

7 Housing



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This chapter examines housing supply, condition, occupancy, and affordability and develops programs for meeting future housing demand. That demand may be for housing that is both more varied and more affordable. While the gap between what is affordable to a potential household and what is available on the market may continue to widen, Ellensburg's population will likely demand different types of housing options in the future.

Housing affordability affects all segments of the population. According to federal housing guidelines, no more than 30% of a family's gross monthly income should be spent on housing, including heating and other bills. Available, affordable, safe and decent housing is a critical ingredient to the success of how a community accommodates population growth.

To help forecast and plan for Ellensburg's housing marketplace, it is important to assess and analyze the existing characteristics of the community's housing stock. This chapter contains descriptions of trends in housing types, their age, condition and value, as well as characteristics of households, including income, percentage of income spent for housing, type of household and age of residents. Baseline housing data are from the 2000 Census, and the information reveals persistent housing trends despite the age of the data as of this plan. Based on information supplied by participants in this plan, housing is scarcer and more expensive than in 2000, with the median home price exceeding \$150,000.

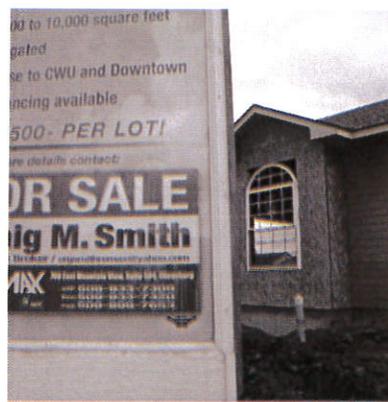


Figure 7.1 - Plan policies can help influence market conditions toward a more diverse, sustainable housing stock. (Image source: Studio Cascade, Inc.)

Things have changed in five years, making the housing supply tighter and less affordable.

The information creates an informative picture of housing availability and affordability in Ellensburg. The community has seen a great deal of population growth in the last 10 years, new residency and residential movement, coupled with an increasing number of homeownership units and escalating rental and home prices. Demand, particularly among those with low and moderate incomes, has not decreased. Approximately 20% of homeowners are paying monthly housing expenses that exceed 30% of household income. But renters are in a tighter spot, with more than 60% of them paying more than 30% of household income on monthly housing.



Figure 7.2 - Increased housing densities may offer solutions to accommodating growth within Ellensburg's current UGA, as well as improving housing affordability. (Image source: Studio Cascade, Inc.)

Housing Profile

The community has grown steadily for the past 60 years, creating a housing stock that is varied in age and context. Old homes exist next to new ones in the central part of town. Apartments exist next to single-family homes and next to commercial districts. Some housing, like that in West Ellensburg, is nestled in little enclaves immediately adjacent to industrial, institutional, or open space areas. Ellensburg's sustained population growth has created a housing environment that is surprisingly diverse for a community of its size.

Over the past 15 years, however, housing has been in short supply. This is due, in part, to enrollment increases at CWU and an upsurge in population growth. Central Washington University's enrollment at the Ellensburg campus is close to 8,000 students. The University strives to house on campus all the students who wish to live on campus, but many elect either to live off campus or commute from home. The number of students living off campus has continued to increase as a factor of overall enrollment, putting additional pressure on market housing in the community.

Table 7.1 – Housing Units and Population

	1990		2000		% Change: 1990-2000	
	Ellensburg	Kittitas Co.	Ellensburg	Kittitas Co.	Ellensburg	Kittitas Co.
Total Housing Units	5,015	13,215	6,763	16,475	35%	25%
Total Population	12,361	26,725	15,414	33,362	25%	25%

Over the past five years, housing starts appear to be lagging behind growth. Though the decade between 1990 and 2000 may have relaxed the housing market somewhat, vacant units in Ellensburg do not remain vacant for long today.

Ellensburg also has several mobile home parks in the city. Some are zoned mobile home parks and provide low- and moderate-income housing. Several other mobile home parks are grandfathered within commercial zoning districts. The condition of units within these mobile home parks varies greatly, with many appearing to be in substandard condition.

The City performed a housing condition assessment in 1992 of 2,216 units as part of a Housing Affordability Assessment. Sixty percent of the structures were found to be in good condition, needing only minor maintenance. Twenty-seven percent were in fair condition, needing maintenance that has been deferred or moderate repairs. Fewer than ten percent needed substantial repair and three percent were found to be substandard. Field research as part of this planning process indicates the percentages may not be much changed today. There are, however, many more units occupied now than there were in 1992, and property values are rising. This may increase pressures to maintain housing at a higher level and make home improvement an attractive option for existing homeowners.

Growth in population and housing units only begins to tell the story. While most of the new residential construction has been single-family detached housing, Ellensburg has a relatively large proportion of multi-family dwelling units. This can be partially explained by the presence of CWU and the large number of students living in town. Many students live in single-family residences, however, and non-students occupy many apartments.

The 2000 US Census estimated 6,763 total housing units in Ellensburg, an increase of 35%

since 1990. This corresponds with a 25% increase in population over the same time period. In the same ten-year timeframe, Kittitas County's housing units and population increased by 25%. (Table 7.1)

Of the housing units reported in the 2000 Census, 6,249 out of 6,763 units were occupied - an overall occupancy rate of 92%, including both homeowner and rental housing.

Occupancy rates in 2000 were lower than in 1990, probably as a result of the increase in housing unit construction during that decade and the increased number of seasonal or part-time housing now available in Ellensburg. (Table 7.2)

Statistics suggest that homeownership has increased due to more single-family home construction. In 2000, of the 6,249 occupied housing units, 35% were owner occupied and 65% were renter occupied. This is very similar to the situation in 1990, too. In Kittitas County, however, the proportions were reversed, with 66% owner occupied and 34% renter occupied.

Housing Types

As in 1995, Ellensburg remains a predominantly single-family, detached unit community. The past 15 years have seen an increase in the construction of higher-density attached housing, mostly around CWU to help house the growing student enrollment.

Newer residential development has focused on construction of single-family

Table 7.2 – Housing Vacancy Rates

	1990	2000
Occupied housing units	4,785	6,249
Vacant housing units	230	483
Homeowner vacancy rate	0.7%	2.3%
Renter vacancy rate	3.7%	6.6%

Table 7.4 – Housing Eras for Ellensburg Housing

Year Structure Built	Number	%
1999 to March 2000	113	1.7
1995 to 1998	1,072	15.9
1990 to 1994	548	8.1
1980 to 1989	491	7.3
1970 to 1979	1,103	16.3
1960 to 1969	1,202	17.8
1940 to 1959	1,227	18.1
1939 or earlier	1,007	14.9

Source: US Census 2000

neighborhoods in northern Ellensburg. These projects have created single-density neighborhoods in a conventional suburban pattern. While they provide additional housing units, they are not designed to accommodate incremental densification as has occurred nearer the town’s center. These new subdivisions are built out at approximately four units per acre, and will likely remain that way for decades to come. (Table 7.3)

Table 7.3 – Housing Characteristics

Housing Characteristics	1990				2000			
	Ellensburg		Kittitas Co.		Ellensburg		Kittitas Co.	
	Number	%	Number	%	Number	%	Number	%
Total housing units	5,015		13,215		6,763		16,475	
Units in Structure								
1-unit, detached	2,297		8,343		2,773	41.0	9,861	59.9
1-unit, attached	149		183		264	3.9	394	2.4
2-4 units	991		1,089		1,342	19.8	1,475	9.0
5 to 9 units	286		334		351	5.2	403	2.4
10 or more units	1,036		1,311		1,754	26.0	1,479	9.0
Mobile home, RV and other	256		1,955		280	4.1	2,207	13.4

Source: US Census 2000 and 1990

Age of Housing

Of the housing units in Ellensburg, nearly half were built before 1970. Ellensburg’s housing stock is aging, but more units are coming on line, particularly in the northern part of the community. (Table 7.4) Recent information supplied by the City indicates that 372 housing units were constructed between 2000 and 2004, representing a 6% increase in the housing supply in the past five years.

Occupancy Timeline

Ellensburg is a college town. Its population today is slightly greater than 16,500, and enrollment (total) at CWU is approximately 8,800. The Census 2000 data on when households moved into their homes is consistent with this. In that census, almost one half

of the community’s households had moved into their units within the previous year. Moving is something of an annual ritual, with the ebb and flow of students causing almost half of Ellensburg’s housing units to change occupancy.

In contrast, approximately 1,200 of non-Ellensburg Kittitas County households moved within the year previous to the 2000 Census.

Real Estate Value

Home values appreciated considerably throughout the Kittitas County region during the 1990’s, while rents also increased steadily. Ellensburg was no exception. From 1990 to 2000, the median value of a single-family home in Ellensburg nearly doubled from \$86,100 to \$160,000. Sixty percent of owner-occupied units were valued at \$150,000 or more. Values increased by almost 70% in the same time period in Kittitas County. (Table 7.5)

In 2000, a homebuyer would need to have had a household income of at least \$48,000 to afford the median-priced home. That buyer would also to have made a 10% down payment and covered associated purchase expenses, spending at least \$20,000 out of pocket to initiate the purchase. Federal affordability guidelines would have required that no more than 30% of the household’s income would be necessary to cover the \$1,200 per month mortgage payments. A household earning the median 2000 annual income of \$20,000 would not come close to qualifying. With home prices outstripping increases in local incomes since 2000, the affordability gap has widened.

Household Income

The 2000 median income in Ellensburg was almost \$12,000 lower than in the County. Four times as many households in Kittitas County are in the highest income category than in Ellensburg. One quarter of Ellensburg’s households were in the lowest reporting income category, earning less than \$10,000 per year. Many of those households are probably student households, but the figure still indicates a significant population that is barely able to afford housing. (Table 7.6)

It should be noted that not all income received by students is reported as such for the purposes of the census, which may significantly skew the figures in table 7.6. CWU reported that 78% of its students

Table 7.5 – Housing Occupancy in Ellensburg

	Number	Percent
Year Moved Into Unit		
1999 to March 2000	2,899	46.3
1995 to 1998	1,739	8.9
1990 to 1994	556	8.9
1980 to 1989	484	7.7
1970 to 1979	262	4.2
1969 or earlier	328	5.2

Source: US Census 2000

received some form of aid in 2005. Financial resources disbursed to CWU students in 2005 included over \$73 million in loans and gift aid not treated as income. In addition, financial resources provided by parents, the amount of which is not quantifiable, are certainly used to pay the rent, even though they are not included as income in table 7.6.

Table 7.6 – Household Income 1999

	Ellensburg		Kittitas Co.		Washington State	
	Number	%	Number	%	Number	%
Less than \$10,000	1,592	25.5	2,173	16.2	171,863	7.6
\$10,000 to \$14,999	1,006	16.1	1,414	10.5	124,848	5.5
\$15,000 to \$24,999	971	15.5	1,802	13.4	265,131	11.7
\$25,000 to \$34,999	793	12.7	1,718	12.8	284,630	12.5
\$35,000 to \$49,999	721	11.5	2,063	15.4	389,434	17.1
\$50,000 to \$74,999	727	11.6	2,271	16.9	486,392	21.4
\$75,000 to \$99,999	287	4.6	994	7.4	264,498	11.6
\$100,000 to \$149,999	64	1.0	595	4.4	188,513	8.3
\$150,000 or more	92	1.5	375	2.8	96,952	4.3
Median household income (dollars)	20,034		32,546		45,776	

Source: US Census 2000

Income Devoted to Housing

Ellensburg has a large portion of its population spending more than 30% of household income on housing related expenses. This is seen both with households paying a mortgage and those renting an apartment, but particularly for renters.

Table 7.7 – Homeownership Costs as a Percentage of Income

	Ellensburg		Kittitas Co.	
	Number	%	Number	%
Less than 15%	745	39.5	2,097	39.2
15 to 19%	352	18.7	917	17.2
20 to 24%	258	13.7	770	14.4
25 to 29%	136	7.2	478	8.9

Table 7.7 – Homeownership Costs as a Percentage of Income

	Ellensburg		Kittitas Co.	
	Number	%	Number	%
30 to 34%	85	4.5	248	4.6
35% and above	294	15.6	778	14.6
Not computed	17	0.9	56	1.0

Source: US Census 2000

Table 7.8 – Gross Rental Costs as a Percentage of Income

	Ellensburg		Kittitas Co.	
	Number	%	Number	%
Less than 15%	287	7.0	543	10.0
15 to 19%	319	7.8	490	9.1
20 to 24%	432	10.6	618	11.4
25 to 29%	348	8.5	460	8.5
30 to 34%	279	6.8	319	5.9
35% and above	2,185	53.6	2,520	46.6
Not computed	226	5.5	458	8.5

Source: US Census 2000

More than 20% of Ellensburg’s ownership households were paying more than what the federal affordability threshold would dictate for housing. Of all ownership households, almost 380 of them were paying more than 30% of their household income toward home ownership costs. The percentages for Kittitas County were similar. Conversely, almost 40% of all ownership households in Ellensburg and Kittitas County were paying less than 15% of their household income toward housing in 2000. That indicates that home prices rose sharply in that decade, with homeowners with more tenure benefiting from the lower home costs existing at the time they bought into the market. It is interesting to compare these numbers with the table presenting the year residents moved into their housing units - more recent occupants are likely to be paying more for their accommodations.

The picture for renters is extreme. More than 60% of Ellensburg’s rental households are paying more than 30% of their incomes for housing. The situation in Kittitas County is

similar, but not quite as bleak. Renters are still paying more than they can afford, no matter where they live in the area. Median rental costs were almost \$490 per month in 2000, and rents have not decreased since. The bulk of Ellensburg’s renters were paying between \$300 and \$750 per month in housing costs. In 2000, a median income household in the city would be paying 30% of its income to afford the median rent of \$490.

Table 7.9 – Gross Rents for Rental Households

	Ellensburg		Kittitas Co.	
	Number	%	Number	%
Less than \$200	299	7.3	406	7.5
\$200 to \$299	360	8.8	462	8.5
\$300 to \$499	1,452	35.6	1,729	32.0
\$500 to \$749	1,368	33.6	1,788	33.1
\$750 to \$999	373	9.2	564	10.4
\$1,000 to \$1,499	82	2.0	119	2.2
\$1,500 or more	62	1.5	70	1.3
No cash rent	80	2.0	270	5.0
Median (dollars)	489		497	

Source: US Census 2000

Housing Need

Ellensburg's greatest housing needs include a more diverse base of affordable rental opportunities signified by range of rent and housing type, allowing the market to relax upward rental pricing pressure. In addition, the community needs affordable single-family homes. Potential homebuyers are getting priced out of the market due to insufficient income and escalating real estate prices.

Median income households cannot afford the median-priced home in Ellensburg. If today's median home price were \$150,000, a qualifying household would need to make a \$15,000 down payment for a conventional mortgage and plan on paying close to \$1,000 per month. That would require an annual household income of approximately \$40,000 to meet federal affordability standards. That is roughly twice what Ellensburg's median household income was in 2000. For comparison, the median income household in the year 2000 could afford a home worth \$75,000, presuming that household could come up with the required down payment. There is a significant "housing gap," where median income households are priced well out of the home ownership market.

For renters, the census data and interviews suggest that there is a high demand for units serving low and moderate-income households. It also appears there is an inadequate supply of rental units affordable to people at median income or less.

There are limited temporary shelters, transitional housing opportunities, and domestic violence services in Ellensburg. Households experiencing domestic violence issues or youth homelessness may receive services either outside of the community or from service providers that come into the community from somewhere else, but demand for such services currently exceeds supply.

Issues

Housing affordability is a big issue in Ellensburg, especially when the gap between what the average household can afford and the average selling price of a home widens. By federal housing affordability standards, many Ellensburg households are spending more for shelter than they should. Ellensburg's residents understand that this widening gap may lead to the development of more affordable housing types (like townhouses, zero-lot line homes, multi-family structures, manufactured housing or condominiums), but they also want to preserve the characteristics of the neighborhoods they find so valuable and endearing.

Issues

Housing is not generally affordable for all levels of income, and the possibility of creating more affordable mixed-use neighborhoods with incremental development of higher density infill housing diminishes with continuing approval of suburban subdivisions

Many Historic District buildings are either vacant or partially vacant, with approximately 20% of the available street-level retail space and almost 80% of the space above the first floor unoccupied

Housing prices are increasing in Ellensburg, with the median home price of \$150,000 not affordable to households earning an income of less than \$40,000

There are limited housing types available in Ellensburg, targeting mainly the single-family and apartment markets

Housing is becoming less affordable, especially for traditional single-family homes. Cheaper land is located further away from the community's center, causing residents of newer, less expensive housing to have to travel long distances for shopping, work, school or other daily activities. The money they save on the purchase price of their home may be consumed by time and travel expense

Policy Assumptions

The 1995 comprehensive plan identified seven policy directions, and this plan carries those forward. This plan update's process has shown support for these policies in general. However, participants have asked for additional detail in how the policies could be implemented and for greater flexibility in the means available.

- Ease the demand for affordable rental units for low-income families by increasing the supply
- Create a neighborhood rental housing incentive program to upgrade deteriorated rental housing units
- Work with CWU to help ease the pressure created by students in the community's private rental housing market
- Encourage development of new home ownership opportunities for all income groups, but especially moderate-income families
- Strengthen the ability of non-profit housing providers to take full advantage of resources to serve the needs of low-income families
- Strengthen the planned unit development (PUD) process and neighborhood planning
- Encourage public agencies to work together for planning and acquiring migrant housing
- Encourage a variety of lot sizes within the city and UGA

Housing Goals, Policies and Programs

While other elements of this comprehensive plan included optional policy scenarios, the housing element includes only one. This reflects the general consensus expressed regarding housing in Ellensburg and the overall need to increase the supply of affordable housing, enhance the appearance and function of residential areas, allow for mixed residential and commercial uses (particularly in the Central Commercial zones), and permit more flexibility in housing types and densities. These consensus items are also generally consistent with the 1995 plan, except that there is more support now for variety in housing type, probably reflecting increasing market acceptance of mixed-use and higher density housing alternatives.

Community members are fond of their neighborhoods. They like where they live, and they want to make sure their neighborhoods retain the character that drew them there in the first place. Ellensburg’s neighborhoods are family friendly, and, in the case of those near the Central Commercial zones, intimate and walkable.

Goal H-1 - *Preserve, protect, and strengthen the vitality and stability of existing neighborhoods*

Policy		Program	
A	Promote community involvement and neighborhood improvement through City-initiated neighborhood enhancement activities	1	Continue community-oriented policing or other similar methods of integrating municipal presence directly into neighborhoods
		2	Encourage active neighborhood associations
B	Establish additional logical access routes outside of the established street system for bicycle and foot traffic	1	Identify trail easements and develop an effective maintenance strategy
C	Enhance appearance and maintain public spaces in residential areas	1	Ensure that housing is compatible in quality, design and intensity with surrounding land uses, traffic patterns, public facilities and environmentally-sensitive features through specific site and building design measures
		2	Review the City’s development regulations to ensure that they promote neighborhood quality by permitting integration of open

Goal H-1 - Preserve, protect, and strengthen the vitality and stability of existing neighborhoods

Policy		Program	
			spaces and institutional land uses in and near residential areas
		3	Continue facility maintenance and street tree programs
D	Maintain existing area facilities to meet the City's needs	1	Disperse municipal and institutional facilities throughout the community, while still emphasizing the Central Commercial zone's centrality
E	Preserve the scale and rural character of Ellensburg	1	Require clustering and open space provisions in large developments on the perimeter of the city

The community also came out strongly in favor of increased flexibility in the pursuit of providing housing that is more affordable, but only in a manner that also increases the sense of community that helps tie a more intensely developed neighborhood together. Residents desire more affordability, but not at the expense of quality of life or the social networks that make Ellensburg a family place. In addition, residents also believe that choice in housing options is important. They want to see Ellensburg continue to provide single-family neighborhoods, but they would like to see them better integrated in to the community's fabric and better able to adapt to change.

Over the next 20 years, Ellensburg will be caught up in the same demographic forces impacting Washington State, including the aging of its population and reductions in its typical household size. To prepare for this, Ellensburg must provide a variety of housing types. This variety will help meet affordability demands, and will help meet housing demand in general. Increasingly, households will desire units that are smaller, that require less maintenance, and that are located within walking distance of shopping, houses of worship, parks, schools, and medical facilities. This dictates development of more compact housing forms and innovation in how they are designed and arranged to suit a variety of needs.

Goal H-2 - Allow various densities and housing types for a variety of needs including senior, affordable, and disability housing

Policy	Program
A Encourage variety in housing types	1 Revise zoning and subdivision regulation to provide for higher density, more design flexibility, and mixing of residential and commercial uses
	2 Locate housing near services to minimize transport costs or develop services in neighborhoods
	3 Create a workable model for a variety of housing development types and densities including clustered, cottage or other types of less land-consumptive housing while still increasing supplies of detached housing units
B Encourage the use of smaller lot sizes and/or multifamily housing in areas designated for such uses	1 Zone for housing above retail in the Central Commercial zones
	2 Ensure that development regulations allow for accessory units as a method of addressing multifamily housing
	3 Ensure zoning permits duplexes, triplexes, and four-plexes within the city
C Create and preserve affordable housing opportunities locally and with a regional perspective, especially for developments with fewer units	1 Work collaboratively with various interests including adjacent jurisdictions, Kittitas County, private developers, service and non-profit housing providers, and community residents to address housing affordability and variety
	2 Challenge local real estate agents to work with non-profit housing providers to gain site control when private property becomes available for sale
	3 Create housing specifically

Goal H-2 - Allow various densities and housing types for a variety of needs including senior, affordable, and disability housing

Policy		Program	
			designed for an elderly population
		4	Revise zoning and subdivision standards to accommodate innovative housing design solutions such as cottage housing to increase housing density while enhancing quality of life
D	Facilitate the creation of “new market” housing in the Central Commercial zones	1	Develop a variety of incentive programs to promote new housing projects in Central Commercial zones
		2	Coordinate with CWU to provide student housing in the Downtown Historic District

Goal H-3 - Make housing affordable to more Ellensburg households

Policy		Program	
A	Coordinate with other agencies that provide social services	1	Coordinate with State and regional health care and housing programs
		2	Collaborate with social and health service organizations that offer support programs for those with special needs, particularly those programs that help people remain in the community
B	Preserve existing affordable housing and serve it with transit	1	Identify existing affordable housing and all transit routes within the community and alter or add routes for service to more intensely-developed neighborhoods
		2	Monitor the stability of existing affordable housing options to determine their sustainability

Goal H-3 - Make housing affordable to more Ellensburg households

Policy	Program
C Promote development of institutional and financial mechanisms to provide for affordable housing	1 Investigate available Federal, State and local programs and private options for financing affordable and special-needs housing
D Lead by example, with the City of Ellensburg taking an active role in facilitating housing affordability	1 Create an inventory of City-owned land that can be set aside for housing development
E Encourage preservation of affordable housing dispersed throughout the City's neighborhoods	1 Consider operational cost as a factor in determining housing affordability
	2 Increase the number of affordable housing units in the community
	3 Educate landlords about low-income housing programs
	4 Educate the public about first-time homebuyer programs or sweat equity programs
	5 Provide counseling programs to inform people about their housing choices and budgeting
	6 Develop a bonus program in which developments receive "credit" in additional units (beyond what zoning allows) if units available and affordable to households under 80% of median income are integrated into new projects
F Take advantage of local, Kittitas County, State and Federal housing resources to construct affordable housing and provide services if needed	1 Create a regional funding entity, much like the Kittitas County "Hope Source" program
	2 Encourage development and utilization of a Community Land Trust as one tool for addressing affordable housing issues