

City of Bainbridge Island
Housing Needs Assessment

September 2003

Prepared by

Karen Monson
Space-Solutions pllc

City of Bainbridge Island Housing Needs Assessment

We would like to gratefully acknowledge the following contributors to the Housing Needs Assessment:

Housing Trust Fund Executive Committee

Darlene Kordonowy, Mayor
Lee Walton, Interim City Administrator
Lois Curtis, Council Member
Garnie Quitslund, Citizen-At-Large
Karen Monson, Development Consultant

City of Bainbridge Island Staff

Larry Frazier, AICP, Director
Kathy Cook, Associate Planner
Steve Morse, Natural Resource Planner
Judy Flanick, Administrative Secretary
Tami Allen, Harbormaster

Helpline House

Joanne Tews, Executive Director
Ellen Johnson, Assistant Director
Sabina Quitslund, Executive Assistant

Housing Consultant

Martin Rowe

Housing Resources Board

Bill Reddy, Executive Director

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CITY OF BAINBRIDGE ISLAND

HOUSING NEEDS ASSESSMENT

INTRODUCTION

This Housing Needs Assessment, approved by City Council upon the recommendation of the City's Housing Trust Fund Executive Committee, was commissioned with two purposes in mind. Firstly, the task was to identify local housing trends and current housing needs by updating and analyzing the demographic and housing data presented in the Housing Needs Assessment in the Housing Element of the City's Comprehensive Plan (September 1994), as mandated by the State Growth Management Act.

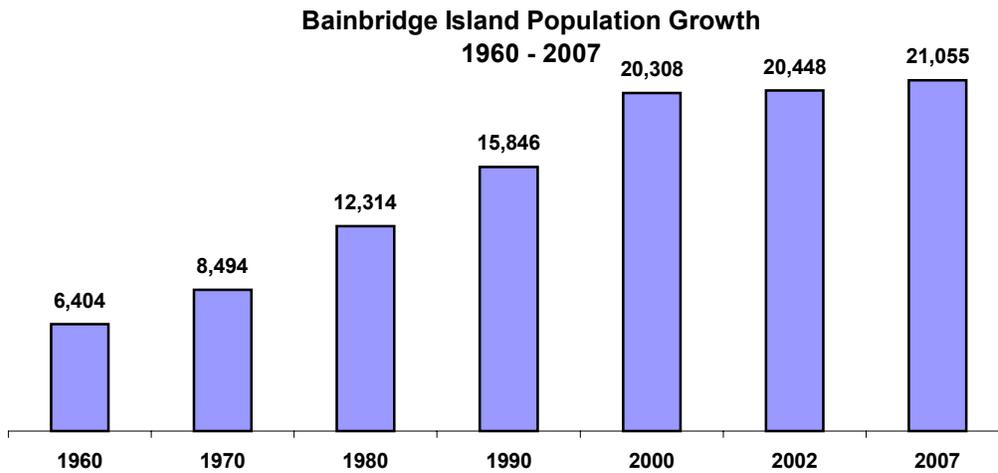
The second task was to house the 1994 and 2003 Housing Needs Assessment data in a central database. These tables and charts, built in Microsoft Excel, are intended to allow City staff to readily update and/or add on to data, providing a resource for the City and the community to evaluate and develop housing policies, programs and initiatives.

Community Profile and Trends

Population

Bainbridge Island saw dramatic population increases between 1960 and 2002, as shown in **Chart A and Table 1**, below. The Island's population grew 219% during those years, with 28.2% of that growth occurring in the twelve years between 1990 and 2002. The Island's projected growth between 2000 and 2007 is a modest 3%.

Chart A – Population Growth



Source: U.S. Census (1960 - 2000); Bainbridge Island Chamber of Commerce and Claritas , Inc. (2002 & 2007 estimated)

Household Size

While the population on Bainbridge Island increased since 1960, the average household size decreased from 3.06 in 1970 to 2.52 in 2000. The projected household size through 2007 remains 2.52 persons, according to estimates by Claritas, Inc. (**Table 1**, below.)

Table 1: Population and Household Size

Table 1: Population and Household Size										
	1960	1970	1980	1990	2000	2002	2007	Change '60 - '02	Change '90 - '02	Change '02 - '07
Population	6,404	8,494	12,314	15,846	20,308	20,448	21,055			
Change		2,090	3,820	3,532	4,462	140	607	14,044	4,462	607
% Change		32.6%	45.0%	28.7%	28.2%	0.7%	3.0%	219.3%	28.2%	3.0%
Total HHs		2,778	4,558	6,177	7,979	8,038	8,282			
Change			1,780	1,619	1,802	59	244	5,260	1,802	244
% Change			64.1%	35.5%	29.2%	0.7%	3.0%	189.3%	29.2%	3.0%
Avg. HH Size		3.06	2.70	2.57	2.52	2.52	2.52			
Change			-0.36	-0.14	-0.05	0.00	0.00	-0.54	0	0
% Change			-11.6%	-5.0%	-1.8%	0.0%	0.0%	-17.6%	-1.8%	0.0%

1. Source: 1960 and 1970 data: U.S. Census, Table 10. Population of County Subdivisions; 1980, 1990 and 2000 U.S. Census, Table DP-1. Profile of General Demographic Characteristics; 2002 and 2007 data - Bainbridge Island Chamber of Commerce & Claritas, Inc.

Age Distribution

As can be seen in **Table 2, below and Charts B and C that follow**, there have been significant changes in the age distributions of the Island's population during the 22-year span – 1980 - 2002:

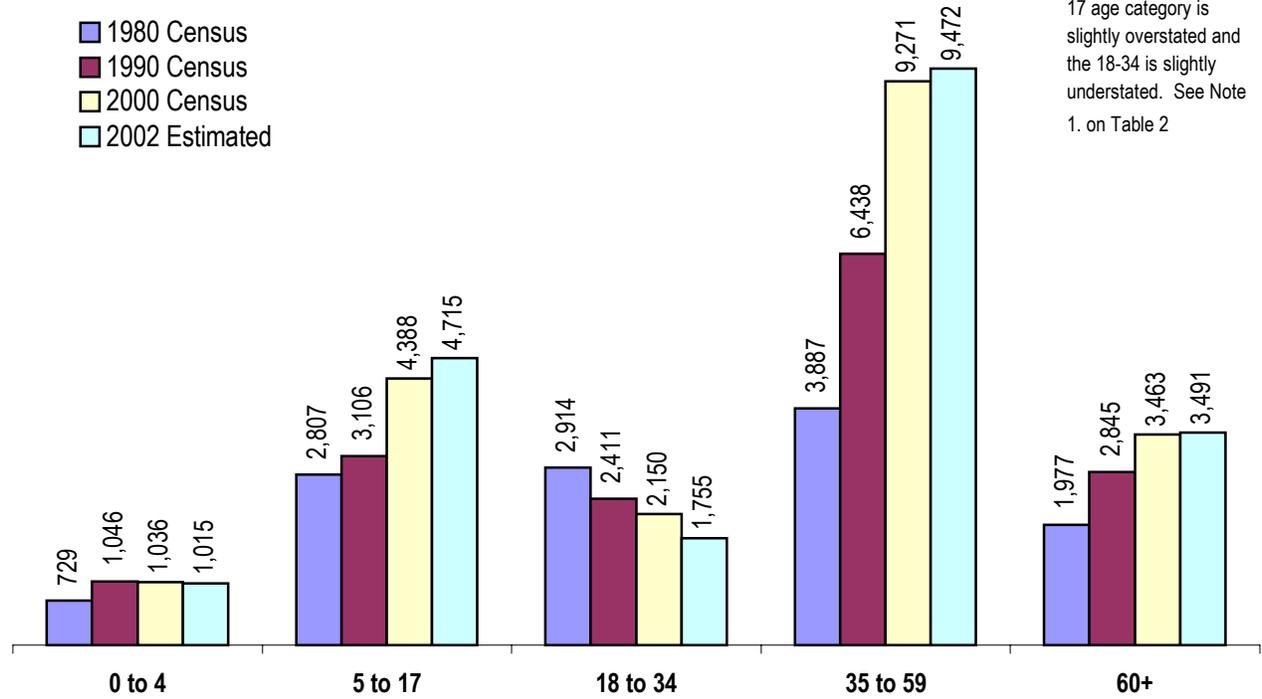
1. 0 – 4 Age Group. In 2002 this group was 39.2% larger than in 1980, even though the number declined slightly between 1990 and 2002.
2. 5 -17 Age Group. This age category has hovered around 20% of the total population in each of the census years shown, with an overall growth between 1980 and 2002 of 68.0%.
3. 18 – 34 Age Group. The 18 – 34 age group has been in serious decline since 1980, representing 23.7% of the population in 1980 but only 8.6% by 2002. In actual numbers this group, which represents young individuals and families, decreased by 1,159 individuals or 39.8%.
4. 35 – 59 Age Group. The 35 - 59 age group experienced a 143.7% increase between 1980 and 2002, the largest age group increase.
5. 60 + Age Group. The 60+ age group had the second largest increase – 76.6% - during this twenty-two year period.

Table 2: Population by Age

Table 2: Population by Age										
Age Group	1980	% of Total	1990	% of Total	2000	% of Total	2002 ¹	% of Total	Change 1980 - 2002	% Change 1980 - 2002
0 to 4	729	5.9%	1,046	6.6%	1,036	5.1%	1,015	5.0%	286	39.2%
5 to 17	2,807	22.8%	3,106	19.6%	4,388	21.6%	4,715	23.1%	1,908	68.0%
18 to 34	2,914	23.7%	2,411	15.2%	2,150	10.6%	1,755	8.6%	-1,159	-39.8%
35 to 59	3,887	31.6%	6,438	40.6%	9,271	45.7%	9,472	46.3%	5,585	143.7%
60+	1,977	16.1%	2,845	18.0%	3,463	17.1%	3,491	17.1%	1,514	76.6%
	12,314	100.0%	15,846	100.0%	20,308	100.0%	20,448	100.0%	8,134	66.1%
1. Source: Bainbridge Island Chamber of Commerce & Claritas Inc. (Note: Due to the way Claritas grouped the age ranges for 2002 estimates the age group 5-17 includes the 18 and 19 years olds.)										
Source: U.S. Census, Table P-12, Data Set: U.S. Census 2000 Summary File 1 (SF 1).										

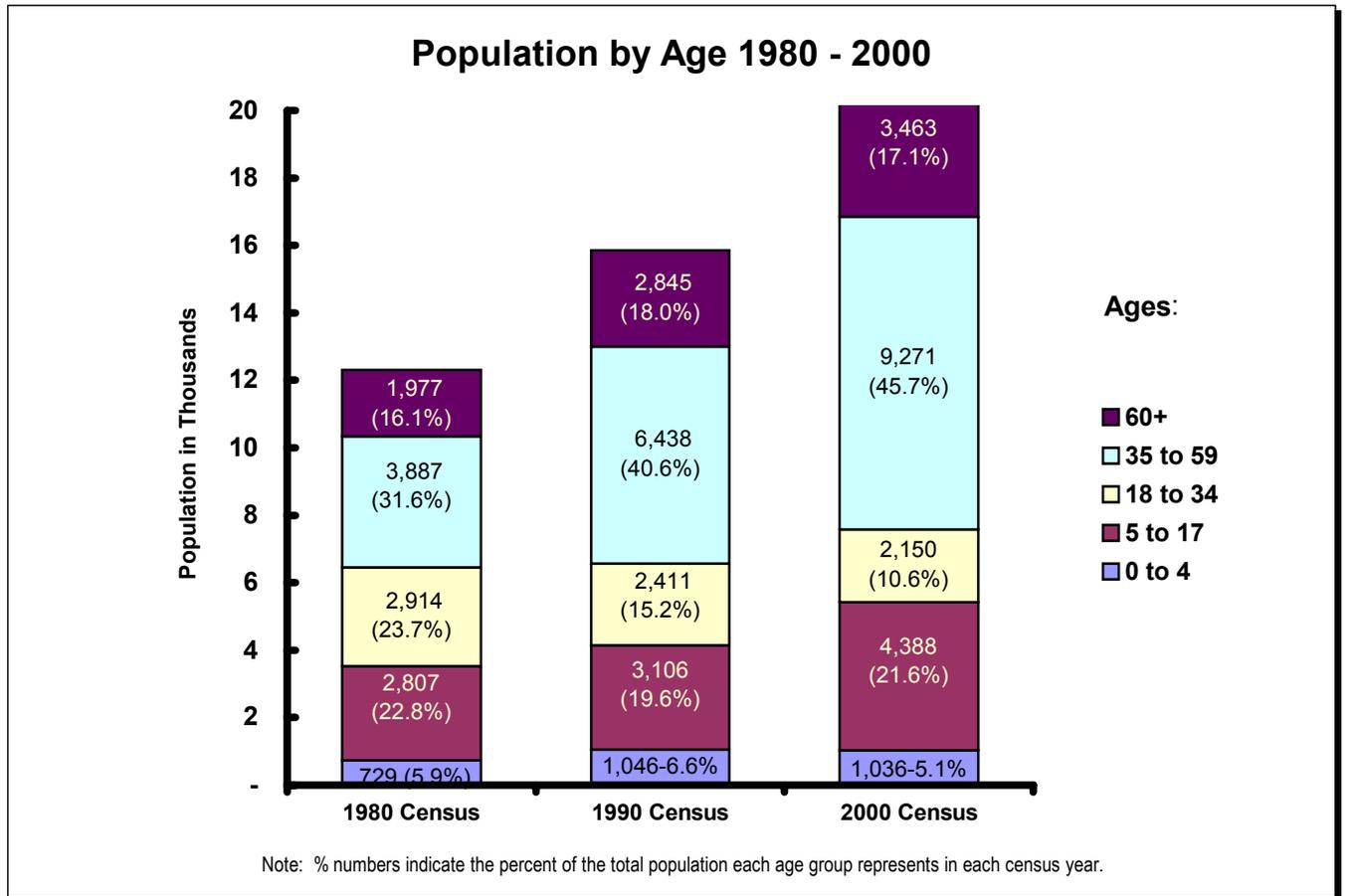
Chart B - Comparison of Age Ranges

Comparison of Age Ranges 1980-2002



Note: In the 2002 the 5-17 age category is slightly overstated and the 18-34 is slightly understated. See Note 1. on Table 2

Chart C - Population By Age in Census Years 1980 – 2000



Racial Representation

According to the U.S. Census Bureau, the information on race in the 2000 Census cannot be directly compared to the data in earlier censuses because in 2000 census respondents could chose more than one race category, the question sequence was altered and changes were made to the terminology. For additional detail, please refer to the notes in **Table 3**, on the next page.

Table 3: Racial Representation

Table 3: Racial Representation							
	White	African American	Native American	Asian / Pacific Islander	Some Other Race ²	Total	Hispanic ³
1980	11,639	23	70	482	40	12,314	60
1990	15,071	43	156	522	54	15,846	237
2000 ¹	18,863	57	125	509	754	20,308	440
C hange 1980 - 1990	3,432	20	86	40	14	3,532	177
% C hange	29.5%	87.0%	122.9%	8.3%	35.0%	28.7%	295.0%
C hange 1990 - 2000	3,792	14	-31	-13	700	4,462	203
% C hange	25.2%	32.6%	-19.9%	-2.5%	1296.3%	28.2%	85.7%
C hange 1980 - 2000	7,224	34	55	27	714	7,994	380
% C hange	62.1%	147.8%	78.6%	5.6%	1785.0%	64.9%	633.3%
% of Population 1980	94.5%	0.2%	0.6%	3.9%	0.3%	100.0%	0.5%
% of Population 1990	95.1%	0.3%	1.0%	3.3%	0.3%	100.0%	1.5%
% of Population 2000	92.9%	0.3%	0.6%	2.5%	3.7%	100.0%	2.2%
1. Source: U.S. Census Table DP-1. Profile of General Demographic Characteristics: 2000							
2. This category includes "some other race" and "two or more races" that is all other responses not included in the "White," "Black or African American," "American Indian or Alaska Native," "Asian," and "Native Hawaiian or Other Pacific Islander" race categories described above.							
3. Persons of Hispanic Origin are also included in other race categories.							

Minority racial groups, after showing growth in each individual category between 1980 and 1990, suffered some losses between 1990 and 2000. The African American and "Some Other Race" groups increased only slightly while Native Americans and Asian / Pacific Islanders decreased in numbers. Those respondents who also selected Hispanic, increased from 60 in 1980 to 440 in 2000.

Household Composition (Type)

Table 4, on the following page, shows the breakdown by household type including family and non-family households, whether children under 18 are present, and single parent households. The number of households on Bainbridge Island increased 34.6% from 1980 to 2000. In 1980 the number of married couple households without children under 18 years and those with children under 18 were the same. By 2000 the number of married couple households without children under 18 living at home had exceeded those with children at home.

Although the male-headed households (with children under 18 at home) increased 115% between 1980 and 2000 while the female-headed households (with children under 18 at home) increased 95.8%, the actual number of the female-headed households in this group was thrice that of male-headed households by 2000. Non-family households, composed of unrelated persons, essentially doubled in that same 20-year span, accounting for 2,200 households by 2000.

Table 4: Household By Types

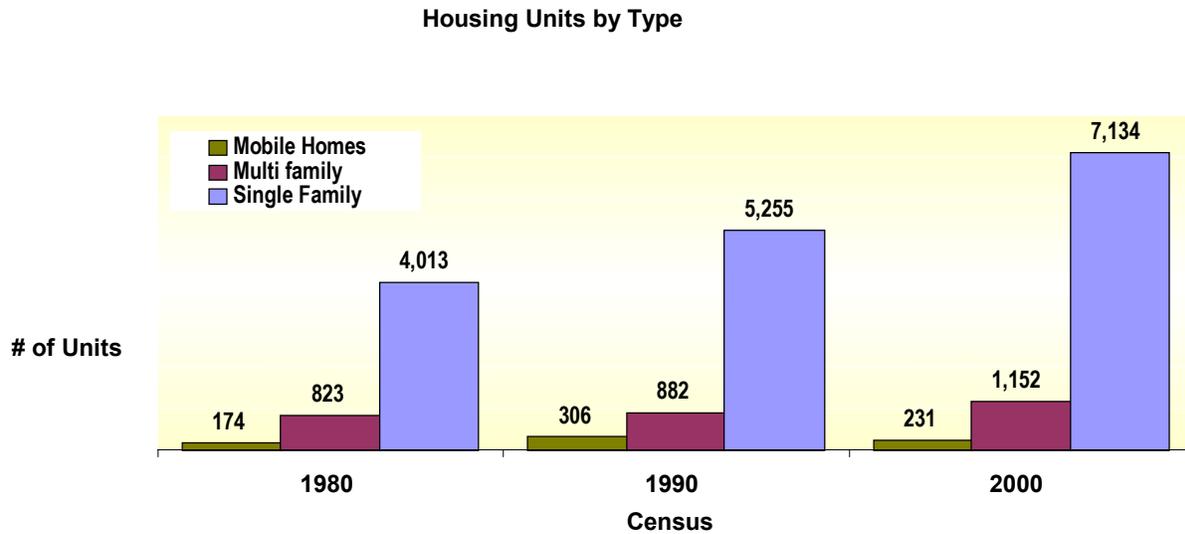
		Table 4 Households by Types						Non-Family
		Family Households						(Unrelated Persons)
		Married Couples		Male Head - No Wife Present		Female Head - No Husband Present		
Children under 18	Total HHs	Yes	No	Yes	No	Yes	No	
1980 ¹	4,558	1,509	1,509	53	49	190	147	1,101
1990 ²	6,134	1,905	2,078	81	45	273	122	1,630
2000 ³	7,979	2,391	2,592	114	75	372	225	2,200
1980 - 1990 Change	1,576	396	569	28	-4	83	-25	529
% Change	34.6%	26.2%	37.7%	52.8%	-8.2%	43.7%	-17.0%	48.0%
1990 - 2000 Change	1,845	486	514	33	30	99	103	570
% Change	40.5%	32.2%	34.1%	62.3%	61.2%	52.1%	70.1%	51.8%
1980 - 2000 Change	3,421	882	1,083	61	26	182	78	1,099
% Change	75.1%	58.4%	71.8%	115.1%	53.1%	95.8%	53.1%	99.8%
1. U.S. Census Bureau, Census 1980								
2. U.S. Census Bureau, Census 1990, Characteristics of Families - summary Tape File 1A								
3. There is a discrepancy between the 2000 census count of total households (7,979) and the sum of family and non-family households (7,969), leaving 10 households unaccounted for.								

Housing Stock

Type

The largest gain in housing type between 1980 and 2000 was single-family homes (a 77.8% increase). Multifamily housing did not keep pace, growing at about half that rate (40.0%) over the 20-year period with the majority of the growth seen between 1990 and 2000. (Please see **Chart D** and **Table 5**, on the next page.)

Chart D – Housing Units by Type



Although the number of mobile homes in 2000 was greater than in 1980, the decade between 1990 and 2000 saw a net loss of 75 mobile homes, reducing the inventory by 32.5%. This is a significant loss in the Island’s affordable housing stock. Goal 2 of the Housing Element calls for maintaining the stock of existing affordable housing and specifically, the desirability of preserving Islander Mobile Home Park (Goal H 2.1).

Table 5: Housing Units by Type

Table 5: Housing Units By Type							
	Single Family	%	Multi-family	%	Mobile Homes	%	Totals
1980	4,013	80.1%	823	16.4%	174	3.5%	5,010
1990	5,255	81.6%	882	13.7%	306	4.7%	6,443
2000	7,134	83.8%	1,152	13.5%	231	2.7%	8,517
Change 1980 - 1990	1,242		59		132		1,433
% Change	30.9%		7.2%		75.9%		28.6%
Change 1990 - 2000	1,879		270		-75		2,074
% Change	26.3%		23.4%		-32.5%		24.4%
Change 1980 - 2000	3,121		329		57		3,507
% Change	77.8%		40.0%		32.8%		70.0%

1. US Census, Table DP-4. Profile of Selected Housing Characteristics: 2000

To that end the City Council passed a resolution on July 23, 2003 supporting the purchase of the 60-pad Islander Mobile Home Park by Kitsap County Consolidated Housing Authority (KCCHA) to retain the site as affordable housing. The City Council pledged \$200,000 from the City's Housing Trust Fund. KCCHA's purchase is contingent upon securing the balance of the necessary public and private financing.

Tenure (Owner-occupied & Renter Occupied)

Table 6 tracks the changes in owner and renter occupied housing units between 1980 and 2000. The ratio of owner-occupied to renter occupied housing units has remained fairly constant from 1980 to 2000, with owner-occupied units accounting for just over three-quarters of all housing units in each of these census years. Between 1990 and 2000 though, owner-occupied units gained several more percentage points and now represent 78.3% of all housing units, the highest percentage of the census years in **Table 6**. Conversely, in 2000, the renter occupied housing showed a 2.3% decrease from 1990.

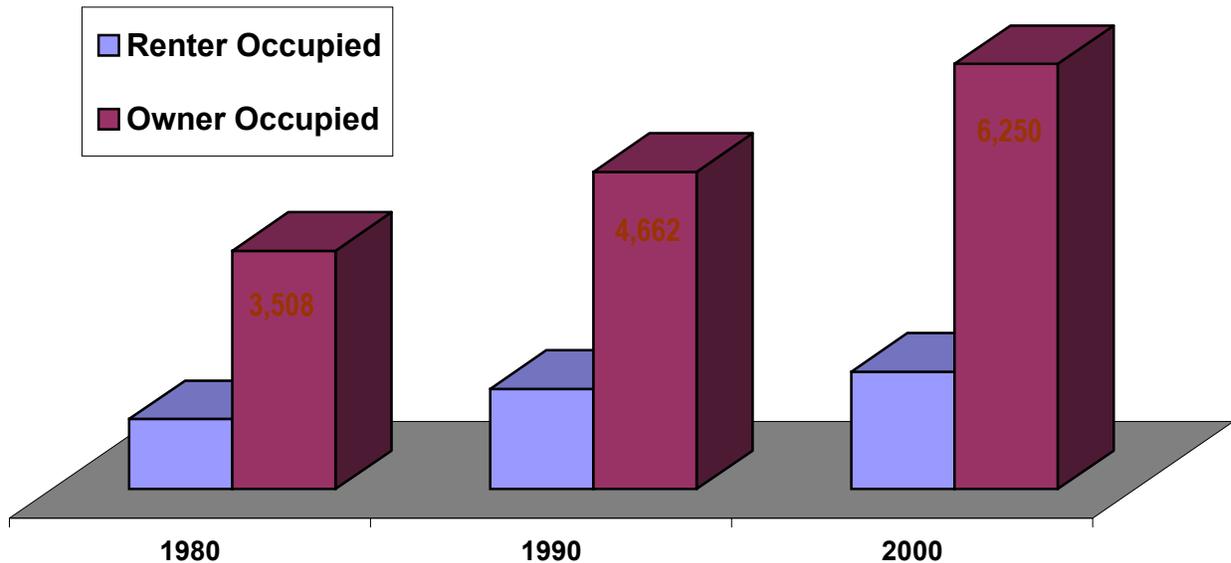
Table 6: Housing Units By Tenure

Table 6 : Housing Units By Tenure							
	Owner Occupied	%	Renter Occupied	%	Total Housing Units	Change in Total Units	% Change
1980	3,508	77.3%	1,031	22.7%	4,539		
1990	4,662	76.0%	1,472	24.0%	6,134	1,595	35.1%
2000	6,250	78.3%	1,729	21.7%	7,979	1,845	30.1%
Change 1980 - 2000	2,742		698		3,440		
% Change 1980 -2000	78.2%		67.7%		75.8%		
Source: 1980 & 1990 Data - Housing Needs Assessment, February 2000							
Source: 2000 Data - US Census, Table DP - 1. Profile of General demographic Characteristics: 2000							

Chart E, on the following page, provides a graphic comparison of the number of renter occupied to owner-occupied housing units for each of the census years from 1980 to 2000.

Chart E – Housing Units By Tenure (Renter or Owner Occupied)

**Chart - Housing Units By Tenure
1980 - 2000**



Water-based Housing

Water-based housing (live-aboards) is another affordable housing option recognized in the Housing Element and reported to the Washington State Office of Financial Management (OFM) but not tracked by the U.S. Census Bureau. Goal 2.3 of the Housing Element recognizes water-based housing as “a viable component of the present and future housing stock of Bainbridge Island.”

The water-based housing has two components – those who live aboard in the various Eagle Harbor marinas and those who are anchored out. According to the City’s Harbor Master, the number of live-aboards is fairly fluid. As of April 1, 2003 the City’s census of live-aboards, defined by OFM as those boats “occupied by persons with no other usual home” counted:

- 89 watercraft, disbursed among the six Eagle Harbor marinas, housing 125 individuals.
- 15 anchored-out watercraft in Eagle Harbor sheltering 25 people. According to the City’s Harbor Master, there are two households with children (one family has three young children and the other has two teens), several couples and the rest are single men.

The City, through the Harbor Commission, is working to create a legitimate marina in the open area in Eagle Harbor as part of the implementation of the Harbor Management Plan, for the low-income, permanent anchored out live-aboard community. The Plan will include anchoring and mooring areas and installation of permanent mooring buoys, 25% of which would be designated for live-aboards at affordable rents. The City is currently negotiating with the Department of Natural Resources to secure a master lease that would allow the permanent mooring buoys to be affixed to the harbor bottom.

Inventory of Market Rate Rental and Rent Assisted Multifamily Units

The City tracks the inventory of multifamily rental units with a phone survey. Conducted on a fairly regular basis, the survey polls those buildings or projects with five or more units (the U.S. Department of Housing and Urban Development's definition of multifamily). For example, the four-plexes in the Western View Terrace complex are included in the survey because there are seven buildings, even though not all buildings are in common ownership. **Tables 7a – 9b**, below and on following pages detail the November 2002 survey results.

The survey excludes duplexes, triplexes, stand-alone four-plexes and condominiums, which the City tracks separately as multifamily and reports annually to the State Office of Financial Management. (The current count on condominiums drawn from Assessor records is 610, up 68% from the 362 cited in the September 1, 1994 Housing Needs Assessment. Eleven condominiums, the Island Dawn project, are currently under construction on High School Road.)

Table 7a: Market Rate Multifamily Units

Table 7a: Market Rate Multifamily Units ¹											
	Total Units	Type ²	Studios	Rent / Mo.	1BRs	Rent / Mo.	2 BRs	Rent / Mo.	3 BRs	Rent / Mo.	Vacant
Market Rate											
550 Madison	13	I & F			10	\$500	3	\$650		\$0	0
Eagle's Nest Apts	40	I & F			28	\$665	12	\$775			1
Island Homestead Apts	75	I & F					75	\$1,023			6
Lynnwood Commons	30	I & F	9	\$850	9	\$950	12	\$1,350			28
Park View Apartments	12	I & F					11	\$550	1	\$550	0
Quay Bainbridge	72	I & F			38	\$750	25	\$850	9	\$950	3
Sea Breeze	6	I & F			5	\$625	1	\$840			
Victorian Lane	10	I & F			4	\$800	4	\$1,200	2	\$1,700	1
Western View Terrace	8	I & F					8	\$625			0
Western View Terrace	8	I & F					8	\$723			0
Western View Terrace	4	I & F					4	\$675			0
Winslow Manor Apts	39	Seniors			1	\$775	38	\$858			4
Totals	317		9		95		201		12		43
Source: Phone interviews conducted in November, 2002											
1. Apartments described as "market rate" have no financial or direct subsidies attached to the building(s).											
2. I & F = Individuals and Families											

Assisted Living.

By far the most expensive multifamily rentals on Bainbridge in the November 2002 survey were in the assisted living projects, renting from \$1,750 for a studio to \$3,000 for a 2-bedroom unit (**Table 7b**). Although included in the multifamily phone survey, the assisted living rents cannot be directly compared to the market-rate multifamily units as they provide meals and 24-hour staff plus a range of services residents can purchase, including medication management and assistance with the activities of daily living such as bathing and dressing. The assisted living data are not included in the multifamily summaries that follow, other than in the table below.

Table 7b: Market Rate Assisted Living Units

Table 7b: Assisted Living											
	Total Units	Type ²	Studios	Rent / Mo.	1BRs	Rent / Mo.	2BRs	Rent / Mo.	3BRs	Rent / Mo.	Vacant
Madison Avenue Retirement Center	54		14	\$1,750	36	\$2,200	4	\$2,450			0
Wyatt House	43		7	\$1,800	34	\$2,000	2	\$3,000			0
Totals:	97		21		70		6		0		0
% of Total Units	100%		22%		72%		6%		0%		

Source: Phone interviews conducted in November, 2002

Table 8: Rent Assisted Multifamily Units

Table 8: Rent Assisted Multifamily Units													
	Total Units	Type ¹	Studios	Rent / Mo.	1BRs	Rent / Mo.	2 BRs	Rent / Mo.	3 BRs	Rent / Mo.	Vacant	Subsidy Type ²	
Finch Place Apts	29	Senior			29	\$574						USDA - Rural Development	
Virginia Villa Apts	40	Senior			36	\$474	4	\$514			0	USDA - Rural Development	
Winslow Arms Apts	60	Senior	1	\$580	53	\$656	6	\$768			6	Section 8 qualified	
Island Home	11	I & F					4	\$711	6	\$916	0	Project Based Section 8 Certificates	
Island Terrace Apts	48	I & F			12	\$445	36	\$510			1	USDA - Rural Development	
Rhododendron Apts	50	I & F			38	\$545	12	\$670			2	USDA - Rural Development	
VillageHome	11	I & F	11	\$523							0	HOME ³	
Western View Terrace	8	I & F					8	\$545			1	None	
Totals	257		12		168		70		6		10		

Source: Phone interviews conducted in November, 2002

1. I & F = Individuals and Families

2. Apartments described as "subsidized" have been developed through some form of subsidy attached to the units, such as low interest loans, grants, tax credits or unit based certificates.

3. FMR unit rented to tenant w/income at or below 80% of AMI; balance of units rented to tenants w/ incomes at/below 50% Area Median Income

Summary of Multifamily Rental Inventory

Bainbridge has twelve market rate, multifamily rental projects with 317 units, comprising 55% of the multifamily apartment inventory. The eight rent-assisted projects add 257 units, or 45% of the multifamily rental inventory for a total of 574 units. The average rents for each housing type, based on the number of bedrooms, are shown in **Table 9a**. One and two-bedroom units make up 93% of all units. Studios and three-bedroom units are in very short supply.

Table 9a: Summary of Multifamily Units & Average Rents

Table 9a: Summary of Multifamily Units and Average Rents ¹										
Multifamily Projects	Total Units	%	Studios	Average Rent/Mo	1BRs	Average Rent/Mo	2 BRs	Average Rent/Mo	3 BRs	Average Rent/Mo
Market Rate Units ²	317	55.2%	9	\$850	95	\$713	201	\$911	12	\$1,042
Rent Assisted Units ³	257	44.8%	12	\$528	168	\$563	70	\$575	6	\$916
Total All Units	574	100%	21		263		271		18	
% of Total Units		100%	4%		46%		47%		3%	

1. The rent shown in this table are the weighted averages of survey rents.

2. Apartments described as "market rate" have no financial or direct subsidies attached to the building(s).

3. Apartments described as "rent assisted" have been developed through some form of subsidy attached to the units, such as low interest loans, grants, tax credits or unit based certificates.

Table 9b: Summary of Multifamily Rents 2000 to 2002

Table 9b: Summary of Multifamily Rents (weighted averages) 2000 - 2002						
Unit Type		FY 2000	FY 2001	FY 2002	Change '00 - '02	% Change
Market Rate	Studios	\$0	\$0	\$850	\$850	\$0
	1 BR	\$642	\$695	\$713	\$71	11.1%
	2 BR	\$818	\$862	\$911	\$93	11.4%
	3 BR	\$898	\$783	\$1,042	\$144	16.0%
Rent Assisted	Studios	\$612	\$612	\$528	-\$84	-13.7%
	1 BR	\$516	\$538	\$563	\$47	9.1%
	2 BR	\$526	\$545	\$575	\$49	9.3%
	3 BR	\$685	\$857	\$916	\$231	33.7%

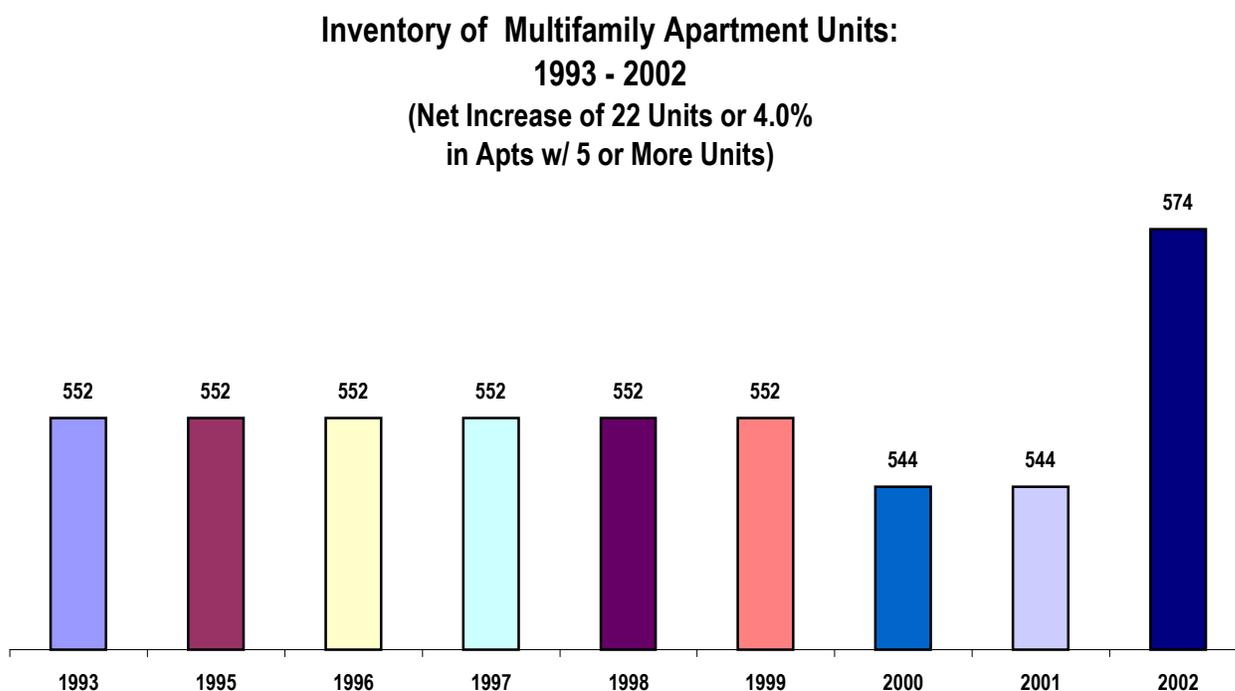
Source: City's Multifamily Apartment Surveys

The average market rate rent data, gathered in the City's multifamily apartment surveys between 2000 and 2002, shows double digit increases for all unit sizes ranging from 11% for one and two-bedroom units to 16% for three-bedroom apartments as shown in **Table 9b**, above. Rent-assisted units followed a more uneven course, with the average rent for studios dropping \$84 or 13.7%, one and two-bedroom units gaining 9% and three-bedroom apartments increasing by one-third.

Growth in Multifamily Apartment Units

Based on the City's multifamily apartment rental surveys of buildings or developments with 5 or more units, the net gain in units on Bainbridge, between January 1993 and December 2002, was 22 units or 4%. Although 41 new units were constructed (Village Home on Erickson with 11 units completed in 2000 and Lynwood Commons with 30 units in three buildings completed in 2002), 19 modestly priced rental units in the Driftwood Apartments on South Beach Drive were lost to a condominium conversion in 2000. **Chart F** shows the change in the inventory of multifamily apartment units. Housing Resources Board (HRB), a local non-profit housing provider, will add nine multifamily units to the inventory late this year. The project, JanetWestHome, is located on Knechtel and currently under construction.

Chart F: Inventory of Multifamily Apartment Units 1993 – 2002



Historically Low Vacancy Rate.

Since 1993, the City has conducted a fairly regular survey of multifamily apartment buildings and/or complexes of five or more units, gathering bedroom sizes, average rents, vacancy tallies and other information. The City's survey, to be consistent with the definition of multifamily housing used by the U.S. Department of Housing and Urban Development, does not include duplexes, triplexes, and four-plexes.

According to the available survey data for 1993 through 2002, which is summarized in **Table 32** in the Appendix, the vacancy rate in established projects was generally 1% or less, except in 1993 and 2002, when newly constructed projects were in the rent-up phase. These vacancy rates are well below 5%, the

percentage generally assumed to indicate a healthy rental market with a balance in supply and demand, documenting that the demand for apartments on Bainbridge generally exceeded the supply.

2002 Vacancy Rate.

Excluding the vacancies in the newly constructed Lynwood Commons, the vacancy rate in 2002 was 4.6%, an uncommonly high rate for Bainbridge Island. Several vacancies were a result of the death of long term residents, while others were attributed to the lagging economy, prompting apartment managers to offer rent incentives to prospective tenants.

Multifamily Rents (weighted averages)

The 2002 surveyed market rate rents ranged from \$713 to \$1,042. Rent-assisted units rented for under \$600 per month except for the 3 bedroom units, which averaged \$916.

Commitment on Rent Assisted Multifamily Projects

Bainbridge Island has nine rent assisted projects that received funds in whole or in part from Federal, State and/or local agencies. In exchange for favorable financing terms, the property owner commits to providing the housing to a targeted population for a specific term. Commitments can run from 20 to 50 years depending upon the funding source. Federal funding sources include the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Agriculture (USDA). Bainbridge Island’s local financing source is the Housing Trust Fund, established by ordinance in 1999.

Local jurisdictions have priority purchase rights for the USDA projects through the Housing Preservation Section of the Federal Housing Act of 1990 before they are offered on the open market. The USDA projects must provide a one-year notice of intent to pre-pay the loan with notices being sent to the City and Kitsap County Consolidated Housing Authority. **Table 10** shows the date each project’s current commitment expires.

Table 10: Duration of Commitment on Rent Assisted Multifamily Projects

Table 10: Duration of Commitment in Rent Assisted Multifamily Projects			
Project	Type of Subsidy	# of Units w/Subsidy ¹ .	Expiration Date (approx)
550 Madison	Combination	13	January 1, 2023
Finch Place	USDA - "Rental Assistance"	14 ¹ .	December 1, 2006
Island Terrace	USDA - "Rental Assistance"	7 ¹ .	January 1, 2006
Islandhome	Combination	11	December 1, 2031
JanetWestHome	Combination	9	January 1, 2053
Rhododendron Apts.	USDA - "Rental Assistance"	50 ¹ .	January 1, 2016
VillageHome	Combination	11	August 9, 2048
Virginia Villa	USDA - "Rental Assistance"	20 ¹ .	April 1, 2010
Winslow Arms ² .	HUD - "Sec 8"	60	April 1, 2001
1. As of 6/2003. USDA's Rental assistance is applied for each year by property owner and based on tenants' need.			
2. Although long-term commitment is expired, owner renews Section 8 annually. Manager knows of no plans to stop renewing.			

Multifamily Rental Unit Mix (Existing & Under Construction) and Potential Demand from HRB's Waiting List

Table 11 tallies Bainbridge's rental units by bedroom size in the categories of existing market rate and rent-assisted units, and rent-assisted units currently under construction. HRB maintains a waiting list of individuals and families who contact them for affordable rental housing. Their current waiting list contains 62 households (individuals and families). Thirty-four of these households, or 54.8%, indicated they lived on Bainbridge Island. Eleven of the 62 households had a disabled member; seven of the 11 disabled households lived on Bainbridge at the time of their request for housing. Eleven households on the waiting list worked on Bainbridge, based on their listing a Bainbridge number for their work phone. Forty-five percent (28 households) requested three and four-bedroom housing.

Currently there are no four-bedroom units in the multifamily rental inventory and only three percent, or 19, three-bedroom multi-family rental units. Seven of the three-bedroom units are rent-assisted and operated by Housing Resources Board.

Table 11: Existing Multifamily Unit Mix and Potential Demand from HRB's Waiting List

Table 11: Existing Multifamily Unit Mix & Potential Demand from HRB's Waiting List											
Existing Market Rate Projects		Studios	1 BR	2 BR	3 BR	4 BR	Total	% of Existing			
Market Rate Units		9	95	201	12	0	317	55%			
Total Existing Market Rate		9	95	201	12	0	317				
Existing Rent Assisted Projects											
Housing Resources Board		11	0	12	7	0	30	5%			
Other Rent-Assisted		1	168	58	0	0	227	40%			
Total Existing Rent Assisted		12	168	70	7	0	257				
Total Existing Market Rate + Rent Assisted		21	263	271	19	0	574	100%			
%		4%	46%	47%	3%	0%	100%				
Assisted Projects Under Construction										Waiting List	
HRB's JanetWestHome			8	1			9		Bainbridge Resident ¹	Works on Bainbridge ²	Disabled Household
Total Existing + Under Construction		21	271	272	19	0	583				
HRB's Waiting List for Assisted Housing		0	16	18	24	4	62		34	11	11
		0%	26%	29%	39%	6%	100%		54.8%	17.7%	17.7%

Source: Housing Resources Board. Waiting list data represents unduplicated housing requests between April 2002 and June 5, 2003

1. Bainbridge Island phone number listed for home phone.
2. Bainbridge Island phone number listed for work phone number.
3. Includes two single-family homes (Sadie Woodman and ForestHome) not included in other multi-family unit numbers.

Housing Condition

In the September 1, 1994 Housing Needs Assessment, the City had determined that the condition of the housing stock on Bainbridge Island would be difficult to assess without a complete field survey. Although the Kitsap County Assessor database had a field for the condition of housing units, these fields were not kept in a consistent manner. Therefore, the City elected to identify those census blocks in the 1990 Census where 25% or more of the housing was constructed prior to 1940.

A field survey of the resulting five census blocks concluded there were "no appreciable numbers of substandard units...[and]...turn-of-the-century homes, in general, are highly sought after and most have been substantially rehabilitated. A few, widely-scattered, substandard houses can be identified by windshield survey but unless a comprehensive door-to-door survey is undertaken, it is difficult to make any statements about housing condition, in general." The City has not updated their field survey since 1994.

Of greater concern is the increasing percentage of income needed for housing, which can leave fewer dollars for repairs and maintenance. Housing occupied by lower income handicapped and senior households is at the greatest risk of falling into disrepair.

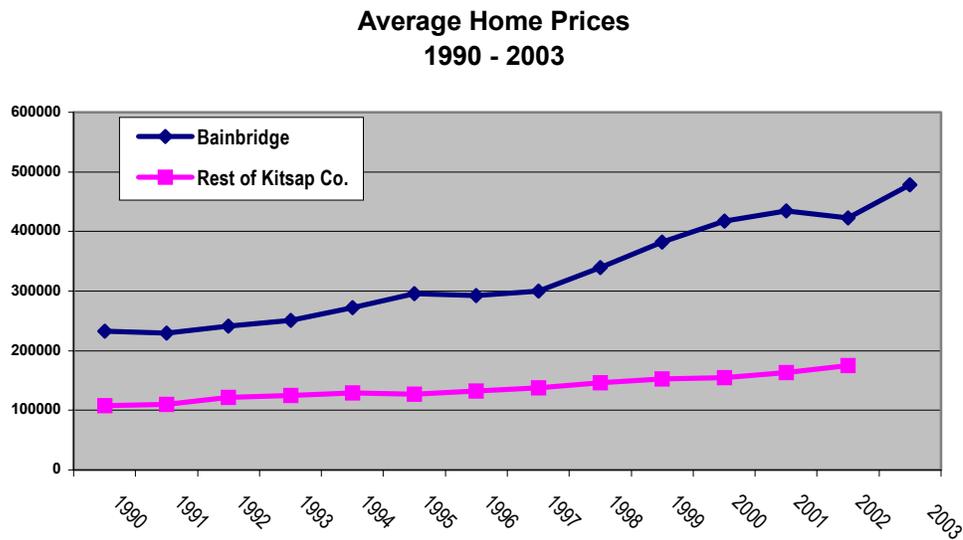
Based on an informal survey conducted by Housing Resources Board (HRB) in 2000 of local churches and social service providers, an estimated 200 Island households were in need of assistance with home repairs and maintenance. In response, HRB initiated the Independent Living Program (ILP), which is funded primarily by the City's Housing Trust Fund. The ILP, by addressing needed repairs and the removal of architectural barriers, allows these individuals and families to remain in their homes. To date several dozen eligible households have been assisted.

Home Prices

Average Home Sales Prices

The average home sale prices on Bainbridge Island and in the rest of Kitsap County rose between 1990 and 2003 (See **Chart G** and **Table 23** on the following page). While Kitsap home prices experienced modest gains, the average Bainbridge home price escalated dramatically from \$ 232,687 to \$478,000.

Chart G - Average Home Sales Prices



Source: Kitsap County TRENDS Report Spring 1997 & 2002; Bainbridge Island Review

Table 12: Average Home

	Bainbridge	Kitsap	Price Difference	Bainbridge Price "Premium"	Change in Bainbridge Price	% Change	Change in Kitsap Price	% Change
1990	\$232,687	\$107,634	\$125,053	216.2%				
1991	\$229,132	\$109,946	\$119,186	208.4%	-\$3,555	-1.5%	\$2,312	2.1%
1992	\$240,836	\$121,398	\$119,438	198.4%	\$11,704	5.1%	\$11,452	10.4%
1993	\$251,248	\$125,134	\$126,114	200.8%	\$10,412	4.3%	\$3,736	3.1%
1994	\$272,412	\$129,002	\$143,410	211.2%	\$21,164	8.4%	\$3,868	3.1%
1995	\$295,680	\$127,221	\$168,459	232.4%	\$23,268	8.5%	-\$1,781	-1.4%
1996	\$292,739	\$132,414	\$160,325	221.1%	-\$2,941	-1.0%	\$5,193	4.1%
1997	\$300,480	\$138,171	\$162,309	217.5%	\$7,741	2.6%	\$5,757	4.3%
1998	\$339,973	\$146,791	\$193,182	231.6%	\$39,493	13.1%	\$8,620	6.2%
1999	\$382,044	\$153,070	\$228,974	249.6%	\$42,071	12.4%	\$6,279	4.3%
2000	\$416,975	\$154,285	\$262,690	270.3%	\$34,931	9.1%	\$1,215	0.8%
2001	\$434,697	\$163,557	\$271,140	265.8%	\$17,722	4.3%	\$9,272	6.0%
2002	\$423,115	\$175,554	\$247,561	241.0%	-\$11,582	-2.7%	\$11,997	7.3%
2003 ²	\$478,000				\$54,885	13.0%		
Change 1990 - 2003				\$245,313				\$67,920
Bainbridge Annualized Growth ('90-'03 = 5.81%) '90-'02 =				4.83%	Change 1990 - 2002		Kitsap Annualized Growth	4.16%

1. Source: 1990 thru 1996 - Kitsap County Real Estate TRENDS, Spring 1997, Volume X, page 15; 1997 thru 2001 - Kitsap County Trends Report, Spring 2002, Volume XX, page 35; 2002 Prices provided by Richards & Associates, Inc. who prepared them for

2. The average May 2003 closing price. Source: Bainbridge island Review, Saturday June 7, 2003, "Home prices see wild surge" by John Waldo.

In the September 1, 1994 the City's Housing Needs Assessment, utilizing information in the Kitsap County TRENDS Reports (<http://www.kccha.com/Trends.html>), reported on the median home price for Bainbridge Island and the County. Published on a semi-annual basis around June and December each year, the TRENDS Report switched from documenting the median to the average home sale prices sometime after 1994. Therefore, all home prices in this assessment reflect the average unless otherwise indicated.

In 1990 the difference in the average home sale price between Bainbridge Island and Kitsap County was just over \$125,000. By 2002 the price differential had almost doubled to \$247,561, despite three years on Bainbridge where the average home sale price dropped.

The 2002 average home sale price on Bainbridge Island increased by a factor of 1.82 from the 1990 average home sale price (\$232,687 to \$423,115). Then by May of 2003 the average home sale price had jumped 13% to \$478,000, according to Bainbridge Review¹. (See **Table 12** on the next page.)

During the same 12-year period, 1990 – 2002, the average price in the rest of Kitsap County increased by in \$67,920, a 63% increase. The annualized growth rates for Kitsap County and Bainbridge Island were 4.16% and 4.83% respectively. For the period 1990 to 2003, the annualized growth rate for Bainbridge was 5.81%.

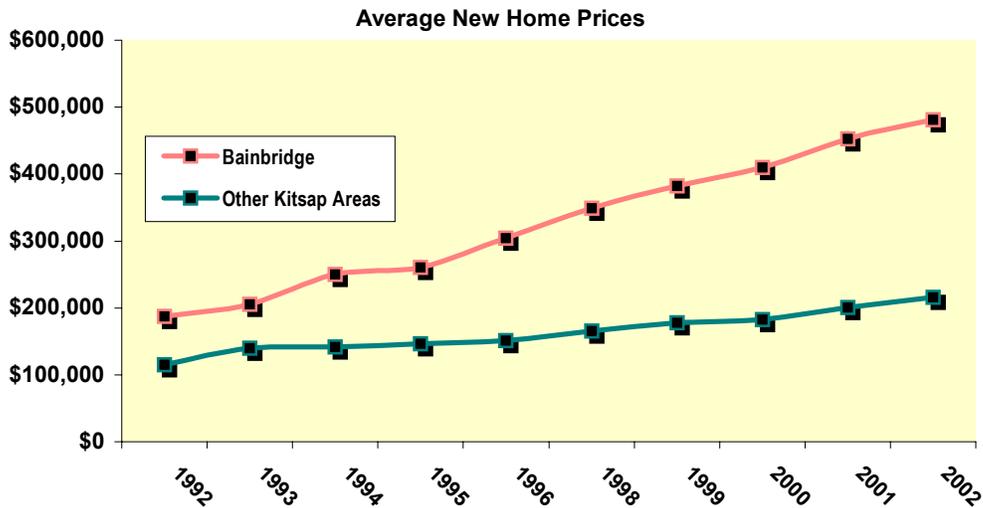
Average New Home Prices

The average **new** home price on Bainbridge between 1992 and 2002 increased from \$186,940 in 1992 to \$481,114 by 2002, an annualized rate of 9.9%. The average **new** home price in the rest of Kitsap County grew by a more modest 6.51% annualized rate. (Please see **Chart H** on the following page and **Table 35** on page 56.) The average home price on Bainbridge did not keep pace with the average **new** home price, increasing by an annualized rate of 4.83%. Overall, during that ten-year period the Bainbridge average **new** home price increased just over \$294,000 compared to the \$101,140 in the rest of Kitsap, making the rest of Kitsap significantly more affordable than Bainbridge.

Chart H on the following page illustrates the sharp contrast in the growth of the average **new** home price between Bainbridge and the rest of Kitsap County between 1992 and 2002, documenting the increasing affordability gap on Bainbridge versus the rest of Kitsap.

¹ "Home prices see wild surge" by John Waldo. Bainbridge Island Review, Saturday June 7, 2003

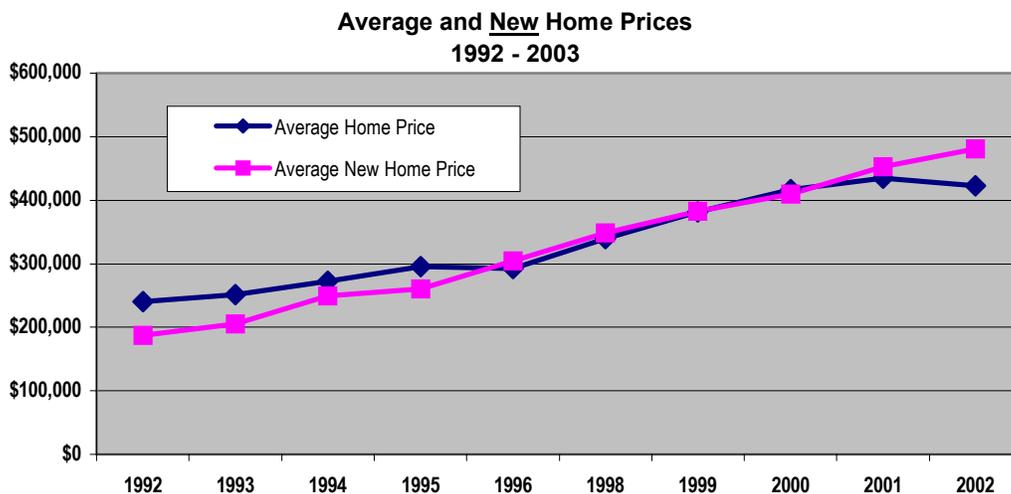
Chart H- Average New Home Prices



Average Vs. New Home Prices

In 1992 the average **new** home price on Bainbridge was less expensive than the average home price (\$186,940 versus \$240,836). By 1996 the average **new** home price exceeded the **average** home price on Bainbridge and kept the lead until 2000 regaining and keeping the lead again in 2001. (**Chart I**)

Chart I - Comparison of Average and New Home Prices on Bainbridge



Source: Kitsap County TRENDS Report Spring 1997 & 2002

Single-Family Home Sales

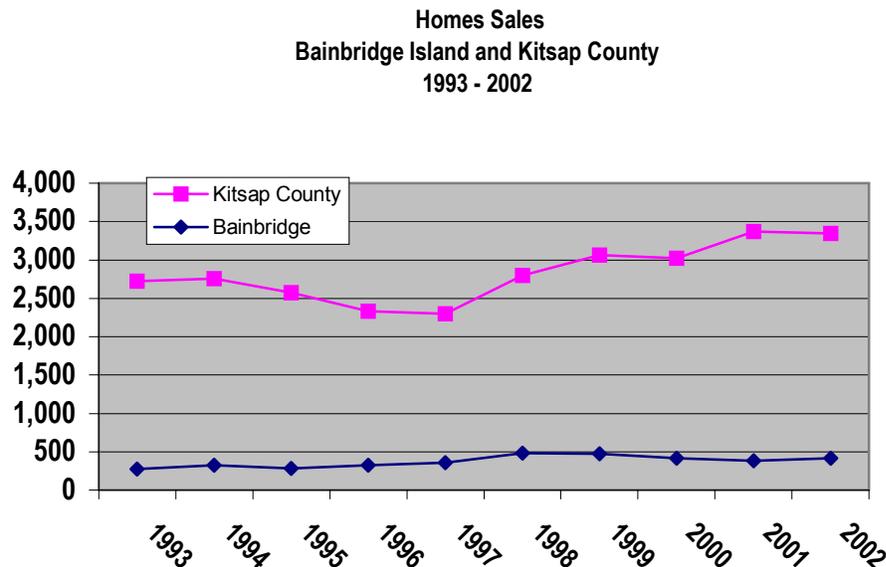
Bainbridge single-family homes sales went from a low of 270 sales in 1993, peaked at a high of 481 in 1998 and tapered off in the following years. The sales volume in the rest of Kitsap County has also been more volatile, as shown in the **Table 13** and **Chart J**, below.

Table 13: Single-Family Sales (New & Used)

Table 13: Single Family Sales (New & Used)										
Bainbridge Island (no Condominiums)										
Sales	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Bainbridge	270	322	279	320	359	481	472	418	384	419
Change		52	-43	41	39	122	-9	-54	-34	35
% Change		19.3%	-13.4%	14.7%	12.2%	34.0%	-1.9%	-11.4%	-8.1%	9.1%
Kitsap County Less Bainbridge Island (no Condominiums)										
Sales	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Kitsap County	2,995	3,075	2,855	2,650	2,660	3,276	3,532	3,439	3,753	3,761
Bainbridge	270	322	279	320	359	481	472	418	384	419
Net of B.I.	2,725	2,753	2,576	2,330	2,301	2,795	3,060	3,021	3,369	3,342
Change		28	-177	-246	-29	494	265	-39	348	-27
% Change		1.0%	-6.4%	-9.5%	-1.2%	21.5%	9.5%	-1.3%	11.5%	-0.8%

Source: Kitsap TRENDS Report

Chart J - Home Sales – Bainbridge Island & Kitsap County



Income and Housing Affordability

Well stated in the City's 1994 Housing Needs Assessment of the Housing Element, "Decent and safe housing is a basic, human need, which has become increasingly unavailable to many Americans. The median price of a single-family home on Bainbridge Island rose 54% between 1988 and 1992. The Growth Management Act (GMA) recognizes the importance of planning for adequate housing by requiring it as an element in Comprehensive Plans. Adequate housing is addressed specifically in one of the 13 major goals: Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of densities and housing types, and encourage preservation of existing housing stock."

Household Income

The Bainbridge Island Median Household Income, according to the 2000 Census, was \$70,110 compared to the Kitsap County Median Household Income of \$46,840. The Bainbridge Median jumped \$27,975, or 66% between 1990 and 2000 as shown in **Table 14**.

Table 14: Bainbridge Island & Kitsap County Income Figures

Table 14: Bainbridge Island & Kitsap County Incomes					
	1990 ¹	2000 ¹	% Change	2002 (estimated) ²	% Change 2000 2002
Median Household³ Income					
Bainbridge Island	\$42,135	\$70,110	66.4%	\$67,470	-3.8%
Kitsap County	\$32,038	\$46,840	46.2%	\$47,689	1.8%
Median Family⁴ Household Income					
Bainbridge Island	\$51,971	\$83,415	60.5%	\$81,492	-2.3%
Kitsap County	\$36,942	\$53,878	45.8%	\$54,849	1.8%
Average Household Income					
Bainbridge Island	\$57,751	\$93,078	61.2%	\$93,078	0.0%
Kitsap County	\$38,095	\$58,299	53.0%	\$58,299	0.0%
Per Capita Income					
Bainbridge Island	\$22,437	\$37,482	67.1%	\$36,698	-2.1%
Kitsap County	\$14,282	\$22,317	56.3%	\$22,453	0.6%
1. Source: U.S. Census Bureau					
2. Source: Bainbridge Island Chamber of Commerce & Claritas, Inc.					
3. A household includes all people occupying a housing unit as their usual place of residence.					
4. A family includes a householder and one or more people living in the same household who are related to the householder by birth, marriage, or adoption.					

Poverty Status

- 171 families, or 3% of all Bainbridge families, had incomes below the poverty level.
- 115 of those families had related children less than 18 years of age living at home.
- 72 female-headed households had incomes below the poverty level.
- 896 individuals were also living below the poverty level.

- 206 children under the age of 18 were living below the poverty level.
- 2.1% or 134 of the owner-occupied households had incomes below the poverty level.
- Renter households were more than six times as likely to be living below the poverty level (243 households of the 1,726 renter households, or 14.1%, were living below the poverty level.)

Families and individuals living in poverty and those of even modest means can find themselves stretched financially each month to make ends meet. Without a sufficient supply of housing at prices affordable to all residents, many households and individuals turn to the Island's social service network for assistance in stretching their dollars to retain their shelter and sustain their families.

To assist in the safety net that sustains households on Bainbridge, the City provides funds to a number of social service agencies including Helpline House, Bainbridge Island Child Care Centers, The Boys & Girls Club, Bainbridge Youth Services, the Teen Center, Interfaith Volunteer Care Givers and Housing Resources Board. The City's 2003 commitment for social service agencies is \$241,000.

Helpline House – A Housing Safety Net

Helpline House, "the hub of the human services delivery system on Bainbridge Island"¹, works to improve the range of human services on Bainbridge Island including mental health services and operation of food and clothing banks.

Helpline House's support to Island residents in 2002 included:

- Service to 537 households (unduplicated or counted only once no matter the number of times receiving services) experiencing major financial problems. This was a 39% increase over such services in 1998.
- 313 unduplicated households with major housing problems were assisted, up from 246 in 1998 (27% increase).
- Overall, in 2002 Helpline House addressed 2,818 household financial problems, a 50% increase over 1998.
- Over \$137,000 in direct financial assistance to clients in 2002 to pay for such necessities as prescriptions, eyeglasses, ferry tickets, tuition, utilities and emergency rental/mortgage assistance.
- Additionally, 90 tons of food was distributed in 2002. The first quarter of 2003 saw an increase in food bank services of 32% over the same period in 2002. Helpline House placed the value of the 90 tons of donated food in 2002 at \$900,000.

In summary, in 2002 Helpline House provided over \$1 Million dollars in tangible assistance to Bainbridge households (\$137,000 in direct financial assistance and \$900,000 in food stuffs through the food bank) demonstrating how critical these resources are for financially challenged residents to make ends meet each month, allowing them to remain part of their community.

¹ City of Bainbridge Island Comprehensive Plan, *Human Services Element*, January 31, 2000.

Emergency Rental Assistance (includes mortgage payment assistance)

Emergency rental assistance is provided to Island residents on a one-time only basis when they need help in meeting their rent or mortgage payment or need money for a hotel room or camping fees to provide a place to sleep for the night. The rental assistance dollars come from the City of Bainbridge Island (through the HRB), the Federal Emergency Management Act (FEMA), the Bainbridge Committee, St. Vincent De Paul and an anonymous donor to Helpline House.

The demand for these funds has steadily increased over the last four years. Helpline House distributed \$37,200 in 1999 and by 2002 the assistance had increased by almost 40% to \$52,060. The average amount of the rental assistance per household grew from \$235 in 1999 to \$397 in 2001. In 2002 the average was down slightly to \$386. The three-year overall increase was 63.8%.

Table 15: COBI's Contributions to Emergency Rental & Mortgage Assistance (ERA)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	% Change 95-03
Annual Amount	\$15,000	\$16,648	\$20,000	\$25,000	\$27,500	\$30,000	\$30,500	\$30,500	\$31,000	106.7%
% Increase		11.0%	20.1%	25.0%	10.0%	9.1%	1.7%	0.0%	1.6%	

Source: Housing Resources Board, recipient of the ERA Funds, contracts with Helpline House to distribute the ERA funds.

Table 16: Emergency Rental Assistance Disbursed Through Helpline House

	1999	2000	2001	2002	% Change 99-02
Total ²	\$44,640	\$44,188	\$58,174	\$62,472	
% Increase		-1.0%	31.7%	7.4%	39.9%
Households Receiving ERA ²	190	194	146	162	
Average ERA/ Household	\$235	\$227	\$397	\$386	
% Increase		-3.5%	74.8%	-3.0%	63.8%

1. Funds provided by City of Bainbridge Island through Housing Resources Board, Bainbridge Committee, Helpline House donor, FEMA and St. Vincent De Paul.

2. Drawn from Helpline House's figures for 10 months in their FEMA applications and annualized. For COBI's contribution see **Table 15**.

Source: Helpline House

Affordable Housing

The City defines affordable housing in the Bainbridge Island Municipal Code 18.06.565 as “a dwelling unit for use as primary residence by a household in any of the income groups described below, which may be rented or purchased without spending more than 30 percent of monthly household income including utilities other than telephone and cable TV.”

On an annual basis the City’s Department of Planning and Community Development calculates and publishes the income limits, maximum rents, and suggested maximum purchase prices applicable to each of the following income groups for City sponsored affordable housing programs:

- Extremely low < 30% of median household income
- Very low income 31% – 50% of median household income
- Low income 51% – 80% of median household income
- Moderate income 81% – 95% of median household income
- Middle income 96% – 120% of median household income

The Kitsap Regional Coordinating Council (KRCC) estimates that by 2007, 2,318 households, or 22.8% of all Bainbridge households, will be low-income (80% or less of median household income, adjusted for family size per HUD’s income categories). (**Table 17**) It should be noted that these projections, which utilize the same percentages as the 1990 Census data, might not accurately represent the Island’s actual population in 2002 or 2007.

Table 17: Household Income Characteristics for Kitsap County – HUD Categories

Table 17: Household Income Characteristics - HUD Categories													
Year	Total Households	Extremely Low Income		Very Low Income		Low Income		Moderate Income		Middle Income		Remaining	
		# HH	% of total	# HH	% of total	# HH	% of total	# HH	% of total	# HH	% of total	# HH	% of total
1990	6177	392	6.3%	387	6.3%	632	10.2%	361	5.8%	659	10.7%	3746	60.6%
2002*	8413	530	6.3%	528	6.3%	858	10.2%	488	5.8%	900	10.7%	5098	60.6%
2012*	10168	641	6.3%	638	6.3%	1037	10.2%	590	5.8%	1088	10.7%	6162	60.6%

* Note: these are straight-line projections based on KRPC Population projections and may not reflect actual trends
Source: 1990 US Census and KRPC population projections - from the COBI 1994 Housing Needs Assessment of the Housing Element

HUD’s Section 8 Income Limits

The Section 8 Program, administered by HUD, sets the eligible household income limits by household size, based on the local median household income. The income categories and income limits, based on the Kitsap County (Bremerton PMSA) Median Household Income, apply to Bainbridge Island households seeking Section 8 Certificates and are shown on **Table 18** on the following page.

Table 18: 2003 HUD Section 8 Income Limits for Kitsap County & Bainbridge Island

Table 18: 2003 HUD Section 8 Income Limits for Kitsap County								
Income Category	Family Size							
	1	2	3	4	5	6	7	8
Middle: 120%	\$51,900	\$59,325	\$66,750	\$74,175	\$80,100	\$86,025	\$91,950	\$97,875
Moderate: 95%	\$41,088	\$46,966	\$52,844	\$58,722	\$63,413	\$68,103	\$72,794	\$77,484
Low: 80%	\$34,600	\$39,550	\$44,500	\$49,450	\$53,400	\$57,350	\$61,300	\$65,250
Very Low: 50%	\$21,650	\$24,700	\$27,800	\$30,900	\$33,350	\$35,850	\$38,300	\$40,800
Extremely Low: 30%	\$13,000	\$14,850	\$16,700	\$18,550	\$20,000	\$21,500	\$23,000	\$24,450

Source: H.U.D., Washington State DCD <http://www.huduser.org/datasets/il/fm r03/index.html>

These Kitsap County (Bremerton PMSA) income limits are used to determine eligibility for rent assisted housing and other types of subsidies for tenants and homeowners.

The City's Affordable Housing Program utilizes the Seattle Median Household Incomes included **Table 19**. The City's Public School Impact Fees Waiver follows the income and rent limits, adjusted for family size, based on the average of the Bremerton and Seattle Median Incomes, shown in detail on **Table 20**.

Table 19: Bremerton, Seattle, and Seattle/Bremerton Average Median Household Incomes

Table 19: Median Household Income - Bremerton (Kitsap), Seattle and Bremerton/Seattle Average Under The Bainbridge Island Municipal Code for Fiscal Year 2003								
Household Size		1	2	3	4	5	6	
Bremerton Median Income		\$61,800	\$43,300	\$49,400	\$55,600	\$61,800	\$66,700	\$71,700
Very Low (50% of median)		\$30,900	\$21,650	\$24,700	\$27,800	\$30,900	\$33,350	\$35,850
Low (80% of median)		\$49,440	\$34,600	\$39,550	\$44,500	\$49,450	\$53,400	\$57,350
Seattle Median Income		\$71,900	\$54,500	\$62,300	\$70,100	\$77,900	\$84,100	\$90,400
Very Low (50% of median)		\$35,950	\$27,250	\$31,150	\$35,050	\$38,950	\$42,050	\$45,200
Low (80% of median)		\$57,520	\$39,550	\$45,200	\$50,850	\$56,500	\$61,000	\$65,550
Seattle / Bremerton Average		\$66,850	\$48,900	\$55,850	\$62,850	\$69,850	\$75,400	\$81,050
Very Low (50% of median)		\$33,425	\$24,450	\$27,925	\$31,425	\$34,925	\$37,700	\$40,525
Low (80% of median)		\$53,480	\$39,120	\$44,680	\$50,280	\$55,880	\$60,320	\$64,840

Source: City of Bainbridge Island Planning Department.

Note: Data for 50% and 80% of median income in the Bremerton and Seattle-Bellevue-Everett Primary Statistical Areas (PMSA), as published by United States Department of Housing and Urban Development (HUD), issued on February, 2003. All amounts for 30%, 95% and 120% of median income have been extrapolated from HUD data.

Table 20: Public School Impact Fee Waiver Limits per Bainbridge Island Municipal Code

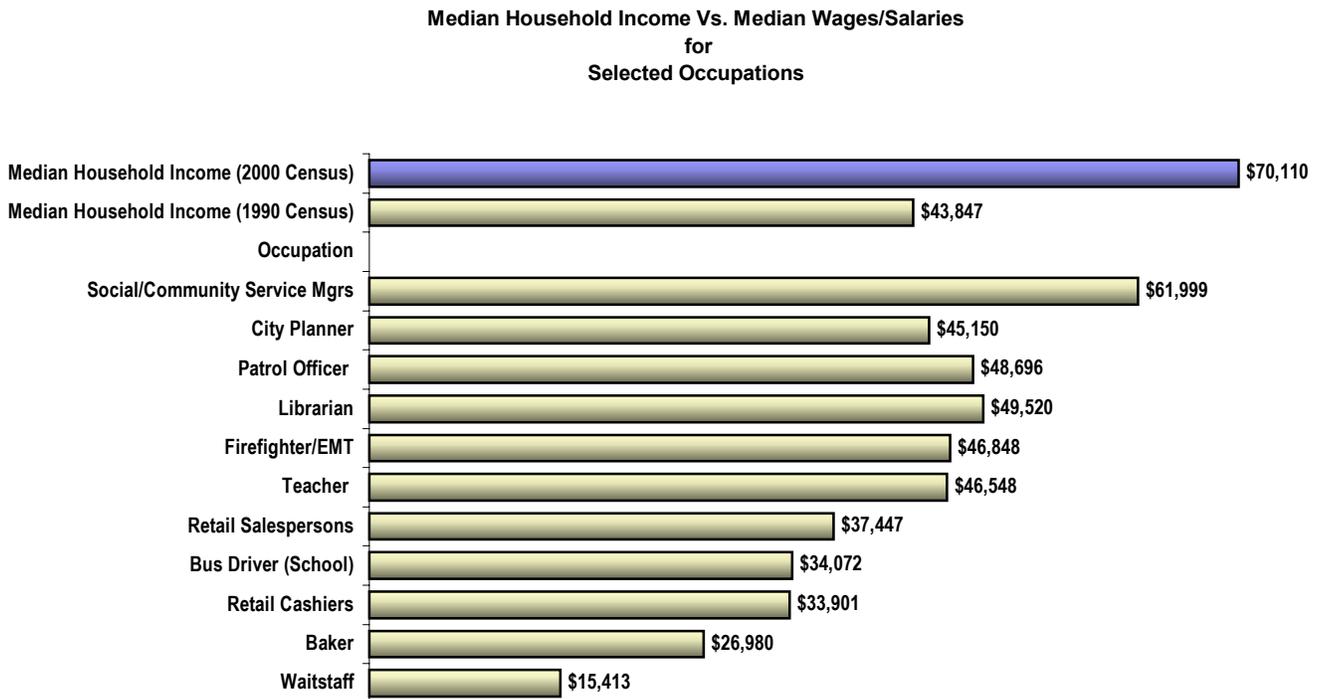
Table 20: Affordable Housing Income and Rent Limits under the Bainbridge Island Municipal Code for Fiscal Year 2003 – for Impact Fee Waiver Eligibility (Based on the Average of Bremerton and Seattle PMSAs)						
Extremely Low Income (30% or less of median)	Household Size					
	1	2	3	4	5	6
Maximum Annual Household Income	\$14,670	\$16,755	\$18,855	\$20,955	\$22,620	\$24,315
Maximum Monthly Household Income	\$1,223	\$1,396	\$1,571	\$1,746	\$1,885	\$2,026
Maximum Monthly Rent (including utilities)	\$367	\$419	\$471	\$524	\$566	\$608
Very Low Income (>30% to 50% of median)	Household Size					
	1	2	3	4	5	6
Maximum Annual Household Income	\$24,450	\$27,925	\$31,425	\$34,925	\$37,700	\$40,525
Maximum Monthly Household Income	\$2,038	\$2,327	\$2,619	\$2,910	\$3,142	\$3,377
Maximum Monthly Rent (including utilities)	\$611	\$698	\$786	\$873	\$943	\$1,013
Low Income (>50% to 80% of median)	Household Size					
	1	2	3	4	5	6
Maximum Annual Household Income	\$39,120	\$44,680	\$50,280	\$55,880	\$60,320	\$64,840
Maximum Monthly Household Income	\$3,260	\$3,723	\$4,190	\$4,657	\$5,027	\$5,403
Maximum Monthly Rent (including utilities)	\$978	\$1,117	\$1,257	\$1,397	\$1,508	\$1,621
Moderate Income (>80% to 95% of median)	Household Size					
	1	2	3	4	5	6
Maximum Annual Household Income	\$46,455	\$53,058	\$59,708	\$66,358	\$71,630	\$76,998
Maximum Monthly Household Income	\$3,871	\$4,421	\$4,976	\$5,530	\$5,969	\$6,416
Maximum Monthly Rent (including utilities)	\$1,161	\$1,326	\$1,493	\$1,659	\$1,791	\$1,925
Middle Income (>95% to 120% of median)	Household Size					
	1	2	3	4	5	6
Maximum Annual Household Income	\$58,680	\$67,020	\$75,420	\$83,820	\$90,480	\$97,260
Maximum Monthly Household Income	\$4,890	\$5,585	\$6,285	\$6,985	\$7,540	\$8,105
Maximum Monthly Rent (including utilities)	\$1,467	\$1,676	\$1,886	\$2,096	\$2,262	\$2,432
Source: Department of Planning and Community Development, City of Bainbridge Island						

Median Wages for Selected Occupations

Chart K, on the following page, compares the Bainbridge Median Household Income to the median wages and salaries of a range of occupations found on Bainbridge, that “make the Island run”; the individuals the 1999 Mayor’s 90-Day Committee intended the City’s Housing Trust Fund to serve by supporting the development of affordable housing. These occupations would require a substantial

second household income to afford the average priced Bainbridge home in 2003, as shown on **Table 21**, on the following page.

Chart K - Median Household Income vs. Median Wages for Selected Occupations



Median Household Income: U.S. Census 2000; Median Wages/Salaries: WA State Employment Security Wage Survey 2001 except City Planner - Median Wage from City Figures, Firefighter/EMT - Median Wage from B.I. Fire Department June 2003, Teacher Median Wage - B.I. School District Certificated Salary Schedule 2002-2003

Rental & Purchasing Power of Selected Occupations

Table 21 looks at the annual income needed to purchase the average priced home on Bainbridge in 2000 and 2003 and then shows the rental and purchasing power of the selected occupations shown in **Chart K**, above.

Table 21: Median Annual & Hourly Wages & Amount Available For Housing

Table 21 - Median Annual & Hourly Wages & Amount Available for Housing Costs (City of Bainbridge Island and Bremerton SMA For Selected Occupations)						
	Median Annual Wage ^{1.}	Median Hourly Wage	Available for Housing ^{2.}	Available for Mortgage Payment ^{3.}	= Home Price ^{4.}	Available for Rent
Household Income Needed to Purchase Avg. Priced Home - \$478,000 in 2003	\$136,212	\$65.49	\$3,405	\$2,658	= \$478,000	
Household Income Needed to Purchase Avg. Priced Home - \$416,975 in 2000	\$118,822	\$57.13	\$2,971	\$2,319	= \$424,868	
Median Household Income (2000 Census)	\$70,110	\$33.71	\$1,753	\$1,368	= \$250,690	\$1,753
Median Household Income (1990 Census)	\$43,847	\$21.08	\$1,096	\$856	= \$132,924	\$1,096
Occupation						
Social/Community Service Mgrs	\$61,999	\$29.81	\$1,550	\$1,210	= \$221,688	\$1,550
City Planner	\$45,150	\$21.71	\$1,129	\$881	= \$161,442	\$1,129
Patrol Officer	\$48,696	\$23.41	\$1,217	\$950	= \$174,121	\$1,217
Librarian	\$49,520	\$23.81	\$1,238	\$966	= \$177,067	\$1,238
Firefighter/EMT	\$46,848	\$22.52	\$1,171	\$914	= \$167,513	\$1,171
Teacher	\$46,548	\$22.38	\$1,164	\$908	= \$166,440	\$1,164
Retail Salespersons	\$37,447	\$18.00	\$936	\$731	= \$133,898	\$936
Bus Driver (School)	\$34,072	\$16.38	\$852	\$665	= \$121,830	\$852
Retail Cashiers	\$33,901	\$16.30	\$848	\$662	= \$121,219	\$848
Baker	\$26,980	\$12.97	\$675	\$526	= \$96,472	\$675
Waitstaff	\$15,413	\$7.41	\$385	\$301	= \$55,112	\$385
<p>1. Source: Washington State Employment Security Department's 2001 Wage and Salary Survey for the Bremerton MSA, except Teachers, City Planner and Patrol Officer. Teacher salaries drawn from Bainbridge Island School District 2002-2003 Certificated Salary Schedule. City Planner and Patrol Officer, provided by COBI are the average of the entry and top pay scales for each occupation. Median Household Income Source: U.S. Census 2000</p> <p>2. Assumes housing cost (mortgage, taxes, insurance & maintenance) is equal to 30% of household income.</p> <p>3. Assumes deducting 21.35% of total available for housing to cover taxes, insurance, maintenance & repairs.</p> <p>4. Assumes 10% down, 30 year fixed rate of 7.25% in 2000</p>						

Cost Burden Households (Renters & Owners)

The Department of Housing and Urban Development (HUD) in defining the term affordable, has determined that families should not pay over 30% of their gross income for housing costs (including utilities and home maintenance). Households paying more than 30% of their household income for housing costs are considered cost burdened. The U.S. Census tabulates, by household income group, the number of households paying 30% or more of their income for housing costs.

Renter Households –

Between 1990 and 2000, the net increase in Bainbridge renter households was 17%, or 250 households. This 10-year period saw an increase of 436 renter households with incomes of \$35,000 or more while households with incomes of less than \$10,000 and between \$20,000 and \$34,999 declined by a combined 213 households, a 31% reduction.

The 2000 Census documented an increased need for rental assistance to rental households over the 1990 Census (see **Chart L on the next page** and **Table 36** in the Appendix):

- The overall number of renter households needing rental assistance grew by 42.1% between 1990 and 2000, from 444 households to 631 households
- 37% of all Bainbridge renter households in the 2000 Census were in need of rental assistance, up from 30% in 1990.
- 16.7% of rental households in the 2000 Census, or 285, were paying 50% or more for their rental housing (please see **Table 38** in the Appendix).
- Three out of the four Census income groups shown in **Chart L**, showed significant growth in demand for rental assistance; only the < \$10,000 group showed a decline in need, attributable to a 45% drop in the actual number of these needy households.
- Households with incomes of \$10,000 - \$19,999 needing assistance increased 70.9%.
- The most significant increase in need for rental assistance, 321%, was in the \$35,000 + household income group, growing from 38 households in 1990 to 436 households in 2000.

Owner Households -

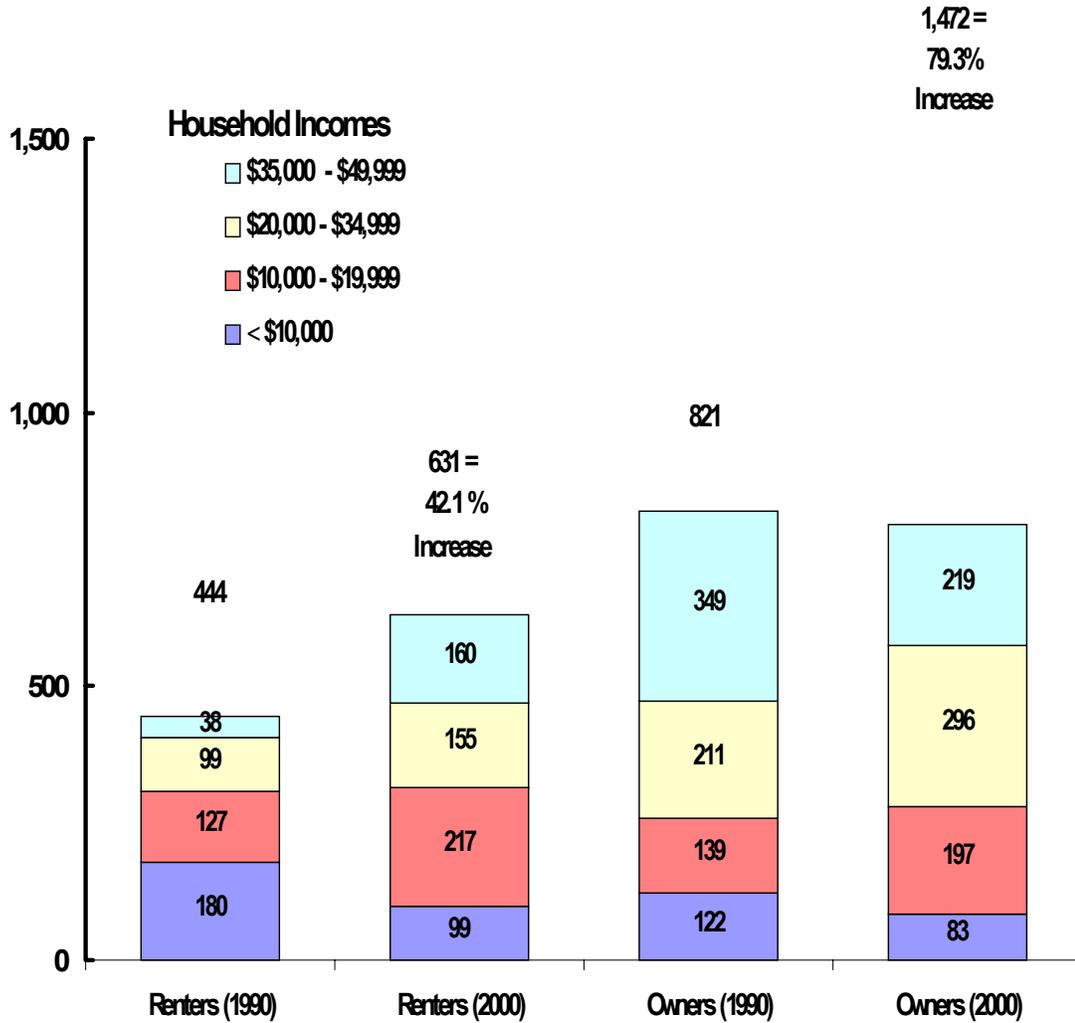
In 1990, 18% of owner households were paying 30% or more of their annual income for housing (cost burdened). By 2000, nearly 28% or 1,472 out of 5,287 owner households were cost burdened (Please refer to **Chart L** on the following page, and **Table 37** in the Appendix):

- 651 more households are paying 30% or more for housing, a 79.3% increase over 1990 owner households.
- The number of owner households earning under \$35,000 declined by 17.8%, and of the 866 owner households in this income group in the 2000 Census, a notably greater percentage were paying more for their housing.
- Households earning \$35,000 or more increased 68.2% (2,628 to 4,421) and experienced a 156.7% growth in those paying 30% or more in housing costs.

The 2000 Census data on the extent of cost burdened households is also reflected in the Human Services Needs Assessment, conducted by the Health Housing and Human Services Council (HHHS) in November and December 2002. HHHS's assessment, "with a special focus on identifying the unmet needs or gaps in human services," identified affordable housing options and affordable assisted living for seniors, as two of the largest perceived gaps.

Chart L - Renter & Homeowner Households Paying 30% + for Housing Costs

**RENTER & HOMEOWNER HOUSEHOLDS
PAYING 30%+ for HOUSING COSTS**



Real Estate Tax Trends

Property values on Bainbridge Island have been escalating over the past seven years as analyzed by the Bainbridge Resource Group (BRG), a community-based group working to provide the Island and its local taxing districts (City, School, Fire, and Parks) with a comprehensive picture of property taxation. BRG, using figures from 1996 to 2003 as shown in **Table 22** on the following page, documents escalating property values and the resultant property taxes. One of BRG's concerns is that existing Island residents and those who make the Island run (firefighters, police, teachers, retail and service workers, for example) will be priced out of living on Bainbridge. Their numbers indicate:

- The assessed value of all property assessed, using the base year of 1996 net of new construction, grew from \$1.8 Billion to \$3.08 Billion in 2003 – an increase of 54.14%.

- The years 2001 through 2003 saw assessed values, net of new construction, grow on average 13.36%.
- Property taxes paid in 2003 were 31.5% greater than the base year of 1996 assessed properties (net of all new construction).
- Proposed property taxes for 2007 are projected to increase 24.8% over 2003 taxes collected, going from - \$43.5M to \$54.3M.

Using the average price of a home sold in 1997 (\$300,480) and assuming the sale price was roughly equivalent to the assessed value, that average sale price and the assessed value by 2003 would have increased to \$457,400. The taxes on that home would have gone from \$4,300 to \$5,500 in 6 years, a 28% increase. Such increases can seriously impact a household's ability to sustain the operating costs of their otherwise affordable home.

Table 22: Bainbridge Island Property Tax History 1996 – 2003

Table 22: Bainbridge Island Property Tax History 1996 - 2003 ¹										
	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	Annual Growth	% Change
Total Assessed Value (Billions)	1.85	2.08	2.16	2.27	2.39	2.79	3.12	3.62		
Value of New Construction (Millions)	-37.08	-42.95	-48.49	-64.49	-77.20	-87.77	-88.14	-90.87		
Cumulative New Construction (Millions) ²		-80.03	-128.52	-193.01	-270.21	-357.98	-446.12	-536.99		
Estimated A.V. Net of New Construction (Billions)	1.82	2.00	2.03	2.07	2.12	2.43	2.67	3.09		54.14%
Increase In A.V. Net of New Construction (Millions)		187.36	25.22	45.45	47.17	313.54	239.35	413.60	7.88%	
Annual % Increase in Assessed Value w/o New Construction		10.32%	1.26%	2.24%	2.28%	14.78%	9.83%	15.47%		
Levy Rate		0.01412	0.01433	0.01425	0.01429	0.01333	0.01255	0.01205		-14.69%
Taxes Collected on A.V.. Net of New Construction		28.29	29.07	29.55	30.31	32.46	33.56	37.20		31.50%
Total Taxes Collected		29.42	30.91	32.30	34.17	37.23	39.16	43.67		48.44%
% Increase			5.07%	4.49%	5.79%	8.96%	5.17%	11.53%		
Avg Sale Price			\$300,480	\$307,214	\$314,204	\$360,657	\$396,119	\$457,397		52.22%
Levy Rate			0.01433	0.01425	0.01429	0.01333	0.01255	0.01205		
Tax			\$4,307	\$4,378	\$4,490	\$4,809	\$4,972	\$5,512		27.98%

1. Source of Table: Bob Fortner, Bainbridge Resource Group, 6-6-03 (Bainbridge Resource Group's Source: City Budget Documents; County Assessor; District Budget Docs.)

2. Subtracting the value of new construction provides a basis for calculating the growth over time (1996 through 2003) of the assessed value of the property existing on Bainbridge in 1996.

Affordable Housing: Existing Resources & Current Initiatives

"Affordable housing", according to the interpretation found in the Growth Management Act - Procedural Criteria [WAC365-195-070(6)], "applies to the adequacy of the housing stocks to fulfill the housing needs of all economic segments of the population. The underlying assumption is that the market place will guarantee adequate housing for those in the upper economic brackets but that some combination of appropriately zoned land, regulatory incentives, financial subsidies, and innovative planning techniques will be necessary to make adequate provisions for the needs of middle and lower income persons."

A number of for-profit and not-for-profit housing developers using various Federal, State and local funding mechanisms have produced affordable housing on Bainbridge Island. The City's financing mechanisms include:

1. The City's Affordable Housing Program
2. The City's Housing Trust Fund
3. Waiver of Public School Impact Fees

City's Affordable Housing Program

The City's Affordable Housing Program, enacted by Ordinance 97-15 in 1997, was established to create "affordable homeownership opportunities for income-qualified individuals" and is applicable to most residential developments. The program requires that housing developers provide a specified number of affordable rental or for-purchase dwelling units in all residential developments over a certain size. In return, the developer receives a market-rate density bonus equivalent to the amount of affordable housing provided. The initial income-qualified buyer may resell the unit at market-rate, with a portion of the appreciation paid to the City's Housing Trust Fund.

To date the Affordable Housing Program has produced 35 units of affordable homeownership disbursed in 12 Island subdivisions and four affordable rental units in Lynwood Commons, as shown in **Table 23** on the following page. Two of the for-purchase units have since been re-sold at market-rate, removing them from the inventory of affordable housing. The first sale had insufficient appreciation, so there was no payment to the City's Housing Trust Fund. The second sale generated \$25,425 in appreciation recapture, which will be transferred to the City's Housing Trust Fund.

Table 23: Housing Produced by the City's Affordable Housing Program

Table 23: Housing Produced by City's Affordable Housing Program 1998 - 2003											
For Purchase Housing:											
Subdivision	Zoning	Status	# Required	Built	Not Built	Year of Initial Sale					
						1999	2000	2001	2002	2003	Total
Courtyards on Madison	MUTC - Madison Avenue Overlay District	Approved	4	4	0		4				4
Fort Ward Parade Grounds ^{1.}	R-2	In Process	2	0	2						0
Idle Weiss	R-1	Approved	1	1	0						0
Mill Heights	R-0.4	Approved	1	1	0			1			1
North Town Woods	R-2	Approved	15	15	0		2	11	2		15
Tiffany Meadows	R-2.9	Approved	1	1	0			1			1
Toad Holler	R-0.4	Approved	1	1	0				1		1
Weaver Creek ^{2.}	R-3.5	Approved	9	9	0			9			9
Weaver Landing	R-2	Approved	2	0	2						0
Wild Swan	R-1	Approved	1	1	0						0
Winslow Mews	MUTC - Ericksen Avenue Overlay District	Approved	2	2	0	2					2
Winslow's Cove	R-3.5	Approved	2	2	0				1	1	2
	Subtotal		39	37	2	2	6	22	4	1	35
Less: Homes Re-sold ^{3.}									-1	-1	-2
	Current Total		39	37	2	2	6	22	3	0	33
Notes											
1. Being developed under Kitsap County Consolidated Housing Authority guidelines. 6 more homes than the 2 required by City will be built. 2 will be sold to moderate-income buyers (>80% - 95% of Median) and 6 to medium income buyers (>95% - 120% of Median).											
2. Sweat equity homes developed under Kitsap County Consolidated Housing Authority.											
3. When homes produced under the City's Affordable Housing Program are re-sold, the new purchaser does not have to meet the programs' income guidelines. The City recaptures a specified percentage of equity upon the initial resale. Any recaptured equity is deposited in the Housing Trust Fund.											
For Rent Housing:											
Development	Location	Status	# Required	Built	Not Built	Year Rented					
						1999	2000	2001	2002	2003	Total
Lynwood Commons	Lynwood Service Center	Approved	4	4	0						0

Source: Department of Planning and Community Development, City of Bainbridge Island

Affordable Housing Program - Fee In Lieu Option

In 2003, a group of developers proposed that the City adopt a “fee in lieu” provision to the Affordable Housing Program for the Mixed Use Town Center/High School Road (MUTC/HSR) area, giving developers the option to pay into the Housing Trust Fund rather than provide the required affordable housing units. The fee would be based on the number of square feet required by the Affordable Housing Program. The City adopted the fee-in-lieu proposal by Ordinance 2003-20 on May 14, 2003.

The revenue from the fee in lieu option, on the projects currently permitted or in process at the time of the Ordinance’s adoption, is projected to be approximately \$213,000. The Housing Trust Fund would then seek to leverage these dollars up to 8 times that amount. Over a five-year period funds generated by the fee in lieu option are projected to produce up to 36 long-term, affordable housing units for households with incomes at or below 80% of the Kitsap Median Income.

Review of the City’s Affordable Housing Program

Experience with the Affordable Housing Program, since it was implemented in 1997, indicates that a review is needed to determine whether the program meets its stated intent. To this end, the 2003 90-Day Affordable Housing Task Force has been appointed. They will forward any recommended program revisions to the Mayor and City Council.

City’s Housing Trust Fund

Upon recommendation of the Mayor’s 90-Day Committee for a Housing Trust Fund, the City’s Trust Fund was established by Ordinance in 1999. “The targets of the Housing Trust Fund are those households which depend on an Island-based income to support their home [and] are those households on which the Island depends upon as clerks, teachers, public employees, wait staff, artists, crafts people, skilled workers...In short, those people who make the Island run day-to-day in an interesting and economically viable way.”¹

The Trust Fund provides financial support to non-profit and for profit housing developers in the acquisition, rehabilitation and new construction of affordable housing on Bainbridge Island. Projects and programs funded by the Housing Trust Fund must serve households with incomes at or below 80% of the Kitsap (Bremerton) Median Income shown on **Table 19** on page 32. The Housing Trust Fund’s support of programs and projects, since its inception, is shown in **Table 24** on the following page.

¹ The Mayor’s 90-Day Committee for a Housing Trust Fund (1999), page 5.

Table 24: Projects & Programs Supported by the City's Housing Trust Fund

Table 24: Projects Supported by COBI's Housing Trust Fund (4th Qtr 1999 - July 2003)									
Program / Project	Income Group	Type of Activity	Housing Type	# of Units	Total Project / Program Cost	Total Cost per Unit	Total HTF Funds	HTF Per Unit	HTF Leverage
Habitat for Humanity	80% or >	New Construction	For Purchase	<u>3</u>	\$369,291	\$123,097	\$75,000	\$25,000	3.9
Housing Resources Board									
Independent Living Program	80% or >	Preservation	Ownership & Rental	25	\$74,031	\$2,961	\$74,031	\$2,961	0.0
JanetWestHome	31 - 50%	New Construction	Rental	9	\$1,160,049	\$128,894	\$61,130	\$6,792	18.0
VillageHome	31 - 50%	Preservation	Rental	11	\$1,538,096	\$77,921	\$23,239	\$2,113	65.2
Sadie Woodman House	31 - 50%	Preservation	Rental	<u>1</u>	\$78,500	\$78,500	\$33,470	\$33,470	1.3
HRB Total				46	\$2,776,645		\$191,870		13.5
KCCHA									
Islander Mobile Home Park	80% or >	Preservation	Rental	<u>60</u>	\$5,750,000	\$95,833	\$200,000	\$3,333	27.8
Serenity House	80% or >	Option Pymt (Preservation)	Special Needs	<u>34</u>	Under Development	\$176	\$6,000	\$176	Unknown
HTF Total				143	\$8,895,936		\$472,870		17.8

Source: Housing Trust Fund, Housing Resources Board & Long Range Planning, City of Bainbridge Island.

One of the most significant programs supported by the Housing Trust Fund is HRB's Independent Living Program. This program provides repair, rehabilitation and the removal of architectural barriers to allow low-income homeowners and seniors to remain in their homes, directly responding to Goal 2.4 of the Housing Element: "The City shall support programs that assist low-income homeowners and seniors to repair, rehabilitate, maintain and to improve accessibility to and within their homes."

Public School Impact Fees

The City has provisions for waiving public school impact fees for certain affordable housing projects, as specified in the Bainbridge Island Municipal Code 15.28.070: "No impact fees shall be imposed for...low-income housing projects that are constructed by public housing agencies or private nonprofit housing developers; low -income residential units, rented or purchased, that are dedicated and constructed by private developers; temporary placement shelters, relocations facilities and transitional housing facilities..." On such projects the fees are paid for out of public funds. (Please see **Table 25**, on the following page.)

The school impact waiver provision requires that eligible rental households have incomes at or below 50% of the calculated average Median Income, of the Bremerton and Seattle PMSAs, adjusted for family size. For eligible for-purchase units, the family income cannot exceed 80 percent of the calculated average Median Income. Limits are also set on the monthly rent, including utilities, for rental housing and the prices on the for-purchase units. The current income and rent limits can be found in **Table 20** on page 33.

Table 25: Public School Impact Fees Waived for Eligible Projects

Table 25: Public School Impact Fees on Eligible Projects			
Program / Project	# of Units	Total Fees Waived to Developer & Paid for by City Funds	Per Unit
Habitat for Humanity	3	\$13,170	\$4,390
Housing Resources Board			
IslandHome	10	\$30,000	\$3,000
JanetWestHome	9	\$61,130	\$6,792
VillageHome	11	\$68,400	\$6,218
HRB Total	30	\$129,530	\$4,318
KCCHA			
Weaver Creek	9	\$39,510	\$4,390
Overall Total	42	\$182,210	\$4,338

Source: Habitat For Humanity, HRB, KCCHA, COBI

Habitat For Humanity

Habitat For Humanity is completing three single-family homes on Bainbridge, their first Habitat homes on the Island. Two are in Fort Ward and one is in the Hidden Cove neighborhood. These homes were financed, in part, by a \$45,000 per house pledge from three Island groups: dentists, lawyers and Rolling Bay Presbyterian church. The City's Housing Trust Fund provided \$75,000 (\$25,000 per lot). Other support came from the Windermere Foundation, Community Development Block Grant dollars, the donation of in-kind services, labor from the low-income families chosen to purchase the homes, the sponsoring groups and other community volunteers.

Housing Resources Board

Housing Resources Board (HRB), incorporated in 1989, is the only Island-based non-profit housing provider. They currently have 31 affordable rental units in their portfolio. When JanetWestHome, a nine-unit rental project on Knechtel named in honor of a previous mayor, is completed towards the end of 2003, the inventory of units under HRB's ownership and management will increase to 40 units.

Cost to Produce Affordable Housing

An ongoing challenge to HRB, or any Bainbridge developer, is the increasing cost of land and materials. The per unit cost rose from \$77,400 in 1992 to just under \$129,000 by 2003. **Table 26**, on the following page, breaks out the cost for each project.

Table 26: Housing Resources Board's Historical Cost to Produce Affordable Housing

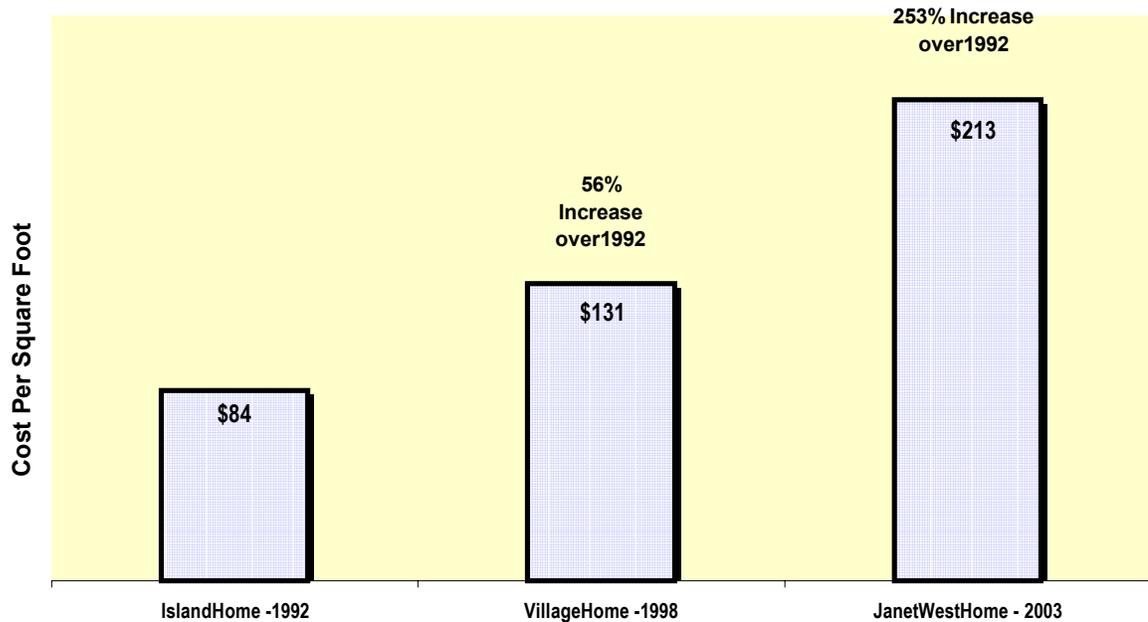
Table 26: Housing Resources Board's Historical Cost to Produce Affordable Housing on Bainbridge Island								
Project	Year Completed	Number of Housing Units	Total Cost / Value	Gross SqFt	Cost Per SqFt	% Increase over 1992 Cost	Cost Per Unit	
New Construction								
IslandHome	1992	10	\$774,260	9,200	\$84		\$77,426	
VillageHome - Residential Units	1998	11	\$986,205	7,500	\$131	156%	\$89,655	
JanetWestHome - Under Construction	2003	9	\$1,160,049	5,450	\$213	253%	\$128,894	
House Donated, Relocated, Rehabed								
Sadie Woodman - moved to land leased from City	2001	1	\$78,500	1,250	\$63		\$78,500	
ForestHome - moved to IslandHome site	1994	1	\$152,225	1,250	\$122		\$152,225	
Donated (2 Buildings)								
Western View Terrace	2001	8	\$680,000	6,400	\$106		\$85,000	
Totals		40	\$3,831,239	31,050				

Source: Housing Resources Board

The cost per square foot (including land cost) to produce HRB's affordable rentals has increased from \$84 per square foot in 1992 to \$213 per square foot in 2003 for their newest project, JanetWestHome. The per square foot cost on the JanetWestHome represents a 253% cost increase over the cost of IslandHome, built 11 years earlier (Please see **Chart M**, on the following page.)

Chart M – HRB's Per Square Foot Cost to Produce Affordable Housing

**Housing Resources Board - Cost Per Square Foot to Produce Affordable Housing
(New Construction Including Land)**



Financing Mix Required to Produce Affordable Housing

Another challenge facing HRB, and other non-profit housing providers, is the complexity of financing affordable housing. As **Table 27**, on the following page illustrates, numerous loans and grants from local, state and federal sources can be necessary for projects to “pencil” or achieve financial feasibility. \$218,809 of local support for HRB projects was provided through the City’s Housing Trust Fund and waived fees (public school impact fees and utility hook-up fees). The City’s support represents 5% of the total funding required on HRB’s projects, a leverage of just under \$19 for every \$1 the City provided. (For more detail on the waived fees, please see page 43.)

Table 27: HRB Project Funding Sources

Table 27: Funding Sources on HRB Projects															
Project	COBI		Local Lenders			Gifts, Grants & Donations				Other Financing					Total
	General Fund for School Impact & Hook-up Fees	Housing Trust Fund	American Marine Bank	Bank of America	Frontier Bank Loan	Gifts	Grants & Pro Bono Services	Housing Resources Board	Windemere Foundation	Sale Proceeds from Commercial Condos	CDBG	Federal Home Loan Bank	WA State Office of Community Devel.	Source Not Available	
ForestHome	\$14,500				\$85,000	\$3,000	\$3,000	\$5,000	\$4,500					\$37,225	\$152,225
IslandHome	\$30,000			\$410,040			\$50,220		\$25,000			\$40,000	\$219,000		\$774,260
JanetWestHome	\$17,200	\$32,000	\$204,901								\$409,481		\$496,467		\$1,160,049
Sadie Woodman		\$33,470	\$26,530						\$8,500		\$10,000				\$78,500
VillageHome ¹	\$68,400	\$23,239					\$70,766		\$7,500	\$551,890	\$208,850		\$597,928	\$32,762	\$1,561,335
W. View Terrace						\$680,000									\$680,000
Totals	\$130,100	\$88,709	\$231,431	\$410,040	\$85,000	\$683,000	\$123,986	\$5,000	\$45,500	\$551,890	\$618,331	\$50,000	\$1,313,395	\$69,987	\$4,406,369
% of Total Funds	3.0%	2.0%	5.3%	9.3%	1.9%	15.5%	2.8%	0.1%	1.0%	12.5%	14.0%	1.1%	29.8%	1.6%	100.0%
Totals	\$218,809			\$726,471			\$857,486			\$551,890		\$1,981,726		\$69,987	\$4,336,382
%	5.0%			16.8%			19.8%			12.7%		45.7%		1.6%	100.0%

Source: Housing Resources Board & Housing Trust Fund

1. Original development cost was \$1,538,096 as shown on **Table 26**. The Housing Trust Funds of \$23,239 were provided after the project was operational.

Section 8 and Fair Market Rents

Section 8 certificates, provided by HUD to eligible low-income households, ensures the certificate holders will pay no more than 30% of their income for housing and guarantees the landlord that the balance of the rent will be provided by HUD. In exchange, landlords agree to HUD’s Fair Market Rent (FMR) for the unit. The Fair Market Rent can limit the number of potential units for Section 8 holders or preclude them altogether in a rental market where the FMRs are below the market rent. Bainbridge Island is in such a rental market.

The average market-rate multifamily rents on Bainbridge are higher than the FMRs allowable for Kitsap County. They are more in line with the Seattle Fair Market Rents, as show in **Table 28**, below. The result is limited housing choices for Bainbridge households with Section 8 certificates. According to the November 2002 multifamily rental survey, only 550 Madison, Park View Apartments, Quay Bainbridge and Western View Terrace had units offered at rents below the Bremerton FMRs.

Table 28: HUD’s Fair Market Rents vs. Bainbridge Market Rents

Table 28: Comparing HUD’s Fair Market Rents (Bremerton & Seattle) with Bainbridge’s Market Rents					
Bedrooms	0	1	2	3	4
Bainbridge Market Rent ¹	\$850	\$713	\$911	\$1,042	-
Bremerton FMR	\$509	\$587	\$761	\$1,027	\$1,249
Difference	\$341	\$126	\$150	\$15	-
Bainbridge Market Rent ¹	\$850	\$713	\$911	\$1,042	-
Seattle FMR	\$584	\$710	\$899	\$1,249	\$1,476
Difference	\$266	\$3	\$12	-\$207	-

Source: Fair Market Rents - Federal Register / Vol. 67, No. 189/Monday, September 30, 2002 / Notices 61435. Bainbridge Market Rents are the weighted averages shown in **Table 9**: Summary of Multifamily Units & Average Rents.

Kitsap County Consolidated Housing Authority (KCCHA)

KCCHA owns and operates 51 multifamily units on Bainbridge Island (Rhododendron Apartments – 38 units and 550 Madison – 13 units) and is currently building a number of affordable homes for purchase on the Fort Ward Parade Grounds. They were instrumental in the development of nine units of self-help housing at Weaver Creek, a sweat equity project. Their most recent purchase is 550 Madison, a 13-unit apartment on Madison Avenue. They are currently applying for funding to purchase the 60-pad Islander Mobile Home Park with the goal of maintaining the park for a minimum of ten years and as an affordable housing site for 50 years or more.

In support of preserving the mobile home park City Council authorized a \$200,000 set-aside from the City's Housing Trust Fund that is projected to be leveraged 27.75 to 1 with grants and loans. KCCHA hopes to secure the balance of the needed funds over the next three years. Once all the financing is secured they will complete the purchase from the Park's long time owner and operator.

Based on an anonymous poll of the Parks occupants conducted by the residents, 44 of the 58 current households or 76% are low-income (at or below 80% of the Kitsap Median). Half of those low-income households are very low or extremely low-income, with incomes of between 31 – 50% and 30% or less, respectively. The Park is home to 28 individuals and 30 households ranging from two to seven occupants. The Park is a diverse mixed-income community within walking distance of virtually all services Winslow has to offer – medical care, the ferry, shopping, library, senior center, Bainbridge Performing Arts, retail and other services, City Hall and the Farmers' Market.

Other Local Affordable Housing Initiatives

Housing Resources Board and Parks District

HRB is working with the Parks District on a plan to place manufactured homes in three Island parks - Manzanita, Meigs and John Nelson - under a land lease agreement with the Parks District. The homes would be owned and managed by HRB and rented to low-income households, providing a positive presence in the parks. Each household would be responsible for some limited park maintenance.

Teacher Housing

Approximately 10% of the 263 teachers employed by the Bainbridge Island School District are expected to retire in the near future. The School District expects recruitment of replacement teachers will be challenging given teacher salaries and the cost of housing on Bainbridge. For example, in 2003 the beginning salary for a teacher with a bachelor's degree and no experience would be \$28,300, a sum insufficient to purchase most homes on Bainbridge. In comparison, the highest salary paid in 2003 to a teacher with 16 years experience and a Ph.D. or equivalent was \$56,588. In response, an ad hoc group of interested and concerned community members are meeting to think "out of the box" about developing teacher housing. A possibility under consideration is rental housing on land provided anonymously.

Cottage Housing

Another ad hoc group is working on an affordable housing model showing the feasibility of affordable cottage housing using a City owned parcel of land.

Summary of Affordable Housing Production 1992 – 2003

Since 1992, a total of 82 units of affordable housing (rental and for-purchase) have been built on Bainbridge Island - 44 rental units and 38 for-purchase units. (**Table 29**, below) Two of the Affordable Housing Program for-purchase units have been re-sold. When a for-purchase unit produced under the Affordable Housing Program is re-sold, the City may recapture a certain percentage of the seller's equity net of closing costs. Any recaptured equity is credited to the City's Housing Trust Fund. Of the two homes sold to date, only one had equity for recapture, providing \$25,425 to the Housing Trust Fund.

Table 29: Summary of Affordable Housing Production

Table 29: Summary of Affordable Housing Production 1992 - 2003									
For Rent	1992	1994	1998	1999	2000	2001	2002	2003	Total
Affordable Housing Program	-	-	-	-	-	-	4	-	4
Housing Resources Board	10	1	11	-	-	9	-	9	40
Habitat For Humanity	-	-	-	-	-	-	-	-	0
Subtotal	10	1	11	0	0	9	4	9	44
For Purchase									
Affordable Housing Program	-	-	-	2	6	22	4	1	35
Housing Resources Board	-	-	-	-	-	-	-	-	0
Habitat For Humanity	-	-	-	-	-	-	-	3	3
Subtotal	0	0	0	2	6	22	4	4	38
Combined Total	10	1	11	2	6	31	8	13	82
Less: Affordable Housing Program Re-sales							-1	-1	-2
Net Total ¹	10	1	11	2	6	31	7	12	80
1. When re-sold, purchasers are not income qualified and homes can be re-sold at the market.									
Source: Department of Planning and Community Development, City of Bainbridge Island									

Population Growth in the Winslow Master Plan Study Area

Bainbridge Island, in its Comprehensive Plan and in response to a mandate under the State Growth Management Act to plan for future growth, set a goal of locating 50% of the Island's projected population growth between 1992 and 2012 in the Winslow area. Winslow, in the 1998 Winslow Master Plan Study Area (WMPSA), is defined as the pre-incorporation City of Winslow and the area bounded by SR 305, east to include Wing Point and north to the Ferncliff/Grand Avenue junction.

With a projected growth of 7,430 people in that twenty-year planning horizon (16,850 in 1992, growing to 24,280 by 2012), Winslow would need to provide housing for 3,715 individuals. The data on population and permitted dwelling growth (building permits issued) in the WMPSA and the rest of Bainbridge (1992 – 2002) is presented in **Tables 30 & 31**, on the following pages. Between 1992 and 1996 the WMPSA's population grew by 500 individuals. From 1996 to 2002, 1,124 new residents moved into 495 new single- and multifamily structures. These units accommodated 29% of the Island's total population growth.

The 199 new multifamily dwellings comprised 40% of the new dwellings and housed 331 residents, less than one-third of the WMPSA's population growth. Very little multifamily housing is located on the rest of the Island: Only 50 individuals, or 1.8% of the 1996 – 2002 population growth, live in the new multifamily housing located outside the WMPSA. The estimated average household size in the WMPSA was less than the rest of the Island – 2.27 versus 2.65 with the average household size in the single-family and multifamily housing consistent across the Island.

To meet the WMPA's requirement of a total growth of 3,715 residents, an additional 2,091 individuals would need to be housed by 2012. **Table 31**, on the next page, estimates the number of single family and multifamily units that would need to be built to achieve that goal – 467 single family homes and 505 multifamily units, or an average of 52 single -family and 56 multifamily units per year, respectively.

As of January 17, 2003, the Kitsap County Assessor records showed 27.62 acres of vacant land parcels with zoning allowing multifamily in the WMPA. However, no estimate was available of the number of units these parcels could accommodate.

Table 30: Population & Permitted Dwelling Growth (Building Permits Issued) 1996 – 2002

Table 30: Population & Permitted Dwelling Growth (Building Permits Issued) 1996 - 2002								
Year	Population Growth				Rest of Island			Total Population Growth
	Winslow Master Plan Study Area ¹				Living in SF	Living In MF	Total	
	Living in SF	Living In MF	Total	% of Total Growth				
1996	72	10	82	17.2%	394	0	394	476
1997	113	30	143	25.7%	413	0	413	556
1998	139	119	258	41.3%	367	0	367	625
1999	169	0	169	26.4%	472	0	472	641
2000	123	63	186	29.0%	456	0	456	642
2001	67	20	87	19.0%	354	17	371	458
2002	110	89	199	44.7%	252	33	285	484
Total	793	331	1,124	29.0%	2,708	50	2,758	3,882
%	70.6%	29.4%	100.0%		98.2%	1.8%	100.0%	
Source: Winslow Population Growth Review, February 7, 2002 (with update May 2003), Steve Morse, COBI Natural Resource Planner								
Permitted Dwellings (Building Permits Issued)								
Year	Winslow Master Plan Study AREA				Rest of Island			Total Increase in Dwellings
	SF Dwellings	MF Dwellings	Totals	% of Total Growth.	SF Dwellings	MF Dwellings	Total	
1996	27	6	33	18.3%	147	0	147	180
1997	42	18	60	28.0%	154	0	154	214
1998	52	72	124	47.5%	137	0	137	261
1999	63	0	63	26.4%	176	0	176	239
2000	46	38	84	33.1%	170	0	170	254
2001	25	12	37	20.7%	132	10	142	179
2002	41	53	94	45.0%	95	20	115	209
Total	296	199	495	32.2%	1,011	30	1,041	1,536
%	59.8%	40.2%	100.0%		97.1%	2.9%	100.0%	
Population Increase 1996 - 2002	793	331	1,124		2,708	50	2,758	3,882
Avg. Household Size	2.68	1.66	2.27		2.68	1.67	2.65	2.53
Source: Winslow Population Growth Review, February 7, 2002 (with update May 2003), Steve Morse, COBI Natural Resource Planner								

Table 31: Winslow MPSA Goal 1992 – 2012

Table 31: Estimated Number of Dwelling Units Needed to Meet WMPSA Population Goal					
Winslow MPSA Goal 1992-2012 for Added Population:	Population in WMPSA				
	3,715	Avg. Annual Growth			
Winslow MPSA Population Growth 1992 to 1996	500	125			
Winslow MPSA Population Growth 1996 to 2003	1,124	187	Permitted Dwellings in WMPSA		
Required WMPSA Population Growth 2003 to 2012	2,091	232	SFR	MF	Totals
1996 to 2003 Permitted Dwelling Units (Building Permits Issued) by Type			296	199	495
Percentage			63.6%	36.4%	100.0%
Required WMPSA Population Increase 2003 - 2012			1,330	761	2,091
Projected Avg Household Size (based on 1996 - 2003)			2.68	1.66	
Estimated Number of Dwelling Units Needed to Meet WMPSA Population Goal			496	458	
Average Per Year			55.2	50.8	
Source: Winslow Population Growth Review, February 7, 2002 (with update May 2003), Steve Morse, COBI Natural Resource Planner					

In the WMPSA, as of January 2003, the City estimates there are 27.62 acres of vacant parcels with zoning allowing multifamily housing to accommodate the WMPSA population goal. The vacancy information was drawn from the Kitsap County Assessor's records. Estimating the potential number of multifamily units in the WMPSA was outside the scope of the Housing Needs Assessment.

Facilities for Groups with Special Needs

Homeless

Bainbridge Island has no facilities to house the homeless. Seattle and Bremerton have the closest emergency shelters for the homeless. Max Hale, located in Bremerton, provides transitional housing for men. No shelters exist for women with children in Kitsap County. There is a shelter in Bremerton for teens in crisis but most displaced teens would rather sleep in cars or outside rather than leave the Island.

Bainbridge had a group home for teens but it was closed for lack of funds in the early 1970s. According to Helpline House, many Bainbridge residents who find themselves homeless, prefer to remain on Bainbridge Island and camp, sleep in their boats or cars or the couch of a friend or wherever else they can find a place. Helpline House supports the Island's homeless with food, bedding and funds to pay camping fees.

Through its food bank, Helpline House maintains a good sense of the ongoing homeless population, and estimates the population holds fairly constant at around 50. There have been infrequent and unscientific homeless counts in the past. The 1994 Housing Needs Assessment, prepared as part of the Housing Element, cited "47 single adults and 14 couples or families were homeless for part of the year." Some of

these homeless were long-term residents of Bainbridge Island and one out of three were women. Many were the working poor.

The most recent count of the homeless on Bainbridge, conducted by Helpline House and Bainbridge Youth Services, occurred in January of 2001 as part of the Kitsap County Continuum of Care count. The results were:

Youth (22 and under):	19
Adults:	<u>27</u>
Total	46

In the fall of 2003 another count will be conducted under the auspices of the Continuum of Care and the Washington State Office of Community Development.

Transitional Housing

IslandHome, built in 1992 and owned and operated by the Housing Resources Board, provides transitional housing for 10 families with children at no more than 30% of gross household income per HUD's Section 8 program. The tenant's rent subsidy comes through the Section 8 project-based certificates, which are given to the project rather than to eligible individuals or households. The maximum stay is two years. During this two-year period at least one adult in each household is required to participate in the career development program, Stepping Stones, a Helpline House service.

An ongoing concern and challenge for graduates of the Stepping Stones program is locating appropriate and affordable housing on Bainbridge. With a shortage of permanent rent-assisted or other affordable housing options, particularly 2 and 3-bedroom units, graduates are often forced to leave the Island and the community that has supported them. Only a handful of all IslandHome residents who have graduated from the Stepping Stones program have been able to find permanent housing on Bainbridge. This shortage of affordable housing options results in a loss for the community who invested in the career development of the graduates and for the graduates who lose the opportunity to remain connected and to continue contributing to the community.

Developmentally and Mentally Disabled

Currently there is only one long-term housing option for individuals who have developmental and mental disabilities - Serenity House, a 34-bed facility in Lynwood Center. Both Island Rehab, on Madison Avenue, and Messenger House, located on Manitou Park Boulevard, have several long-term residents who are in need of 24-hour care. (See page 54.) Previously, two USDA Rural Development senior projects (Virginia Villa, on High School Road, and Winslow Arms, on Parfitt Way) also accepted developmentally disabled and mentally disabled persons on Social Security Supplemental Income. USDA has since changed the eligibility criteria after concluding that these populations did not integrate well with the senior population. Although these facilities are no longer accepting disabled residents, several previously eligible residents continue to reside there.

Most individuals with developmental disabilities need both rent assistance and handicap-accessible housing. Even those able to obtain a Section 8 voucher and receive Social Security Supplemental Income are not always able to find housing that is handicap accessible.

Transportation Options for The Elderly & Disabled

Accessible and affordable transportation for the elderly and disabled is a critical element of housing for these households. ACCESS, a service of Kitsap Transit, provides door-to-door or curb-to-curb transportation to those elderly and disabled who are unable to use the fixed route transit system. ACCESS delivers individuals to doctor's appointments, shopping, visiting friends, or any other destination within Kitsap County. Paratransit Services, a private, nonprofit transportation company located in Bremerton, provides Medicaid transportation services to the developmentally disabled throughout Kitsap County

Housing for The Mentally Ill

Kitsap Mental Health Services (KMHS) has 95 beds in various facilities to treat mental illness, as outlined in **Table 32**, below. The closest group facility to Bainbridge Island for the mentally ill is in Suquamish.

Table 32: Kitsap Mental Health Services' Housing for the Mentally Ill

Table 32: Kitsap Mental Health Services' Housing For The Mentally Ill						
Facility	Location	Type	Service Provided	Beds ¹	Age Group	# of Residents
Supported Living Houses	Suquamish, Bremerton and Port Orchard	Independent living for individuals with a primary diagnosis as mentally ill	Case mgmt	39	Adults - 18+ (1 house, called Youth Adult Transition, is dedicated to 18-26 year olds.)	39
Petersville Road Complex	Bremerton	Independent living for individuals with a primary diagnosis as mentally ill	Case mgmt	8	Adults - 18 +	8
Harris Road Complex	Port Orchard	Independent living for individuals with a primary diagnosis as mentally ill	Case mgmt	8	Adults - 18 +	8
Burwell House	Bremerton	Residential treatment facility	Case mgmt	15	Adults	15
Adolescent (& Child) Treatment Unit	Bremerton	Inpatient (secured)	Intensive psychiatric treatment	10	8 - 18	10
Adult Treatment Unit	Bremerton	Inpatient (secured)	Intensive psychiatric treatment	<u>15</u>	Adults	<u>15</u>
Totals				95		95

Note 1. Number of beds varies among the 13 "houses", two of which were built for KMHS by KCOCHA and co-managed. These complexes provide 8 beds each in 2 2-BR and 14 1-BR units)

Source: Kitsap Mental Health Services

Foster Child Care

There are eight licensed foster care homes on Bainbridge Island as of July 2003, down from 10 in 1994. Two of the eight homes currently have children in their care. However, it is possible other foster children are being cared for in Bainbridge homes if they were placed by out of state agencies. DSHS only tracks children placed by Washington State. The need for foster care on the Island varies from time to time and some homes were licensed in order to provide care for a particular child. DSHS's goal now is to place more children with the least amount of moves, ideally with relatives or as close to their family setting as possible. One approach they are employing to achieve this goal is soliciting foster care settings through contacts at the child's school.

Table 33: Housing Facilities For Groups With Special Needs

Table 33: Facilities for Groups with Special Needs					
I Adult Family Homes ¹					
Facility	Provider	Facility Address	Phone	Total Beds	Population Served
Fir Acres LLC	Shirley Haugen	391 Fir Acres	842-2944	6	specialty dementia, elderly, wheel chair, respite, specialty mental health
Hidden Cove Home LLC	Shirley Haugen	13382 Hidden Cove Lane NE	842-2944	5	specialty dementia, elderly, wheel chair, respite, specialty mental health
Total				11	
1. "These are residential homes licensed to care for up to six non-related residents . They provide room, board, laundry, necessary supervision, and necessary help with activities of daily living, personal care, and social services. RCW 70.128.010." Definition on DSHS website.					
Source: Washington State Department of Social and Health Services @ http://www.aasa.dshs.wa.gov					

II Boarding Homes ¹.

Facility	Provider	Facility Address	Phone	Total Beds ² .	Population Served/Contract Status ³ .
Serenity Group Home I ⁴ .	Not listed	4500 Pleasant Beach DR NE	842-3907	34	Adult Resident Care, Enhanced Adult Resident Care
Madison Avenue Retirement Center ⁵ .	Not listed	285 Madison Avenue South	842-3694	35	This home has no contract status.
Wyatt House Retirement Center ⁶ .	Not listed	186 Wyatt Way NW	780-3646	45	This home has no contract status.

Total 114

"These facilities in a community setting are licensed to care for seven or more residents. The boarding home (BH) provides room and board and help with activities of daily living (ADL). Some BHs provide limited nursing services; others may specialize in serving people with mental health problems, developmental disabilities, or dementia (Alzheimer's disease). RCW 18-20-020(2)". DSHS website.

2. Madison Avenue Retirement Center and Wyatt House Retirement Center are also listed on Table 7: Market Rate Multi-family & Assisted Living Units.

3. "Some boarding homes provide Assisted Living through a contract with the Department of Social and Health Services. Specific services are provided in a contracted Assisted Living boarding home." DSHS website.

4. 22 residents as of June 17, 2003.

5. No developmentally disabled residents per Ron Fenner, General Manager.

6. No developmentally disabled residents now or in the past per Robin Garretson, Administrator.

Source: Washington State Department of Social and Health Services @

<http://www.aasa.dshs.wa.gov>

III Nursing Homes

Facility	Operator /Licensee	Facility Address	Phone	Total Licensed Beds	Administrator / Contact
Island Health And Rehabilitation Center ¹ .	Extencicare Homes Inc.	835 Madison Avenue North	842-4765	72	Administrator - Karen Trahan
					Contact - Mary Render, Social Services Director
Messenger House Care Center ² .	Soundcare Inc.	10861 Manitou Park Blvd N	842-2654	96	Administrator - Scott D. Churchill
					Contact - Linda Field, Admissions Coordinator

Total 168

1. Three developmentally disabled who are long-term residents who need assistance with all ADL (activities of daily living). Annual census over the last year has been in the high 50s. They are working to downsize to 62 licensed beds by creating some private rooms and making triple occupancy rooms into doubles.

2. One long term resident who is developmentally disabled and when Serenity House residents need nursing home care they move temporarily into Messenger House until they are well enough to return home to Serenity House. As a nursing home they are not the appropriate housing for developmentally disabled who can live in a group setting. Alzheimers: 49 of the 96 beds are in a secure unit at Messenger House dedicated to the care of Alzheimer's patients - one of only three such facilities in Kitsap County.

APPENDIX

Table 34 – Multifamily Vacancies 1993 – 2002

Table 34a: Vacancies - Multifamily, November 2002		
Type of Project	# Vacant	% Vacant by Type
Established Market Rate Units	15	4.7%
Established Subsidized Units	10	3.9%
Total Vacancies in Established	25	4.6%
New Market Rate - In Rent Up ¹ .	28	93.3%
Total Vacancies	53	9.2%

Source: Apartment survey November 2002 by Space-Solutions pllc
1. Lynwood Commons

Table 34b: Vacancies - Multifamily Vacancies Over Time 1993 - 2002 (See notes 1 & 2, below)									
	1993	1995	1996	1997	1998	1999	2000	2001	2002
Established Market Rate Units	1			No Data Available			1	2	15
New Market Rate - In Rent Up	33						0	28	
Subsidized Units							4	10	
Total Vacancies	34	3	4				3	6	53
% Vacant	6.2%	0.5%	0.7%	0.6%	1.1%	9.2%			

Table 34c: Change in Multifamily Survey Inventory 1993 - 2002 (See notes 1 & 2, below)									
Total Units	528	537	537	537	537	537	529	529	574
Net Change in Survey Count		9	0	0	0	0	-8	0	45
Cumulative Net Change in Survey Count		9	9	9	9	9	1	1	46
% Change			0.0%	0.0%	0.0%	0.0%	-1.5%	0.0%	8.5%
Corrected Count of Units	552	552	552	552	552	552	544	544	574

Notes to Tables 34 a - c: Change in Survey Numbers of Multifamily Units 1993 - 2002				
1993 -1995 Net Change: + 9			Adds	Lost
Market Rate:	Driftwood Apartments (undercounted by 2 units in '93)		2	0
	Sea Breeze (not counted in '93)		6	0
	Unknown		1	0
Net Change 1993 - 1995			9	
2000 Net Change: - 8			Adds	Lost
Market Rate:	Driftwood Apartments (gut rehab, converted to market rate condos)		0	-19
Subsidized:	Village Home (new construction)		11	0
Net Change 2000			-8	
2002 Net Change: - 45+			Adds	Lost
Market Rate:	550 Madison (existing building, new to survey)		13	0
	Lynwood Commons (new construction, in lease up)		30	0
	Quay Bainbridge (existing building, undercounted by 2 units)		2	0
Net Change 2002			45	
Totals			65	-19
Total Net Change in Survey Inventory 1993 - 2002				46
1. Winslow Manor, a 39 unit project, opened in December '92 and was in rent-up mode with 33 units available at the time of the January 1993 survey. Source: Housing Needs Assessment, September 1, 1994.				
2. Lynwood Commons, a 3-building 30 unit project, had two units rented at the time of the survey.				

Table 35: Average New Home Prices

Table 35: Average New Home Prices ¹								
	Bainbridge	Other Kitsap Areas	Price Difference	Bainbridge Price "Premium"	Change in Bainbridge Price	% Change	Change in Other Kitsap Prices	% Change
1992	\$186,940	\$115,054	\$71,886	162.5%				
1993	\$205,725	\$139,674	\$66,051	147.3%	\$18,785	10.0%	\$24,620	21.4%
1994	\$249,673	\$141,826	\$107,847	176.0%	\$43,948	21.4%	\$2,152	1.5%
1995	\$260,458	\$146,819	\$113,639	177.4%	\$10,785	4.3%	\$4,993	3.5%
1996	\$304,735	\$150,911	\$153,824	201.9%	\$44,277	17.0%	\$4,092	2.8%
1998	\$348,819	\$165,298	\$183,521	211.0%	\$44,084	14.5%	\$14,387	9.5%
1999	\$382,306	\$178,201	\$204,105	214.5%	\$33,487	9.6%	\$12,903	7.8%
2000	\$410,050	\$182,202	\$227,848	225.1%	\$27,744	7.3%	\$4,001	2.2%
2001	\$453,023	\$200,719	\$252,304	225.7%	\$42,973	10.5%	\$18,517	10.2%
2002	\$481,114	\$216,194	\$264,920	222.5%	\$28,091	6.2%	\$15,475	7.7%
Change 1992 - 2002				\$294,174	Change 1992 - 2002			\$101,140
Bainbridge Annualized Growth				9.91%	Other Kitsap Annualized Growth			6.51%

1. Source: Kitsap County TRENDS Report

Note: 1997 was not reported in the TRENDS Report because it was incomplete, in part due to the MLS purchase by the NWMLS and there was no data for August and September sales.

Table 36: Renter Households Paying 30% or More of Household Income in Gross Rent (1990 & 2000)

Table 36: Renter Households Paying 30% Or More of Household Income in Gross Rent ¹										
Household Income	Renter Households - 1990			Renter Households - 2000			Change 1990 - 2000			
	Total HHs	HHs Paying 30% +	% HHs Paying 30% +	Total HHs	HHs Paying 30% + ²	% HHs Paying 30% +	Total HHs	% Total HHs	HHs Paying 30% +	% Paying 30% +
< \$10,000	261	180	69.0%	187	99	52.9%	-74	-28.4%	-81	-45.0%
\$10,000 to \$19,999	256	127	49.6%	283	217	76.7%	27	10.5%	90	70.9%
\$20,000 - \$34,999	425	99	23.3%	286	155	54.2%	-139	-32.7%	56	56.6%
\$35,000 +	514	38	7.4%	950	160	16.8%	436	84.8%	122	321.1%
Total	1,456	444	30.5%	1,706	631	37.0%	250	17.2%	187	42.1%

Source: U.S. Census, Table QT-H13. Gross Rent as a Percentage of Household Income in 1999: 2000 Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data

1. "Gross rent is the contract rent plus the estimated average monthly cost of utilities (electricity, gas, water and sewer) and fuels (oil, coal, kerosene, wood, etc.)..." U.S. Census Bureau, Census 2000, Appendix B Definitions of Subject Characteristics

2. Fully 85% of the renter households (or 537) are paying 35% or more in gross rent. 15% (or 94) are paying between 30% and 34.9% for gross rent.

Table 37: Owner Households Paying 30% or More of Household Income For Housing Costs

Table 37: Owner Households Paying 30% Or More of Household Income For Housing Costs ¹ .										
Household Income	Owner Households - 1990			Owner Households - 2000			Change 1990 - 2000			
	Total HHs	HHs Paying 30% +	% HHs Paying 30% +	Total HHs	HHs Paying 30% + ²	% HHs Paying 30% +	Total HHs	% Total HHs	HHs Paying 30% +	% Paying 30% +
< \$10,000	174	122	70.1%	110	83	75.5%	-64	-36.8%	-39	-32.0%
\$10,000 - \$19,999	252	139	55.2%	230	197	85.7%	-22	-8.7%	58	41.7%
\$20,000 - \$34,999	628	211	33.6%	526	296	56.3%	-102	-16.2%	85	40.3%
\$35,000 - \$49,999	2,628	349	13.3%	494	219	44.3%	-2,134	-81.2%	-130	-37.2%
\$50,000 - \$74,999				889	342	38.5%				
\$75,000 +				3,038	335	11.0%				
Total	3,682	821	22.3%	5,287	1,472	27.8%	-2,322	-1	-26	-3.2%

Source: U.S. Census, Table QT-H16. Selected Monthly Owner Costs as a Percentage of Household Income in 1999: Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data

1. "Selected monthly owner costs are the sum of payments for mortgages, deeds of trust, contracts to purchase, or similar debts on the property ...real estate taxes; fire, hazard, and flood insurance on the property; utilities...fuels...monthly condominium fees or mobile home costs (installment loan payments, personal property taxes, site rent, registration fees, and license fees)." U.S. Census Bureau, Census 2000, Appendix B Definitions of Subject Characteristics, Page B-61.

2. 74.5% of the owner households (or 1,097) are paying 35% or more for housing costs. 25.5% (or 375) are paying between 30% and 34.9% for housing costs.

Table 38: QT-13 Gross Rent as a Percentage of Household Income in 1999:

QT-H13. Gross Rent as a Percentage of Household Income in 1999: 2000		
Data Set: Census 2000 Summary File 3 (SF 3) - Sample Data		
Geographic Area: Bainbridge Island city, Washington		
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN 1999		
Less than 10 percent	151	8.9
10 to 14 percent	178	10.4
15 to 19 percent	231	13.5
20 to 24 percent	153	9
25 to 29 percent	247	14.5
30 to 34 percent	94	5.5
35 to 39 percent	123	7.2
40 to 49 percent	129	7.6
50 percent or more	285	16.7
Not computed	115	6.7
Median	26.7	(X)
HOUSEHOLD INCOME IN 1999 BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN 1999		
Less than \$10,000		
Less than 20 percent	0	0
20 to 24 percent	0	0
25 to 29 percent	40	21.4
30 to 34 percent	0	0
35 percent or more	99	52.9
Not computed	48	25.7
\$10,000 to \$19,999		
Less than 20 percent	25	8.8
20 to 24 percent	10	3.5
25 to 29 percent	26	9.2
30 to 34 percent	22	7.8
35 percent or more	195	68.9
Not computed	5	1.8
\$20,000 to \$34,999		
Less than 20 percent	23	8
20 to 24 percent	42	14.7
25 to 29 percent	39	13.6
30 to 34 percent	30	10.5
35 percent or more	125	43.7
Not computed	27	9.4
\$35,000 or more		
Less than 20 percent	512	53.9
20 to 24 percent	101	10.6
25 to 29 percent	142	14.9
30 to 34 percent	42	4.4
35 percent or more	118	12.4
Not computed	35	3.7
Subject	Number	Percent
(X) Not applicable.		
Source: U.S. Census Bureau, Census 2000 Summary File 3, Matrices H69, H70, and H73.		