

CHAPTER 4

HOUSING

Introduction

The Growth Management Act requires a housing element addressing the availability of affordable housing for all segments of the population. Housing affordability can be an issue for all income categories. The primary supplier of housing for more affluent income groups is the market place, with government playing only a minor role. However, the market place only marginally meets the housing needs of lower income groups, and therefore the government plays a more significant role in providing affordable housing to these income groups.

While the importance of this section should not be underestimated, it is crucial to note other important factors. The affordability of housing regards a wide range of issues and related topics; for instance, land use, economic development and human services. Each of these topics influences the development and character of Auburn's housing stock. To understand this plan's approach to affordable housing requires looking at the plan as a whole and not solely this section.

This element is prepared with the understanding that regional and national trends have a considerable impact on housing. Regional and federal policies, land availability, labor and material cost, financial markets including interest rates, consumer demands; all exercise influence on housing development and are beyond the immediate influence of the City of Auburn .

Even with these limitations, Auburn's Comprehensive Plan contains reasonable and feasible strategies and policies. By implementing this Comprehensive Plan, Auburn can sustain and enhance those attributes that currently make it a desirable place to live.

Background and Issues

Housing Market Analysis

In the year 2000, the median sales price of a single family residence in Auburn was \$161,950 and the median value of a home was \$153,400, according to the King County Assessor. Compared to the rest of King

County, the cost of housing in Auburn is a bargain. In year 2000 the median sales price of a single family residence in King County was \$289,800 and the median value was \$236,000. Four years later the median sales price of a home in Auburn increased to \$262,000 and the median value of homes is \$176,000. The cost of housing in Auburn is still considerably less than the rest of King County, but it is quickly catching up. The following table represents a snapshot of the housing market on two separate dates. Several of the homes for sale that are less than \$100,000 are mobile homes in designated manufactured home parks.

Figure 4.1
Homes for Sale in Auburn

	5/18/2004	6/2/2002
Total Number of SF Houses	429	474
Median Price:	262,000	\$239,950
Number of Units		
Over \$325,000	98	93
\$250,000 to \$325,000	146	118
\$175,000 to \$250,000	115	186
\$100,000 to \$175,000	32	72
Less than \$100,000	38	5

Housing Affordability

Affordability concerns all households, regardless of income. It pertains to a household's attempt to reach a balance between its financial means and its desire for decent housing and amenities. The accepted definition of affordability is based on the percentage of household income spent on dwelling costs. Dwelling costs for an owner occupied unit include principal and interest payments, taxes, insurance and public utilities. A housing unit is considered affordable if monthly dwelling costs are less than 30% of the household's gross income. If a larger share of household income is spent on dwelling costs, then the household is probably sacrificing money that would normally be spent for other basic needs such as food, health care, child care, education, etc.

The term "affordability gap" refers to the difference between the average price of housing – either rented or owned – and the recommended, affordable price of housing. A positive gap means the price of housing is less than the recommended amount that a household could afford to pay. Households with positive affordability gaps have several choices of

affordable housing. A negative gap indicates the price of housing exceeds the recommended amount for housing. Households with a negative affordability gap have fewer housing choices.

According to the Year 2000 Census, the median household income in King County was \$53,157 per year or \$4,430 per month. For half of the households in King County, housing costs of less than \$1,330 per month would be affordable {30% of \$4,430 per month}. The Census indicated the median rent paid by Auburn residents was \$639 per month and the median mortgage payment was \$1,061 per month. Subsequently, Auburn has a number of affordable housing choices relative to King County in general. Figure 4.2 represents the relative affordability of housing costs relative to the King County Median Household Income.

**Figure 4.2
Housing Affordability by Income Level**

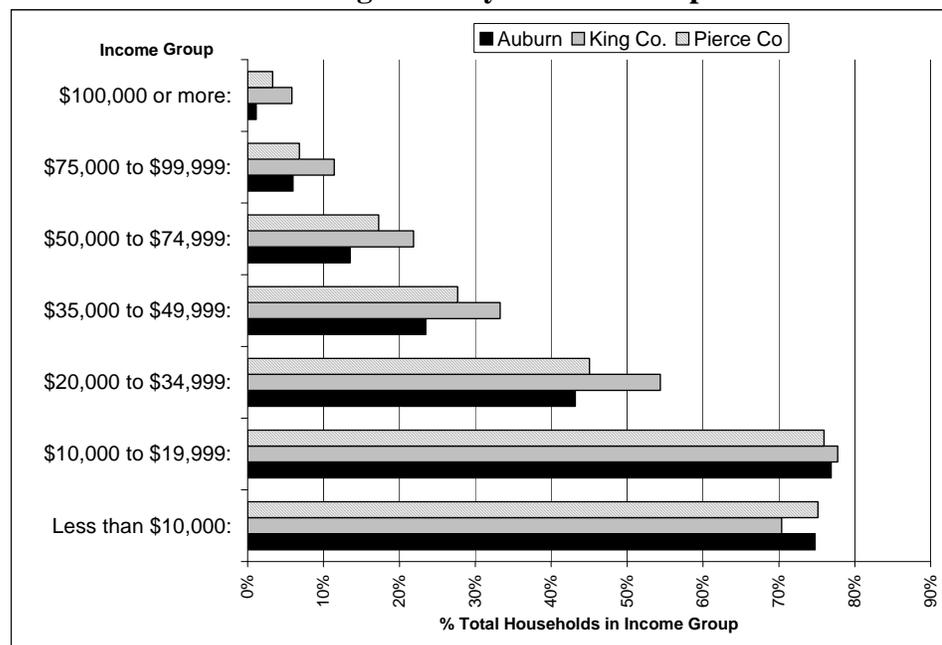
Income Group	Yr 2000 Monthly Household Income	Affordable Housing Costs	% Auburn Households
Very Low Income (0-29% of KCMI)	less than \$1,285 {less than \$8 per hour}	\$0 to \$385	16%
Low Income (30-49% of KCMI)	\$1,286 to \$2,215 { \$8 - \$13 per hour}	\$386 to \$664	24%
Moderate Income (50-79% of KCMI)	\$2,216 to \$3,544 { \$13 - \$20 per hour}	\$665 to \$1,060	16%
Low-Median Income (80-99% of KCMI)	\$3,545 to \$4,430 { \$20 - \$25 per hour}	\$1,061 to \$1,330	14%
High-Median Income (101-119% of KCMI)	\$4,431 to \$5,270 { \$25 - \$30 per hour}	\$1,331 to \$1,580	9%
Upper Income (120% or more of KCMI)	more than \$5,270 { more than \$35 per hour}	\$1581 or more	21%

Source: U.S. Census Bureau

Cost Burden

Figure 4.3 shows the percentage of total households in Auburn and King County relative to the amount of their household income spent on housing costs. In both King County and Auburn approximately one out of three households pay 35% or more of their household income for housing costs. Approximately 75% of Auburn households who earn less than \$20,000 per year pay more than 30% for their housing costs. For income groups above \$20,000 per year, an even greater percentage of King County households have unaffordable housing. A larger percentage of households earning between \$35,000 to \$50,000 per year can find affordable housing in Auburn than the rest of King County.

Figure 4.3
Households Paying More Than 30% for
Housing Costs By Income Group



Source: U.S. Census Bureau

Assisted Housing

The bulk of the assisted housing is provided by the King County Housing Authority (KCHA). KCHA administers 11,626 units of housing dispersed among 23 suburban cities and unincorporated areas of King County. It offers housing programs that include:

- Public housing for families, senior citizens and people living with disabilities;
- Affordable work force housing;
- Emergency and transition facilities for homeless and special needs populations;
- Homeownership initiatives;
- Section 8 certificate and voucher programs, as well as
- Home repair and weatherization for private dwellings.

As of April 1999 KCHA manages 3,384 public housing units for families, seniors, and people with special needs in the county outside Seattle and Renton. The stock of public housing is quite diverse, ranging from single family to townhouse to multifamily developments. Most family developments are small, having 30 units or less. The populations served by the KCHA include families, the elderly, chronically mentally ill, developmentally disabled, victims of domestic violence, youth, and

persons with AIDS. Eligible families earn no more than 50% of the King County median income. Rents are not more than 30% of the tenant's net income. Approximately 678 units, which is 20% of KCHA total units, are located in Auburn.

Figure 4.4
KCHA Rental Units Located in Auburn

Development Name	Number of Units	Type of Housing
Green River Homes I	60	F/S/D
Green River Homes II	60	F/S/D
Wayland Arms	67	S/D
Burndale	50	F
Firwood Circle	50	F
Plaza Seventeen	70	S/D
Gustaves Manor	35	S/D
Auburn Square	160	F
Tall Cedars Mobile Home Park	126	F
Totals	678	

D: Disabled F: Family S:Senior

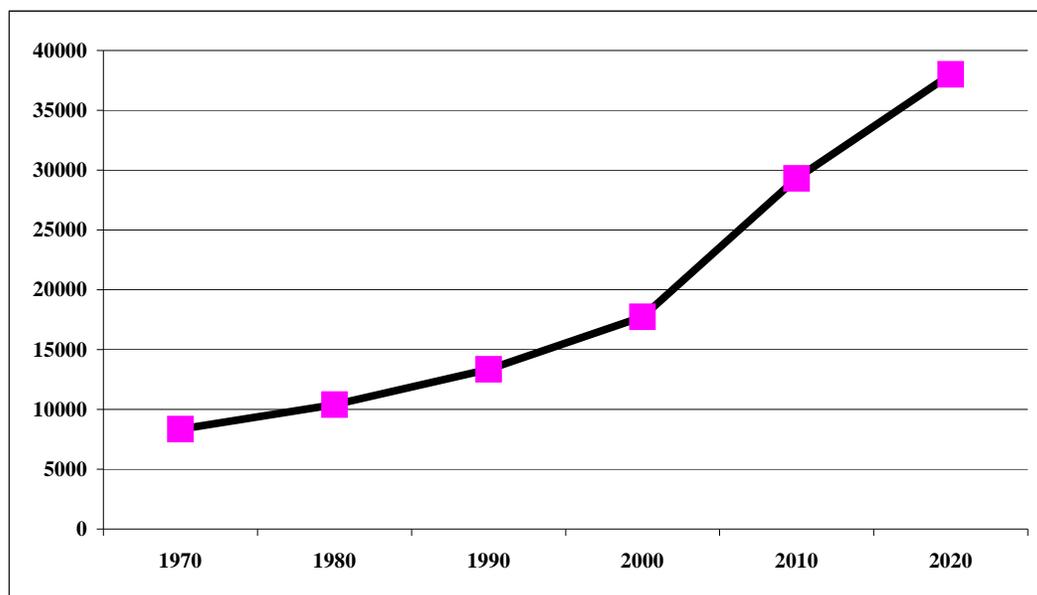
King County Housing Authority administers the Section 8 Housing Assistance Program which subsidizes the rental payments of low income households. Approximately 8.7% of King County's vouchers and certificates are issued to Auburn landlords and tenants. According to information provided by KCHA, Auburn currently has 1,246 Section 8 assisted housing units. The King County Consolidated Plan states that in 1999 Auburn had 999 housing units funded through Section 8. Apparently the number of Section 8 units has increased 25% over the past five years.

The need for public housing exceeds the supply of available public housing and/or Section 8 housing vouchers. As of April 1999, approximately 2,400 applicants were on the waiting list for public housing. Among these applicants, 62% qualify for federal preference for admission. Applicants in the federal preference category are given the highest priority on the waiting list based on need. Once preference is assigned, they are given housing according to the date and time of their qualification. The average waiting time for assisted housing is about two years.

Household Projections

The City of Auburn's "2020 Population Projection" forecast that Auburn will experience greater than average growth over the next 20 years. Housing developments in the Pierce County portion of Auburn, combined with annexations of Lea Hill and West Hill, will drive Auburn's growth over the next twenty years. Figure 4.5 represents the projected housing growth indicated in the City's "Year 2020 Population Estimate". Approximately 40% of Auburn's new housing units will be built in the Lakeland Hills South PUD located in the Pierce County portion of Auburn.

Figure 4.5
Housing Growth Projections
1970 to 2020



Distribution of Housing Among Income Groups

King County's growth management policies recommend Auburn plan for 37% of its projected new housing units be affordable to low and moderate income households as follows: 20% for low income and 17% for moderate income households. The King County Planning Policies state that in areas identified as city expansion areas, King County and the respective cities should plan cooperatively for affordable housing development and preservation. Figure 4.6 represents the projected distribution of new housing units relative to respective income groups to the year 2020. The distribution between single family and multi-family dwelling units is consistent with the mix of types of housing units reported in the Year 2000 Census.

**Figure 4.6
Auburn's Year 2020 Housing Target**

	Total 2000	SF 2010	MF 2010	SF 2020	MF 2020	Total New HU	Total HU Yr 2020	% Total Yr 2020
Less than 50%	5347	0	777	0	717	1494	6841	20%
50%-80%	4841	100	407	100	368	975	5816	17%
80%-120%	3944	1224	816	1130	754	3924	7868	23%
120%+	3552	4500	769	4000	863	10132	13684	40%
Totals	17,684	5,824	2,769	5,230	2,702	16,525	34,209	100%

Housing Strategy *Auburn's Overall Housing Development Strategy*

Over the past twenty years, Auburn responded positively to the housing needs of low and moderate income groups. Over the next twenty years, Auburn will attempt to economically integrate its community by diversifying its housing stock to include all income groups. Auburn currently has a relatively small portion of households consisting of middle and higher income groups. By striving to bring its number of low and moderate income households in line with the rest of King County, while increasing the growth rate of households with more affluent incomes, Auburn should achieve a more even distribution and diversity of social-economic groups.

Residential and community development in Auburn will reflect a collection of culturally diverse and economically integrated neighborhoods. Neighborhoods consisting predominantly of single family residences, joined together by a pedestrian oriented transportation system, along with complementary public spaces, educational facilities, recreational and social services sufficient to promote and sustain an amenable quality of life for a family-oriented community. Development activities will cultivate a sustainable community whereby:

- Home buyers and renters of all income groups have sufficient opportunities to procure affordable housing.
- Existing neighborhoods along with properties of special and/or historic value are preserved for the enjoyment and enhancement of future generations.
- A balanced mix of affordable housing types exist that are appropriate for a family-oriented community in order to meet the needs of all economic segments of the population.

- Public and private agencies implement policies and offer programs or projects that help alleviate physical and economic distress; conserve energy resources; improve the quality and quantity of community services; and eliminate conditions that are detrimental to health, safety and public welfare.
- Residential developments are monitored for the purpose of reducing the isolation of income groups and groups with special needs; the determination of existing and future housing needs; better utilization of land and other resources that enhance the availability of affordable housing opportunities.

**HOUSING
POLICIES**

GOALS AND POLICIES RELATED TO HOUSING

GOAL 4

COMMUNITY CHARACTER

To maintain and enhance Auburn's character as a family-oriented community while managing potential economic opportunities in a manner that provides necessary employment and fiscal support for needed services and while recognizing the need to provide human services and opportunities for housing to a wide array of household types and sizes.

Objective 4.2

Provide services and facilities that serve low income families and prevent individuals from becoming homeless.

HO-1 Encourage and support human and health service organizations that offer programs and facilities for people with special needs, particularly programs that address homelessness and help people to remain within the community.

HO-2 Special attention shall be given to maintaining and improving the quality of public services in declining areas of the City.

HO-3 The City shall seek and provide assistance to nonprofit agencies operating emergency shelters and transitional housing for homeless people and other groups with special needs.

Objective 4.3

To preserve and promote those community facilities and programs that are important to the safety, health and social needs of families and children.

HO-4 The City shall recognize the important role of public improvements, facilities and programs in providing a healthy family environment within the community.

- HO-5 The City of Auburn shall review proposals to site facilities providing new or expanded human services within the City to determine their potential impacts and whether they meet the needs of the Auburn community. Important caveats in the City's consideration will include the following:
- a. While Auburn will willingly accept its regional share of facilities which provide residential services, or influence residential location decisions, Auburn will expect other communities to accept their share as well.
 - b. The funding of human service centers sited in Auburn that serve an area larger than Auburn would rely on an equitable regional source of funding.
 - c. The siting of all facilities shall be based on sound land use planning principles and should establish working relationships with affected neighborhoods.

Objective 4.4 Explore all available federal, state and local programs and private options for financing affordable housing, removing or reducing risk factors, and preserving safe neighborhoods.

HO-6 The City will involve both the public and private sectors in the provision of affordable housing.

HO-7 The City of Auburn will support national, state and especially regional efforts to address the human service needs of the region and the City.

HO-8 In most cases, the City will favor regional responses to human service needs. However, such regional efforts must be consistent with the concepts of fiscal equity. In other words, these efforts should mutually affect persons or communities of similar income, on both the revenue (tax) and expenditure (service) sides of the equation.

HO-9 The City shall evaluate housing codes on an ongoing basis to determine their effectiveness and appropriate enforcement.

GOAL 7 RESIDENTIAL DEVELOPMENT

To emphasize housing development at single family densities in order to reestablish a mix of housing types appropriate for a family-oriented community while recognizing the need and desire for both rural density and moderate density housing appropriated located to meet the housing needs of all members of the community.

Objective 7.7 Conserve the existing housing stock because it is the most affordable form of housing.

HO-10 Any assessment of the need for affordable housing in Auburn shall be based on the community providing its fair share of regional need for low and moderate income households.

HO-11 The City will work with all jurisdictions within the region to develop a regional approval to affordable housing. Each jurisdiction should be urged to provide for its fair share of the region's affordable housing needs.

HO-12 The City will involve both the public and private sectors in the provision of affordable housing.

HO-13 The City shall allow appropriately designed manufactured housing within single family neighborhoods, consistent with state law.

HO-14 The City shall allow manufactured housing parks and multiple family development in appropriately zoned but limited areas.

HO-15 The City will assist low-income persons, who are displaced as a result of redevelopment, find affordable housing in accordance with state and federal laws and regulations.

HO-16 Information and resources that educate and guide low-income persons toward affordable housing opportunities will be prepared and made available.

HO-17 Through its building permit process, the City will inventory and track affordable housing opportunities within Auburn. Information about affordable housing units will be distributed to nonprofit agencies serving the homeless and low-income persons.

Objective 7.8 To respond to the housing needs of individuals and families that cannot afford or do not choose to live in traditional detached single-family housing.

HO-18 Encourage residential development in Downtown, particularly housing that is integrated with commercial development.

HO-19 Allow accessory dwelling units as an affordable housing strategy.

GOAL 8 NEIGHBORHOOD QUALITY

To maintain and protect all viable and stable residential neighborhoods.

Objective 8.3 Conserve the livability of viable residential areas through the preservation of existing housing stock and amenities.

HO-20 The City shall seek available assistance for housing rehabilitation. Assistance will include the development of residential infrastructure and the rehabilitation of individual properties.

HO-21 The City will work with park owners, managers and park tenants to develop policies and land-use regulations to preserve manufactured home parks and the affordable housing they offer.

HO-22 The City will encourage and assist in the renovation of surplus public and commercial buildings into affordable housing.

HO-23 The City will seek, encourage and assist nonprofit organizations in acquiring depreciated apartment units for the purpose of maintaining and ensuring their long-term affordability.

HO-24 The City will work with neighborhood groups to develop neighborhood strategic plans for specific areas within the City. These areas will be determined based upon need, City Council direction and the availability of staff resources. These plans will address issues and concerns which include, but are not limited to, projected growth/decline, neighborhood identity, safety, education, youth and recreational activities.

Goal 12 **URBAN REDEVELOPMENT**

To encourage redevelopment of underutilized areas to reduce sprawl and take full advantage of the City's investment in existing infrastructure.

Objective 12.1 Provide flexibility in development regulations so that a variety of housing types and site planning techniques can achieve the maximum housing potential of a particular site.

HO-25 The City shall identify rehabilitation areas, with priority given to blighted areas with a relatively large population of low-income persons, for possible designation with performance zoning. Criteria for performance zoning shall include generation of affordable housing, protection of natural features and open spaces, impact on existing utilities, traffic generation, neighborhood compatibility, and the policies of this Comprehensive Plan.

HO-26 The City shall develop incentives to develop underutilized parcels into new uses that allow them to function as pedestrian-oriented, mixed-use neighborhoods. Existing uses which are complementary, economical, and physically viable shall integrate into the form and function of the neighborhood.

HO-27 The City has adopted innovative zoning provisions to encourage infill development of underutilized parcels in zones which, through Auburn Comprehensive Plan goals and policies, have been identified as areas where infill residential development should be encouraged. Certain development requirements for infill development may be relaxed, while requiring adherence to specific design requirements to ensure compatibility with the character of nearby existing residential structures.

Objective 12.2 To develop economically integrated, walkable neighborhoods which generate a secure atmosphere for both residents and visitors.

HO-28 The City recognizes that the development of safe neighborhoods requires the cooperation of property owners and/or their property managers. The City shall organize, educate and assist property managers in the creation and preservation of safe neighborhoods.

HO-29 The City shall seek and provide assistance for the reduction of lead-based paint hazards.

- HO-30 The City will continue its program to repair and/or replace deteriorated sidewalks and remove barriers to pedestrian traffic. H.U.D. block grant funds may be used to remove pedestrian barriers and pay the tax assessments levied upon low income households for sidewalk repairs.
- HO-31 The City will continue to insure that funding becomes available to support youth and social services in Auburn.

GOAL 22**URBAN DESIGN AND VISUAL QUALITY**

To ensure a high quality visual environment through appropriate design standards and procedures which encourage high quality architectural and landscape design in all development and through the placement of artwork in public places. The City recognizes the linkages between transportation, land use and site design and encourage development which eases access by pedestrians, bicyclists and transit users.

- HO-32 Ensure that all affordable housing development is consistent with current housing quality standards.
- HO-33 The City will encourage varied and human-scaled building design that provides a visual interest to pedestrians, compatibility with historic buildings or other neighborhood structures, and enhances the streetscape.
- HO-34 Conserve developable land and natural resources through a variety of housing types, conservation and site planning techniques that achieve the maximum housing potential and passive energy use of a particular site.