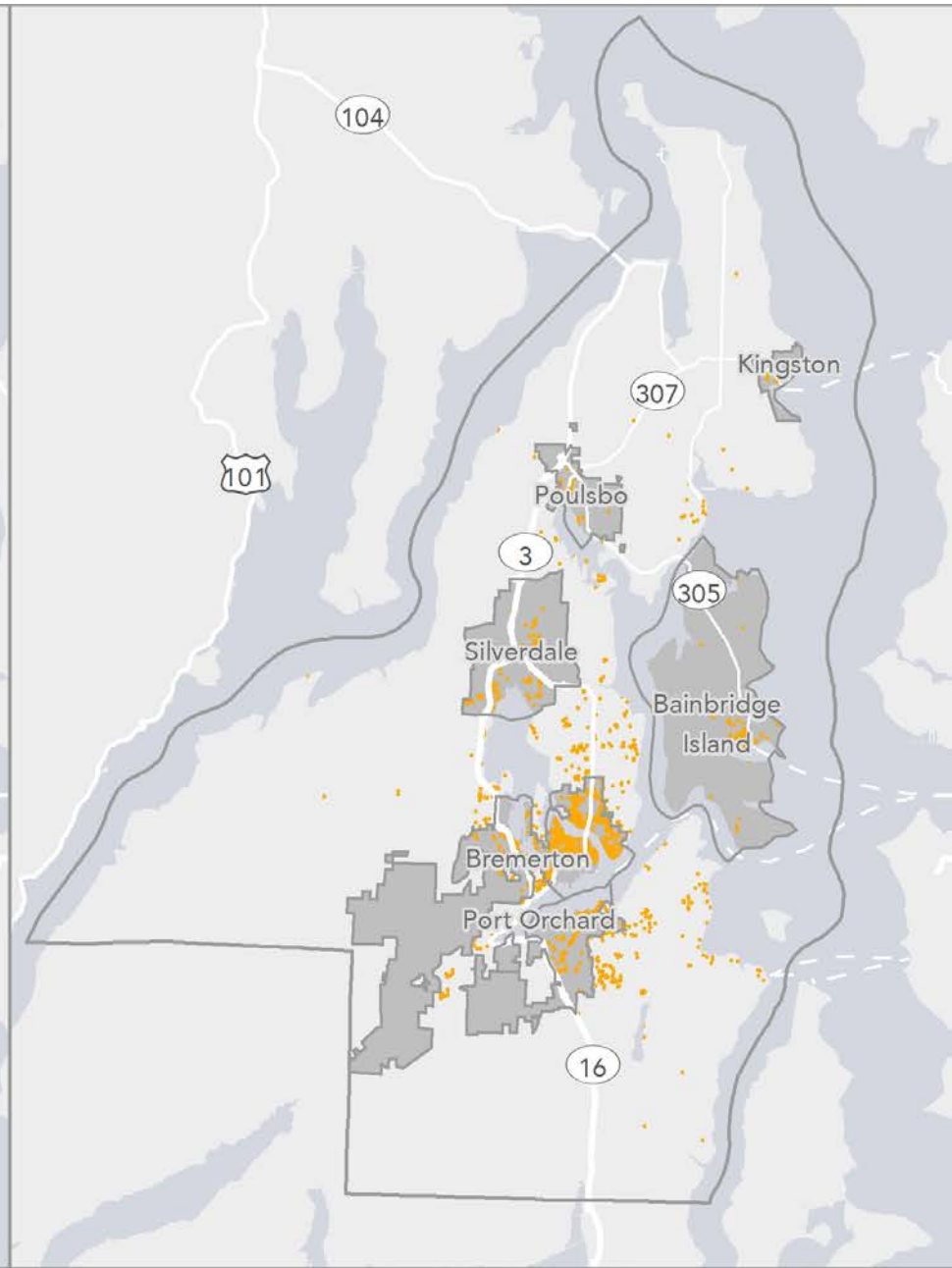
Source: 2010 Decennial Census, 2013-2017 ACS 5-Year Estimates

- Across Kitsap average of 511 housing production units/year from 2010-2017 (net of demolition)
- Across Kitsap, jurisdictions would need to **almost triple** this production to meet projected housing needs

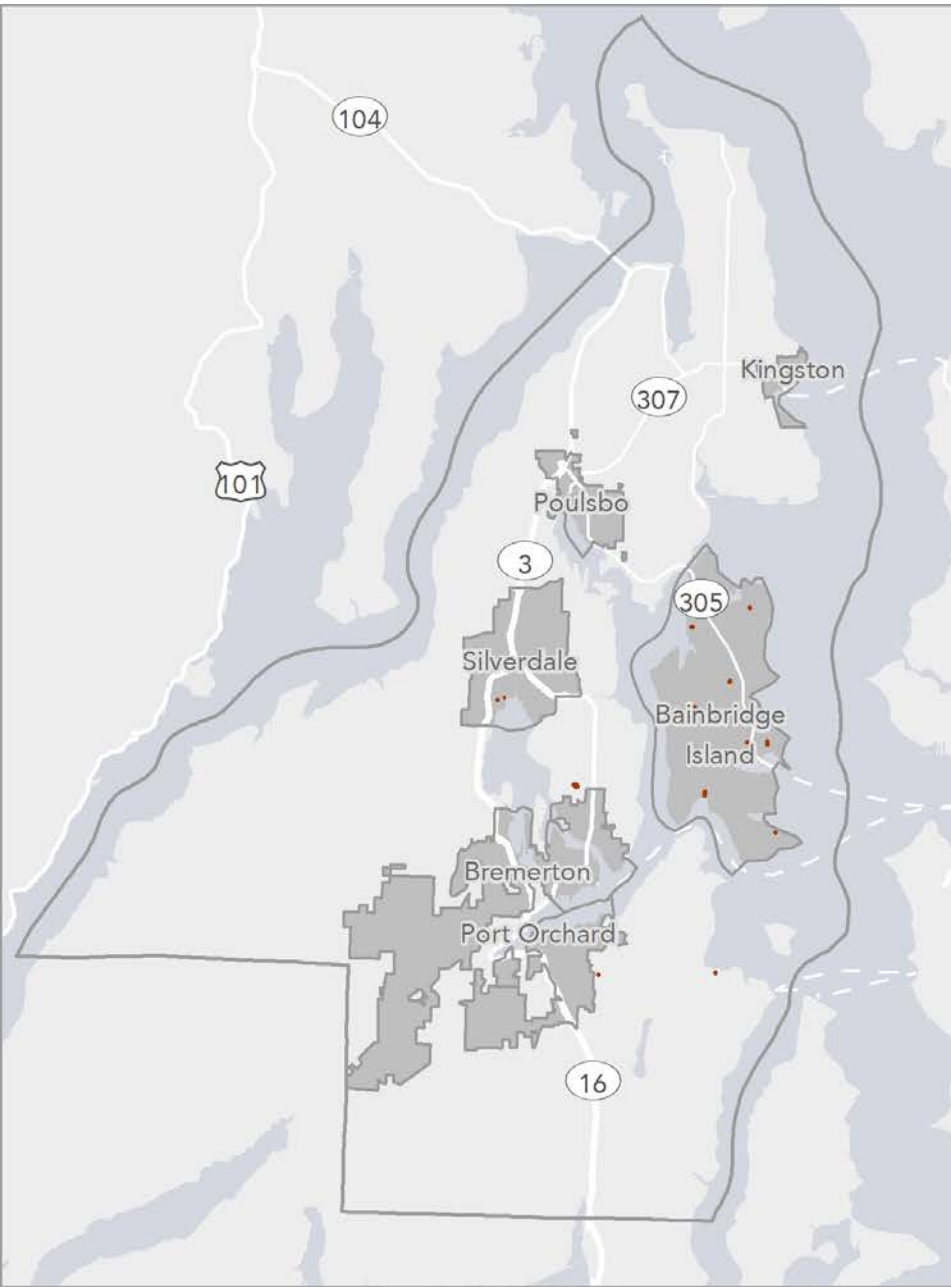
Single Family



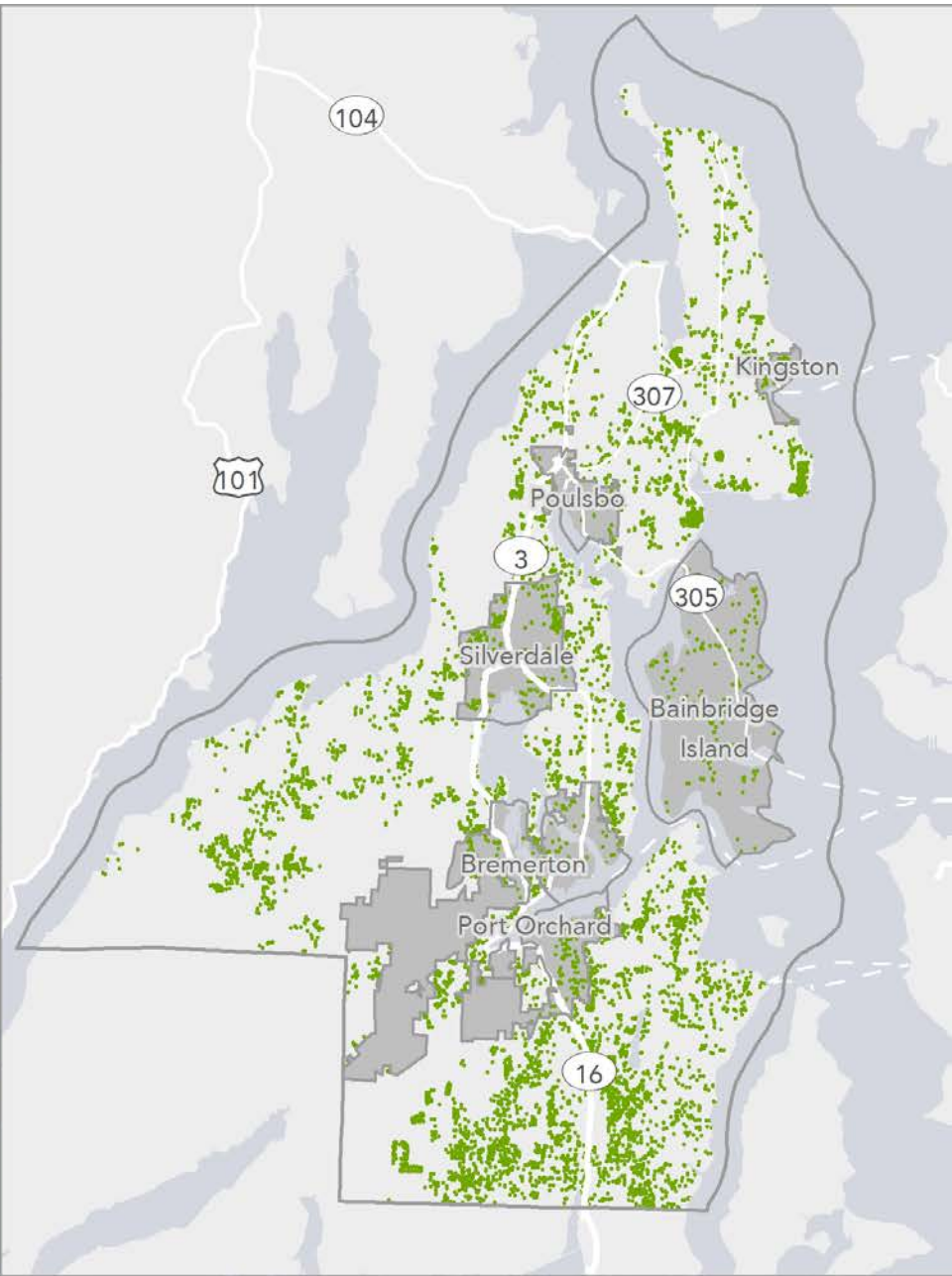
Apartments

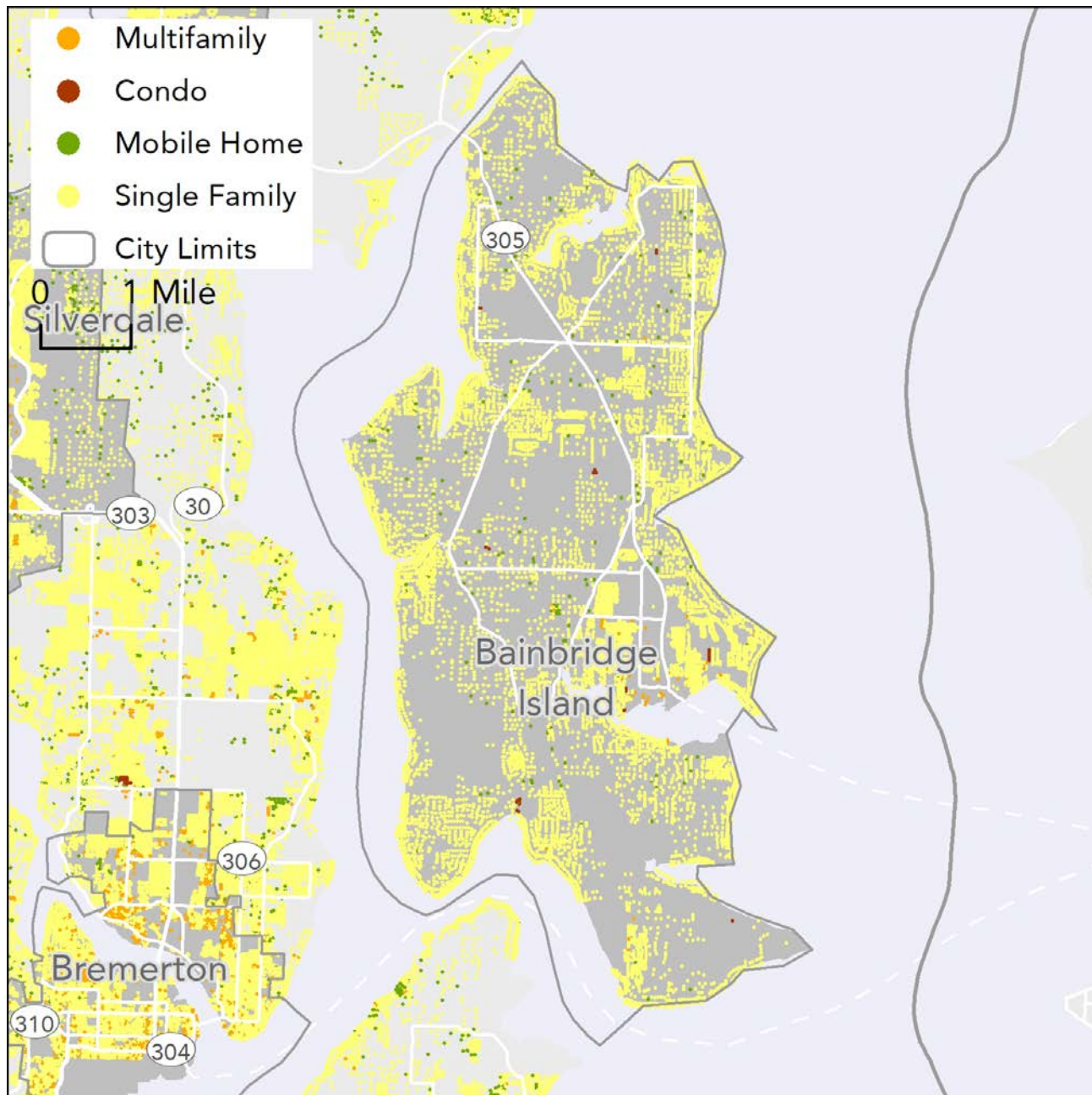


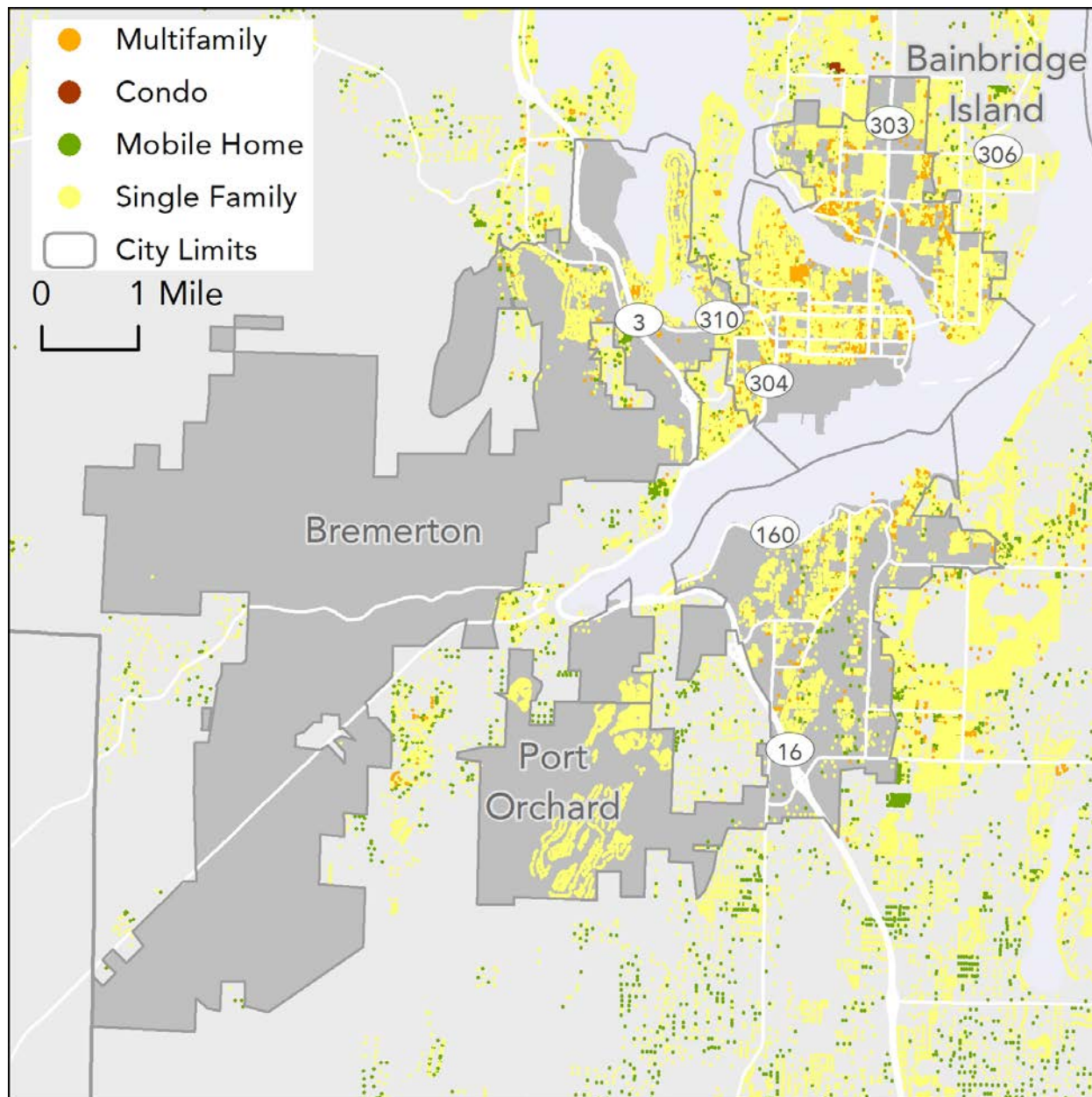
Condos

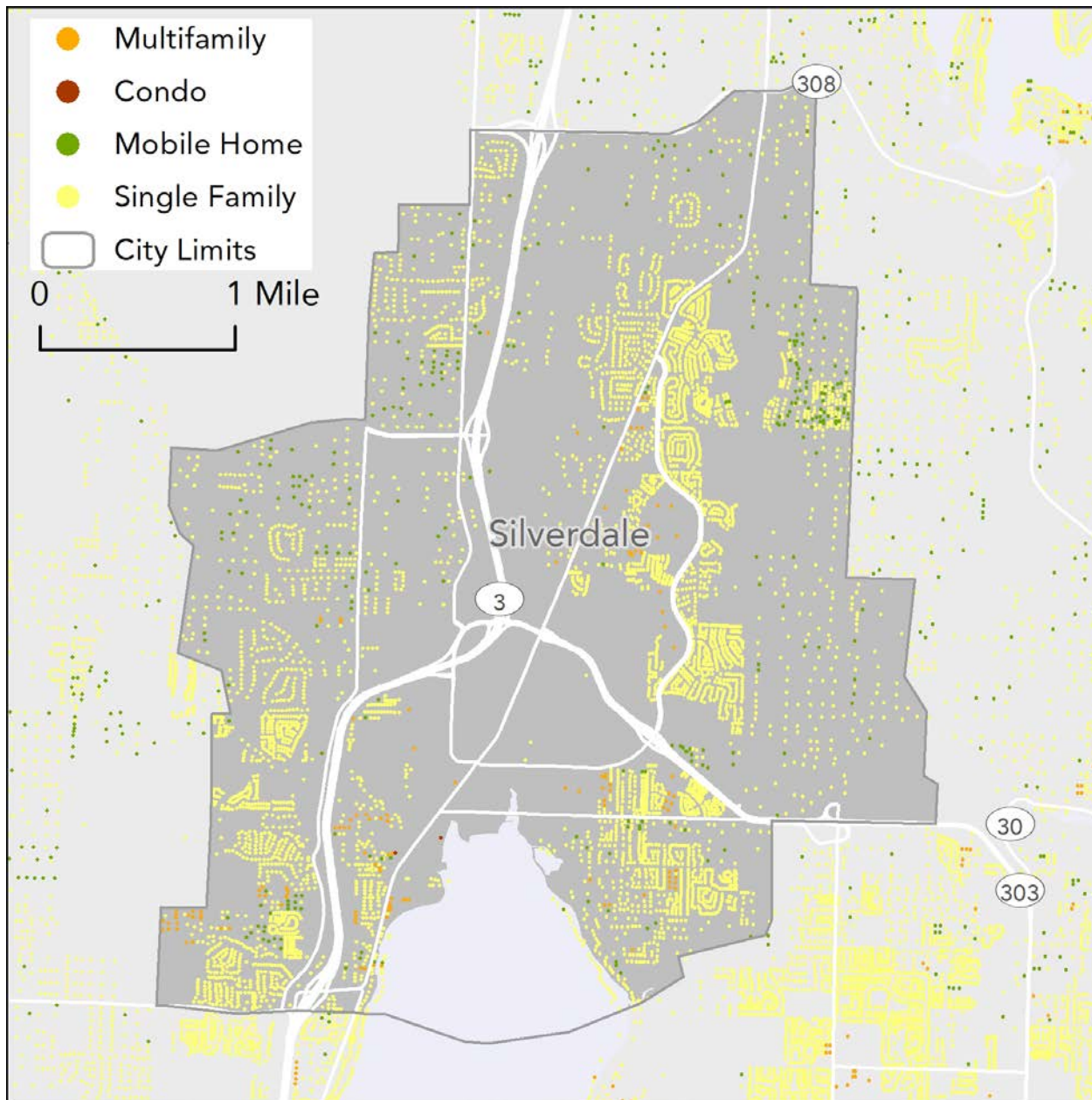


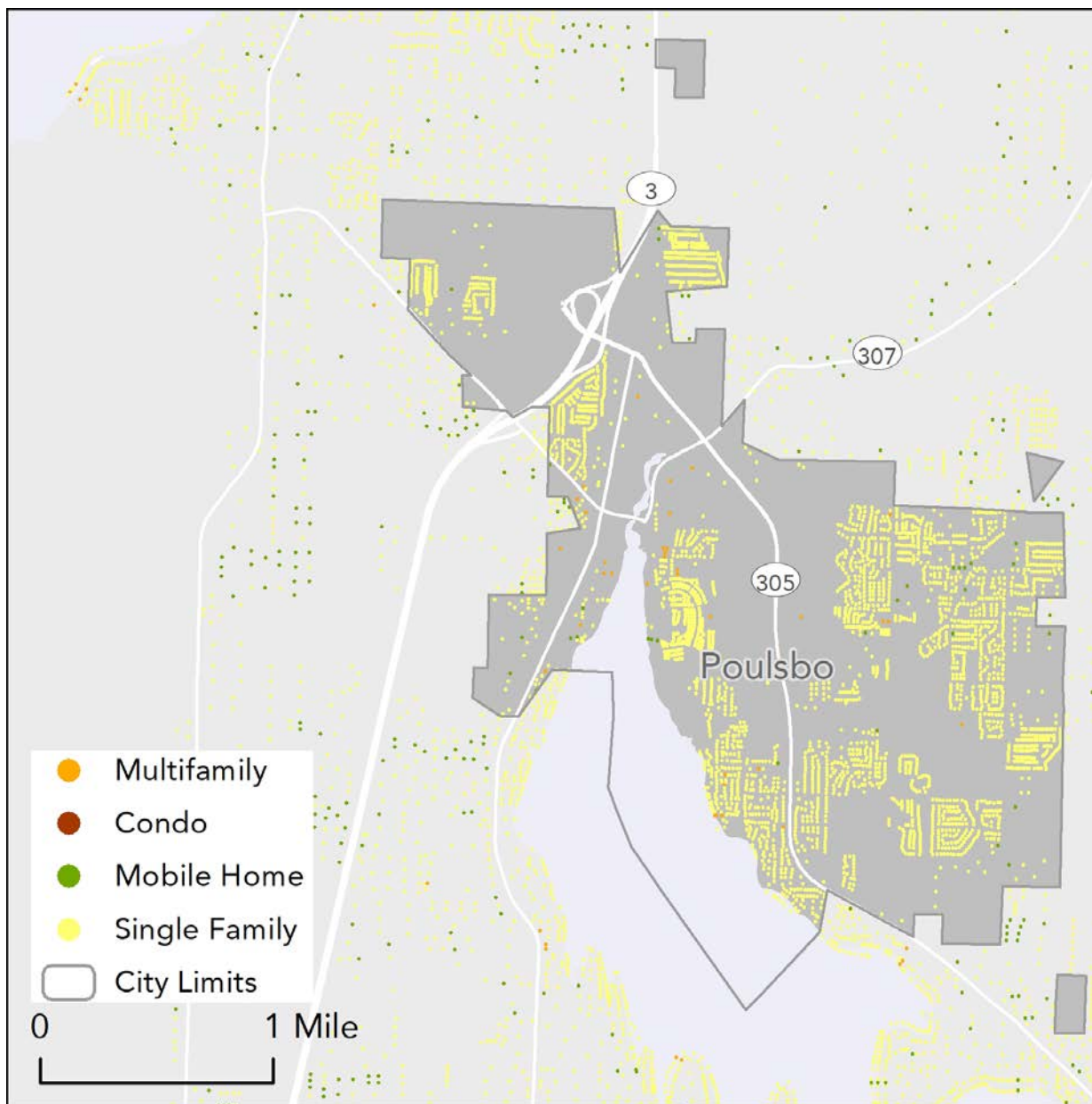
Manufactured and Mobile Homes

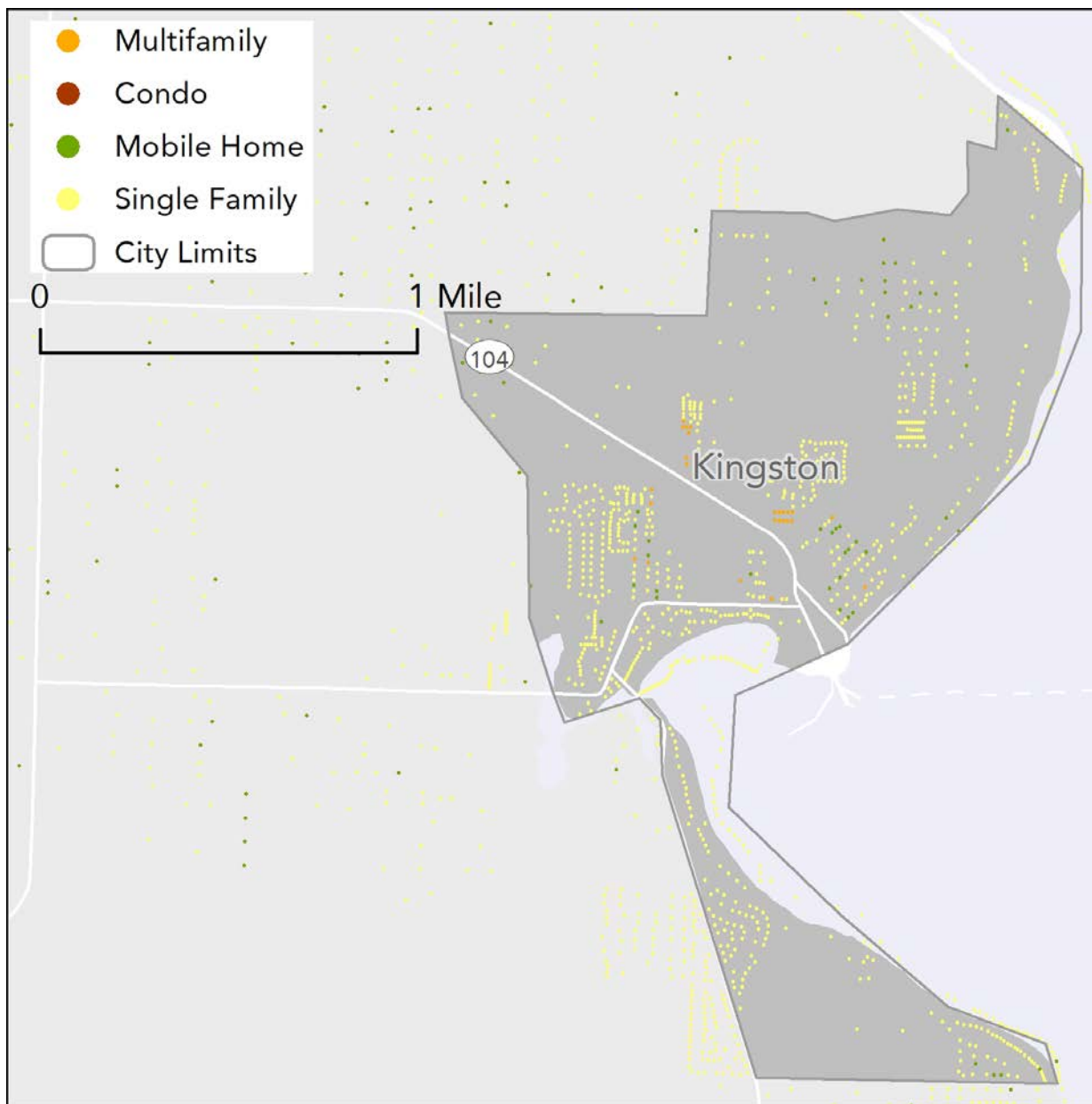






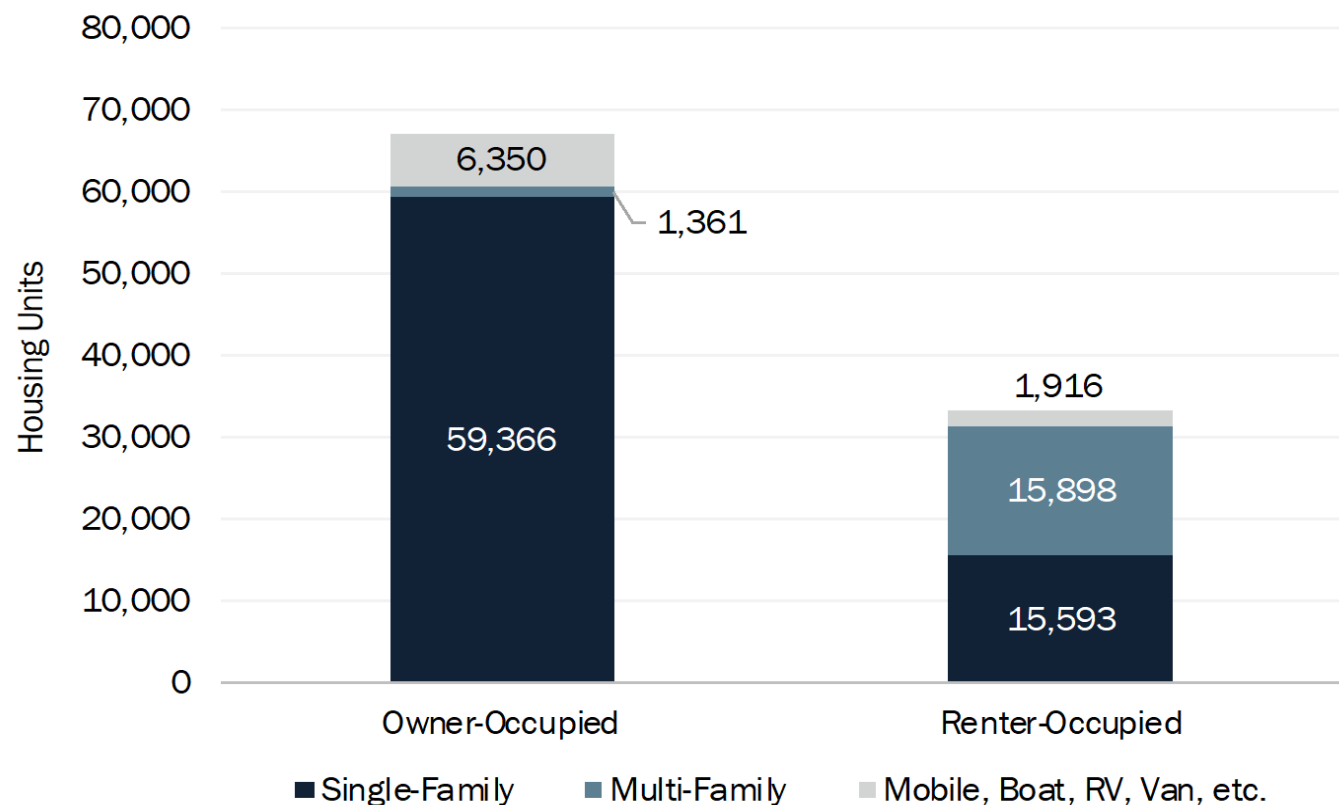






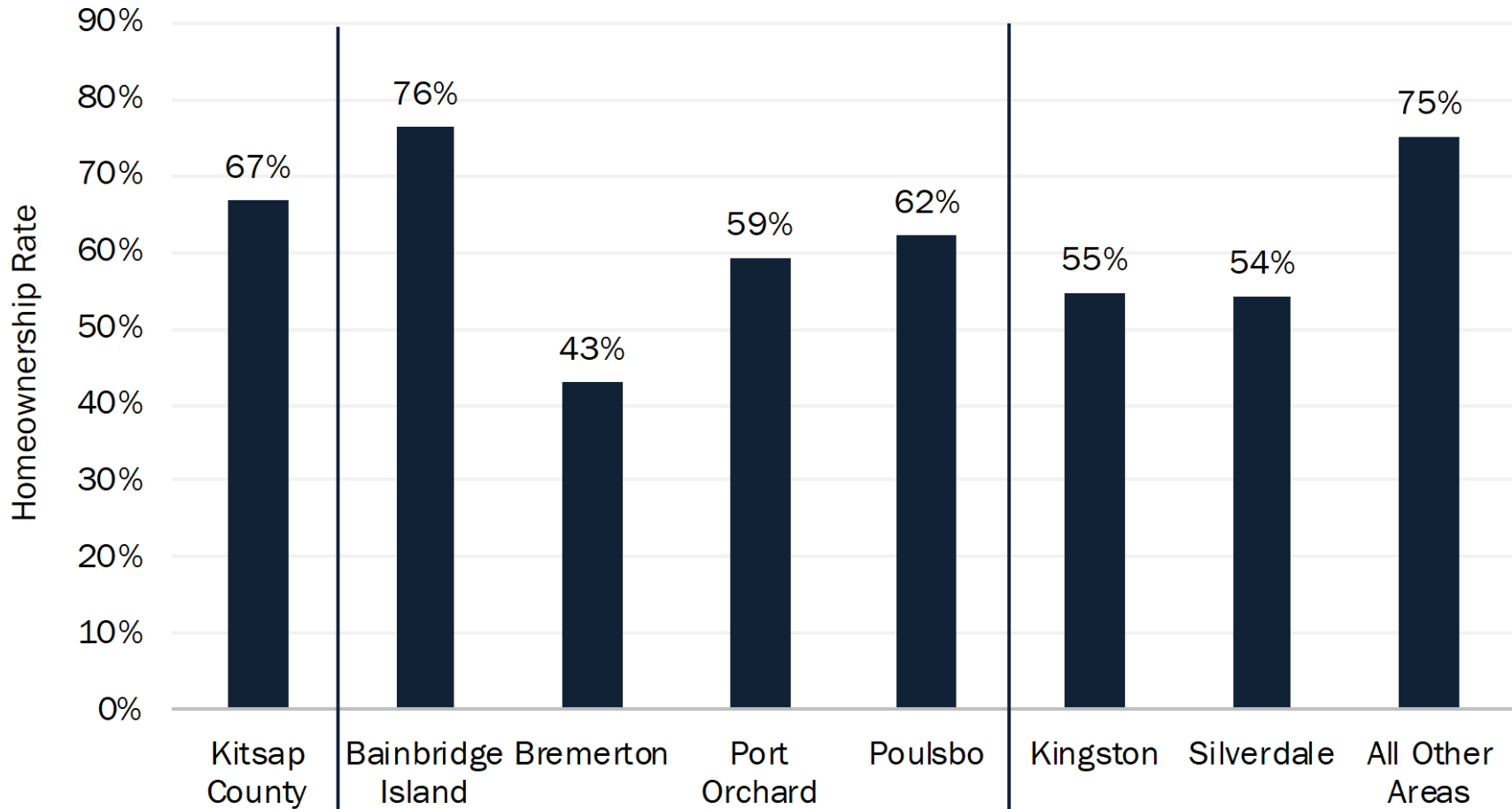
Rental Housing Includes Substantial Amount of Single Family

- Ownership opportunities are limited to detached housing
- A fair amount of rental supply is in detached housing



Home Ownership Varies Across Communities

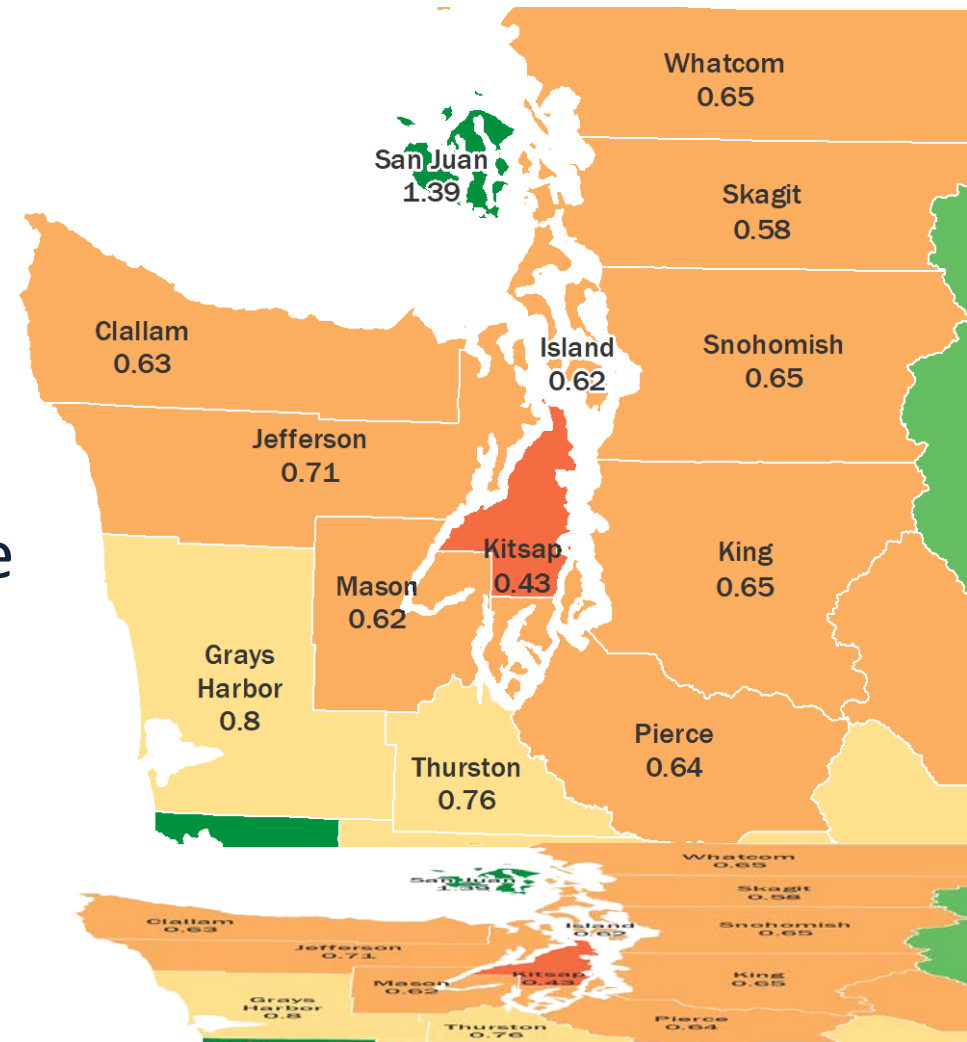
- Cities, generally, have lower homeownership rates



Household Growth in Kitsap Outpacing Housing Development

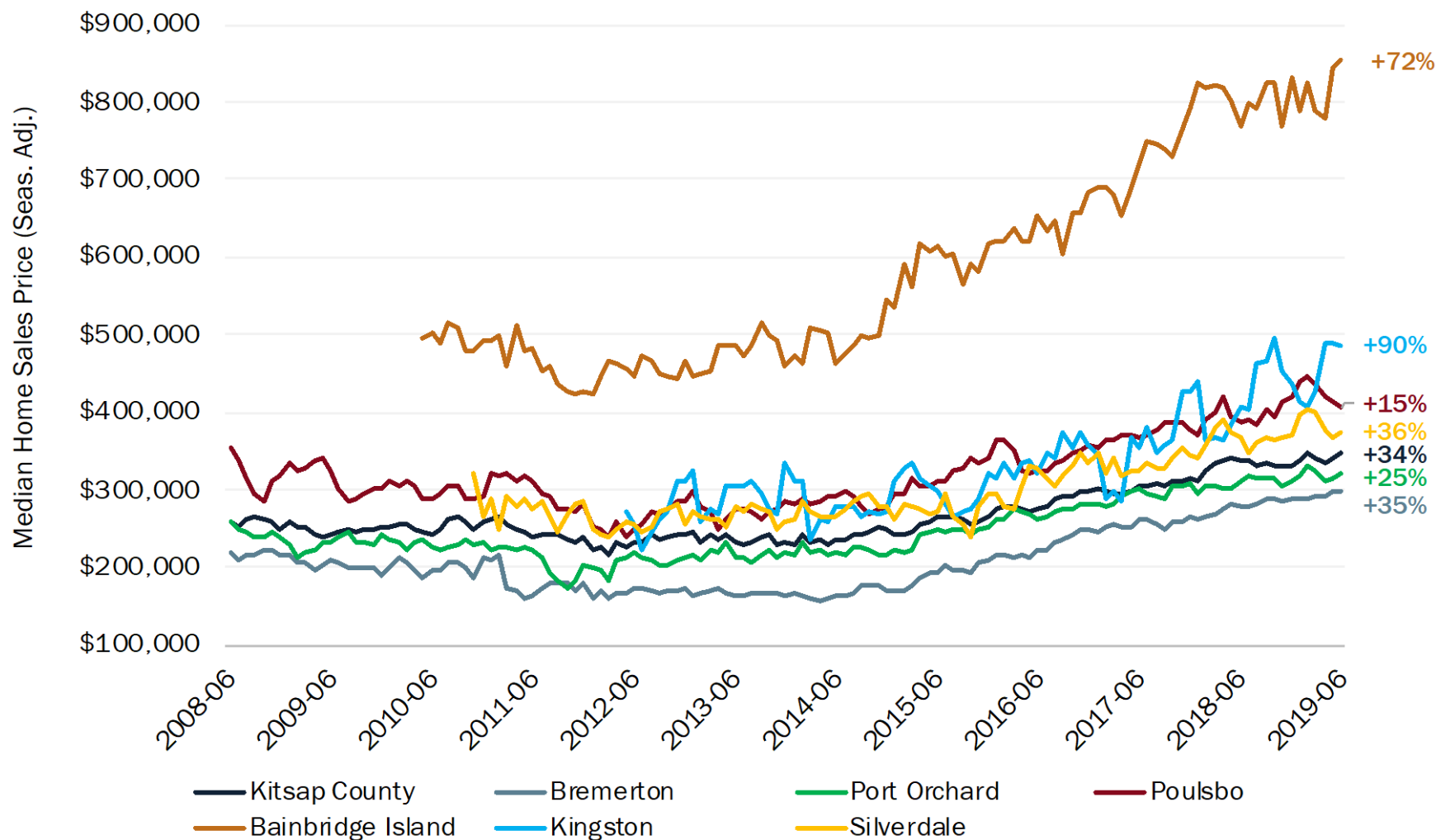
Housing production was severely insufficient from 2010-2017

- County produced 0.43 new units for every 1 new household
- Too little supply relative to demand



Supply & Demand Imbalance = Rising Prices

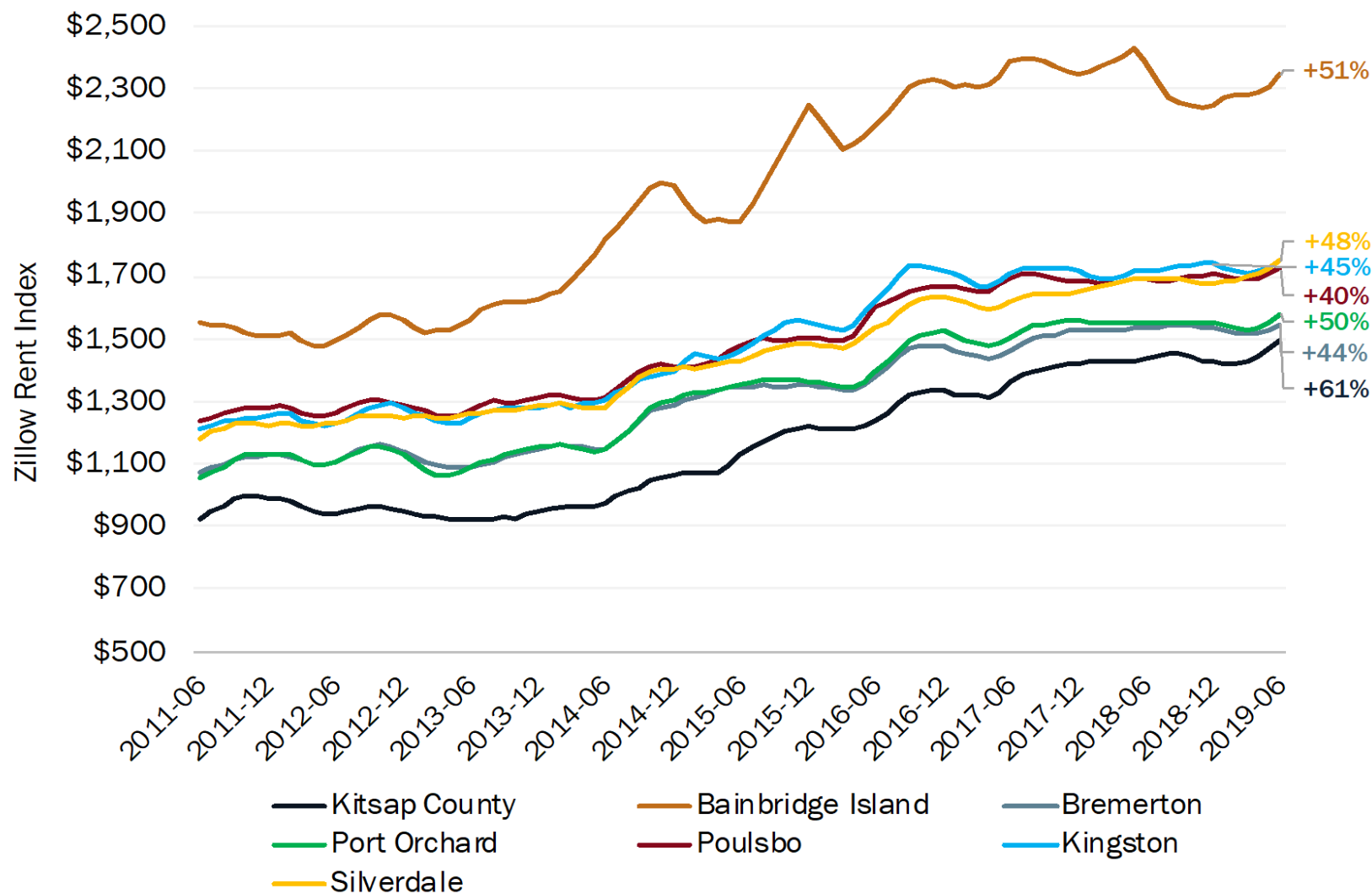
Kitsap has seen home prices rise



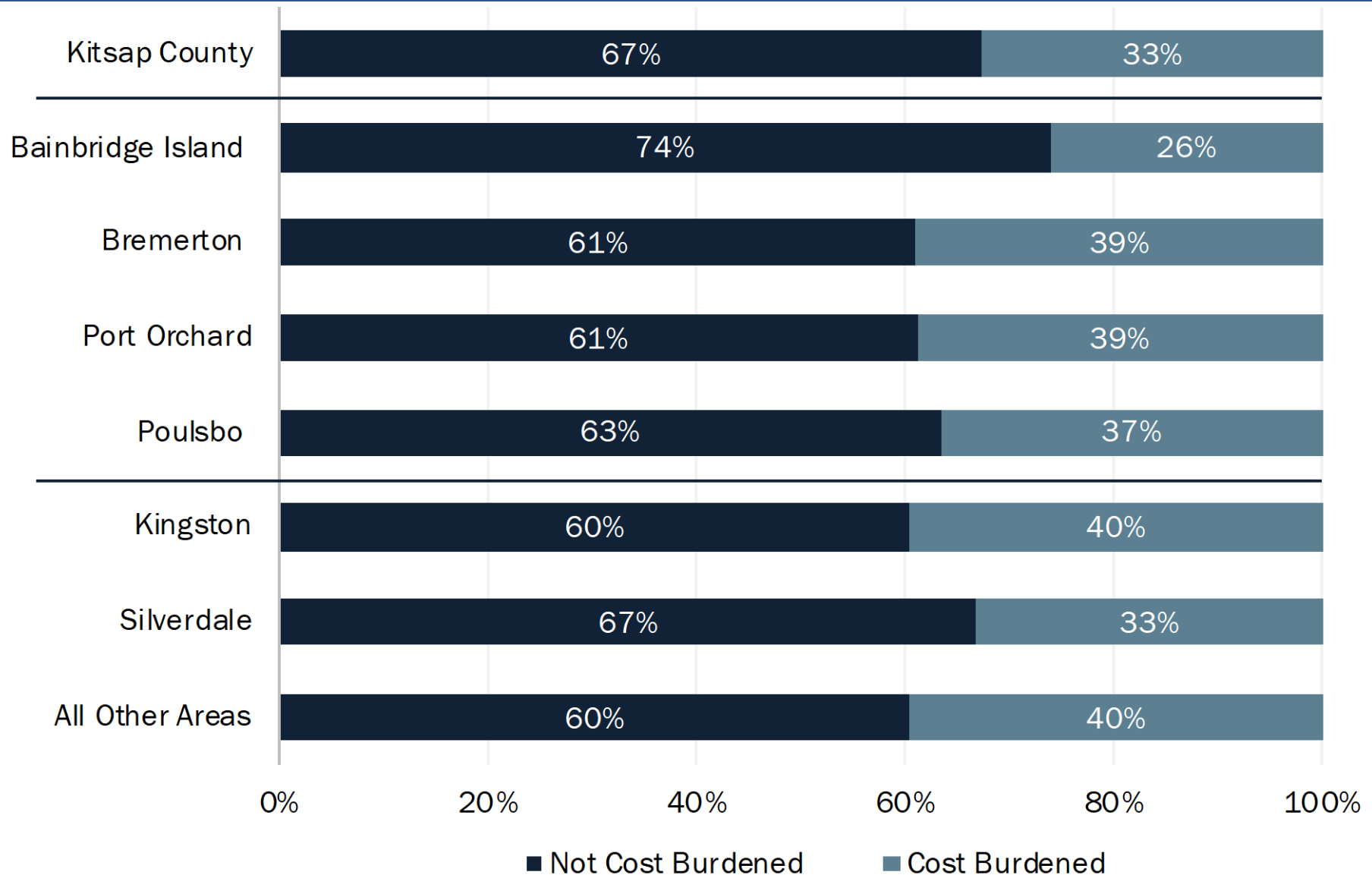
Source: Zillow, Median Sale Price Seasonally Adjusted, 2008-2019

Supply & Demand Imbalance = Rising Prices

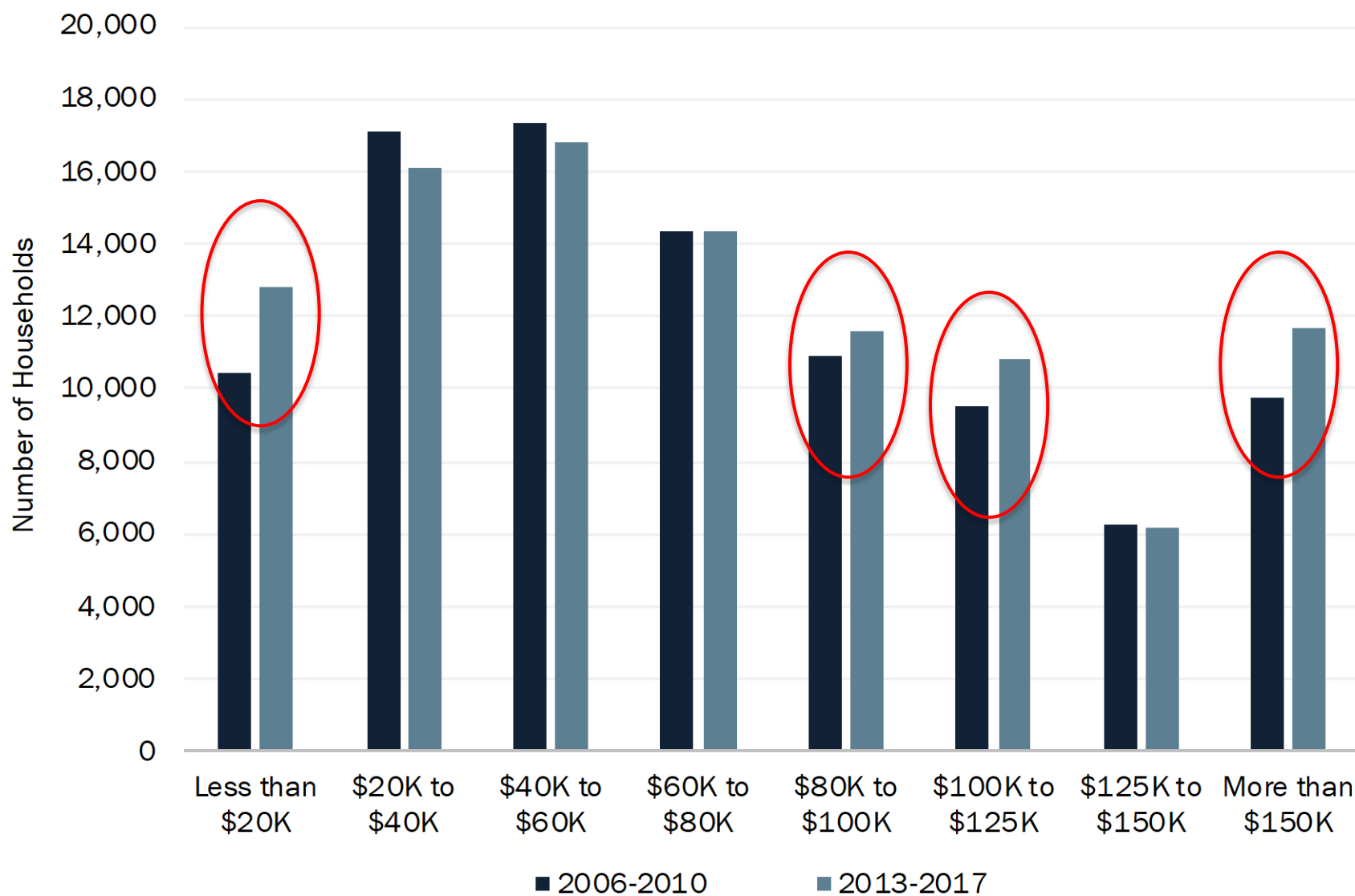
Kitsap County has seen rents rise



Cost Burdening Across the County ('13-'17)

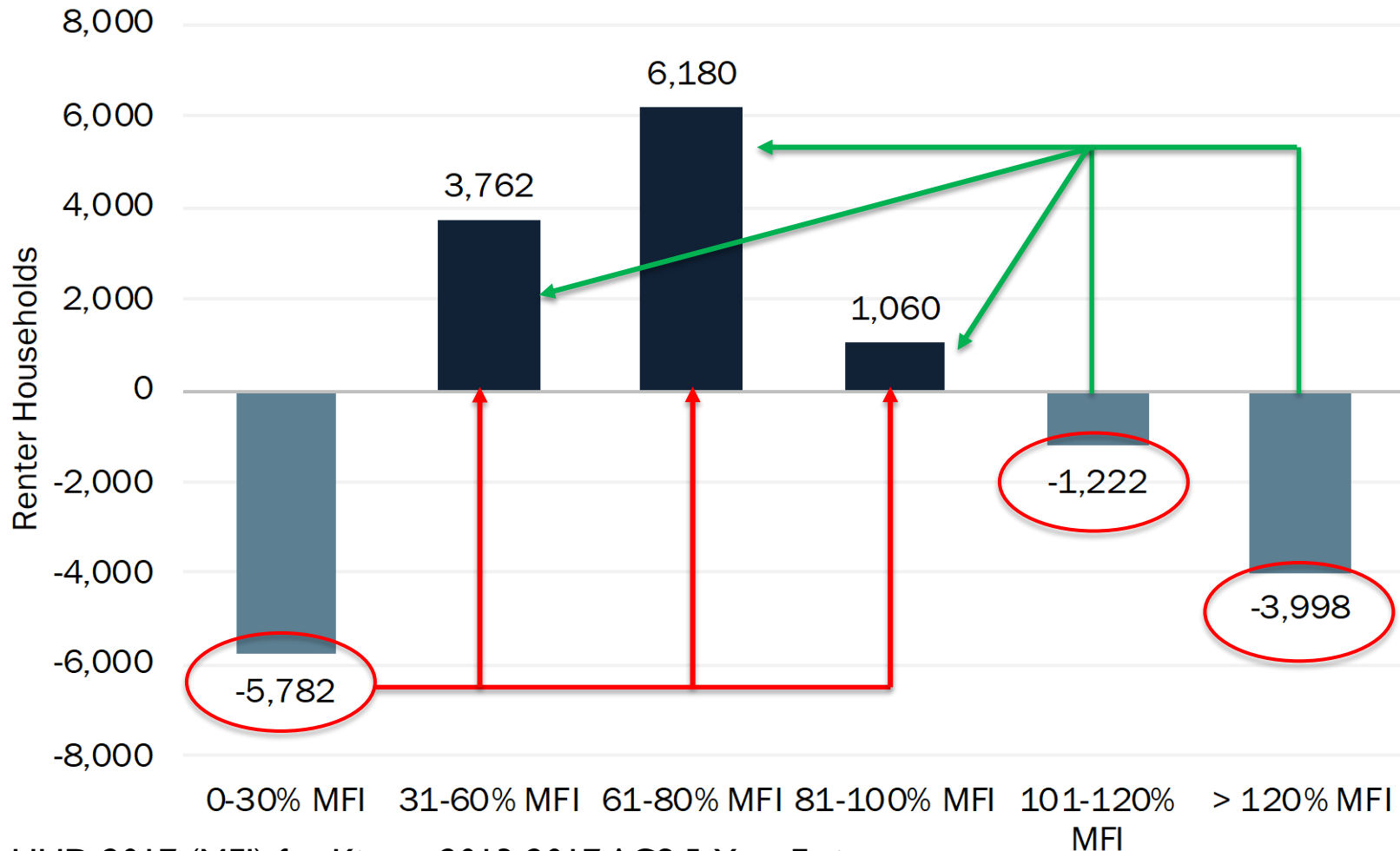


Kitsap is Gaining Low & High-Income Households

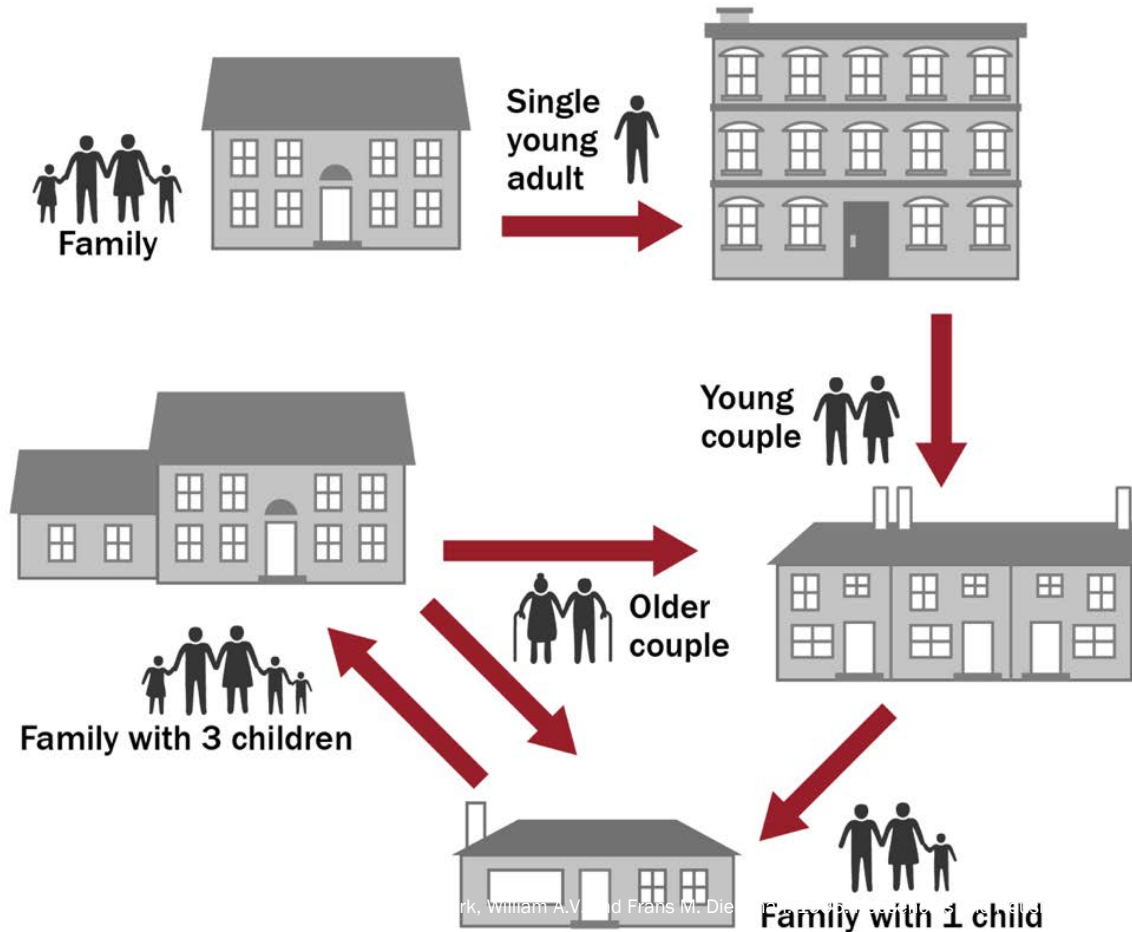


Steep Competition for Moderately Priced Housing

With deficit of low/high priced units, lower-income households “rent up” and become cost burdened, while higher income households “rent down.”



Housing needs change by life stage

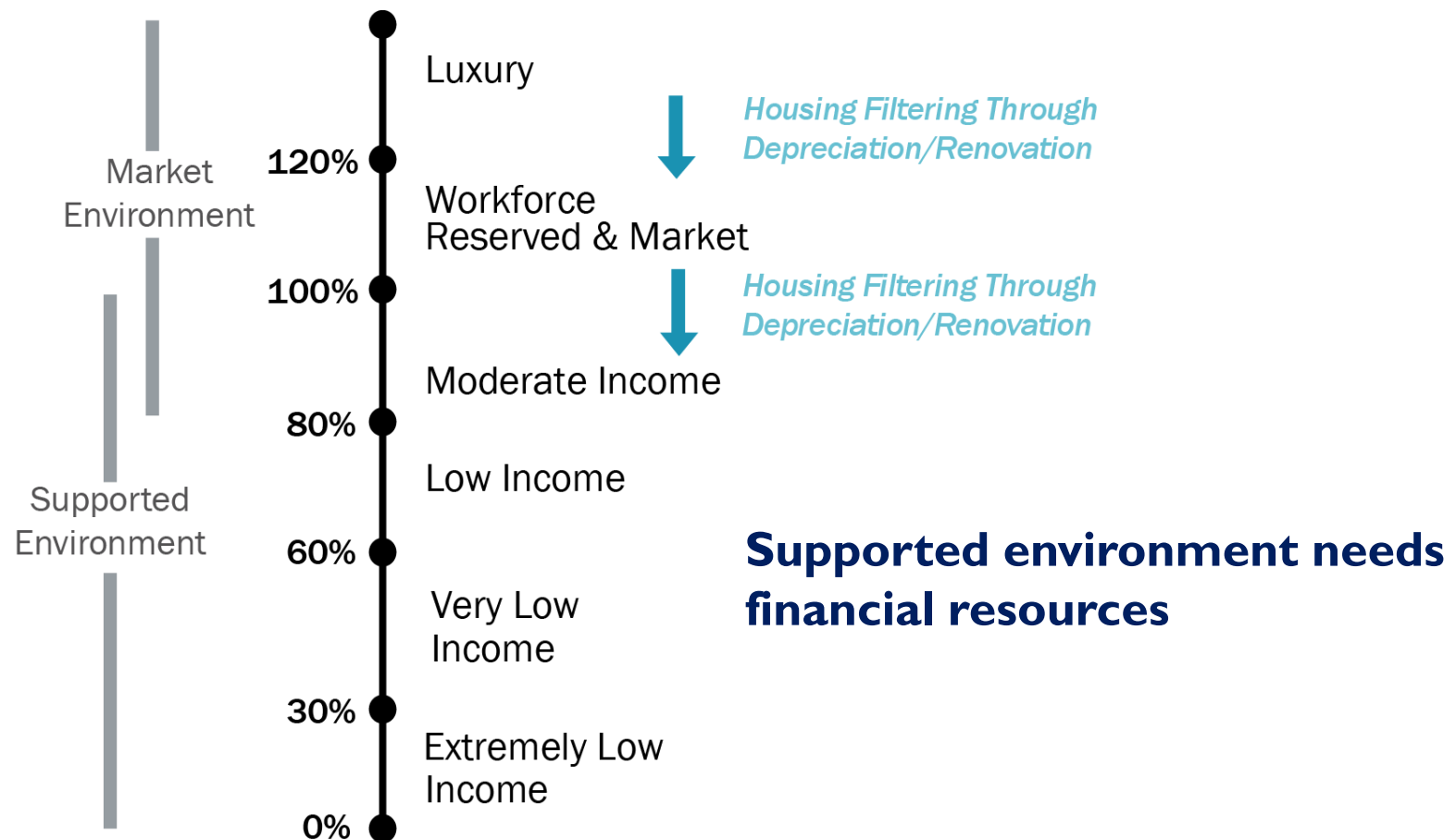


As people go through different life stages their needs for household size tends to change.

- Homeownership rates increase as income and age increases.
- Renters are much more likely to choose multifamily housing than single- family housing.
- Income is a strong determinant of homeownership and housing-type choice for all age categories.

Housing strategies vary by affordability

The market environment mainly supports production of moderate-income or above



Three Primary Goals

- **Help people stay in affordable housing**
 - Preserve existing regulated housing; preserve unregulated housing; reduce costs; and enhance tenant protections.
- **Encourage development of more affordable housing**
 - Expand partnerships and local development capacity; boost funding; and help reduce development costs.
- **Expand housing options and grow housing supply to address existing shortages and future growth**
 - Reduce costs; change zoning to increase residential capacity, walkability, and lower cost development; and allow more housing choices.

10 Primary Recommendations

- **45 housing production tools solicited from:**
 - Case studies of successful outcomes elsewhere
 - Past planning efforts in Kitsap
 - Input from housing developers/planners
 - Input from project staff
 - Data and key findings
- 10 housing production recommendations were prioritized for implementation
 - Prioritization from project staff
- 35 additional tools are lower-priority and or lower-feasibility
 - Expanded current programs or complex new programs

Ten High-Priority Recommendations

Recommendation	Goal Achieved		
	Create More Affordable & Workforce Housing	Preserve Affordability	Increase Housing Options & Supply
1. Create a Preservation & Anti-Discrimination Strategy		✓	
2. Update Comprehensive Land Strategy	✓	✓	✓
3. Create a Revolving Loan Fund	✓	✓	
4. Create a Real Estate Investment Fund	✓	✓	
5. Establish Additional Affordable Housing Funding Sources	✓	✓	
6. Pool Existing Resources	✓	✓	
7. Expand Community Land Trust	✓	✓	
8. Encourage “Missing Middle” Housing	✓		✓
9. Review and Revise Land Use Barriers	✓		✓
10. Review Up-Zoning Urban Land For Multifamily Housing	✓		✓

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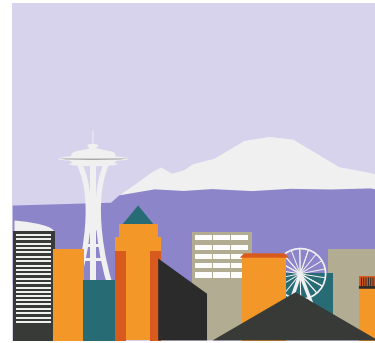
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