

SECTION III- HOUSING ELEMENT

Introduction

One of society's most basic needs is shelter. How we, as a society, preserve the housing stock we have and how we plan to accommodate our future housing needs reflect upon the quality of life we enjoy or want to enjoy. It is important to consider where we locate new residential areas, for this decision will drive the determination as to where public infrastructure (roads, utilities, parks, and schools) will be located.

This Element provides a detailed inventory and analysis of the existing housing stock, assesses the needs of the community, and puts forth a strategy to implement Stanwood's housing goals. It is also intended to provide City officials and the general public with the information necessary to guide housing growth in the direction that best addresses the desires of Stanwood's existing and anticipated residents, including those with special housing needs.

This Housing Element for Stanwood is divided into three main areas:

- a. A set of implementation goals and policies designed to provide for the efficient delivery of housing and to resolve any problems identified during the ongoing city-wide comprehensive planning process;
- b. An inventory of the existing housing stock; and
- c. An in-depth analysis of the existing condition of the City's dwellings, housing delivery process, and residential neighborhoods to determine if any problems exist or can be expected.

The Alliance for Housing Affordability (AHA) (the new name for the Interjurisdictional Housing Coordination program) prepared a housing profile for the City of Stanwood dated November 2014. The interjurisdictional program (now AHA) began from efforts by Snohomish County Tomorrow (SCT) – to which Stanwood belongs – to expand information and opportunities for attainable or affordable housing, consistent with local needs, in manner that would leverage coordination among jurisdictions in Snohomish County. The program's mission is to help increase the supply of attainable and sustainable housing near jobs, transit, and services through an interjurisdictional approach. The Profile goes into great detail about affordable housing in Stanwood. The AHA Housing Profile for the City can be viewed in the Community Development Office or online at www.ci.stanwood.com

Housing Goals and Policies

Choice and Affordability

Goal

HG-1 - To provide fair and equal access to housing for all persons regardless of race, color, religion, gender, sexual orientation, age, national origin, family status, source of income or disability.

Policies

HP-1.1 - Encourage the use of affordable housing techniques and incentives to assure housing opportunities for people of all incomes, ages, and assistance needs.

HP-1.2 - Encourage housing opportunities for those with housing assistance needs through the use of available regional and federal funding programs.

HP-1.3 - Disperse small scale special needs housing throughout the residential neighborhoods. Special needs housing provides living arrangements for those with physical, mental, or emotional disabilities where appropriate.

HP-1.4 - Provide opportunities for siting manufactured housing.

HP-1.5 - Encourage and assist in rehabilitating and preserving existing affordable housing.

HP-1.6 - Accept and plan for Stanwood's "fair share" of the County's affordable housing needs as determined by the Snohomish County Tomorrow planning process.

HP-1.7 - Utilize appropriate zoning techniques, including density bonuses for affordable housing, in order to meet the City's "fair share" of affordable housing goals.

HP-1.8 - Treat residential structures that provide group homes for children and that meet the definition of "familial status" the same as other residential structures.

HP-1.9 - Treat residential structures that provide group homes for the disabled and that meet the definition of "familial status" the same as other residential structures.

Goal

HG-2 - To provide a range of housing types to ensure an adequate choice of living accommodations for those desiring to live in Stanwood.

Policies

HP-2.1 - Encourage the development of a full range of housing types to meet the needs of all citizens of Stanwood.

HP-2.2 - Balance the housing needs of the entire community when determining

development regulations.

HP-2.3 - Allow housing units within commercial buildings in appropriate zones.

HP-2.4 - Encourage single and multi-family housing close to transportation facilities, public services, and employment centers.

HP-2.5 - Encourage the development of townhouses or other housing types, utilizing Planned Residential Developments (PRDs) in various areas to promote affordable housing.

HP-2.6 - Allow manufactured housing in all residential zones, subject to City development regulations.

HP-2.7 - Allow qualified senior citizen housing developments, which may include housing for disabled persons, to exceed the maximum zoned density requirements in specified areas.

HP-2.8 - Support opportunities to accommodate home buyers and renters with varying income levels.

HP-2.9 - Encourage a balance of percentages of housing availability for low, moderate, and high income residents.

Infrastructure

Goal

HG-3 - To ensure strong, stable residential neighborhoods through public investment in infrastructure and in preserving existing housing units.

Policies

HP-3.1 - Locate residential development within the existing sewer service area and phase it into the projected wastewater service areas as shown in the City Waste Water Facilities Plan.

HP-3.2 - Encourage pedestrian oriented development where possible to improve safety and sense of community.

Density

Goal

HG-4 - Plan an appropriate mix of residential densities in the City and UGA.

Policies

HP-4.1 - Rely on community input, the vision and values for Stanwood, and the assessed future housing needs to make changes in residential densities. Base recommended changes on:

- Existing residential zoning districts
- Land suitability and availability
- Existing land use patterns
- Available or planned capital facility/public service capacity

HP-4.2 - Maintain quality of residential neighborhoods when providing a mix of housing types and densities.

HP-4.3 - On lots where feasible, allow single-family homes to have accessory units or “mother-in-law apartments” where zoning requirements can be met. Discourage use in areas where on-street parking congestion and other safety factors would cause problems.

HP-4.4 - Allow mixed residential densities in subdivisions and planned developments where traditional neighborhood goals, designs, and amenities can be achieved for a variety of housing types and densities.

Goal

HG-5 - Encourage larger lots where appropriate.

Policies

HP-5.1 - Allow the use of larger lots in areas where there is a demand for larger, more expensive homes and transit service is not as accessible.

HP-5.2 - Promote the use of large lot development away from the center of the business district.

Older Homes

Goal

HG-6 - Encourage rehabilitation of older housing and infrastructure.

Policies

HP-6.1 - Develop incentives to encourage property owners to retain and rehabilitate existing or older housing stock.

HP-6.2 - Promote education on the use of any available programs to rehabilitate housing.

HP-6.3 - Encourage rehabilitation of older residential and commercial buildings.

HP-6.4 - Encourage innovative rehabilitation measures such as adaptive reuse of dilapidated residential structures, and where appropriate, adaptive reuse of commercial buildings for residential purposes.

HP-6.5 - Continue to seek Community Development Block Grants (CDBG) and other

funds in order to continue investments in older neighborhoods.

HP-6.6 - Continue to invest in the infrastructure of older neighborhoods.

HP-6.7 - Encourage improvements of streets and sidewalks on both sides of rights-of-way.

HP-6.8- Develop historical guidelines and promote historic preservation.

HP-6.9- Involve the Housing Authority of Snohomish County, Snohomish County's Office of Housing and Community Development, and other service providers in various housing programs.

HP-6.10- Encourage the preservation of the exterior of older housing that is being converted to multi-family units.

Character

Goal

HG-7 - Create unique residential neighborhoods with a variety of densities.

Policies

HP-7.1 - Encourage the development of quality single family homes.

HP-7.2 - Encourage the development of quality multi-family homes.

Goal

HG-8 - Maintain residential character.

Policies

HP-8.1 - Retain and rehabilitate older or existing housing units.

HP-8.2 - Encourage development that is similar in character to existing neighborhoods.

HP-8.3 - Ensure the orderly transition and compatibility of adjacent residential densities.

Environment

Goal

HG-9 - Minimize environmental impacts of new housing developments.

Policies

HP-9.1 - Ensure new housing developments conform to the City's sensitive area regulations.

HP-9.2 - Ensure new housing developments conform to the City's adopted drainage manual.

HP-9.3 - Ensure services for new housing developments are in place concurrently with the occupancy of the structures.

HP-9.4 - Allow for clustering and smaller lot sizes in return for protection and rehabilitation of sensitive areas.

HP-9.5 - Protect views by maintaining height limitations.

Open Space and Recreation Space

Goal

HG-10 - To provide open space and other recreational amenities for residential developments.

Policies

HP-10.1 - Require the provision of open space and recreational amenities in new developments to serve those developments.

HP 10.2 - Collect impact fees from new developments to provide public recreational facilities.

HP-10.3 - Create a fee-in-lieu-of program to allow residential developments to pay a fee rather than provide small, non-utilized recreation areas.

HP-10.4 - Allow for clustering and smaller lot sizes in return for larger amounts of open space.

Housing Inventory and Analysis

Background

Situated in the northwest corner of Snohomish County, Stanwood is a small city with a small town atmosphere and rich history. Steady growth is projected to continue moving forward, with an estimated 4,745 additional residents by 2035. Reflecting both its history and recent growth, Stanwood features a high concentration of both new and very old homes, with 56% of homes built after 1990 and 13% before 1940. Both of these concentrations are much higher than the County average. While Stanwood has sufficient capacity to accommodate projected growth over the next 20 years, it will still likely see significant changes. Current estimated capacity is split between single family and multifamily units, with a high portion of potential in redevelopable parcels. The

City will likely see a shift toward more multifamily units in order to accommodate the projected growth within the City’s redevelopable parcels. Stanwood faces the challenge of preserving its historic rural character while accommodating growth and the changing needs of future communities.

It is also important to note that almost all of downtown Stanwood is located within a FEMA designated 100 year floodplain. Locating in a floodplain can often times increase the costs to build and/or improve structures due to additional regulatory requirements. There is currently more than the typical uncertainty with regard to floodplain development due to several ongoing changes at the federal government level. One such issue is the passage of the Biggert Waters Act of 2012 (BW12). The result of this legislation is a large increase in annual premiums for flood insurance (approximately 1,000%) to a “full-risk rate”. As of this date, implementation of BW12 has been suspended for two years, so its impacts are yet unknown. Another uncertainty is the effect of the FEMA’s implementation of the Biological Opinion (the result of a lawsuit filed by National Marine Fisheries Service against the flood insurance program administered by FEMA). Yet another pending change regarding floodplain development is the possible increase of regulated floodwater depth in Stanwood. New floodplain models have indicated that 100 year flood depths may be 3 feet more than previously calculated. If these maps are adopted by FEMA, the base flood level could be raised by 3 feet from 10 feet to 13 feet in downtown Stanwood.

A Summary of Stanwood Housing by the Numbers

Population	6,340 ¹
Total Households	2,343 ²
Family Households with Minor Children	797
Cost-Burdened Households	1,031
Households Earning Less than 50% AMI	921
Minimum Income to Afford 2012 Median Home Sale	\$50,778 ³

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

¹ Washington State Office of Financial Management, 2013

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

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

a more modest rate. While Stanwood homeowners earning less than 50% AMI are much less likely to be cost burdened compared to the County overall, the ratios track very close to each other for higher income levels.

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

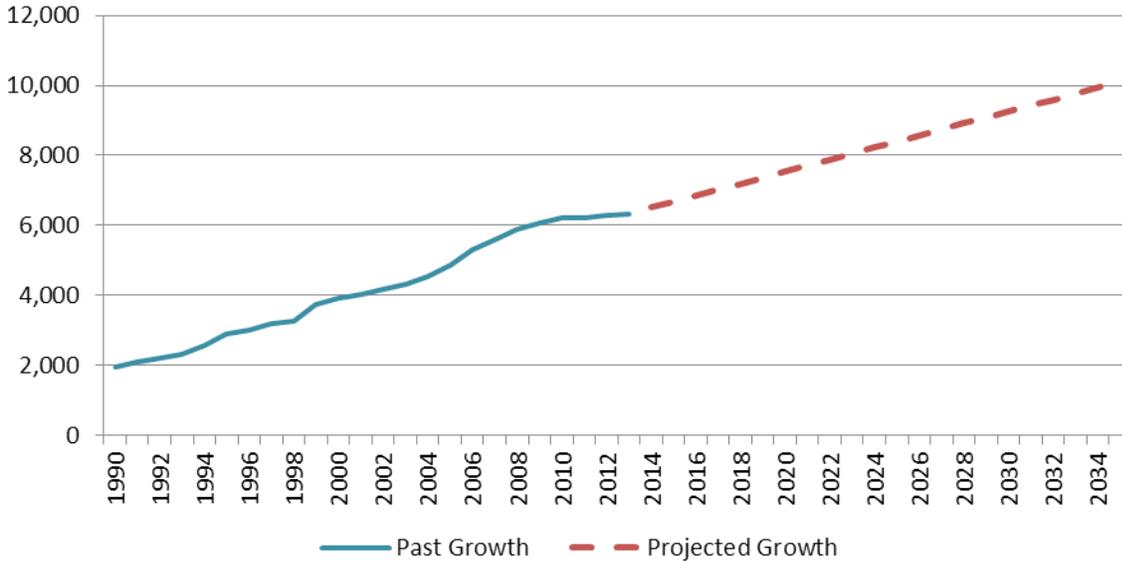
Population and Community

In 2013, Stanwood was home to 6,340⁴ people, representing a 62% increase over its 2000 population of 3,923. While there were annexations during this period, population growth through annexation only accounts for a very small portion of overall growth. Strong growth is projected to continue, with Stanwood accommodating an estimated 4,745 additional residents by 2035 in its current limits and UGA. This increase would require 1,832 additional housing units, just under the City's current estimated capacity of 2,078 units. Current capacity is split almost evenly between single family and multifamily units. 49% of capacity is in redevelopable or partially used parcels, 27% in vacant, and 24% in pending parcels. Growth in Stanwood's unincorporated UGA is projected to be dramatic, with 836 additional residents by 2035, an increase of more than 600% over the current population⁵.

⁴ Washington State Office of Financial Management, 2013.

⁵ Snohomish County Tomorrow Planning Advisory Committee, "Housing Characteristics and Needs in Snohomish County", 2014.

**Figure H-1
Population Growth and Projections, City of Stanwood, 1990 - 2035**



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

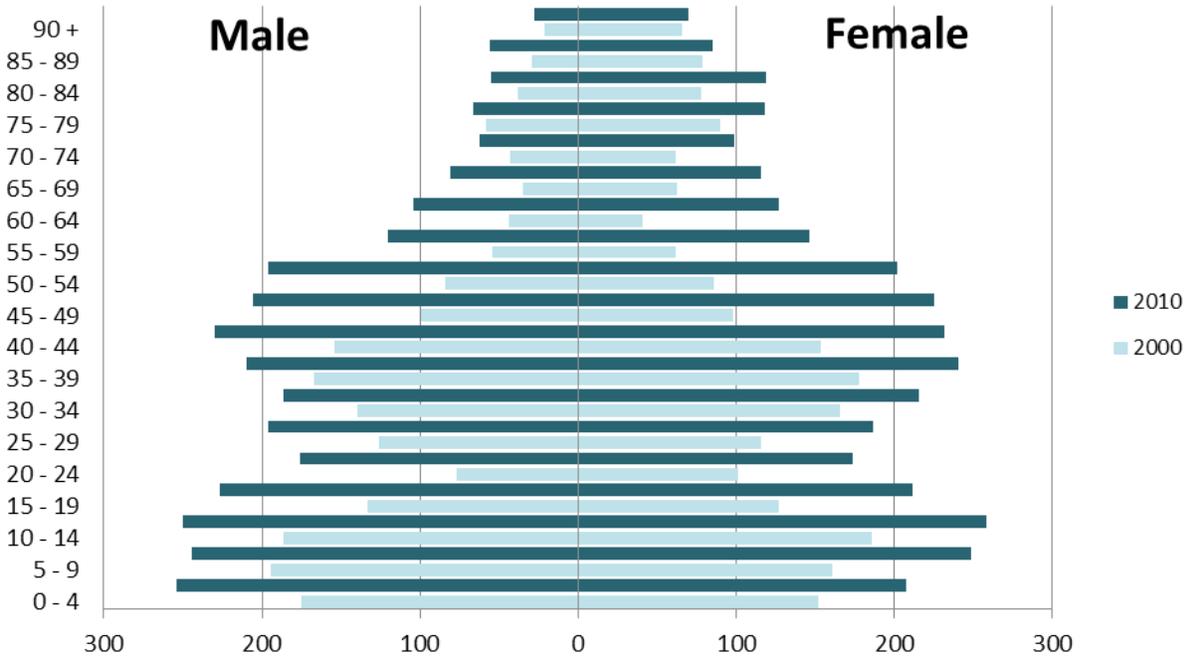
The 2012⁶ population includes 2,343 households. Of these, 1,578, or 67%, are family households⁷, and 51% of those families have children. In Snohomish County overall, 68% of households are families, and 48% of those families have children. The average family size in Stanwood is 3.22, compared to 3.13 for the County. Overall, the City’s renter households are smaller than its homeowner households. The average renter household size in Stanwood is 2.09 versus 2.86 for owners.

The shape of the City’s population pyramid, shown in Figure H-1, offers additional insight into its housing needs and how they may be changing. While the City saw growth in every cohort, the most dramatic growth from 2000 to 2010 was in adults between 45 and 55. The City’s 2012 median age, at 35.5, is still lower than the County median age of 37.2, but the City may see an increase in the share of seniors as this growing group ages and moves into retirement. Across the County, accommodating the needs of seniors will be an important consideration for housing planning moving forward.

⁶ 2012 data is used here as, at time of writing, it is the most recent ACS 5-year data available.

⁷ Based on the US Census Bureau’s definition of family, which “consists of two or more people (one of whom is the householder) related by birth, marriage, or adoption residing in the same housing unit.”

Figure H-1
Population Pyramid, City of Stanwood, 2000 - 2010



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

Housing and Transportation

HUD’s Location Affordability Index uses a number of variables to estimate the affordability of a location including both housing and transportation costs. According to the index, a “regional typical household”⁸ could expect to spend 47% of their income on housing and transportation if they rent or own in Stanwood, compared to 49% overall for the County. 45% is proposed as a targeted maximum percentage of income to be spent on housing and transportation combined to be affordable according to HUD, meaning that Stanwood is estimated to be close to the goal for a “regional typical household”. A low income household,⁹ however, could still expect to devote more than 69% of their income to housing and transportation living in Stanwood. A regional moderate family may have to devote 56% of their household income to transportation and housing.¹⁰

Housing and transportation affordability estimates for a number of different household types are presented in Figure H-2. As shown, it is estimated that owners will generally

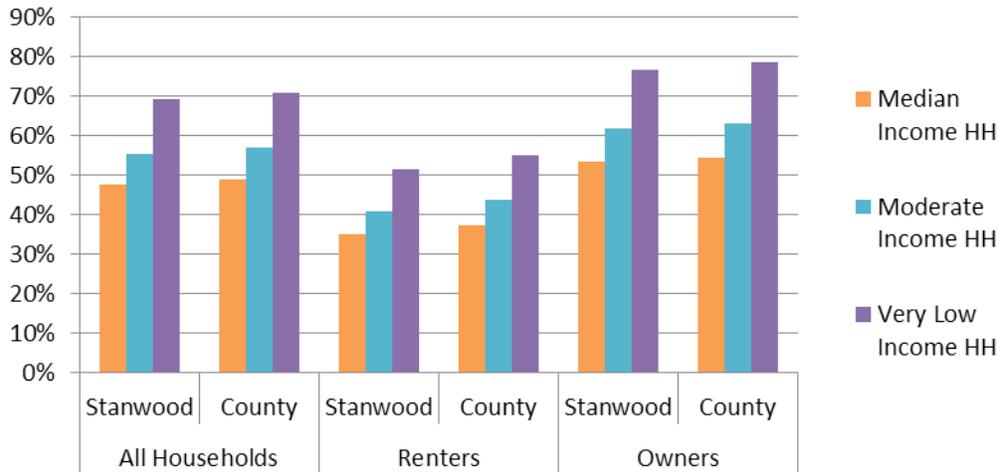
⁸ Defined as a household with average household size, median income, and average number of commuters in Seattle-Bellevue HUD HMFA.

⁹ Defined as a household with 3 individuals, one commuter, and income equal to 50% AMI.

¹⁰ US Department of Housing & Urban Development; Location Affordability Portal, 2013.

spend more on housing and transportation than renters, regardless of location or household type. Stanwood residents could generally expect to spend a little less on housing and transportation, regardless of tenure or household type. The 2012 unemployment rate was 3.7% in Stanwood, compared to 5.9% for the County. For employed Stanwood residents, the mean commute time is 26 minutes, compared with 29 minutes for the County. 80% of city residents drive to work alone compared to 74% of all County workers.

Figure H-2
Estimated Housing & Transportation Costs as a Share of Income
City of Stanwood and Snohomish County



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

Existing Housing Stock

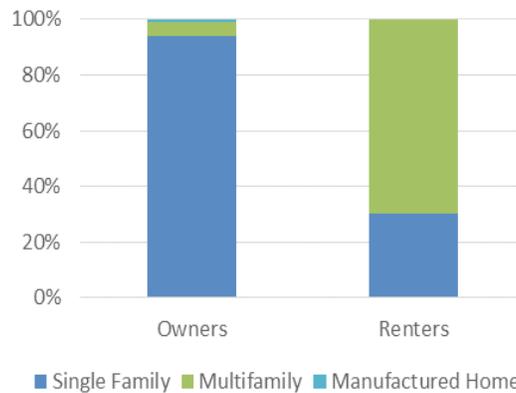
Compared to the County overall, Stanwood has a high concentration of both new and old homes – 57% built after 1990, compared to 41% across the County, and 17% before 1949 versus 9% across the County. This reflects both the City’s long history and more recent dramatic increases in growth. 69% of the City’s dwellings are single family homes, almost exactly the same share as the County overall, and 62% of all dwellings are owner-occupied, slightly below the County average of 67%.¹¹ Current development capacity is estimated to be sufficient to accommodate increased housing supply through

¹¹ US Census Bureau; American Community Survey, 2008-2012

2035, with potential split nearly evenly between single family and multifamily dwellings.¹²

Figure H-3 shows the distribution of renter and owner households among different types of housing. As shown, 94% of homeowners live in single family homes, compared to 30% of renters. Multifamily units are almost exclusively occupied by renters.¹³

**Figure H-3
Dwelling Type by Housing Tenure
City of Stanwood**



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

Housing Units by Type, Tenure, and Occupancy Status

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

¹² Snohomish County Tomorrow Planning Advisory Committee, “Housing Characteristics and Needs in Snohomish County”, 2014

¹³ In this case, “single family home” is defined as a property where there is only one housing unit in the structure, including townhome.

Workforce rental units are targeted to working households that still cannot afford market rents. Workforce rental units and subsidized rental units are both considered “assisted”, but differ in several areas. The key difference between subsidized and workforce units is that workforce units have a subsidy “built in” through the use of special financing methods and other tools, allowing (and typically requiring) the landlord to charge less for rent.

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

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

In 2010, as shown in Table H-1, there were 2,392 housing units in Stanwood. Of those housing units, 2,191 units were occupied (a vacancy rate of 8.5 percent). 1,621 or 68 percent were single-family homes and approximately 32 percent were multi-family dwellings. This percentage breakdown is similar to that of the 1990 and 2000 Census, indicating a stable tendency toward this breakdown in types of units.

The number of households living in rented homes in Stanwood is higher compared the County overall. Almost 38% of City households rent their homes compared to 33% across the County. While the rate was relatively constant in the County during this decade, Stanwood saw a slight decline in the share of renter households from 2000 to 2010. The City’s 2012 vacancy rate for all homes was 5.4%, compared to 6.4% across the County. 69% of dwellings are single family homes, almost the same as the County average. 94% of Stanwood homeowners live in single family homes, compared to 30% of renters.

Furthermore, of the City's 2,191 total occupied housing units 1,483 units or 68 percent, were owner-occupied, and 708 units or 32 percent, were renter-occupied.

**Table H-1
Number of Dwelling Units, by Type, City of Stanwood: 2010**

Type of Dwelling Unit	Total Dwelling Units	
	Number	%
Single Family, detached	1,569	65.6
Single Family, attached	52	2.2

Duplex	40	1.7
Multifamily (3 - 4 units)	92	3.8
Multifamily (5 - 9 units)	208	8.7
Multifamily (10 - 19 units)	164	6.9
Multifamily (20 units or more)	258	10.8
Mobile/Manufactured Homes	9	.4
Total Housing Units	2,392	100

Note: Only 2,191 housing units were occupied.

Source: 2006-2010 American Community Survey, City of Stanwood.

Age of Housing

Table H-2 indicates the age of Stanwood's housing stock as of 2010, according to the U.S. Census. More than 63 percent of the City's dwelling units were built after 1980. City permit records indicate that 131 new single family and 6 new multi-family dwelling units have been constructed from January 2010 through December 2013.

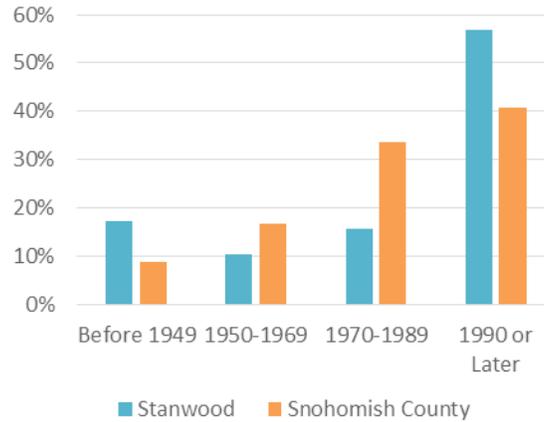
As construction activity has continued steadily since 2000, spiking again in 2005 adding 391 units in the years immediately preceding the recession. This means that approximately two-thirds of the housing in Stanwood is less than 30 years old. The implication of this is that the quality of this housing is relatively high, as these units have been built in accordance with current building codes. The 37 percent of homes having been built before 1980 means that, even though Stanwood does have a good percentage of newer homes, rehabilitation activities must remain important as Stanwood's percentage of older homes (homes built before 1939) was 1.8 percent higher than the State average in 2010. (Please refer to Table H-4.) In comparison with 1990 data, both Table H-2 and Table H-3 indicate great strides toward providing new housing stock in the city.

Table H-2
Age of Housing, City of Stanwood: 2010

Year Housing Built	Number of Units	% of Total
2000 or later	744	31.1
1990 to 1999	606	25.3
1980 to 1989	155	6.5
1940 to 1979	572	23.9
1939 or earlier	315	13.2
TOTALS	2,392	100.0

Source: 2006-2010 American Community Survey, City of Stanwood.

Figure H-4
Age Distribution of Housing Stock, City of Stanwood & Snohomish County



Source: US Census Bureau; American Community Survey

Table H-3
Age of Housing: 2000 and 2010
Percent of Houses Built Before 1939

	State	Stanwood	Arlington	Marysville	Snohomish County	Skagit County
2000	12.5	15.4	15.4	8.5	8.9	19.2
2010	11.4	13.1	4.9	4.1	5.9	14.2

Source: 2006-2010 American Community Survey
 U.S. Census of Population and Housing; Selected Housing Characteristics; Stanwood, Washington: 2000

Quality of Existing Housing

One of the statistical measures of quality of Stanwood's housing stock is presented in Table H-4. The criteria used to measure housing quality in this table have been developed by the U.S. Census. Measures such as the lack of complete bathroom facilities, kitchens, or heating equipment, or the lack of a potable water system or means of disposing of sewage are all indicators of substandard housing conditions.

Table H-4
Availability of Facilities in Housing Units: 2000 and 2010
 City of Stanwood

Type of Facility		2000		2010	
		Number	% of Total	Number	% of Total
<i>Plumbing</i>	Lacking complete plumbing facilities	17	1.3	0	0
<i>Kitchen</i>	Lacking complete kitchen facilities	7	0.5	24	1.1
<i>Home Heating Fuel</i>	Utility gas	541	40.2	1,227	56
	Bottled, tank or LP gas	54	4	30	1.4
	Electricity	722	53.7	867	39.6
	Fuel oil, kerosene, etc.	18	1.3	13	.6
	Coal or coke	0	0	0	0
	Wood	10	0.7	54	2.5
	Solar energy	0	0	0	0
	Other fuel	0	0	0	0
	No fuel used	0	0	0	0

Source: 2006-2010 American Community Survey, City of Stanwood.

U.S. Census of Population and Housing; Selected Housing Characteristics; Stanwood City, Washington: 2000.

Measured according to the above criteria, the quality of housing in the City is high and better than it was 10 years ago, continuing the previous decade's trend. All homes reported having complete plumbing facilities, and just over one percent did not have full kitchen facilities. All of the dwelling units have some form of home heating, as well as an adequate potable water source and means of wastewater disposal.

Overcrowding is also an indicator of substandard housing. According to the U.S. Bureau of Census, a substandard condition exists if there are more than 1.01 persons per room living in a dwelling unit. In making these computations, it must be understood that a "room" is a living room, dining room, kitchen, bedroom, finished recreation room, or enclosed porch suitable for year-round use. Excluded are bathrooms, open porches, balconies, halls, and utility rooms. Table H-5 shows that 18 dwelling units, or .8 percent of the occupied homes in 2010 were considered to be overcrowded. This is a decrease from 2000, in which 5.2 percent of the occupied homes were overcrowded. This decline reversed and nearly eradicated an earlier 20 year rising trend toward overcrowding.

**Table H-5
Tenure by Persons per Room: 2000 and 2010
City of Stanwood**

Persons/Room	2000		2010	
	Number	Percent	Number	Percent
1.00 or less	1,275	94.8	2,173	99.2
1.01 to 1.50	31	2.3	18	.8
1.51 or more	39	2.9	0	0
Occupied housing units	1,345	100	2,191	100

Source: 2006-2010 American Community Survey, City of Stanwood.
U.S. Census of Population and Housing by Place: Household Characteristics of City of Stanwood, Washington, 2000.

Housing Affordability

Introduction

Across the state of Washington, housing affordability is becoming an increasingly serious problem. Under the Growth Management Act, local governments are being asked to analyze the impacts of policies and regulations of the Comprehensive Plan on the development of various types of housing, at various densities, and across a range of costs. This analysis should take into account the current and projected housing needs of Stanwood's residents. The outcome of this process will be policies that will provide opportunities for the development of the types and amounts of housing expected to be needed over the next 20 years.

Cost Burden

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

In Snohomish County's Countywide Planning Policies, Housing Goal 5 (HO-5) states that "the cities and the county shall collaborate to report housing characteristics and

needs in a timely manner for jurisdictions to conduct major comprehensive plan updates and to assess progress toward achieving CPPs on housing". Building on the County's efforts in preparing the countywide "HO-5 Report", this analysis furthers this goal by providing detailed, local information on existing conditions for housing in Stanwood so the City can plan more effectively to promote affordable housing and collaborate with neighboring jurisdictions.

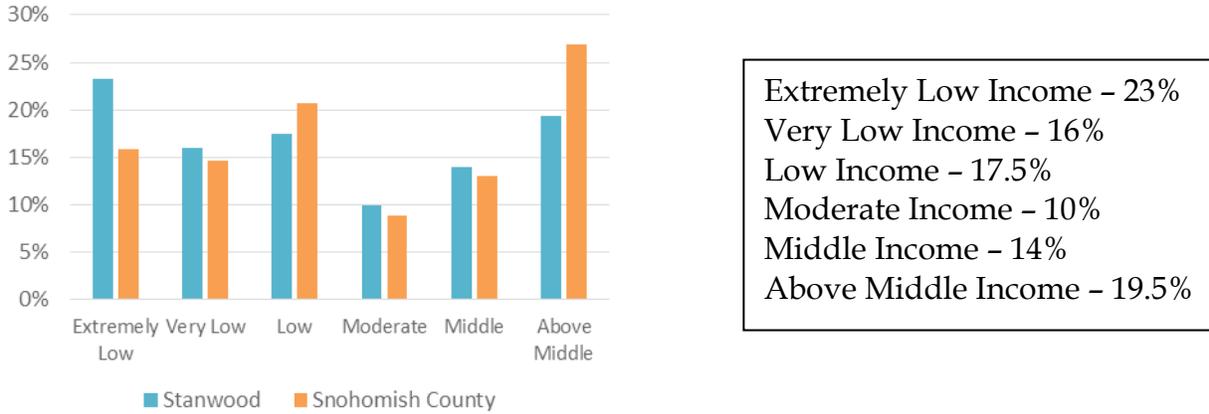
The affordable housing field defines annual income levels as they relate to AMI. These are:

- Extremely Low Income - up to 30% AMI (\$26,400)
- Very Low Income - up to 50% AMI (\$44,000)
- Low Income - up to 80% AMI (\$70,400)
- Moderate Income - up to 95% AMI (\$83,600)
- Middle Income - up to 120% AMI (\$105,600)

When a household spends more than 30% of their income on housing, they are considered to be "cost burdened", and, if lower income, will likely have to sacrifice spending on other essentials like food and medical care. "Cost burden" is used as a benchmark to evaluate housing affordability. 546 households, or 23% of Stanwood's total, are considered to be extremely low income, earning less than 30% of area median income (AMI). The AMI for Snohomish County is \$88,000, higher than the County's overall 2012 median income of \$68,338. Stanwood's 2012 median income is lower than both at \$61,637. There are economic segments of the City's population that could be at risk of housing cost burden.

A comparison of income distribution in the City and County is presented graphically in Figure H-5. As shown, Stanwood has a higher share of extremely low income households, and a lower share of households above middle income. There is a slightly higher portion of moderate and middle income households in Stanwood, however. Overall, 44% of households in Stanwood are cost burdened, renters and owners combined.

Figure H-5
Household Share by Income Level
City of Stanwood and Snohomish County



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

Table H-6 shows the estimated percentage of each income group that is cost burdened in Stanwood and Snohomish County by housing tenure. With the exception of extremely low income renters, people are less likely to be cost burdened in Stanwood compared to the County overall. For both renters and owners, cost burden improves as income rises, with the most dramatic improvement above the group considered very low income, especially for renters. This table does not address differences in degrees of cost burden – for example, a household that spends 31% of its income on housing would be considered cost burdened along with a household that spends 80% of its income on housing.

Table H-6
Cost Burden by Income and Housing Tenure
City of Stanwood and Snohomish County

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

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

Affordability in Owner-Occupied Dwelling Units

Between 2008 and 2012, 60% of single family homes sold in the City of Stanwood were three bedrooms in size. 28% of homes sold were four bedrooms in size, meaning that three and four bedroom homes together represented 88% of sales. 7% were two bedrooms and 5% were five bedrooms. This includes detached single family homes, common wall single family homes (townhouses), manufactured homes, and condominiums. Home sale information is calculated from Snohomish County Assessor data.

In 2012, the median sale price for a single family home in Stanwood was \$210,551. To afford this monthly cost, a family would require an annual income of at least \$50,778, which is below the City’s median income.

During the 2008 – 2012 time period, the median home sale price declined by 31%. In 2012 dollars, this translates to a difference of nearly \$40,000 in annual income necessary for affordability-from a high of \$90,305 to afford the 2008 median home to \$50,778 in 2012. The housing market across the region has since began to recover from the recession.

Table H-7 lists the estimated percentage of 2012 sales of home sales that are affordable to each income level by home size. No homes were “Not affordable” meaning that the minimum income required is higher than the middle income upper cutoff. All of the percentages specify the portion of homes of that size that someone in the particular income group could afford. As shown, there is decreasing affordability as size increases, though moderate and middle income households could theoretically afford the monthly cost of any of the homes sold in 2012.

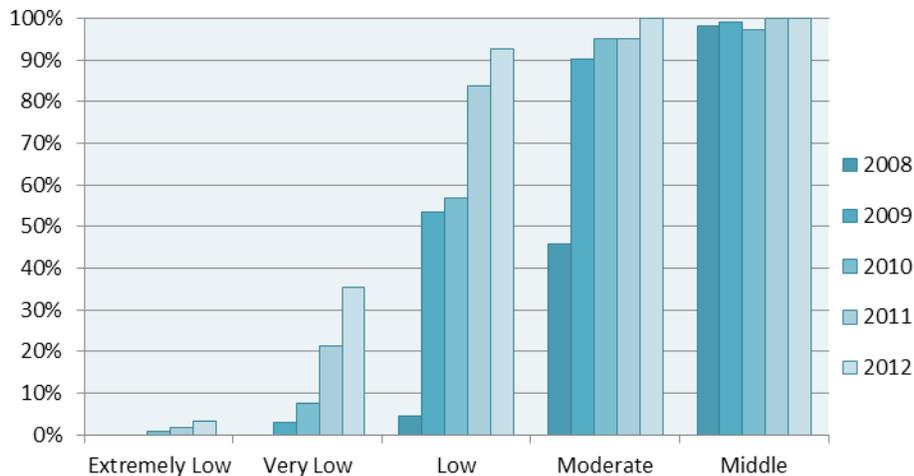
**Table H-7
Affordable Home Sales by Size, 2012**

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

Figure H-6 shows how the percentage of sales affordable to each income level changed from 2008 to 2012, tracing the trajectory of the recession. As shown, affordability by this estimate was never a significant challenge for households earning at least 80% AMI

after 2009. As the housing market continues to improve following the recession, affordability for these moderate income households may retreat again.

**Figure H-6
Home Sale Affordability, 2008-2012**



Source: Snohomish County Assessor, 2014

It is important to note that many of the most affordable sales were likely foreclosed homes sold by banks. While low priced foreclosed homes can put home ownership within reach for more households, this is accomplished at the expense of previously displaced homeowners and may cause future cost burden due to increasing property taxes.

In 2000, slightly more than 58 percent of all occupied homes in the City, were owner-occupied. In 2010, that segment increased to 62 percent. Table H-8 shows that, of the 1,192 homeowners analyzed by the American Community Survey in 2010, 537, or 45.3 percent, spent 30 percent or more of their income on housing. (The generally accepted standard for determining housing affordability is that housing costs should not exceed 30 percent of family income.) This continues an increasing trend from 11.3 percent in 1990.

The fact is that individuals and families at the lower end of the economic spectrum must devote a greater percentage of their income for their housing. And, in Stanwood, where housing costs can be expected to continue to rise as more of the land is used up, this problem could increase. The Economic Element of this Comprehensive Plan addresses the issue of attracting well-paying jobs to the City. If Stanwood achieves a

measure of success in this effort, it will mean that fewer families will have to rely on some form of subsidized housing. Additionally, we as a nation are getting older. In Stanwood, 27.7 percent of the households have at least one family member over the age of 65 compared to 25.2 percent in 2000. The implications of this are, that as people get older and retire, they have less disposable income. And, while many of them may have paid their mortgages off years ago, they are finding it increasingly difficult to pay their property taxes and to maintain their homes properly, given their reduced financial circumstances. It's easy to say that deteriorating homes must be brought up to minimum building code standards, but if the people living in these homes cannot afford to make the repairs, how will this be accomplished? If there are insufficient housing options for the elderly, the growing senior population will be forced to live in dwelling units that are falling into disrepair.

**Table H-8
Percentage of Household Income of
Homeowners Spent for Housing: 2010
City of Stanwood**

Percent of Income Range	Number of Homeowners	Percent of Total
Not computed	8	1.3
Less than 20 percent	123	10.4
20 to 24.9 percent	275	23.2
25 to 29.9 percent	249	21.0
30 to 34.9 percent	140	11.8
35 percent or more	397	33.5
TOTALS	1,192	100

Source: 2006-2010 American Community Survey, City of Stanwood.

The median value of all owner-occupied dwelling units in Stanwood in 2010 was \$274,500. This is an increase of 40 percent over the 2000 median value of \$162,200 which was double the 1990 value of \$82,200. Table H-9, which allocates these units into their various value ranges, shows that the City has a declining distribution of homes in the lower price categories. In the 2000 Census, the majority of housing (53.5%) was valued in the \$150,000 to \$199,999 range. In the 1990 Census, the majority was in the \$50,000 to \$99,999 range.

**Table H-9
Value of Specified Owner-Occupied Housing: 2000 and 2010
City of Stanwood**

Value Range	2000		2010	
	Number of Units	Percent of Total	Number of Units	Percent of Total
Less than \$50,000	26	3.5	54	3.6
\$50,000 to \$99,999	18	2.4	7	.5
\$100,000 to \$149,999	184	24.9	41	2.8
\$150,000 to \$199,999	396	53.5	146	9.8
\$200,000 to \$299,999	116	15.7	696	46.9
More than \$300,000	0	0	520	35.1

Source: 2006-2010 American Community Survey, City of Stanwood.
U.S. Census of Population and Housing by Place: Financial Characteristics of Housing Units of City of Stanwood, 2000.

Affordability in Renter-Occupied Dwelling Units

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

Table H-11 summarizes ACS data on the number of units available at certain rent levels by bedroom size in Stanwood. ACS rent data is not consistent with other sources of local market rate rent data for the City. This could be because the ACS sample may include subsidized units and less formal rent arrangements – renting rooms or mother-in-law suites in single family homes, renting from family members – that could be more affordable. ACS rent data also does not include utility allowances.

**Table H-11
Renter-Occupied Units by Rent and Unit Size (Without Utilities)
Northwest Snohomish County**

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

\$1,000 or more	10	30	148	196
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Source: 2006-2010 American Community Survey

Table H-12 shows the affordability distribution of average rents in Stanwood by size, including utilities. In this table, “Yes” means that the average rent is affordable to a household at that income level, adjusting for household size, “Limited” means that the average rent is not affordable but there are lower end affordable units, and “No” means that the entire rent range is not affordable. As shown,

**Table H-12
Distribution of Rent Affordability by Size
Northwest Snohomish County**

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

Source: Dupre and Scott, 2013

The 2010 Census revealed that 38 percent of all occupied housing were rental accommodations, compared to 42 percent in 2000. Because the rental market constitutes such a significant component of the total housing picture in Stanwood, the issue of affordability is as important as it is for owner-occupied housing.

The situation for lower-income renters spending higher proportions of their earnings for shelter is more serious than for lower-income home owners, as can be seen in Table H-13. Approximately 57.6 percent of the renters in Stanwood spent 30 percent or more of their income for housing accommodations compared to 44 percent in 2000. This is continuing an increasing trend from 1990, when 40 percent fell into this category.

**Table H-13
Percentage of Household Income of Renters
Spent for Housing: 2000 and 2010
City of Stanwood**

Percent of Income Range	2000		2010	
	Number of Renters	Percent of Total	Number of Renters	Percent of Total
Less than 15 percent	69	12.3	95	13.9
15 to 19 percent	72	12.9	96	14.1

20 to 24 percent	100	17.9	51	7.5
25 to 29 percent	46	8.2	47	6.9
30 to 34 percent	77	13.8	135	19.8
35 percent or more	170	30.4	258	37.8
Not computed	25	4.5	26	0
TOTALS	559	100	682	100

Source: 2006-2010 American Community Survey, City of Stanwood.
 U.S. Census of Population and Housing: Selected Housing Characteristics: Stanwood, Washington: 2000.

The range of monthly rents paid by households in Stanwood in 2010 is presented in Table H-14. Gross rent is defined as the contract rent plus an estimated monthly cost for utilities. In 2000, the median rent in the City was \$652 (up from \$299 in 1990). In 2010 the median rent increased again to \$853. Approximately only 18 percent of the rental stock had rent levels below \$500 per month.

Table H-14
Average Monthly Gross Rental Rates: 2000 and 2010
City of Stanwood

Value Range	2000		2010	
	Number of Units	Percent of Total	Number of Units	Percent of Total
Less than \$200	53	9.5	0	0
\$200 to \$299	19	3.4	58	8.5
\$300 to \$499	129	23.1	67	9.8
\$500 to \$749	156	27.9	165	24.2
\$750 to \$999	98	17.5	111	16.3
\$1,000 to \$1,499	58	10.4	157	23
\$1,500 or more	28	5	124	18.2
TOTALS	559	100	682	100

Source: 2006-2010 American Community Survey.
 U.S. Census of Population and Housing by Place: Financial Characteristics of Housing Units of City of Stanwood, 2000.

Special Housing Types

To provide a complete overview of the City of Stanwood's housing inventory, an assessment must be made of the special housing types that exist. These include government-subsidized rental housing, group homes, and manufactured homes.

Senior Citizen Housing Complexes and Group Housing

There are three senior/assisted living facilities within Stanwood city limits. One is the Josephine Sunset Home, currently located on 272 Pl. N.W. This is a privately owned congregate care facility with 160 long-term care beds and 63 assisted living units. The second facility is Emeritus (formerly known as Merrill Gardens), which is a private facility located on 265th Street and contains 113 units. The third complex, the Stanwood Senior Center, is also privately owned and located on 276th Street. The Senior Center offers 85 1 bedroom units in two separate apartment-style buildings on one property.

Manufactured Housing

The choice of a manufactured home over a more conventional “stick built” home largely has to do with cost. Depending on its size, excluding land costs, some new manufactured homes can be purchased for less than \$20,000. Manufactured homes are built to the HUD Code Standards, rather than the International Building Code (IBC), which is the standard for “stick built” homes. Many manufactured homes use 2 x 4 construction for exterior walls, unlike the typical 2 x 6 exterior framing used in a “stick built” home. According to the 2010 Census, manufactured homes do not provide a major segment of the housing stock in Stanwood; however manufactured homes may offer an alternative to meet affordable housing demands within the City.

Assisted Housing

Subsidized Housing - Permanent and Transitional

Stanwood has 180 units of permanent subsidized housing funded with a range of rental assistance sources including Section 8 Housing Choice Vouchers, Section 8 Project-Based Vouchers, HUD Section 202 Supportive Housing for the Elderly, and USDA Rental Assistance. Stanwood is also home to one property with 13 units of limited tenancy transitional housing serving homeless families.

Workforce Housing

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

Housing Development Since 2013

According to the 2002 Housing Evaluation Report prepared for Snohomish County (now known as the Housing Characteristic and Needs in Snohomish County), Stanwood issued the highest percentage of non-single-family building permits from 1996 through 2000 of any non-southwest Snohomish County jurisdiction.

From January 2010 through December of 2013 building permits were issued for 137 new residential units (see Table H-15) in the City. While this data provides a gauge of housing construction activity, it should not be used as a precise representation of the number of units added to the housing inventory since the 2010 Census. This cautionary note is interjected because some homes that have been permitted may never be built, or may not be completed for several months or even years.

Table H-15 also shows the types of units that are currently being permitted. For the 2010-2012 period, 96 percent of the permits were for the construction of single-family units. Only 4 percent of the new residential units constructed during this time period were multi-family. This is down significantly, from 46 percent, during the 2000-2002 time period.

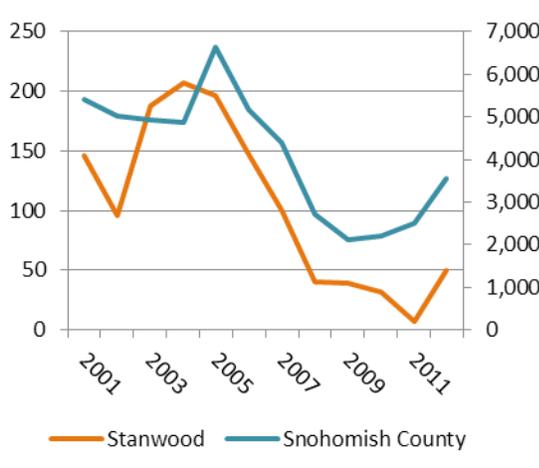
Table H-15
New Residential Unit Building Permit Activity: 2010-2013
City of Stanwood

Year	Type	Number of Units
2010	Single-Family	13
	Duplex	0
	Multi-Family	6
2010 Subtotals		19
2011	Single-Family	8
	Duplex	0
	Multi-Family	0
2011 Subtotals		8
2012	Single-Family	51
	Duplex	0
	Multi-Family	0
2012 Subtotals		51
2013	Single-Family	59
	Duplex	0
	Multi-Family	0

Source: City of Stanwood, Community Development Department, 2014.

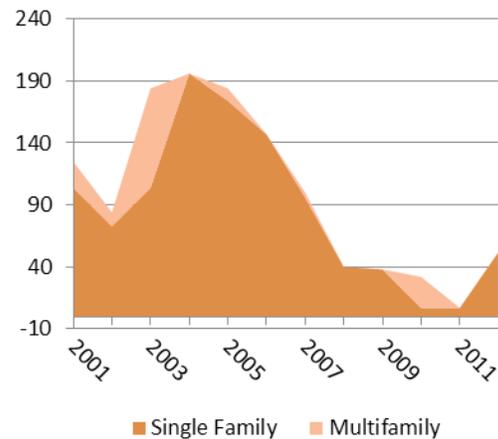
Figures H-7 and H-8 provide information on newly permitted units in the City in recent years. Figure H -7 shows the net newly-permitted residential units per year from 2001 to 2012 for both the City and County, with the City on the left axis and the County on the right. Figure H-8 shows the share of the City’s new units composed of single- and multi- family units. As shown, residential and multifamily permits peaked in 2004 for the City and in 2005 for the County, followed by sharp declines following the national housing market collapse. Throughout this period, development in Stanwood has largely been comprised of single family homes. For both the City and County, 2012 saw the beginning of a recovery.¹⁴

Figure H-7
Net Newly-Permitted Units
City of Stanwood and Snohomish
County



Source: Puget Sound Regional Council, 2012

Figure H-8
Newly Permitted Units by Type
City of Stanwood



Source: Puget Sound Regional Council, 2012

Future Needs Assessment

Housing Requirements

Significant changes have been occurring in Western Washington since the mid-1980s which, in turn, have had and will continue to have an impact on the ability of

¹⁴ Puget Sound Regional Council, Residential Building Permit Summaries 2012

Stanwood's residents to find suitable housing at affordable prices. Nationally, rising construction costs and land prices continue to threaten the City's ability to provide affordable housing. This section of the Housing Element will analyze the City's housing future, the anticipated number of new households and the number of dwelling units that will have to be built by the year 2035 to accommodate the projected population. Of particular importance is the need to establish realistic projections of the "affordable" housing needs for the next 20 years.

This will involve an orderly, step-by-step process that goes through the following procedure:

- Define what is meant by "affordable housing" and those income groups in Stanwood to which this definition applies.
- Determine how many families in Stanwood in 2010 were in the extremely low, very low, and low income groups.
- Establish the projected population for the City to 2035.
- Determine the average family size and, therefore, the additional number of dwelling units needed by the year 2035 for Stanwood.
- Estimate the number of families that will require some form of subsidized or affordable housing by 2035.

Population Projections

A complete analysis and discussion of projected population growth for Stanwood to the year 2035 is presented in the Land Use Element of this Comprehensive Plan. As depicted in Table LU-7, the 2035 population target for Stanwood and its growth area is 11,085. This population can be translated into a number of dwelling units, as shown below in Table H-16:

Table H-16
Stanwood, Washington
Projected Dwelling Units: 2035

Boundary Area	Projected 2035 Population	Projected Number of Households
City	10,116	3,906
UGA	969	374
City and UGA	11,085	4,280

1. Population projections based on Snohomish County Tomorrow, Buildable Lands Report, 2012.

- 2. Average household size based on 2010 U.S. Census, average household size of 2.59 persons per dwelling unit

In order to meet the projected 2035 population the City needs an additional 1,832 dwelling units (11,085 (projected 2035 population) - 6,340 (existing 2013 population) = 4,745/2.59 (2010 US Census Avg. Household size)).

Projected Housing Cost

**Table H-17
Cost of Home Ownership at Different Price Points
Conventional Loan Scenario**

Price Point	Down Payment	Principal & Interest	Total Payment	Loan Amount	Annual Income
\$140,000	\$28,000	\$535	\$696	\$112,000	\$27,828
\$200,000	\$40,000	\$764	\$994	\$160,000	\$39,755
\$240,000	\$48,000	\$917	\$1,193	\$192,000	\$47,705
\$300,000	\$60,000	\$1,146	\$1,491	\$240,000	\$59,632
\$340,000	\$68,000	\$1,299	\$1,690	\$272,000	\$67,583
\$400,000	\$80,000	\$1,528	\$1,988	\$320,000	\$79,509
\$440,000	\$88,000	\$1,681	\$2,187	\$352,000	\$87,460

Notes: Loan amounts are based on a 30 year fixed loan at 4%. Total payment includes taxes and insurance. 20% down payment includes closing costs. It is assumed that the borrowers' debt ratio would not exceed 30%.

Based on annual income and no more than a 30% debt ratio, Table H-17 illustrates that it may be possible for very low, low and moderate income families to purchase homes. Therefore, based on those criteria a very low income household (50 percent of median income) in Stanwood could afford the monthly payment for a home in the \$0 to \$200,000 range. A low income household (50 to 80 percent of median income) in Stanwood could afford a monthly payment for a home in the \$200,000 to \$340,000 range. A moderate income household (80 to 95 percent of median income) in Stanwood could afford a home slightly more than \$400,000.

Monthly payments for rental housing would be about the same for the various income strata; however, the families are not burdened with the task of coming up with a down payment. It is also understood that families, especially on the lower rungs of the economic ladder are resistant to moving into any form of attached multi-family housing.

Earlier in this Section, an exercise was performed to show that approximately 56.5 percent of the current population of Stanwood falls into the extremely low, very low, and low income levels.

Fair Share Housing Allocation

The regional approach to affordable housing developed by Snohomish County Tomorrow indicates that the proportion of affordable housing Stanwood should plan for is significantly lower than the existing 56.5%. This regional approach takes into account and adjusts a jurisdiction's proportion of low-moderate income housing based on the following factors: (1) lower income housing should be placed near lower income jobs; and (2) each jurisdiction's proportion of low and moderate income households should more or less match the County's overall low-income housing needs. Allocations are also adjusted for the number of existing affordable units and the number of affordable jobs in the jurisdiction. Using 1990 data, the fair share housing accommodation for Stanwood was 0.7 percent of the County's population (0.6 percent for the growth area), for a total of 717 units by 2012. This represented 12 percent of the city's 2012 population target.

Table H-18 shows the extent of affordable housing that Stanwood will be responsible for to the year 2025.

**Table H-18
Stanwood, Washington
Fair Share Housing Accommodation: 2025**

Area	Population	Number of Households ¹	Number of Affordable Households ³
City	5,650	2,132	548
UGA ²	3,190	1,204	288
TOTAL	8,840	3,336	836

Notes: ¹ Based on U.S. Census, average household size of 2.65.
² Shown as Housing Planning Area (HPA) in the Allocation.
³ This includes all housing - single-family, multi-family, rented, or owner occupied units

Sources: U.S. census Bureau, 2000
 Snohomish County Tomorrow, draft Fair Share Housing Allocation for 2025

Special Housing Requirements

Elderly Oriented Group Homes

There are a number of different types of housing that have emerged over the past several years to serve the elderly population in a group setting. The two major types are generally divided into life-care communities and Adult Congregate Living Facilities (ALFs).

Life Care or Continuing Care communities are generally self-contained villages, for the 62 and older group. A “Life-Time Contract” is offered to residents for living in a designated unit for the rest of the resident’s life or until the resident needs to be transferred to the ALF section or into its skilled nursing facility on or near campus. In exchange for the lifetime blanket protection, the resident pays a substantial up-front “Endowment” or “Entrance Fee” plus monthly maintenance fees which are most often not locked-in because of future inflation and increased operating costs.

The other form of service-oriented housing for the elderly is the ALF, also known as elderly group care housing. This version of senior adult congregate living is normally a smaller scale development than life-care and generally does not have medical facilities on the premises. It often includes units without kitchens for individuals requiring help in dressing, bathing, and eating. Such facilities typically are comprised of one-bedroom units and are targeted toward middle-income elderly people. Recent trends in this type of housing include double-sized, one-bedroom units for couples, as well as some double-sized, two-bedroom units. Areas within the facility are designated for different congregate or common functions such as meeting rooms, dining areas, library, recreation facilities, etc.

The following locational criteria are recommended when developing these elderly congregate housing types in existing or designated residential areas:

- They should be located in areas that are or are proposed to be residential in character and within close proximity (15-minute driving or response time) to hospitals, emergency medical units, neighborhood shopping, banks, restaurants, and other essential commercial services. Additionally, they should be within reasonable proximity to local cultural, recreational, educational, and entertainment facilities. Also, such housing should be located where residents can easily be served by specialized demand-oriented transportation services such as “Dial-A-Ride” programs.

- The intensity of the development should be compatible with that of the general area in which it is located.
- Congregate living facilities may be located in predominantly commercial areas if the adjacent uses are compatible, sufficient buffers are provided, and pedestrian networks are in place.
- Additional yard requirements and special buffering provisions should be included in the zoning code whenever these facilities are located adjacent to single-family housing areas.

Specialized Congregate Living Facilities/Group Homes

Two other categories of group housing are those for the physically and developmentally disabled and halfway houses. The need for these types of facilities is more difficult to forecast than that for elderly housing. However, provisions for these types of housing arrangements should be discussed in this Housing Element and provisions made in the zoning code to accommodate them.

Group Homes for the Developmentally and Physically Disabled

This is a broad category that includes housing for the physically handicapped as well as for those with mental disabilities. The principal difference between this classification and elderly housing is one of scale. Group homes for the disabled generally house fewer residents than facilities for the elderly. They also tend to occupy existing vacant homes rather than new, purpose-built structures.

The locational criteria and siting provisions for these types of group homes are similar to those for elderly congregate facilities. Larger group homes for the developmentally and physically disabled should be allowed in areas that permit higher density single-family homes and/or multi-family housing. Federal law requires that group homes for handicapped persons that meet the definition of family must be treated the same as other single family units.

Halfway Houses

This is generally the most controversial type of facility and requires the most carefully considered siting criteria. The group housing facilities in this category include approved homes for juvenile offenders, halfway houses to be used in the rehabilitation process for adult offenders in lieu of institutional sentencing, facilities providing residential care for persons leaving mental institutions, and rehabilitation centers for alcohol and drug users.

These facilities would not be appropriate in single-family residential areas. The most compatible surroundings would be multi-family and commercial areas. Careful attention must be given in the zoning code to provisions for yards, buffering, and security needs for these facilities.

Emerging Group Home Facilities

There are several group home types that have come into being in recent years in response to changing societal demands. These include facilities for abused and battered wives and children and homes for individuals with eating disorders. These groups come close to sharing the same characteristics of those occupying halfway houses. Therefore, the same siting criteria for halfway houses should be used for these types of housing. Federal law requires that group homes for children that meet the definition of family must be treated the same as other single family units.

Congregate Living Facilities/Group Homes: Conclusions

General provisions are made for the inclusion of group homes in Stanwood according to state and federal law. Where allowed, some zoning code requirements cover minimum site areas, off-street parking, yard setbacks, and buffering requirements. One general guideline that is to be noted is that group homes should be dispersed throughout the City to the maximum extent possible. No one area or neighborhood should contain all or most of the group housing in Stanwood.

Accessory Apartments

Accessory apartments are independent living units installed in the surplus space of a single-family residence. This results in two independent households living under one roof or in two structures on one lot. This program is supported by the American Association of Retired Persons, and is beneficial in accommodating the elderly, young first-time homeowners, or those otherwise requiring private assistance or companionship. The City's Zoning Code allows these units in all single family zones, where the minimum bulk regulations can be met. The general picture of a successful accessory apartment program results in the maintenance of an independent living environment for the elderly while providing companionship for them and offers security and assistance to both households.

Projected Land Needs

GMA Section 36.70A.070(2)(c) requires the identification of “sufficient land for all types of housing, including, but not limited to: government assisted housing, housing for low-income families, manufactured housing, multifamily housing, group homes, and foster care facilities.” The City’s policies and codes do not attempt to categorize units by affordability beyond the recognition that smaller lot sizes and multi-family zones are often more conducive to keeping the cost of housing lower. Group homes are accommodated in several of the city’s zones, including single-family zones, where the home can meet the definition of family. See the Land Use Element and Appendix C for the land use capacity analysis related to residential lands.

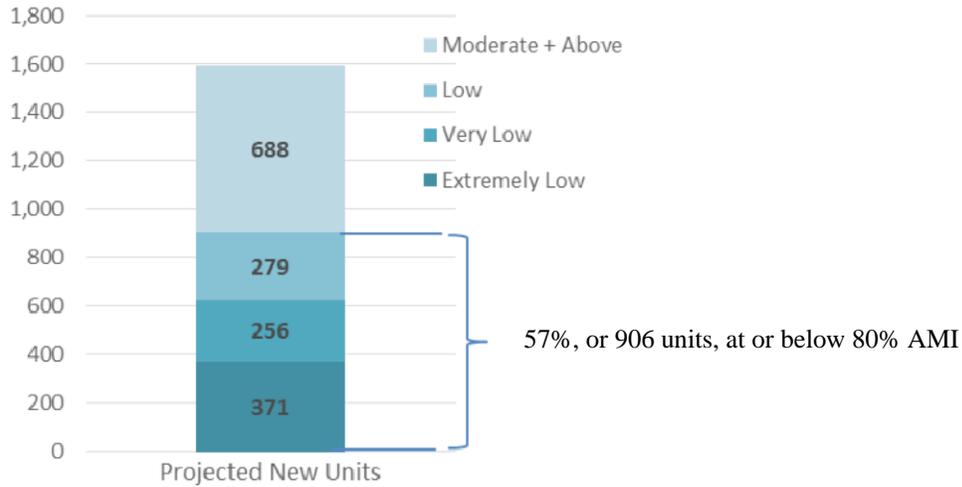
Current Challenges and Opportunities

While the City of Stanwood has sufficient capacity to accommodate growth projected over the next 20 years, it will still be challenged with preserving its historic rural character while accommodating growth and the changing needs of future communities. Of the current capacity for development, there is an almost even split in multifamily and single family zoned areas, with a high portion to come through redevelopment.¹⁵ In general, the City will eventually see a greater share of multifamily housing if growth continues as projected.

Stanwood’s median household income is lower than that of the County overall. Assuming that the City’s income mix stays constant, it is estimated that 906 units, or 57% of the total projected increase, will serve households at or below 80% AMI. The share of projected units by income level is shown in Figure H-9.

¹⁵ Snohomish County Tomorrow Planning Advisory Committee, “Housing Characteristics and Needs in Snohomish County”, 2014

Figure H-9
Income allocation of projected new housing units
City of Stanwood



Rental units of any size are not affordable to homes making up to 30% AMI, though this is expected in almost all communities due to the costs of construction and maintenance in today’s market. Cost burdened data supports these conclusions, with a significant reduction in cost burdened for both renters and owners at income levels above 50% AMI.¹⁶ Overall, 44% of Stanwood households are cost burdened.¹⁷

Home ownership became much more affordable during the recession in Stanwood. From 2008 to 2012, the minimum income required to purchase the median home sale price each year dropped from \$90,305 in 2008 to \$50,778 in 2012. As the market recovers, affordability for moderate income households may retreat again.¹⁸

There are many ways cities can support vulnerable homeowners, with a range of required resources. At the most basic level, they can publicize resources available through outside organizations, and form partnerships with those same organizations.

For those lacking sufficient credit or income, renting is still often the best choice, due to many factors including ongoing maintenance expenses. Households earning less than 50% AMI will struggle to find market rate housing, however. The City features 174

¹⁶ Dupre and Scott, 2013

¹⁷ US Census Bureau; American Community Survey, 2008-2012

¹⁸ Snohomish County Assessor, “Snohomish County Assessor’s Annual Report for 2014 Taxes”, 2014 City of Stanwood Housing Profile

units of dedicated subsidized housing targeted to this group. Another three properties benefited from workforce-type subsidies to offer another 58 units of housing with affordable rents. With a total of 921 Stanwood households earning less than 50% AMI, the supply of housing affordable to this group still needs to increase.

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

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