



# Future OF Housing Summit

Realities and Possibilities

Summary Report

February 2017

## INTRODUCTION

The Future of Housing Summit: Realities and Possibilities was held on February 9, 2017. Clark County and the Commission on Aging hosted the housing summit to bring community leaders together to discuss how we can help better shape the housing market to meet the needs of all consumers.

This is a summary of the event. The summit can be viewed in its entirety at <http://www.cvtv.org/program/clark-county-commission-aging>.

*“Great format and excellent opportunities for interaction.”—  
Comment from a participant*





# Future OF Housing Summit

Realities and Possibilities

## Feb 9 | 2017

# Agenda

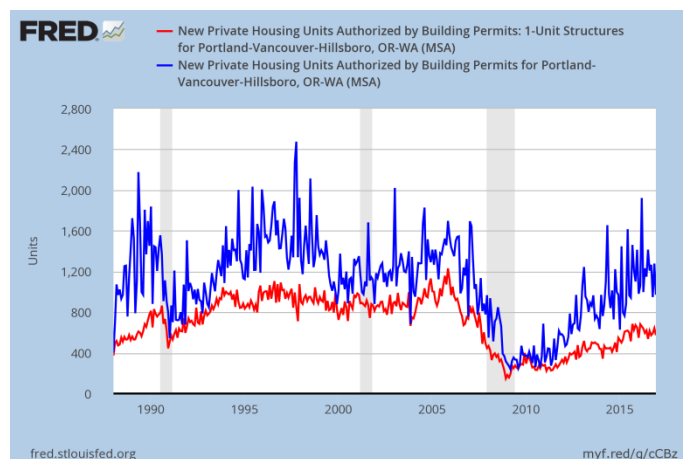
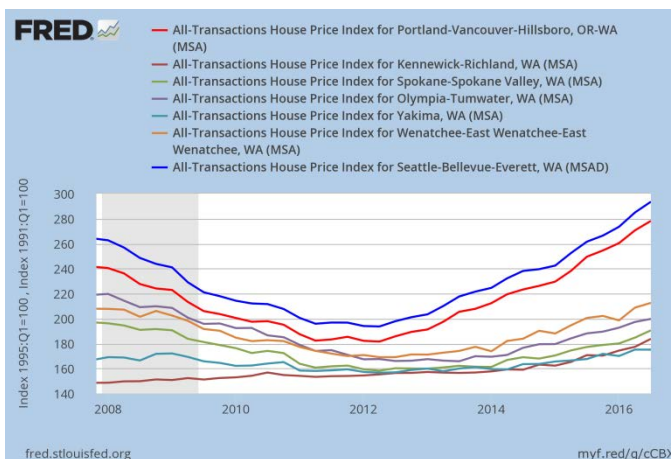
- 7:45 – 8:30      **Continental breakfast and check-in**
- 8:30 – 8:45      **Opening remarks**  
Marjorie Ledell chair, Commission on Aging
- Welcome**  
*Raising the Curtain on a New Horizon*  
Marc Boldt chair, Board of County Councilors
- 8:45 – 10:00     **Keynote**  
*Fix the housing crisis: It can be done...really*  
Elliot Eisenberg chief economist, Graphs and Laughs
- 10:00 – 10:45    **Realities & Possibilities Panel**  
A moderated discussion: **How do you see Clark County's housing market today? Do you believe the housing market is meeting the needs of Clark County consumers? If, not what needs to change?**  
Moderator: **Mark McCauley** county manager
- Alan DeLaTorre**  
Environmental Gerontologist  
Research Assistant  
Portland State University  
Institute on Aging
- Leah Greenwood**  
Partner, Halstead  
Greenwood Consulting
- Chuck Frayer**  
Commission on Aging
- Aaron Marvin**  
President, Building Industry  
Association of Clark County
- 10:45 – 11:30    **Group discussion and report back**
- 11:30 – 12:00    **Closing**  
*Imagining Clark County's Housing Future*  
Patrick Roden founder, AgingInPlace.com
- Marjorie Ledell chair, Commission on Aging

## ELLIOT EISENBERG

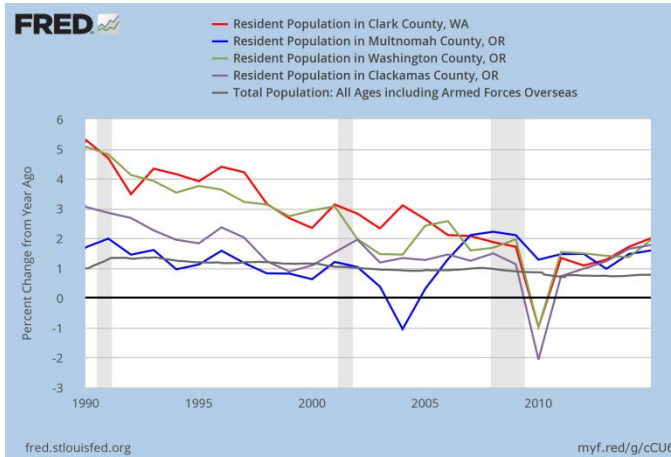
Houses, we just don't build enough of them. It is getting harder and harder to build affordable or entry level housing. What are the problems we face nationally?

*"The Portland-Vancouver area is the housing safety valve on the west coast. You're the cheapest big city on the west coast. People are going to move here to get a bargain." – Elliot Eisenberg*

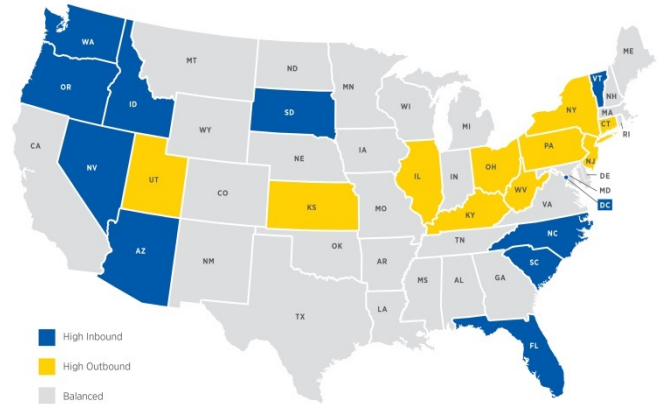
- 1) New construction is leveling off even though job creation and wages are rising.
- 2) Student debt is getting worse. It's going to impact people from buying homes earlier in life. Not many 25 year olds are buying. At best, it will delay ownership.
- 3) Change in wealth by median household between 2003 and 2013. The older you are when you go into the recession the more resilient you are. The younger generation is still climbing out of the recession. For those who reentered the labor market in 2009, it can take 5-10 years to recover their earning potential.
- 4) The availability of access to credit is generally hard to get.
- 5) New home prices are too high due to regulations. The builders have to build a more expensive house to make it pencil out. That's why you see million dollar homes being built because they sell and are profitable.
- 6) Wages are starting to go up. That wage increase is also impacting the labor to build homes. Due to the recession, we lost an entire generation of contractors.
- 7) There is no inventory to buy even if you have good money to spend. Large investors have been buying up housing stock for rentals.
- 8) Apartment vacancy rates continue to decline as new apartment construction is not keeping up with the demand. Added to that, you used to be able to rent while you worked on buying a house. Today rents have increased in the Portland Metro area at a rate of 5.2%. It's not uncommon to pay more on rent than if you were lucky enough to have a home mortgage. Rents are rising faster than wages.
- 9) Builders are building the wrong type of house. In 2015, over 52% of the homes built were over 2,400 square feet. Of those, 3.9% of homes were over 5,000 square feet. They are building where they can make money.
- 10) Home prices have recovered since the recession.
- 11) Housing starts in the Portland-Vancouver Metropolitan Statistical Area (MSA) (single-family is listless, multifamily is amazingly strong)
- 12) Washington State Housing Prices



- 13) Clark County growth rates are at or near the top.
- 14) Since 2012, Washington has had substantial inbound migration.



United Van Lines 2016 Movers Study



*“The law of unintended consequences - The rules you put in place to make houses more affordable end up making them less affordable.” – Elliot Eisenberg*

Solutions that require limited dollars:

- 1) Important to build all types of housing.
- 2) Ensure EDC growth plans mesh with housing plans
- 3) Micro-housing/SRO facilities
- 4) Modular/manufactured housing
- 5) Accessory dwelling units
- 6) Dynamic zoning
- 7) Experimental overlay districts
- 8) Encourage density
- 9) Tax land at highest and best use
- 10) Encourage social investing by the private sector
- 11) Land banks
- 12) End exclusionary zoning
- 13) End inclusionary zoning and deed restrictions
- 14) Promote transit oriented development
- 15) Expedite reviews for affordable projects
- 16) Promote brownfield development
- 17) Promote household mobility within WA
- 18) Continually monitor housing providers
- 19) Encourage auctions to build new units
- 20) Reduce the use of impact fees
- 21) Don't discourage the building of expensive units



- 22) Legalizing pot should be twinned with more construction
- 23) Publicize the housing goal(s) to be achieved
- 24) Work with home builders and realtors
- 25) Visitability and universal design are important as we age
- 26) Work with habitat for humanity
- 27) Densify suburbia as it grows out

## Q&A

- Q: How does the millennial lifestyle of community living change the need for new single-family housing? Roommates that are not married, couples, 4-5 living in community housing? A: Encourage co-living arrangements. They have less income, getting married later and wealth accumulation problems so co housing living arrangements are outstanding.
- Q: What are examples of communities which have gotten the building industry to build more duplex, fourplex, townhomes (smaller – more affordable)? A: Can't think of any off hand. How do we encourage our builders in our community to meet market demand for smaller, more affordable housing? Lowering the supply curve is the most critical thing you can do.
- Q: What's in the regulatory costs that are apparently on the rise? Are impact fees and system development charges considered regulatory costs? Should communities be expected to subsidize infrastructure development necessary to generate additional housing units? A: I'm not generally a big fan of any subsidy. We should generate rules if we can that don't generate subsidy.
- Q: Regarding transit oriented development- transit requires density to be cost effective. What comes first; density or transit? A: Great question, it depends on how long ago you built the stuff. Like in Los Angeles, if you build transit after the development, transit will be less likely to pay for itself. If you can build the line out there, people will go to it. A huge benefit is less traffic.
- Q: One of your suggestions was modular units and manufactured homes. It has been my experience they are difficult to remodel to make accessible, comments? A: I honestly don't know that. Figure out a way to make it work. If you go to the modular homebuilders and tell them that we will certify you if you meet this list of requirements, someone will be eager to jump at the bait.
- Q: How do you overcome opposition to high density developments? A: It's very hard. You need your senior politicians to push hard for it. If they give you cover, that makes more space politically available to do this. You need compelling stories.
- Q: What can we do as an individual? Where do we start? Who do we talk to? A: Elect people who in their platform say they want diversity in our community, affordable housing, etc.
- Q: End exclusionary zoning – are you saying that land set aside for job creation should be rezoned for residential? Problem with GMA is that it is difficult to create job land. A: No, what I'm saying here is don't force builders or communities to just build million dollar houses.

Questions not answered as time ran out.

- Q: If you limit or lower impact fees to promote/enable construction of affordable housing, how do you pay for needed infrastructure such as schools, police, emergency services and basics such as water and sewer?
- Q: What can we do to make neighborhoods more accessible?

## REALITIES AND POSSIBILITIES PANEL

This was a moderated discussion with four panelists who provided responses to the following two questions:

- 1) **How do you see Clark County's housing market today?**
- 2) **Do you believe the housing market is meeting the needs of Clark County consumers? If not, what needs to change?**

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### ALAN DELATORRE

- 1) The housing market is robust and people continue to move here. We need to think creatively about opportunities for the existing land use types. Our region continues to see an influx of college educated migrants who are a boon to our economy and who are looking for housing options. This is a positive economic asset and social capital. Change is constant and disruptive to individuals. What are we doing to meet future housing needs? Do we have accessible housing that allows people of all ages and abilities to live?
- 2) The housing market meets the needs for some, but not all, in terms of affordability and accessibility. How do we meet the range of need? For example, we are seeing increasing interest in homeowners to build accessory dwelling units (ADUs) in Portland, but there are regulatory barriers or they don't have the technical knowledge to develop an ADU. I am working with the Institute of Sustainable Solutions at Portland State University to develop predeveloped, preapproved designs for ADUs and taking them to homeowners to consider implementing, which would save them money on developing designs. Portland is also looking at a Residential Infill Project. Building homes on a one-for-one demolition basis (e.g., demolishing a 1000 sq. ft. home and rebuilding a 3000 sq. ft. home on the same property) is not increasing housing supply in a community. Good housing design can allow people to see financial and health benefits, age in place and build better communities. The National Association of Realtors' survey shows that people want housing options and there is a 50/50 split among those who want to live in traditional suburb vs a walkable downtown core.

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### AARON MARVIN

- 1) From the Building Industry of America's (BIA) perspective, the housing market in southwest Washington is ok. Home values are rising and selling rapidly. We are seeing developments throughout downtown and in the suburbs. But we have limited availability of land and regulatory expenses continue to rise.
- 2) We are keeping up with the needs of the middle- and high-end buyers of the housing market. However, new construction is leaving low income and first time home buyers out in the cold. The real estate comp system is giving undue value to pre-owned homes. It makes it harder for low income and first time buyers to buy homes; leaving them in the rental market. As demand for rental properties increase, there is a need to build more multi-family housing. The cost of building apartments is at an all-time high. With additional fees and taxes, it is raising the cost of the construction of new buildings which affects the rents to be higher than previously. We have to rely on used homes to fill the gap. There is a 20-year life cycle of housing, after which the house starts to deteriorate. The used inventory is what is affordable to first time buyers. These are becoming less available and at a higher price. The Increased cost of development, stormwater regulations and implementation of new taxes and fees and government overreach is at an all-time high. We need to do something so that all ranges of the housing market can afford to buy or rent housing.

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## LEAH GREENWOOD

- 1) What happens in Oregon dramatically impacts the housing market in Clark County, particularly Vancouver and especially in the rental housing market. Incomes have been increasing very slowly. Vancouver had low housing prices for quite a while as it was not in high demand. But this has changed rapidly. As we look at rental rates and mortgage rates, we are getting close to the rental and mortgage rates being almost the same. Rental housing is not a safety net anymore. As older retired people want to downsize, it doesn't make sense for them to rent a smaller home. It makes more financial sense for them to stay in their 3 bedroom home because the rents for smaller homes or apartments are too high relative to their mortgage. Clark County is a rapidly growing county. We have the pressure from the existing population that wants the neighborhoods to stay the same and a new population that needs housing. We have to figure out how to grapple with density, which is one of the most controversial aspects of this discussion. We can't keep it the same without the prices just get higher and then we risk becoming an exclusive community.
- 2) In terms of the housing market meeting the needs of our community, 10 years ago, the majority of the affordable rental housing market in our community was provided by the private market for low rent, older housing stock, which housed the majority of our low income renters. This is not true anymore. Now our low income renters are almost exclusively only able to afford subsidized housing. I did a Craig's List search for 3 bedroom apartments in all of Clark County and a family of four at 60% median income, which is the top of our low income, can only afford \$900/month for rent plus \$200/month for utilities. There were only two units like this on Craig's List last night. We also have a huge portion of people who are considered moderate income who can afford \$1420/month rent for a 3 bedroom. Out of 400 listings, there were only 38 that were \$1260 and below. For those at median income (a family of four with annual income of \$70,000) only half of the rental units were affordable. There are even fewer options for them to purchase a home.

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## CHUCK FRAYER

- 1) The market is not meeting the needs of people in Clark County. In the early 1970s, I was in a car accident at the age of 19 and ended up paralyzed. We had to put a ramp on our house. Throughout my career with the US Forest Service developing guidelines for outdoor recreation, my colleagues would ask why we needed these guidelines. Just before that, the invention of the curb cut became available. Public restrooms were not yet ADA accessible. Today, I have one of the few houses in Clark County that meets the principles of universal design. Please be sure to take a look at the Clark County Universal Design Guidelines booklet and the COA Annual Report for information.

## Q&A

- Alan: Elliot mentioned several solutions that were available for limited dollars. If you could pick one of his ideas for our community, which one would it be? Alan's reply: Opportunities for increasing the housing supply. Regulations and incentives need to be tied together, such as incentives for bonus densities that could be tied to more affordable and accessible units. For example, you can build more if it meets our standards. It incentivizes the growth of our housing market.
- Leah: With the passage of Proposition 1 within the City of Vancouver, are there any strategies mentioned by Elliot to maximize the new funding stream? Leah's reply: Proposition 1 focuses on the lowest income in our community. For the past few years, we have been focusing on a very specific development model where everything had to be an individual apartment. We moved away from shelters. I think looking at shared housing and single room occupancy is important. When I got into developing low income housing in Vancouver, people were skeptical of studio apartments. It turned out to be my biggest waiting list.



Proposition 1 gives us the opportunity to look at some different housing models beyond the traditional apartments, especially for our highest need market, which isn't able to use the Section 8 vouchers for a traditional apartment in the private market.

- Aaron: How do you see the BIA in terms of working with jurisdictions in Clark County in terms of dynamic zoning and experimental overlay districts? Aaron's reply: The BIA communicates with jurisdictions regularly to find solutions that will benefit our community.
- Aaron: Is technology having any impact to reduce costs on housing? Aaron's reply: Technology is helping to streamline some aspects of housing construction, but overall technology is driving costs up. Implementation of technology in housing is causing the price per home to increase. For example, a few years, a code change required us to go from a \$2.50 breaker to a \$50 breaker, which resulted in a \$900 increase in the price of a home just due to the electrical panel. This is just one example out of hundreds.
- Chuck: What can we do to make our neighborhoods more accessible? Chuck's reply: There are three levels of accessibility: visitability, accessibility and universal design. If we are talking about aging in place, I have the only home in my neighborhood that anyone can come into. I cannot go into anyone else's home. Last year, my neighbor had to build a ramp to access the back of his house for an elderly parent to enable them to enter their home. But for it to be a livable neighborhood, we need to be able to visit homes independently. Sidewalks and curb cuts will help make this a livable neighborhood. I can't visit my neighbors independently without this.
- Question for all panelists: Elliott talked about limiting impact fees (e.g., school, traffic, parks and stormwater), but then how do you pay for the needed infrastructure if you don't charge those fees for development? Aaron's reply: This is a huge challenge that is not easily answered. We encourage the government to look to themselves and look for areas of mismanagement of funds. I've been audited multiple times and feel like I have to justify my expenses. See if the funds can be better managed. Leah's reply: You still have to pay for the utilities and infrastructure. But we need to look at where providing a need will ultimately save costs down the road. Taxing vacant land is my favorite thing that Elliott mentioned. We need to look at how to incentivize impact fees and reduce them when they are providing a need and increase impact fees where land use and development isn't providing a benefit (such as vacant land). Alan's reply: we need to align community values and needs with the assessment. It is a challenge to determine where impact fees would or would not make sense. Chuck's reply: Where we have really good transportation systems and concentrate development around that. It has to have accessibility. It is going to cost money.

Questions not answered as time ran out.

- Leah: You focused on regulation impact on for-sale housing. Are there unique aspects to rental housing or do the same principles apply?
- Aaron: Both Washington and Oregon are experiencing a high level of people moving into our area. How has this affected the Clark County housing market?
- Aaron: Where do the majority of the regulations that increase costs come from? For example, you mentioned the breaker. Is it state government, local government or other?

## GROUP DISCUSSION AND REPORT BACK

Attendees participated in table discussions and reported back to the group on the following two questions:

### 1) From your perspective, how do you see Clark County's housing market today?

- Not enough single level homes. Housing numbers are doing good, but demand is high
- Accessory Dwelling Units (ADUs) – zoning code allows, but HOAs don't allow
- Only approve new subdivisions that allow ADUs
- Volunteers are an untapped resource – helping upgrade homes for those who cannot maintain their home; doing some kind of fundraising to get funds
- Brisk/apprehensive about interest rates and national direction
- Vancouver has 4100 units in pipeline
- Multi-family (MF) units quickly coming to market
- Smaller cities only seeing single-family (SF) units
- Zoning too rigid – not enough flexibility for builders
- County doesn't allow ADUs
- Comp Plan doesn't take vertical growth into account
- Camas recognizes need for MF growth; high quality schools, need affordability
- H for H – need land, need to look at MF structures, not just SF
- How to incentivize affordable housing, not trying to compete with homebuilders
- Infrastructure demand and financing
- Not meeting need of keeping housing affordable!!
- Incentivize rooftop building on top of existing housing
- Through CX zoning, incentivize CX zoning
- We're not meeting the needs at keeping costs affordable
- Need to adjust growth rate by opening up supply of land
- Limited by 1% tax rate growth; would help reduce the growth of fees
- Cost-benefit analysis on all regulations
- Incentivize ADU development which would also help with aging in place
- Work on advancing cottage housing (allowed in Clark County but not City of Vancouver)
- Revamp of zoning to highest and best use, even in high density zones
- Expand contractor and subcontractor supply including apprenticeship programs to help address the cost of construction
- Higher cost of apartment rents? What drives it, supply and demand (greed); increasing supply;
- Pay to support needs
- Median market and lower; \$400,000 or lower; multiple offers; but not a good cost of homes (Demand a seller's market, counters offers)
- Impacted by the growth management act (needs updated). Trying to make developers pay more than their fair share.
- Under supply on median-priced house.
- Reduce building code and zoning regulations to promote in-fill and ADU construction for affordable housing, Airbnb
- OK
- 4100 units in pre-app/app multi-family
- Countywide size of ADUs inflexible

- Habitat-land is too expensive
- Camas-needs multi-family and affordable housing
- Infrastructure-water, roads=\$
- Using universal design to meet full age spectrum
- Supply problem
- Types of housing
- Lack of desired housing – walkable and diverse
- Aging-in-place, need for resources
- Find solutions for aging in place but aren't cost prohibitive
- Are we missing an education component around aging in place/universal design
- Align universal design with investment opportunity
- Lack of collaboration between industries and understanding of impact
- Use accurate data
- Financially stressed because of low inventory
- Not enough housing choices to age-in-place
- Aging infrastructure
- Income tax issues because we attract so many people to Clark County to avoid paying state income taxes
- From the affordable housing and low income perspective – need more opportunity for median or below median incomes to afford housing
- Building industry – landlords taking advantage of their leverage, re: taking care of tenants, health concerns, disability issues, etc.
- Tenants fear eviction
- Still expensive for median income. Do not want more than one story!

**2) Do you think the housing market is meeting the needs of Clark County consumers? If not, what needs to change?**

- Broken market- we made so many boundaries that have limited us on what we can do.
- Incentivize
- Codes change according to the size of residence
- Insufficient supply; allow greater density where there is already infrastructure capacity; market not meeting need/demand; look for best practices in other communities; reform regulatory environment/streamline
- Supply – 1.12% growth rate
- 1% property tax revenue limit
- Do a cost benefit analysis of all rules and regulations
  - Look at cumulative
  - Balance
- Open up ADUs everywhere
- Build apprenticeship program – skills center- Dennis camp
  - Not everyone is college bound
- Kaiser Ship yards – they worked with the community to bring in more workers and house them
- Need more diversity in inventory
- Need to find a way to incentivize
- The kind of housing we see as desirable
  - Examine actual impact costs by type/footprint/universal design; e.g. single person household
  - See if cannot give a break to developers for “Desired Kinds” of development

- Permitted zoning for higher density, e.g. “cottage zone” allowing Planned Unit Development (PUD) type flexibility to “save construction costs” by actual savings or reducing changed impact fees
- Decide and communicate; Desired kinds of housing (characteristics)
- No
  - Need density
  - Regulations eased
  - ADUs
  - Copy other communities
  - Rework zoning
    - Add walkable retail in residential zones
- Design needs to meet current lifestyle of community members; ADUs, walkable communities, mixed use housing, infrastructure
- Little to no inventory for low or fixed income
- Not enough ADUs
- Simplifying codes for ADUs
- ADU – must be able to build ADUs in unincorporated Clark County
- Need to think outside the box on manufactured home park, selling the lots

*“I think it might be easier to have future summits where your focus is on smaller aspects of the question: accessibility, affordability, regulations, and land use approvals”. – Comment from a participant*



## PATRICK RODEN

When we talk about housing, we often talk about the built environment and for good reason, because it is often an obstacle to people staying in their homes. Visitability is really important and it's essential as we get older. But what's more important is to do home design in the larger context of support. It must encourage social interaction and belonging to a supportive community. Home design must be done in the context of a greater community, transit options, health care, entertainment and passive and active recreation. Quality of life should be the guiding principle for how we design and build. Planning Clark County's housing future must consider that it happens in a larger system of community. The goal is quality of life for all of us now and in the future. This called Accessibility Legacy.

Aging is not just about old people. Aging is a pattern of change throughout an entire lifespan. Let's not think about separate groups of users. Instead we need to think about a spectrum of human-environment interaction. I like to call it inclusive design. Narrowly focusing on remodeling for aging or universal design is flirting with disaster.

Trends Needs Technology. Where is the trend? Where is the need? Where is the technology headed? In 2030, 19.5% of Clark's County will be over the age 65. That's the demographic makeup of Florida. That is going to happen here. AARP says 90% of people over age 65 want to live in their current homes as long as possible. Imagine Clark County's housing future. We are standing at a crossroads that can go one of two ways: Gerontopia or Dystopia.

Baby boomers are the first suburban generation in history and we are staying put in the suburbs as we age. 70% of baby boomers will be aging in suburbs or rurally. This is a challenge for Clark County and our nation. Seven contextual warnings that could have tragic consequences:

- 1) Architecture of Isolation: car-centric, bedroom communities. This is physically and socially isolating and a disaster for aging population.
- 2) Our Environments Presume Youth: only 3.5% of houses have visitability features. Old housing stock that are declining and need repair.
- 3) Difficulty Accessing Resources: Care Deserts. Suburbs and rural areas lack access that defines urban areas (transit, home based care, shopping, etc.).
- 4) Lack of Basic Transportation Services. This forces older adults to drive, many of whom should not be driving.
- 5) Lack of Quality Care Givers: informal-care by family members and friends. Over 40 million informal caregivers in the US with over 18.1 billion hours of care provided. In 2030, we will experience crushing support ratios. 4 informal care givers to every one senior. In 1990, that ratio was 11:1. Increase in elderly orphans: baby boomers that have no family or friends. Baby boomers are the most disconnected generation in history.  
Dementia: we are living longer with age related diseases that we can't cure.
- 6) Lack of Affordable/Accessible Housing. Increased homelessness in the older population.
- 7) Aged by culture: we are a youth oriented and youth obsessed culture. Ageism is alive and well in Clark County. We have age-segregated societies.

Is this the kind of Clark County that we want to live in and grow old in? Or is there something better for your future self? I want to invite you to imagine a Clark County that is a gerontopia.

- 1) Architecture of isolation transformed into the architecture of connection: village to village networks to decrease isolation, increase inter-dependence and purpose, cut costs, increases quality of life improvements, access to affordable services, increase access to the sharing economy.
- 2) Aging Housing Stocks Renewed: financial incentives to make aging in place, make it mandatory for new housing to have visitability features and be near transit. Aging in communities is preserved and we will have housing stock for people in the future.

- 3) Accessing resources is an opportunity, not a problem. Transform and repurpose dying strip malls into vibrant hubs serving the aging population, multigenerational mixed house, walkable, drop in tech centers and clinics.
- 4) Creative Transportation Solutions: Uber/Lyft, self-driving, SilverRide, Freedom in Motion
- 5) Abundance of Qualified Care Givers. Care giver policies in the workplace, such as flextime, work from home, creates jobs for younger people.
- 6) Affordable and Accessible Housing: tax credits, low interest loans, HomeShare, Golden Girls network. Airbnb for older people to increase their income and decrease their isolation. What about seniors and college students living together under a barter system. Home as healthcare: What if our doctors gave prescriptions for renovating/building homes with universal design principles that was covered by insurance? Contour Crafting: 3D printing houses with universal design.
- 7) End of Ageism.

*Clark County and the Commission on Aging would like to thank our community for attending the Future of Housing Summit: Possibilities and Realities and our sponsors, Clark County, Pinnacle Mortgage, Clark County Association of Realtors, Mark Eshelman and the Clark County Commission on Aging.*

