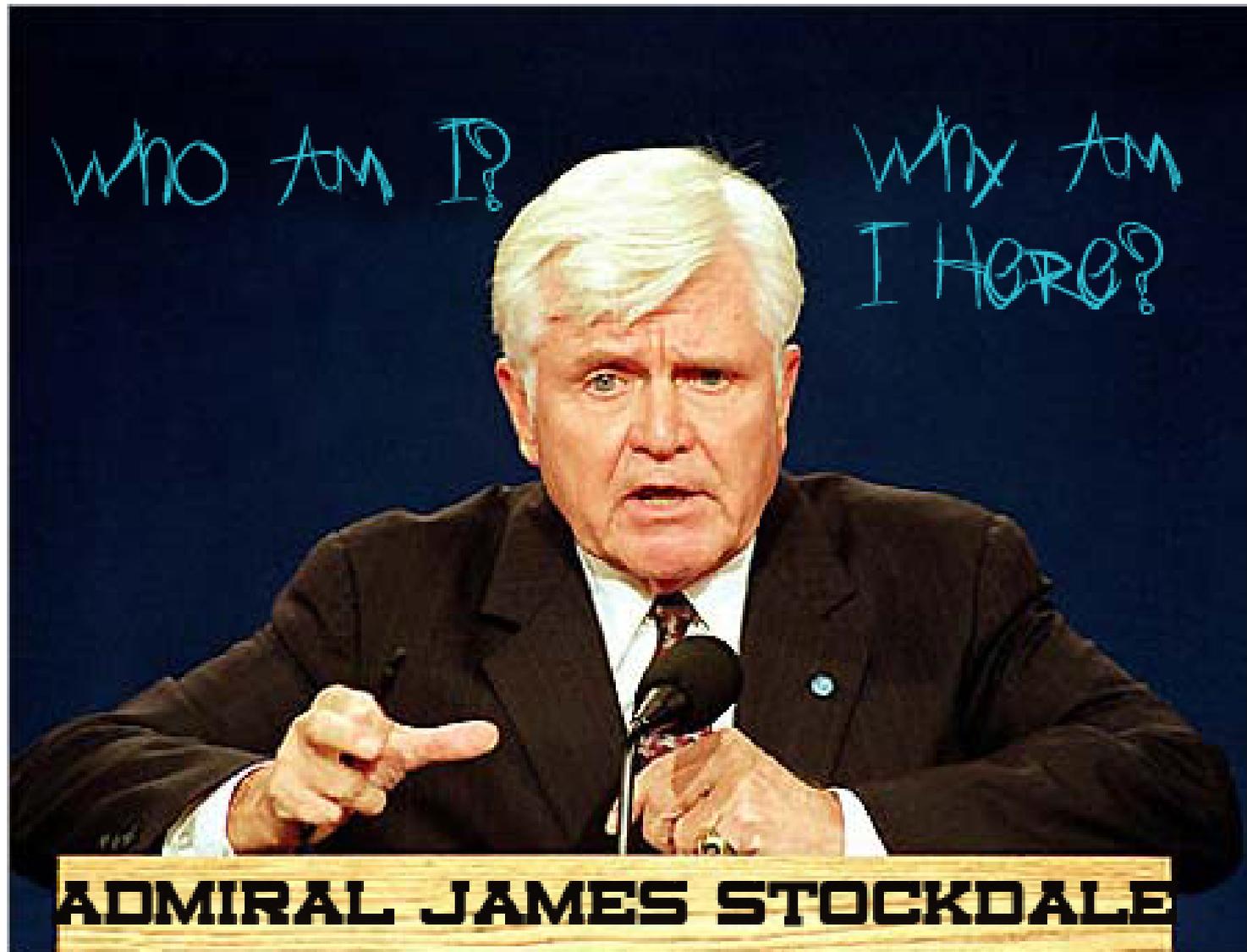


Housing Crisis: How did we get here and what do we do about it?





ADMIRAL JAMES STOCKDALE

Housing Solutions Center





HOUSING SNAPSHOT

Vancouver, Washington

February 2016

Who lives here?



\$57,395
Median family
income



50%
of households
are renters

What's it like to be a renter right now?



Median monthly
rent for a
2-bedroom
apartment



22%
of renter households
are severely
cost-burdened
(Spending 50% or more of
income on housing)



How much affordable housing do we have?



For more information about the City's work on this issue, visit
www.cityofvancouver.us/AffordableHousing.

Data sources: 2010-14 American Community Survey estimates; December 2015 Apartment List
National Rent Report





HOUSING SNAPSHOT

Spotlight on very low-income* residents

April 2016

* Very low-income is defined as earning 50% or less of the Area Median Income (AMI). The AMI for a 4-person household is currently \$73,300.



17,690

very low-income households in Vancouver



50%



of very low-income renters spend more than **half** of their income on housing

How much does a very low-income household earn?

1-Person Household



\$25,700

annual income

2-Person Household



\$29,350

annual income

4-Person Household



\$36,650

annual income

How much can a very low-income household afford for rent?

1-Person Household



\$643

per month

2-Person Household



\$734

per month

4-Person Household



\$916

per month

How much does it cost to rent an apartment in Vancouver?

1-Bedroom Unit



\$990

median monthly rent

2-Bedroom Unit



\$1,070

median monthly rent

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Data sources: U.S. Department of Housing and Urban Development (2016 income limits and 2008 - 2012 Comprehensive Housing Affordability Strategy data); April 2016 Apartment List National Rent Report.



Every \$100 increase in rent is associated with:

- 6% increase in homelessness in metro areas
- 32% increase in homelessness in non-metro areas

Source: *Journal of Urban Affairs, New Perspectives on Community-Level Determinants of Homelessness*, 2012

Housing costs drive demand for,
and success of, homeless services

What are the causes of our housing crisis?

National landscape: increased demand

- 37% of households live in rental housing
 - Highest percentage since mid-1960's
 - Increase of 9 million households (34m to 43m) from 2005 to 2015
 - Largest gain in any 10 year period

National landscape: demand v. supply

From 2003 to 2013:

- # of low cost rentals increased 10%
 - # of low-income households increased 40%
- # of moderately priced rentals increased 12%
 - # of households went up 31%

So is just a matter of supply and demand?

Yes, but....

If we continue on our current path we will not produce the right mix of supply to meet the need



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Factors driving supply

- Multifamily zoning v. single family zoning
 - Restricted land means more expensive
- Cost structure incentives
- Financing incentives

Result: most new rental construction is large multifamily aimed at the highest income ranges

We need to create the policy, regulatory and financing environment that will produce the mix of housing needed for a healthy, prosperous community

Policy and regulatory environment

- System development costs
- Multi-family v. single-family zoning
- Incentivizing the missing middle
 - Pre-approved plans

Financing

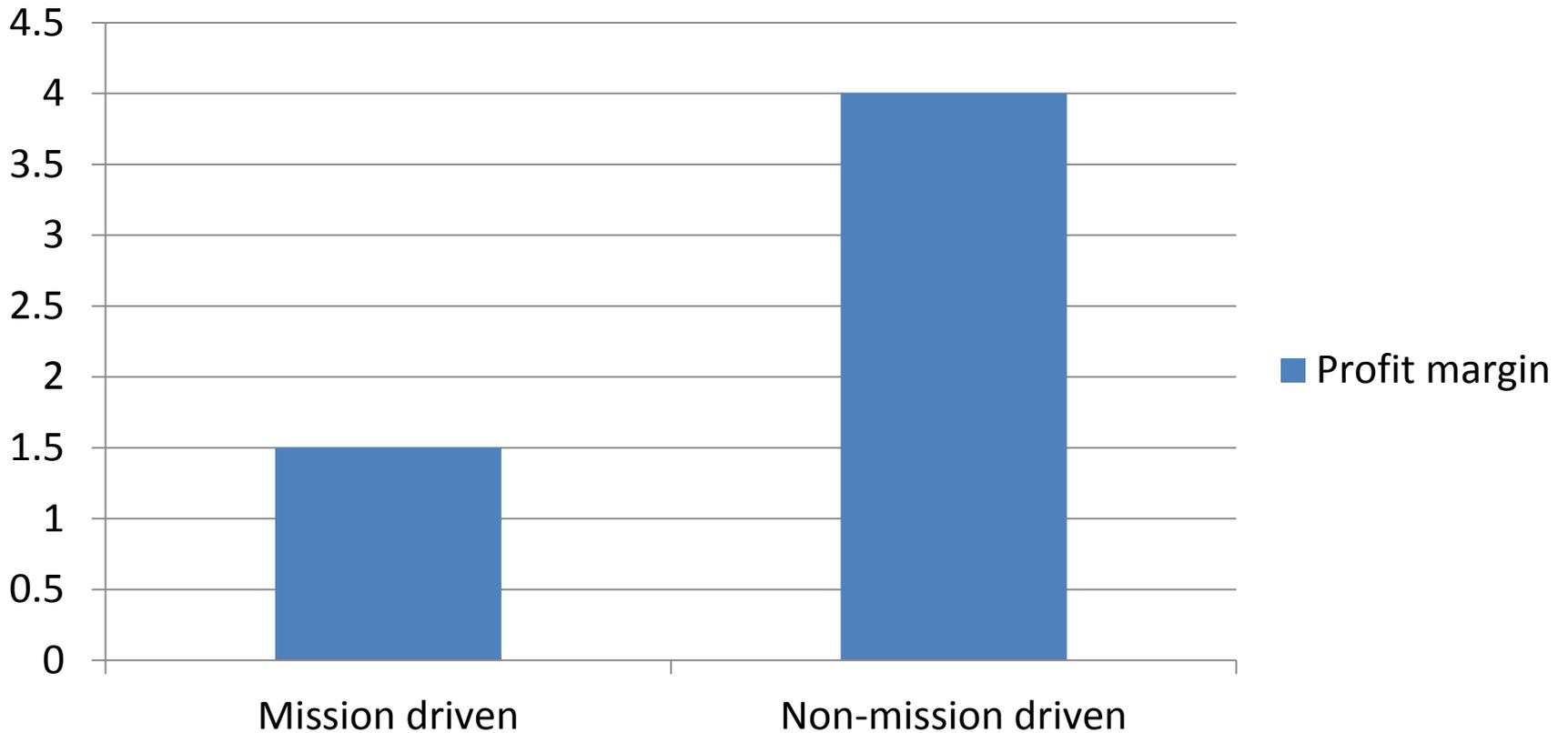
- Locally controlled funding
 - Vancouver affordable housing levy
- Philanthropically motivated investing
- Public/private partnerships with banks

Mission driven ownership and management

- Someone needs to do it!
- Building capacity
 - Nonprofit
 - Housing Authority
 - Social entrepreneurship

Social entrepreneurship

Profit margin



Questions?

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