

HOUSING ELEMENT

PURPOSE: The purpose of the Housing Element is to assess future needs for housing in Jefferson County by examining existing residential patterns, demographic trends and projected population growth. Based upon these identified needs, policies are recommended to encourage safe, affordable and decent housing options for all County residents, consistent with the requirements of the Growth Management Act.

RELATIONSHIPS WITH OTHER ELEMENTS OF THE PLAN

Because of the complexity of housing issues, several other elements of the Plan analyze specific aspects of these issues and propose methods to address them. However, this Element addresses the full range of housing challenges and opportunities that will confront Jefferson County over the 20-year planning period, while integrating the specific perspectives and methods from other elements that address housing. These other elements are referenced where appropriate throughout the goals, policies and strategy sections to support and enhance the techniques that have been developed in other elements.

The following table summarizes the housing issues identified and addressed in other elements of the Plan:

Element	Discussion
1. Land Use/Rural	Jefferson County's rural lands are characterized by a low density mixture of traditional uses that include residential, resource production, tourism, and open space. Olympic National Park, Olympic National Forest, and State Forest make up 77% Jefferson County land area. In order to preserve To keep athis rural character, it is essential to keep residential densities low. However, this large parcel strategy can reduce and lack of affordable land reduces some affordable housing opportunities. Therefore, affordable housing in the rural areas of the County should might be provided in higher densities within the UGAs, three Rural Village Centers, Residential Areas of Intense Development (RAID), or Port Ludlow, but only if there are adequate level of service standards in place for community water systems, community sewage treatment, adequate roadways and transit.
2. Open Space, Parks, Recreation and Historic Preservation	Low density residential and cluster development techniques to preserve Open Space are an important part of the open space pattern that provides visual relief and ecological function. Siting The criteria for siting higher density housing should include proximity and to parks and recreation facilities. Preservation of housing stock and adaptive reuse where feasible of historic structures can enhance affordable housing opportunities and preserve neighborhood character.
3. Natural Resource LandsConservation	Through the use of innovative development techniques it is possible to locate seemingly opposing land uses adjacent to designated resource lands without creating unmanageable conflicts. By requiring stringent buffering and set-back criteria between for residential land uses adjacent to resource lands, a balance between resource and residential uses can be created.

4. Environment	A significant threat to environmental quality in the rural areas of Jefferson County is sprawling residential development. Low density residential uses preserve ecological functions and water resources. Innovative development techniques, such as clustering, and building height minimize adverse impacts from runoff and habitat loss to the environment by preserving natural features, utilizing community facilities, and maintaining open space.
5. Economic Development	Housing affordability is affected by two interdependent factors: housing cost and household income. Housing costs have continued to inflate steadily over the past twenty five years, while real household income has declined. The result has been a nationwide housing affordability crisis. While the Housing Element focuses on housing cost issues, the Economic Development Element addresses household income. In order to correct the wage-housing mismatch discrepancies and enhance affordability, it is necessary to work incrementally simultaneously on both factors.
6. Capital Facilities	Infrastructure is one of the most significant costs in housing development. Higher density housing is more affordable because it spreads the cost of infrastructure across a greater number of units, reducing each unit's share. However, higher density uses require higher levels of services. Therefore, capital facilities improvements and extensions are an essential method of encouraging affordable housing, particularly within the Tri Area UGA, Rural Village Centers, and Port Ludlow Master Planned Resort. The levels of service, phasing and design of facilities must be done carefully to keep the cost of necessary infrastructure within the affordable limits of local residents and business.
7. Transportation	The physical proximity of jobs, services and housing is an important component in housing affordability. A mixture of uses and increased density in one location reduces transportation costs, which increases disposable income. Additionally, higher density land uses offers options for alternative transportation, and are essential to cost effective public transit systems.
8. Urban Growth Area	Urban Growth Areas are designated under GMA to provide urban services and urban densities for housing growth. Greenbelts and Open Spaces Urban infrastructure and densities allow for greater housing choices and affordability.

HOUSING BACKGROUND AND EXISTING CONDITIONS

Introduction

The first step in assessing the present and future housing requirements of Jefferson County is to analyze the characteristics of its existing and projected population, including age, household size, income, location and special needs. These characteristics provide an indication of the nature of the demand for housing over the 20-year planning period. [The population of Jefferson County is given as 26,299 in 2000 and is projected to increase by approximately 13, 840 people by the year 2024.](#)

The second step in assessing the housing requirements of County residents is to analyze the characteristics of the existing and expected housing supply, including location, size, cost, and condition.

By comparing the needs of the population to the ~~resources of the available~~ housing stock, ~~the huge~~ gaps in the housing market can be identified. ~~This comparison of demand and supply allows Jefferson County to develop housing policies for lands under its jurisdiction and to prioritize implementation strategies. The issues facing the County are:~~

1. Where to direct population growth given environmental constraints, the cost of providing public services, and the requirements of the Growth Management Act;
2. How to ensure that a range of housing types and prices are available; and,
3. How to maintain and enhance the vitality and character of established rural residential neighborhoods.

~~It is important to note that under GMA, the role of Jefferson County is as a regional policy maker and rural service provider. In the context of assessing the housing needs of County residents, this necessitates analyzing the regional housing market. Because of household mobility, housing markets are not limited to jurisdictional boundaries. Therefore, all the data analyzed in the Housing Element is for Jefferson County, including the City of Port Townsend.~~

Demographics

Past and present trends in demographics are the starting point for considering housing demand issues. These characteristics determine housing amounts, types, age, distribution, and price needed to shelter the Jefferson County population.

Population and Household Growth

While population growth is the most important indicator of increased demand for the majority of goods and services, demand in housing markets is driven by the number and types of households that are competing for the available housing stock. Growth in population and households are related, but not identical.

The number and types of households in a community are important indicators of the scale and nature of the housing needs of the community. A household includes all people living in one housing unit, whether or not they are related. ~~A single person renting an apartment is a household, as is a family living in a detached house.~~

~~Therefore, a~~An assessment of the present and future demand for housing in Jefferson County should be based upon household growth, not population growth. ~~Consistent with a significant nation-wide trend,~~ Household size in Jefferson County has been decreasing steadily for the last two decades. Table 5-1 provides a summary of the projected household growth in Jefferson County, ~~as of the adoption of the Comprehensive Plan in 1998.~~

**Table 5-1
Projected Jefferson County Households, 1996-2016**

Location	1996	2006	2016	Household Increase 1996-2016	Percentage Increase 1996-2016
Incorporated Areas:					
Port Townsend	3,560	4,717	6,250	2,690	75.56%
Unincorporated Areas:					
Quimper Peninsula (including Glen Cove)	1,361	1,670	1,950	589	43.28
Marrowstone Island	381	436	474	93	24.41
Tri-Area (Kala Point, Irondale, Port Hadlock, and Chimacum Crossroads)	1,730	1,981	2,250	520	30.06
Discovery Bay (including Gardiner)	425	504	590	165	38.82
S. Chimacum /Inland Valleys/Center	563	671	752	189	33.57
Port Ludlow Planned Community	631	1,189	1,936	1,305	206.81
North Port Ludlow	287	346	424	137	47.74
Paradise Bay / Shine / Thorndyke	374	489	629	255	68.18
Toandos Peninsula (including Coyle)	179	219	266	87	48.60
Quilcene (including Lake Leland)	569	676	802	233	40.95
Brinnon	565	707	867	302	53.45
West End	334	346	356	22	6.59
Unincorporated County Totals	7,399	9,234	11,296	3,897	52.66%
Jefferson County Total	10,959	13,951	17,546	6,587	60.11%

Household Size and Type

The weighted average household size in Jefferson County in 1996 is 2.34 persons per household, and recent studies indicate that Port Ludlow's average household size is 1.83 persons per household. Both of these figures are significantly smaller than the national or Washington State averages. The average household size is projected to decrease to 2.27 persons per household by 2016.

Table 5-2, illustrates that the majority of households are two persons or less based upon the 1990-2000 Census data. Nearly seventy percent (69.5%) of Jefferson County households were comprised of one or two persons. Less than seven percent (6.5%) of households were larger than four persons.

**Table 5-2
Household Type and Size**

Persons per Household	Percent of Households	Percent of Family Households	Percent of Non-Family Households
1	26.8% 28.5%	N/A*	84.3% 82.5%
2	42.7% 44.3%	56.6% 58.9%	42.8% 15.6%
3	13.3% 12.7%	18.7% 18.7%	1.9% 1.3%
4	10.7% 9.3%	15.3% 14.3%	0.9% 0.4%
5	4.3% 3.4%	6.2% 5.5%	0.1% 0.2%
6	1.3% 1.2%	1.9% 1.9%	0.0
7+	0.9% 0.6%	1.3% 0.7%	0.0
Total	100.0%	100.0%	100.0%

* One person households are automatically considered non-family.

This small household size has important implications for ~~both analyzing and determining future~~ housing demand ~~and the supply of housing that is necessary to shelter the Jefferson County population efficiently~~. Smaller households mean greater competition for housing resources. However, these households require smaller housing units to meet their needs, which ~~could~~ presents opportunities for alternative affordable development techniques and housing types.

The decrease in household size is due in large part to demographic trends within the population of Jefferson County. An aging population, combined with in-migration of retired persons, has resulted in significant changes to the types of households in the housing market. ~~Over forty nine percent (49.1%) of Jefferson County householders are over the age of fifty five. The median age in Jefferson County is 47.~~ This helps to explain why the majority of households are comprised of one or two persons, because this is about the time when the children leave home. The Master Planned community of Port Ludlow accommodates a significant number of seniors who in-migrate from other counties and, in some cases, from other states.

As further discussed in the *Special Needs Housing* section below, this growing number of senior households will have significant effects on future housing needs in Jefferson County.

Household Income

The relationship between household income and housing cost is the main factor affecting the ability of Jefferson County residents to afford adequate housing. As discussed in the ~~Economic Development Element~~ Jefferson County Economic Assessment (2003), by Dr. Paul Sommers, real wages have been steadily declining ~~over the last twenty five years~~. Over ~~this~~the period 1970-2000, real wages, adjusted for inflation, have decreased ~~twenty eight~~twenty-seven percent ~~(27%)~~ (28%).

Housing costs have increased significantly over this same period. Therefore, the decline in real wages has had serious implications for the affordability of housing in Jefferson County. Because housing costs have been ~~inflating~~ appreciating at a faster rate than wages, households must spend larger percentages of their income on shelter. The resulting “wage-housing mismatch” is most difficult for low and moderate income households.

Not surprisingly, in a housing market, income determines the type and size of housing that a household can obtain. When household income increases, housing consumption increases. Generally, upper income households spend a smaller percentage of their incomes on housing costs, although the amount they spend on housing costs may be greater. Conversely, the lowest income households are most likely to be paying the most for shelter relative to their incomes. ~~In other words, a household earning \$5,000 monthly that pays \$1,000 for its housing is significantly less burdened than a household earning \$1,000 monthly that pays \$500 for its monthly housing costs.~~

Despite ~~inherent shortcomings~~ difficulties in collecting income data, this information is important because it can be used to calculate median household income. Median income is defined as the mid-point of all of the reported incomes. That is, if the reported incomes were sorted by amount, half the number of households had higher incomes and half had lower incomes than the median. Median household income is used because the median is less susceptible to being influenced by a small number of very high or very low incomes than average income.

In 1997, Jefferson County’s median income was estimated to be \$30,987. The 2000 Census estimated the median County income to be \$37,869. The relatively high median income for a rural county such as

Jefferson County reflects the influx of a large number of financially secure retirees with transfer payments.

The definitions of very low, low, and moderate income households are established by the U.S. Department of Housing and Urban Development (HUD). These income levels are based on fixed percentages of the area's median income for a household of four. These categories are used to evaluate and prioritize the relative housing needs of income groups that may require housing assistance. ~~For example, the 1994 Washington State Comprehensive Housing Affordability Strategy specifies that the State will give priority assistance to households earning fifty percent (50%) of the median income or less. In 1990, 22% of Jefferson County households earned 50% or of the median income or less. However, during the same period, over 60% of the households' income in Jefferson County exceeded the median income.~~

Housing Stock

Past and present trends in the housing stock are the starting point for considering housing supply issues. The housing stock in Jefferson County is the total of all occupied and vacant habitable housing units.

Inventory and Type

Table 5-3 illustrates the number and type of housing units in ~~unincorporated~~ Jefferson County based upon the ~~1990-2000~~ Census data.

**Table 5-3
Housing Units by Type**

Type of Housing	Number of Units	Percent of Total Units
<i>Single Family</i>		
Detached	7,394 <u>10,181</u>	67.1% <u>72.0%</u>
Attached	176 <u>252</u>	1.6% <u>1.8%</u>
Total Single Family	7,567 <u>10,433</u>	68.7% <u>73.8%</u>
<i>Multi-Family</i>		
2 to 4 Units	297 <u>465</u>	2.7% <u>3.3%</u>
5 to 9 Units	204 <u>150</u>	1.9% <u>1.1%</u>
10 or More Units	333 <u>502</u>	3.0% <u>3.5%</u>
Total Multi-Family	834 <u>1,117</u>	7.6% <u>7.9%</u>
Mobile, Manufactured, and Other	2,613 <u>2,177</u>	23.7% <u>15.4%</u>
Boat, RV, van, etc.	417	2.9%
Total for Rural County	11,014 <u>14,144</u>	100.0%

~~This inventory indicates that t~~The majority of housing units in unincorporated Jefferson County are single family structures, which corresponds to the County's rural nature. Single family structures are traditionally the least affordable housing type. As a result of the relatively small percentage of multi-family units, mobile and manufactured homes are a major source of affordable housing in the County. Most mobile and manufactured homes are sited on small parcels, which further reduces the cost of this housing type. In 1993, over thirty seven percent (37.3%) of building permit activity in Jefferson County was for mobile and manufactured homes.

It should be noted that the Census information does not differentiate between mobile homes and manufactured homes. Manufactured housing units are distinguished from mobile homes because they are more durable and less mobile in nature. Once manufactured housing units are sited, they are rarely moved. Additionally, manufactured housing meets HUD standards, which makes it possible to get a loan to purchase a manufactured home and the land on which it is sited.

Housing Tenure

Perhaps the most striking feature of the occupancy information is the amount of seasonal housing units. By Census definition, seasonal units are not available for long-term rental or owner occupancy. That is, they are not considered available in the housing market. Therefore, if these units are removed from the category of vacant units, the vacancy rate in Jefferson County is six percent (6%). A five percent (5%) vacancy rate is considered a healthy factor that allows the normal and efficient functioning of the housing market.

However, this vacancy rate is predicated on the assumption that “other” vacant units are available for long-term rental or owner occupancy in the housing market. This may not be a valid assumption due to the lack of specificity in the Census definition of this term. If the “other” vacant units are not included in the available market supply of housing units, the vacancy rate decreases to two percent (2.0%). A vacancy rate at this level would result in significant inflation in housing costs until the market responded by producing additional supply.

~~Of the 2,348 rental units in the County, just over four percent (4.1%) were vacant and on the market at the time of the Census. This vacancy rate indicates a shortage of rental units in the housing market and inflation in rental costs.~~

~~Of the 6,496 owner-occupied units in the County, less than one half of one percent (0.2%) were vacant and on the market at the time of the Census. This vacancy rate indicates a severe shortage of units for purchase in the housing market and dramatic inflation in housing prices.~~

Housing Costs

As noted above in the *Household Income* section, there are two components to housing affordability: household income and housing cost. While household incomes have been steadily declining over the past twenty-five years as measured in terms of real wages, housing costs have been increasing significantly. This is true for nearly every region of the country, and Jefferson County is no exception.

There has been a steady increase in the price of used single family homes and a steady series of fluctuations in the price of new single family homes. New home prices are driven by a number of factors for which used home prices are not affected. This includes, but is not limited to, labor and materials costs, permitting costs, land costs and costs of meeting regulatory requirements. One of the most significant factors in increased costs of new housing construction is the rising purchase price for acquiring raw land and development costs associated with construction, mitigation, and other soft costs. This is particularly true in a region that is as physically and topographically constrained as the Olympic Peninsula. Many areas of Jefferson County are not suitable for development because of environmentally sensitive areas such as wetlands, aquifer recharge areas, steep slopes, and poor soils for structures and drainage. Because of the rural nature of the County infrastructure is minimal, and land development costs must include roads, drainfields, utility extensions, and other off-site improvements. These costs are passed on to the consumer, resulting in increased housing costs, which can put home ownership beyond the reach of many residents.

~~As a result of increased housing development costs, affordable housing is generally associated with an adequate supply of older housing. If the supply is sufficient, this pool of less expensive housing can exert downward pressure on housing costs and provide a variety of affordable housing options.~~

~~In Jefferson County, slightly greater than fifteen percent (15.4%) of housing units were constructed prior to 1939. While this would seem to indicate an adequate supply, it is important to note that because of the historic character of Port Townsend, many of these the older houses have been extensively renovated, restored and updated. Putting them out of reach financially to most buyers. These renovations significantly increase the cost of these housing units relative to routine housing maintenance.~~

Affordability

Housing affordability is based upon ~~two components~~, housing cost and household income. In order to develop policies and implementation strategies that address both components of affordability, Jefferson County should create functional linkages between housing and economic development strategies. These linkages can take two forms:

- The wage/housing balance is the relationship between the income earned by people and the price of housing. Ideally, there are a sufficient number of housing units affordable to all levels of wage earners.
- The jobs/housing balance is the relationship between the location of jobs and the location of housing. Ideally, residences are developed in locations that are convenient to their jobs.

This Housing Strategy calls for compact rural development within Quilcene and Brinnon ~~provided~~ing there is adequate infrastructure to accommodate the additional population. Port Ludlow and the Irondale/Hadlock UGA, because of their infrastructure can support higher densities. These locations can be successful for affordable housing developments because they have a traditional pattern of mixed, urban type land uses.

However, increasing development in established communities also is likely to result in loss of existing low-cost housing, either through demolition or through upgrades of buildings and neighborhoods. ~~This existing low-cost housing often serves the lowest income people, so it is a community resource that should be preserved for affordable shelter.~~

Cost Burden

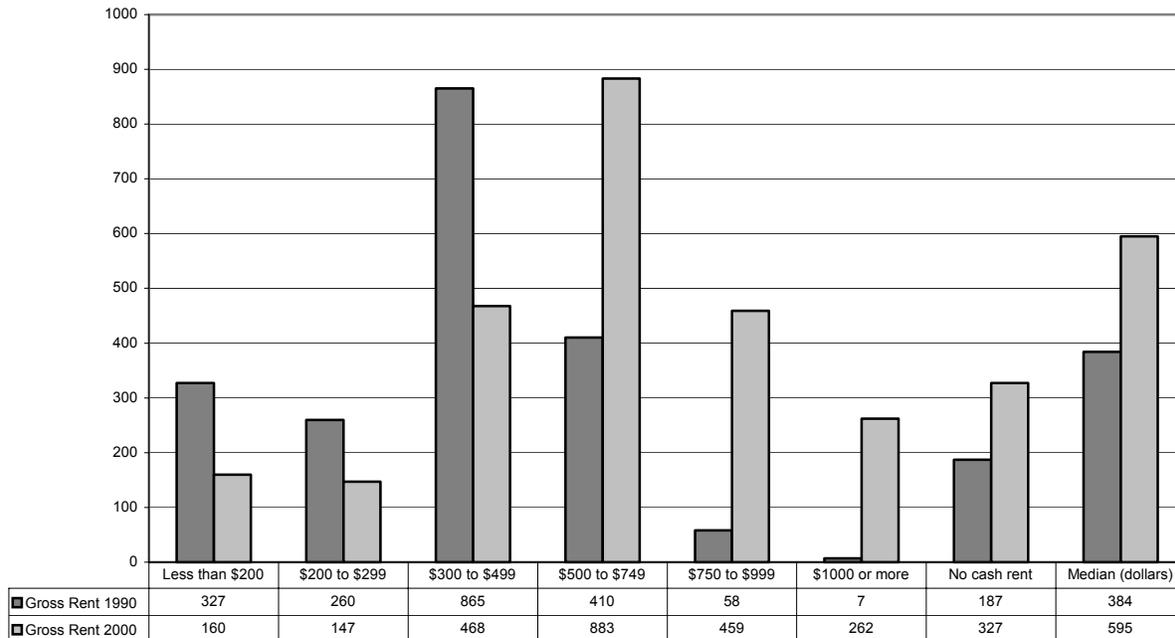
Based upon the definition recommended by the U.S. Department of Housing and Urban Development, Jefferson County defines cost burden as the extent to which gross housing costs, including utilities, exceed thirty percent (30%) of gross household income. This is the threshold at which the cost of shelter typically becomes a financial hardship, reducing the amount of income available for other necessary expenses such as food, medical care, and clothing.

Table 5-4
Percentage of Income for Housing
(Numbers of Households and Percentage of Total)
US Census 1990 and 2000

	Renters				Owners			
	1990		2000		1990		2000	
Less than 20%	703	33%	632	23%	2,955	69%	2,217	35%
20% to 24 %	251	12%	294	11%	498	12%	1,137	18%
25% to 29%	248	12%	255	10%	265	6%	718	11%
30% to 34%	168	8%	275	10%	180	4%	587	9%
35% or more	550	26%	873	32%	352	8%	374	6%

If a significant number of households spend more than thirty percent of their incomes on housing, it can have negative effects on other sectors of the economy. That is, if limited resources are over-allocated to housing, it comes at the expense of other economic sectors and a diversified economy. This relationship between affordable housing and a healthy economy is fundamental to the quality of life in Jefferson County.

Table 5-5
Gross Monthly Rent



Current Levels of Affordability

Table 5-4_6 shows the ranges of housing affordability for six income groups based upon the [Washington State Office of Financial Management estimate of the 1996-2000 Census median income of \\$37,869](#) in Jefferson County.

Table 5-6_4
Housing Affordability Levels by Income Group

Income Group	Definition	Annual Household Income	Affordable Monthly Housing Cost	Affordable Monthly Rent	Affordable Purchase Price Mortgage Payment
Extremely Low Income	Less than 30% of Median	\$0- 11,361 <u>9,341</u>	\$0- 284 <u>234</u>	\$0- 220 <u>176</u>	\$0- 18,891 <u>185</u>
Very Low Income	31% to 50% of Median	\$9,342 <u>11,361-</u> 15,568 <u>18,935</u>	\$285 <u>235-</u> 473 <u>389</u>	\$227 <u>182-</u> 379 <u>301</u>	\$192 <u>19,761-</u> 320 <u>32,686</u>
Low Income	51% to 80% of Median	\$18,936 <u>15,569-</u> 30,295 <u>24,909</u>	\$474 <u>390-</u> 757 <u>623</u>	\$391 <u>312-</u> 625 <u>498</u>	\$33,929- 54,187<u>331-530</u>
Moderate Income	81% to 95% of Median	\$30,296 <u>24,910-</u> 29,579 <u>35,976</u>	\$758 <u>624-</u> 899 <u>739</u>	\$644 <u>515-</u> 764 <u>610</u>	\$56,175 <u>66,615</u> 549 <u>652</u>
Middle Income	96% to 120% of Median	\$35,977 <u>29,560-</u> 45,443 <u>37,363</u>	\$900 <u>740-</u> 1,136 <u>934</u>	\$787 <u>629-</u> 966 <u>794</u>	\$68,976 <u>86,977</u> 675 <u>852</u>
Upper Income	Greater than 121% of Median	Greater than \$45,444 <u>37,364</u>	Greater than \$1,136 <u>935</u>	Greater than \$994 <u>818</u>	Greater than \$90,097 <u>880</u>

In order to determine levels of affordability, the following conservative assumptions were made regarding housing cost structure:

- As discussed in the *Cost Burden* section above, affordable monthly housing cost is equal to thirty percent (30%) of monthly household income.
- Utilities, insurance, and associated costs range from 12.5 to 25 percent of monthly housing costs for renter-occupied housing, declining by 2.5 percent per income group. This reduces the amount available for rent accordingly.
- An affordable purchase price depends heavily on interest rates, amount for down payment, and qualifying for a mortgage from a lender. Securing financing for a home mortgage with an income below the poverty level may not be realistic. The additional costs for homeownership have been included (see above) for calculating an affordable monthly payment.
- Property taxes, utilities, insurance and associated costs range from 22.5 to 35 percent of monthly housing costs for owner-occupied housing, declining by 2.5 percent per income group. This reduces the amount available for principal and interest payments accordingly.
- Property taxes, utilities, insurance and associated costs range from 22.5 to 35 percent of monthly housing costs for owner-occupied housing, declining by 2.5 percent per income group. This reduces the amount available for principal and interest payments accordingly.
- Affordable purchase price is based upon a fully amortizing 30-year mortgage at 9 percent interest with no down payment.

When these affordability ranges are compared to the distribution of housing costs for owner and renter occupied housing as described in the *Housing Cost* section above, it identifies the availability of affordable housing for each income group, as is shown in Table 5-5. Affordable housing units include both renter and owner occupied housing.

Table 5-5
Affordable Housing Availability by Income Group

Income Group	Definition	Percentage of Households	Percentage of Affordable Housing Units
Extremely Low Income	30% or less of Median	10.4%	5.3%
Very Low Income	31% to 50% of Median	11.7%	5.3%
Low Income	51% to 80% of Median	9.2%	12.9%
Moderate Income	81% to 95% of Median	5.0%	11.7%
Middle Income	96% to 120% of Median	15.0%	11.4%

~~Low income households comprise over thirty one percent (31.3%) of the County's population. However, less than twenty four percent (23.5%) of the County's housing units are affordable to low income households. These figures indicate that Jefferson County will need to develop strategies that encourage the private sector to construct adequate affordable housing. However, the ability to accommodate higher-density housing is constrained by the County's limited resources. Multi-unit housing is limited to only those few areas that have the infrastructure to support it, namely the City of Port Townsend and Port Ludlow. Limited multi-family duplexes, and triplexes may be allowed in Port Hadlock, Quilcene and Brimmon, but these options could be constrained by infrastructure requirements. Jefferson County will pursue all viable options to address its affordable housing needs, including revising portions of its development code and working with federal and state agencies to obtain funding or participate in housing assistance programs.~~

HOUSING RESOURCES

Assisted Housing

The U.S. Department of Housing and Urban Development Section 8 Rental Certificate program, a publicly funded housing support program, is administered locally by the Housing Authority of Jefferson County. The program has four objectives:

1. To provide improved living conditions for very low-income families (50 percent of area median income) while maintaining their rent payments at an affordable level;
2. To promote freedom in housing choice and spatial deconcentration of lower income and minority families;
3. To provide decent, safe, and sanitary housing for eligible participants; and,
4. To provide an incentive for private property owners to rent to lower income families by offering timely assistance payments and protection against unpaid rent, damages and vacancy loss.

The Section 8 program issues Rental Certificates to income eligible households. In order to insure accommodations to households of different sizes, Section 8 Certificates are issued based upon the number of bedrooms required to house a family without overcrowding. Once a Certificate is issued, the household is required to find a rental unit on the open market. The unit is then evaluated by the Housing Authority based upon the following criteria:

- The landlord must be willing to participate in and abide by the rules of the Section 8 program.
- The rent, minus a utility allowance, must be within the Fair Market Rent guidelines for the bedroom size of the Certificate issued to the household. Fair Market Rents are determined by HUD for the area based upon annual surveys.
- The rental unit must pass HUD's Housing Quality Standards to ensure safe and decent shelter.

Once these criteria are satisfied, the household pays thirty percent of their adjusted income for rent, minus a utility allowance. The balance of the rent is paid by the Section 8 program. ~~As an oversimplified example, if a household has an adjusted monthly income of \$500, they will pay \$150 toward the rent. If the rent is \$250, the Section 8 program pays the remaining \$100.~~

~~The average rental subsidy, including utility allowances, for Jefferson County amounts to \$414 per month. The average household contribution is \$56. As determined by zip code, Port Townsend accounts for over sixty percent (64.5%) of Section 8 households. In 1996, there were 357 households waiting for Section 8 housing assistance and 11 households waiting for T.B.R.A⁺ (Tenant Based Rental Assistance) help.~~

~~In 1994, contrary to increasing housing costs, HUD reduced the Fair Market Rent for a two bedroom unit in Jefferson County from \$555 to \$464 per month, a decrease of almost twenty percent (19.6%). After deducting the utility allowance of \$85, this leaves an allowable contract rent of \$379. Two bedroom units in Jefferson County were renting for \$475 to \$600 during this period. Therefore, the search for rental units that comply with the Fair Market Rent criteria is often extremely difficult.~~

~~The need for Section 8 rental assistance greatly exceeds the available resources. In 1996, There was a waiting list of 161 households for Section 8 Certificates. The average wait for certification is two years.~~

Special Needs Housing

Some residents of Jefferson County require modified housing units or special services in order to live independently. Others require group home or institutional care. While some of these individuals have the resources and abilities to take care of their housing needs, many do not. In order to serve these special housing needs, an assessment of existing programs was conducted to analyze the scale of need, determine available resources, and identify potential gaps in the delivery system.

The study of special needs housing in Jefferson County included the mentally ill, the developmentally disabled, people ~~with living with HIV/AIDS~~terminal diseases, and the homeless. Subsequently, the Housing Authority of Jefferson County has instituted a system by which “preference” may be granted to terminally ill persons who apply for Section 8 assistance. ~~To date one HIV/AIDS individual has been assisted.~~

An important component of addressing low-income housing needs is the goal of successfully integrating housing for low-income people and people with special needs into the larger community. Assisted housing developments are typically small projects, either new construction or acquisition and rehabilitation of existing housing, that fit into the surrounding neighborhood. For special needs groups in particular, public policies favor community-based, independent living in small residences, often in single-family houses or apartments.

Mentally Ill

With respect to special housing needs, the main program is operated by the Jefferson Community Counseling Center, and is confined to two groups. These groups are: (1) the chronically mentally ill, and (2) mentally and emotionally disturbed.

⁺The T.B.R.A. Program is administered through the State of Washington and funded through the federal HOME program. The major difference between this program and HUD’s Section 8 is that the tenant may pay more than 30 percent of their monthly income towards rent. Another difference is the T.B.R.A. program is a transitional housing program providing up to 2 years of rental subsidies for homeless and chronically mental ill households.

~~The chronically mentally ill program covers 95 individuals whose condition may preclude their ability to maintain gainful employment. Public assistance (social security insurance) provides a standard of living equal to twenty seven percent (27%) of median income. However, if provided with sufficient residential support, this group can live independently. These individuals are cared for by nurses and case managers who also work closely with landlords to assure an amicable client-landlord relationship.~~

~~The mentally and emotionally disturbed program covers 256 individuals. This includes emotionally disturbed children who may even be the principal clients. Seniors total 65 with a client turn-over of about 2 per month. There is no waiting list for this program. About 83 percent of clients are on some form of public assistance. These clients account for ten Section 8 rentals. While this group reports some earned income, it represents only thirty nine percent (39%) of the County's median income. The program is estimated to cover seventy percent (70%) of the eligible population. The balance largely represents those who refuse to seek help whether in fear or because of suspicion.~~

Developmentally Disabled

~~In 1994, Jefferson County had an estimated need to serve 234 people with developmental disabilities. However, only thirty five (35%) percent are currently being served.~~

Establishments that provide services to the County are the Helena Home, ~~which serves 10 people,~~ and Maria Home, ~~which serves 12 people.~~ Both of these facilities are located in Port Townsend. However, because of the scale of the housing needs of this population, these establishments do not serve the entire County. Housing is not available for the developmentally disabled in the unincorporated portion of Jefferson County.

A combination of one bedroom housing units with supportive residential services and adult group homes has been suggested to serve this growing population.

Persons Living with HIV/AIDS

~~In 1996, there were two persons living with HIV/AIDS who were in need of affordable housing in Jefferson County, such as single adult units and Assisted Residential Units. Currently, there is not a program to provide housing and services for this group.² Jefferson County contains people living with HIV/AIDS, who were in need of affordable housing. Opportunities should continue to be explored to include this segment of the population in the overall affordable housing scheme.~~

Homelessness

~~In 1995, the Clallam Jefferson County Community Action Council (C-JCAC) served 93 persons in 51 households in Jefferson County through the Jefferson County Emergency Shelter Program. Sixty six households were turned away during that time, including 36 which had children. Many of these families were denied shelter because the four travel trailers available to C-JCAC were full and alternative housing could not be obtained. At this time 8 cottages are being renovated of which 6 will be used for emergency shelter.~~

² ~~Personal Interview, Gordon Maul from the Washington State Department of Social and Health Services.~~

Homelessness continues to be an issue in Jefferson County. Homelessness should be explored utilizing a collaborative process between the public, non-profit, and private sector. Housing needs should be anticipated to provide persons and families with shelter.

Land Resources for Projected Future Housing Needs

As discussed above in the *Population and Household Growth* section, Jefferson County will continue to grow over the 20-year planning period. Table 3-1 in the Land Use/Rural Element indicates the projected rate and location of population growth in Jefferson County over the next twenty years.

The amount of land necessary to accommodate these new households by the year ~~2016~~ 2024 depends upon many factors, including whether the County wants to encourage single-family residences on *existing* small, moderate or large size lots, or accommodate more households in multi-family residences at higher densities. Higher density residential would require sufficient infrastructure such as community water, community sewer, location near commercial services, adequate ~~roadways and location near public transit transportation~~. Port Townsend and Port Ludlow are presently the only two communities that have level of service standards that would accommodate the above criteria for locating multi-family residential. The Irondale/Hadlock Urban Growth Area is planning for a sewer service area that will meet requirements for higher density housing.

Land Requirements for Multi-Family Housing

~~Clearly, the City of Port Townsend has an abundance of undeveloped land suitable for residential uses. This residential land surplus presents the City with an opportunity to provide a range of dwelling unit densities to accommodate the projected population and housing unit growth.~~

~~The community of Port Ludlow also has a variety of residential types and densities. Gross density of single family detached units does not exceed four dwelling units per acre. Single family attached, townhouses, multi family and continuing care projects do not exceed 10 units per gross acre. Proximity to community support services and infrastructure is an important element of individual projects in the upper range of allowed densities.~~

Jefferson County contains a predominately rural residential land use pattern. This pattern allows single-family dwellings throughout a majority of Jefferson County. The Port Ludlow Master Planned Resort and the Irondale/Hadlock UGA provide opportunities for greater densities and the creation of multi-family housing units.

Land Requirements for Single-Family Housing

~~The minimum lot size needed to accommodate residential housing varies throughout Jefferson County. The determining factors include the availability of public water and soil type for accommodating septic systems. Other factors may include critical areas, adjacent resource lands, and location in shoreline areas. The minimum lot size for unincorporated areas of the County served by public water is 12,500 square feet.~~

HOUSING STRATEGY

Housing cost is influenced by a wide variety of market and institutional forces. Some of these can be affected by local government, but most others are the result of larger socio-economic issues that are beyond the reach of regional policy. One major contributor to the cost of housing is the price of land. In

an attempt to reduce land costs associated with the construction of affordable and special needs housing, the County will analyze the inventory of publicly owned lands to determine if any of these lands are suitable for the accommodation of low income and special needs housing.

This is not to say that local government cannot make important contributions to encouraging affordable housing within its jurisdiction. Jefferson County is committed to realizing the vision of the community to shelter its residents in safe, decent, and affordable housing. But it is important to recognize that there are limits to the housing issues that can be addressed within the scope of the Comprehensive Plan.

The following components are the primary influences on housing affordability:

1. Land availability, and ~~land~~ use controls ~~which that~~ limit the areas where housing may be built and the density of development, which may increase the cost and availability of land;
2. Governmental regulations such as the Growth Management Act, Building and development code requirements, and permitting, which may increase construction costs;
3. Site development requirements, including infrastructure, environmental mitigation, and other on- and off-site improvements;
4. The asking price of raw land or platted lots;
5. Costs of higher taxes on building improvements;
6. Finance costs, including interest rates and fees;
7. Materials and construction costs, including labor; and,
8. Population changes, including demographic shifts and in-migration, which may result in mismatches between housing supply and demand.

While Jefferson County can influence the first three components through its policies and regulations, the latter four are, for the most part, independent of local government. In order to provide the housing needed by the residents of Jefferson County, it will be necessary to develop new relationships with the City of Port Townsend, Washington State, and the private sector.

Regionalism and Fair Share

Based upon the population projections in the mutually adopted Watterson West Report, the City of Port Townsend has developed housing policies for the Urban Growth Area under City jurisdiction in its Comprehensive Plan. These policies provide for the accommodation of the City's Fair share of household growth over the 20-year planning period.

Under GMA, the County's designated Urban Growth Areas must bear responsibility for locating higher density and multi-family residential areas. This type of housing can be developed much more affordably than single family housing that occurs in the rural areas. However, the County is severely constrained to accommodate this type of housing because of infrastructure requirements. High density and multi-family housing requires a full range of urban services, including public water, sewer, senior and health services, recreation facilities, transportation, and complementary and supportive land uses for employment and retail needs.

Port Ludlow is the only unincorporated community in Jefferson County which also has a full range of urban services including public water and sewer. Some of its undeveloped lands are currently designated for future higher density, multi-family residential. Port Ludlow is responsible for its share in developing affordable higher density and multi-family housing both for purchase and for rent.

This presents the opportunity for regional cooperation and coordination. In regional housing markets, housing issues cut across all jurisdictions and communities. The actions of each jurisdiction affect the other. No jurisdiction or community is independent of another regarding the difficulty of encouraging affordable housing to a growing population. Although each jurisdiction is taking steps to provide housing for future household growth, regional coordination is needed.

A monitoring system should be implemented to determine the success of efforts to encourage housing for low and moderate income households. Since both the City and the County will need to develop this process, it is important to take a coordinated regional approach using consistent surveys, modeling, assumptions, and techniques. Because of its role in the regional housing market, the Housing Authority of Jefferson County may be the best organization to lead this process.

This process should provide low and moderate income targets for the jurisdictions that are achievable in a progressive manner over the 20-year planning period. That is, short term and long term affordable housing needs should be addressed. The process should identify programs and finance mechanisms that will result in meaningful progress toward the targets.

If the monitoring system identifies shortfalls in accommodating the Fair share housing targets, a cooperative process to determine appropriate inter-jurisdictional and inter-community solutions should be developed. Potential strategies include regional funding for low and moderate income housing, density transfers, and resource donations.

Regulatory Framework

The rising costs of development -- land, residential construction, financing, permit processing, roads and utilities -- have contributed to increased rents and house prices at all price levels. Some of these cost increases are outside the control of local governments, while others are directly affected by public policy decisions. When public policies are developed, it is important to evaluate the cost implications for housing development and look for cost-saving approaches.

~~Existing housing units will provide some of the affordable housing needed for household growth in the future. But a trickle-down approach is not sufficient to meet all the housing needs. With the short supply of lower cost housing available today and the projected growth of households, it is essential that new construction also provide affordable housing, especially for low and moderate income households.~~

Efforts to encourage sufficient infrastructure and reduced development costs will help make new affordable housing achievable. Zoning, regulatory and infrastructure strategies that cut development costs can help restrain rising housing costs and increase the amount of new, moderately priced housing.

Variety and Housing Alternatives

~~In order to implement the Comprehensive Plan in a manner that preserves and enhances the character of Jefferson County's communities while maintaining their identity and livability, the features that make an attractive residential development should be identified. Future development should include these features while allowing for a greater variety in housing types. This flexibility must be accompanied by consistency and predictability in the regulatory process.~~

~~As we enter a new century, the characteristics of people seeking housing continue to change. There are many more single adults living alone or in shared housing than ever before, more families with a single parent or two parents working full time, and more seniors than ever before.~~

~~Applying traditional housing development techniques in this context can result in over housing some segments of the population, while other segments are under served. From a regional perspective, this is not an efficient use of limited housing development resources. One of the most important roles that local government can play in encouraging affordable housing is to make information on housing demand available to the public. This information allows for a more efficient response by housing developers and providers within the market.~~

~~Special Needs Housing~~Senior Housing

One of the fastest growing age groups in the County over the next twenty years is expected to be the elderly. Many seniors live on a fixed income that limits their ability to afford market rate rental housing. Elderly homeowners often cannot afford increasing property tax, insurance premiums, or maintenance costs.

~~The elderly are considered a special needs population because of the high correlation between age and disability. Many e~~Elderly households are likely to require special supportive residential services as well as affordable housing.

The scale and nature of the projected elderly housing needs should be thoroughly assessed by Jefferson County and the City of Port Townsend. This study could be performed by a joint citizen advisory committee with staff support. The study should make recommendations to both jurisdictions regarding regional elderly housing policies.

~~An important component of addressing low income housing needs is the goal of successfully integrating housing for low income people and people with special needs into the larger community. Assisted housing developments are typically small projects, either new construction or acquisition and rehabilitation of existing housing, that fit into the surrounding neighborhood. For special needs groups in particular, public policies favor community based, independent living in small residences, often in single family houses or apartments.~~

GOALS AND POLICIES

The goals outlined below provide a general direction for housing policy in Jefferson County. These goals are based on the requirements of the Growth Management Act, which outlines specific criteria for the provision of housing affordable to all segments of the population.

~~As in all elements of this Plan, the goals are general statements while policies are more specific. Goals state the general growth management intentions of the County while the policies are the processes for implementation. Strategies identify the specific projects or programs that will be used to implement the policies.~~

HOUSING

GOAL:

HSG 1.0 Encourage and support efforts to provide an adequate supply of housing for County residents of all income groups.

POLICIES:

HSP 1.1 Promote the provision of an adequate supply of housing through interjurisdictional and public-private cooperative efforts.

HSP 1.2 Encourage a regional fair share housing allocation process that establishes affordable and special needs housing targets for ~~u~~Urban ~~g~~Growth ~~a~~Areas, Rural Village Centers, Rural Crossroads, and the Port Ludlow Master Planned Resort.

HSP 1.3 Promote regionally coordinated low income housing in coordination with the Jefferson County Housing Authority, non-profit housing providers, and other public and private housing interests.

HSP 1.4 Support the Jefferson County Housing Authority, Habitat for Humanity, and ~~the Olympic Community Action Programs Council~~, in their efforts to develop a home repair program, funded through State administered block grant funds, or the State Housing Assistance Program.

~~**HSP 1.5** Promote economic development strategies that create adequate income for available housing resources.~~

GOAL:

HSG 2.0 Promote a variety of affordable housing choices throughout the County through the use of innovative land use practices, development standards, design techniques, and building permit requirements.

POLICIES:

- HSP 2.1** Establish consistent development regulations and procedures ~~which promote~~ that protect environmental quality, public health, and safety standards while minimizing the economic impact on the development of housing.
- HSP 2.2** Provide the most current available information on environmentally ~~sensitive-critical~~ areas and natural resource lands, including maps, to identify potential land development constraints.
- HSP 2.3** Identify and address potential mitigation for ~~Critical A~~ area impacts as early in the public inquiry or permitting process as possible.
- HSP 2.4** Explore a variety of methods to minimize delays in the land development process.
- HSP 2.5** Allow an accessory dwelling unit in conjunction with a single-family residence throughout the County.
- HSP 2.6** Ensure that the County's impact fee program is based on a fair assessment-share of the ~~true~~-cost of new public facilities needed to accommodate each housing unit or subdivision.
- HSP 2.7** Encourage and support greater opportunity for the development of innovative housing types, such as residential units in mixed-use development and single family attached housing, duplexes, ~~and triplexes~~ and apartment houses, and multi-care facilities. Encourage ~~and~~ development patterns such as clustering, in Rural Village Centers and Urban Growth Areas, provided adequate infrastructure and services are in place.
- HSP 2.8** Encourage builders to adopt innovative technology such as composting toilets and gray water systems that minimize environmental impacts.
- HSP 2.9** Encourage and promote housing development within UGAs.

GOAL:

- HSG 3.0** **Cooperate with the appropriate agencies to create programs aimed at conserving and improving the County's existing housing.**

POLICIES:

- HSP 3.1** Support the expansion of existing weatherization and energy conservation activities and programs.
- HSP 3.2** Support efforts of the Jefferson County Housing Authority, Habitat for Humanity and the Community Action Council to obtain Housing Preservation Grant Program funding for the repair and rehabilitation of dwellings for low income renters and owners.
- HSP 3.3** Cooperate with the Jefferson County Housing Authority and other agencies to identify areas most in need of rehabilitation assistance and infrastructure improvements. To the extent possible, coordinate public investments in capital infrastructure with rehabilitation efforts.

GOAL:

HSG 4.0 **Encourage the development of housing for people with special needs.**

POLICIES:

- HSP 4.1** Allow for a continuum of care for special needs populations, in [UGAs and Rural Village Centers](#), including emergency housing, transitional housing, assisted living, group homes, senior housing and low income housing.
- HSP 4.2** Encourage the development, rehabilitation, and adaptation of housing that is responsive to the physical needs of special needs populations, such as building and site plan requirements that address accessibility.
- HSP 4.3** Coordinate the development of special needs housing through social service providers and the public agencies that provide services and funding.
- HSP 4.4** Coordinate with [Olympic Community Action Programs Council](#), the Jefferson County Housing Authority, nonprofit housing providers, and other public and private housing interests to ensure that low income and special needs housing is sited in locations that are adequately served by necessary support facilities and infrastructure.
- HSP 4.5** Where feasible, enter into agreements, provide services, and generally support the Jefferson County Housing Authority through actions authorized in the Housing Cooperation Law (RCW 35.83).
- HSP 4.6** Jefferson County shall continue to recognize and support the provisions of the Federal Fair Housing Act. Jefferson County shall continue to encourage and support the development of housing to accommodate disabled persons in accordance with the Fair Housing Act.
- HSP 4.7** Vacant public lands will be considered to accommodate low income housing opportunities throughout Jefferson County. This study will be overseen by the Joint County-City Housing Advisory Committee.

STRATEGIES

A. HOUSING SUPPLY STRATEGY

Jefferson County’s strategy for providing an adequate housing supply for County residents focuses on regulatory and cooperative activities to ensure the availability of sufficient land, to provide a variety of housing types, and to promote affordable options for housing.

Action Items

1. Conduct Community Housing Analyses and County-wide housing needs assessment for each of the Rural Village Centers and Urban Growth Areas. (Corresponding Goal: 1.0)
2. Cooperate with public, private and non-profit agencies to undertake an assessment of housing demands and monitor the achievement of the housing policies and housing targets not less than once every three (3) years. (Corresponding Goal: 1.0)
3. Adopt a formal memorandum of understanding to encourage and support the efforts of the Jefferson County Housing Authority. (Corresponding Goals: 1.0, 3.0)
4. Conduct a joint County-City study to assess the adequacy of the supply of developable residential land currently served by required urban or rural utilities and roads to accommodate existing affordable housing shortfalls. (Corresponding Goal: 1.0)
5. Develop a process to distribute information on County policies and regulations and changes in the housing market to housing developers and providers. (Corresponding Goal: 2.0)
6. Consider owner builder amendment to Building Code to allow owner occupancy prior to the final inspection and completion of the dwelling unit. (Corresponding Goal: 2.0)
7. In cooperation with the City of Port Townsend, Clallam County, Clallam-Jefferson County Action Council, the Jefferson County Housing Authority, Olympic Area Agency on Aging, Habitat for Humanity and the State of Washington’s Community Trade and Economic Development (CTED), identify funding sources such as “Planning-Only” grant funds to pursue a County-wide study of housing conditions as a basis to develop a regional subsidized housing repair program. (Corresponding Goal: 3.0)
8. Coordinate and promote an economic development strategy that creates adequate income for home ownership. (Corresponding Goal: 1.0)

B. SPECIAL NEEDS HOUSING STRATEGY

Jefferson County's strategy for special needs housing combines cooperative efforts with human services agencies and land use regulatory changes which together will facilitate the development of special needs housing to serve County residents.

Action Items

1. Appoint a joint County-City Housing Advisory Committee to develop a fair share housing monitoring program and Elderly Housing Needs Advisory Committee to assess the special housing needs of the senior population. The scale and nature of the projected elderly housing needs should be thoroughly assessed by Jefferson County and the City of Port Townsend. A joint citizen advisory committee with staff support could perform this study. The study should make recommendations to both jurisdictions regarding regional elderly housing policies. (Corresponding Goal: 4.0)
 - A. The Joint County-City Housing Advisory Committee will analyze the location, size, and availability of publicly owned lands to assess their possible utility for accommodating low income housing opportunities throughout Jefferson County.
2. In cooperation with other jurisdictions in the region, the County shall support application for special needs housing funds. (Corresponding Goal: 4.0)
3. Develop siting criteria for special needs group housing that address issues of neighborhood compatibility and meet fair housing requirements. (Corresponding Goals: 1.0, 4.0)