

5. Housing Element

This chapter is a required element of a comprehensive plan developed to meet the provisions of the GMA. In overview, this chapter describes existing characteristics of housing, provides a statement of goals and policies related to housing, projects future housing needs, and demonstrates the availability of sufficient land for housing.

Planning Assumptions

This chapter has been developed in accordance with the county-wide planning policies and has been integrated with all other plan elements to ensure consistency throughout the plan. In particular, two assumptions developed in the land-use element are also used as the basis for projections in this chapter:

- The population of the Nooksack UGA will increase during the planning period, from 1,435 in 2013 to 2,425 in the year 2036 (an average annual growth rate of 2.3%).
- The current Nooksack average of 3.1 persons per dwelling unit will be maintained through the course of the planning period.

Existing Conditions

Information about existing housing conditions was gathered from two sources: the 2010 US Census and the city's building permit records.

2010 Census data

Amount and type of housing. Based Census data, the city of Nooksack had 417 housing units¹ within city limits, of which 348 were detached single-family residences, 60 were multifamily residences (two or more), and 9 were mobile homes or trailers.

The Washington State Office of Financial Management (OFM) tracks housing annually based on building permit data provided by cities and counties. In the 2010 Census year, OFM data show that Nooksack contained 457 housing units inside city limits, which included 374 detached, single-family units, 45 were multifamily units, and 38 were mobile homes.

Age of housing stock. Table 5-1 describes the age of the housing stock based on sample data. The housing stock was found to be fairly new. Nearly 40 percent of the housing has been built since 1990, although 18.5 percent of the housing stock was built prior to 1939.

¹ A housing unit is a structure or a portion of a structure in which a single family or a single individual may live. A single apartment or a single family house is considered 1 unit, while a duplex is considered 2 units.

Table 5-1: Age of Housing Stock
(US Census, 2010)

Year Built	Number of Units	Fraction of Total
2005 or later	35	8.4%
2000 -2004	33	7.9%
1990 - 1999	96	23.0%
1980 - 1989	61	14.6%
1970 -1979	51	12.2%
1960 -1969	43	10.3%
1940 - 1959	21	5.1%
1939 or earlier	77	18.5%
Total	417	100%

Vacancy rate. Based on Census data, 397 out of 417 housing units were occupied and 20 were vacant, which is a vacancy rate of 4.8 percent of the total housing stock.

The census also provides two vacancy rates based on sample data: the homeowner vacancy rate and the rental vacancy rate.² The homeowner vacancy rate in the city of Nooksack was 0 percent, and the renter vacancy rate was 11.5 percent.

Ownership and occupancy. The Census data show that out of 397 occupied units, 320 (80.6 percent) were owner-occupied and 77 (19.4 percent) were occupied by renters. Based on sample data, 232 (72.5 percent) of the owner-occupied homes were mortgaged and 88 (27.5 percent) were owned free and clear.

Value of Housing Stock. Table 5-2 profiles the value of specified homes in Nooksack. The median value of Nooksack's owner-occupied homes was \$225,700. The equivalent statistic for Whatcom county as a whole was \$293,500.

Table 5-2: Value of Specified Owner-Occupied Housing Units
(US Census, 2010)

Value \$	Number of Units	Fraction of Total
<50,000	0	0%
50,000 - 99,999	13	4.1%
100,000 - 149,999	27	8.4%
150,000 - 199,999	64	20.0%

² The homeowner vacancy rate is computed by dividing the total number of vacant units for sale by the sum of the owner-occupied units and the number of vacant units for sale. The rental vacancy rate is computed by dividing the number of vacant units for rent by the sum of the renter-occupied units and the number of vacant units for rent.

200,000 - 299,999	172	53.8%
300,000 - 499,999	25	7.8%
500,000 - 999,999	19	5.9%
>1,000,000	0	0%
Total	320	100%

Affordability of housing. HUD defines housing as "affordable" when a household pays less than 30 percent of its total income toward housing costs. Households paying less than 20 percent are considered to live in "very affordable" housing. Table 5-3 summarizes the affordability of both owner- and renter-occupied units within the city of Nooksack. The table is derived from sample data and therefore has some built-in inaccuracies; but the table nevertheless allows identification of trends. The rows marked by the arrow show the part of the community living in unaffordable housing.

Table 5-3: Percentage of Income Towards Rent and Housing Costs
(Derived from US Census, 2010)

% of Income Toward Rent or Housing	Owners		Renters		Total	
	Numbers	Percent	Numbers	Percent	Numbers	Percent
<20%	122	38.1	19	24.7	141	35.5
20 - 24.9	52	16.3	27	35.1	79	119.9
25.0 - 29.9	27	8.4	4	5.2	31	7.8
→ 30.0 - 34.9	13	4.1	3	3.9	16	4.0
→ >35.0	106	33.1	24	31.2	130	32.7
Not computed	[0]	--	[0]	--	[0]	--
Totals	320	100%	77	100%	397	100%

As seen in the left columns, the majority of *owners* live in affordable or very affordable housing, but there are 100 owners with mortgages that are living in unaffordable homes. It's impossible to know whether those owners have assumed large mortgages as a matter of choice or have encountered hard times and are struggling to keep their homes. The situation of the *renters*, as shown in the next column, is different in some ways, but similar in others -- a lower percentage of renters live in very affordable housing, while a similar percentage as compared to owners live in unaffordable housing. Overall, 36.7 percent of the community lives in unaffordable housing as Identified by HUD.

Table 5-4: Households By Income Group
(Derived from US Census, American Community Survey, 2010)

HUD Definition of Income Brackets		Corresponding \$ in Nooksack	# Households	Fraction of Total
Very Low	< 50% of median	< 26,797	57	14%
Low	50 - 80% of median	26,797 - 42,875	88	22%
Moderate	80 - 95% of median	42,875 - 50,914	40	10%
Middle	95 - 110% of median	50,914 - 58,593	37	9%
High	> 110% of median	> 58,593	176	44%
Totals			397	100%

Table 5-4 shows the economic situation of households in Nooksack according to classifications established by HUD. The left column shows HUD's definitions of income brackets. Note that each bracket is defined with respect to the *median household income* within the community. That value was \$53,594 in Nooksack, so a "Very Low" income household would be one with an income less than 50 percent of that amount, or less than \$26,797, as shown in the second column. The right column reveals an interesting profile: there are large high- and low-income segments of the community, and a smaller middle ground. This pattern is almost unchanged from what was seen in 2000.

Building permits

The decade from 2000 to 2010 was a period of rapid growth for Nooksack. From April 2010 through March 2015, 41 additional housing units were completed within Nooksack. This included 39 single-family units, no multifamily units, and 2 mobile homes. Including data from recent building permits, nearly 50 percent of the housing stock in Nooksack has been developed since 1990.

Summary

Considering all of the data presented above, a number of significant conclusions can be reached:

- Nooksack is a bastion of low-end housing within Whatcom county. Homes are less expensive, rents are lower, and incomes are lower. There appears to be an adequate supply of housing that is affordable for lower-income people.
- Despite the foregoing, about over 36 percent of households are living in unaffordable housing.

In addition, the Whatcom Housing Authority has indicated that no families in Nooksack are receiving Section 8 rental assistance vouchers as of January 2016.

Projected Housing Needs

Amount of housing. Due to the growth occurring and expected in Nooksack, the housing stock will need to be expanded to provide for the varying needs of the community. Table 5-5 identifies the projected housing demand for Nooksack over the course of the 20-year planning period. The table relies upon an assumption that the relative economic condition of residents will remain constant (i.e., that the same proportion of people will be low income over time). The table shows that the city can expect to see an addition of approximately 327 housing units.

Location of housing. As stated in the land-use element, there are approximately 65.6 net acres designated for residential use (including 41.5 acres within existing city limits), which is sufficient to accommodate the projected need, including taking into account the 20-25 percent market factor.

Table 5-5: Projected Housing Demand

	2015	2021	2026	2031	2036
Population	1,460	1,736	1,965	2,195	2,425
Persons Per Unit	3.1	3.1	3.1	3.1	3.1
Occupancy Rate	95%	95%	95%	95%	95%
Income Bracket	Number of Units Needed in Bracket				
Very Low	69	83	93	104	115
Low	109	130	147	164	181
Moderate	52	62	70	78	86
Middle	47	56	63	71	78
High	218	259	294	328	362
Total Housing Units	496	589	667	745	823

Goals and Policies

Goal: Support healthy residential neighborhoods that reflect a high degree of pride in ownership.

Policy The City shall enforce the ordinances that affect the appearance of neighborhoods, such as the ordinances pertaining to abandoned cars and to noxious weeds.

Policy The City shall adhere to the residential zoning code and refrain from granting variances that might change the character of neighborhoods.

Goal: Strive to preserve, conserve, and enhance the existing housing stock.

Goal: Encourage the development of affordable housing for all income brackets.

Policy: The City will supply enough residential land to meet the projected housing need over the next 20 years.

Policy The City shall allow for the development of multi-family housing (including government-assisted housing) in order to meet affordable housing needs, provided that the character of the community is maintained.

Policy The City should consider adopting standards allowing for mixed residential development that encourages affordability.

Policy The City should maintain the manufactured home subdivision provisions within the zoning code in order to provide a low-cost means of home ownership.

Policy The City will not discriminate between different housing types and should permit development of manufactured homes in the same manner as for site-built homes.

Policy The City shall allow adult daycare and group homes in all residential and commercial zoning districts.