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Okanogan County Housing Needs Study



For: Okanogan County
From: Points Consulting
Date: October 19, 2020

Contents

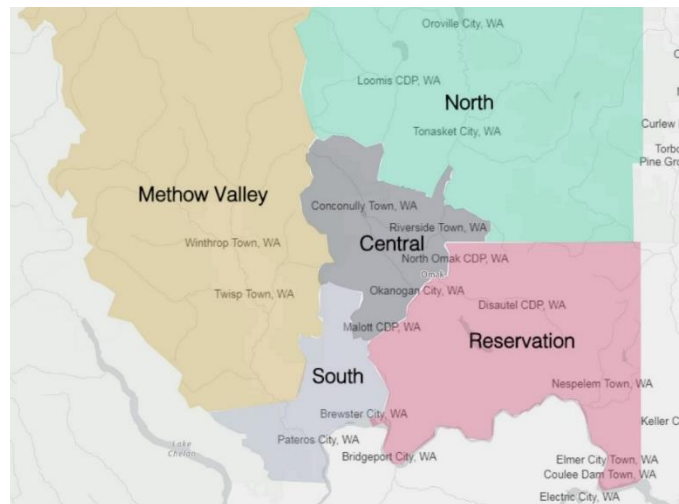
I. Introduction	1
II. Executive Summary & Recommendations	2
Key Findings	2
Key Issues.....	3
Recommendations.....	4
III. Detailed Recommendations & Regional Implications.....	5
Forecast of Housing Demand.....	5
Regional Implications	6
Recommendations Summaries.....	8
Funding Opportunities.....	25
IV. Housing Supply & Demand Analysis.....	27
Demographic Analysis	27
Industry & Workforce Analysis.....	41
Existing Housing Stock.....	47
Housing Affordability.....	56
V. Community Engagement Summary.....	65
Community Survey Results.....	65
In-Depth Interview Highlights.....	77
VI. Document & Ecosystem Review	80
Appendix A: Documents Reviewed.....	89
Appendix B: Steering Committee & Stakeholder Engagement Participants	91
Appendix C: Detailed Data.....	93
Appendix D: Community Survey Questions.....	97

I. Introduction

Points Consulting (PC) was hired by Okanogan County to conduct this Housing Needs Study to help community leaders plan for and facilitate the development of housing for the region's 42,000+ residents. This analysis incorporates a quantitative assessment of supply and demand, a qualitative assessment of community members' preferences, and review of current planning and building practices that are suitable for predominantly rural counties in Washington state. The report assembles this information and suggests several recommendations for making housing more easily accessible for residents.

Okanogan County assembled a Steering Committee of five community leaders involved in local government and/or social services. These individuals provided guidance and monitored PC's progress over the course of the project.¹ This Steering Committee instructed PC to particularly investigate conditions for disadvantaged populations including seniors, farmworkers, homeless/transitional, mentally and developmentally disabled, and Veterans. Additionally, this group asked our team to produce a housing forecast and recommendations that are attuned to each of the county's diverse regions (as shown in Figure 1).²

Figure 1: Okanogan County & Regions



The report is organized as follows:

- Chapter I. Introduction
- Chapter II. Executive Summary & Recommendations
- Chapter III. Detailed Recommendations & Regional Implications
- Chapter IV. Housing Supply & Demand Analysis
- Chapter V. Community Engagement Summary
- Chapter VI. Document & Ecosystem Review
- Appendices

¹ Steering Committee members and organizations are listed in [Appendix B](#).

² Boundaries between the Regions are based on underlying Census tracts, which explains the unusual polygon shapes. Regional selection is based roughly on a similar map produced by the Okanogan County Building Department.

II. Executive Summary & Recommendations

Housing plays a pivotal role in determining the well-being and economic security of all individuals and families in Okanogan County. For the region to be both economically competitive and equitable, it must offer a variety of housing types that are attainable for residents of various income levels. This chapter outlines the key findings of the study, identifies key issues, and outlines the consulting team's recommendations.

Key Findings

The following bullet points summarize the status of housing in Okanogan County from a quantitative standpoint. Further details are explained in the course of this study.³



Socio-economics

- Employment has been on a downside over the past three years. This fact, in combination with modest population growth, indicates a growing number of retirees and second-home owners residing in the county.
- Okanogan County's population tends to be older than that of Washington and surrounding Peer Counties. Thirty-six percent (36%) of the county's population is 55 years or older. Also, the population that is 65 years or older is expected to increase to 29% by 2030.
- Okanogan County is affected by national economic cycles but also experiences its own unique downturns. When national recessions do occur, the effect tends to be somewhat delayed yet prolonged over several quarters or years after the official end of a recession.



Housing

- The majority of new housing units added to Okanogan County over the past decade have been single-family homes, both within the Methow Valley region (29% of all new units) and the North region (21%). Mobile and manufactured homes are the second most common form of occupancy. These homes have mostly been added in the North region (10%) and the Central region (7%).
- Renting is fairly uncommon in Okanogan County as two-thirds of housing households own their own homes. Households who own homes tend to include one or two persons, whereas renter households are more likely to include three or more persons.
- Demand for subsidized housing significantly outpaces existing supply. Currently, all subsidized units are occupied and there are nearly 300 households on waiting lists for various properties. Demand is particularly acute for senior housing as well as one-bedroom units.
- Average rent costs in Okanogan County range from \$499 to \$878/month, depending on the number of bedrooms. These prices

³ Icons from Icons8.

are considerably lower than benchmarks for both surrounding counties and the state of Washington.

- Housing cost-burdens land hardest on those in extremely low-income and very low-income categories. The largest number of cost-burdened households are in Oroville, Omak and the Methow Valley, with each hosting 600 plus households. Yet, in terms of residents' likelihood to be cost-burdened, Brewster has the greatest need.



Community

- Many residents display an interest in innovative forms of housing including middle-density options and tiny homes. The population is generally not in favor of high-density multi-family housing. Yet, at the same time, many residents perceive a greater need for both senior and subsidized housing, which often takes the form of high-density multi-family housing.
- When asked about housing affordability over three-quarters of residents said that housing is either far too expensive or somewhat expensive. In addition, 65% of survey respondents were dissatisfied with housing from a qualitative standpoint.
- Residents of different regions display enhanced concern over various housing-related issues. Residents of the Methow Valley and the North region are more concerned with housing sustainability. Methow Valley residents are also more concerned with the regulation of short-term rentals.

Key Issues

This Housing Needs Study revealed a complex set of interwoven challenges that make safe, quality, affordable, and accessible housing difficult to find, particularly for those at lower income levels or from other underserved population groups. Latter chapters of this study detail the circumstances contributing to these issues.

- Area median income is low, reducing the amount households can pay for housing and generating little effective market demand for new units to be constructed.
- Rents are higher than many can afford, forcing households to spend more than 30% of their monthly income on rents or mortgages.
- Construction costs are too high, limiting the rate at which new housing units can be built to increase overall supply.
- Short-term rentals are becoming more popular, effectively reducing the pool of units available for sale or long-term rental.
- The housing stock is much older than the national average, resulting in higher maintenance costs and a gradual decline in the quality of available housing.
- There is little to no public transportation available, requiring households to dedicate portions of their income to owning and maintaining private vehicles.

- Minimum lot sizes and other regulations may be too restrictive to encourage infill development, causing developers to build new infrastructure at an added cost to home-buyers and renters.
- Environmental constraints and concerns limit the amount of land available outside municipal boundaries, limiting the extent to which new housing can be built outside of incorporated areas.
- Underserved populations include seniors, disabled, the homeless and Veterans are under-served in terms of housing options, causing individuals to accept sub-optimal housing situations.
- Local builders are not familiar with constructing higher density housing, making the market slow to respond to opportunities for more innovative product types.

Recommendations in this report suggest ways to address many of these issues. The implementation of these solutions rests in the hands of regional leaders and local government officials.

Recommendations

Following are the options that are best suited for Okanogan County to increase the capacity, quality, and affordability of housing. Recommendations are ordered in level of priority. Detailed descriptions for each of the recommendations follow in [Chapter III. Detailed Recommendations & Regional Implications](#). Not all recommendations are equally applicable to each of the five subregions. Table 2, also in Chapter III, indicates how recommendations apply to each region.

1. Increase the supply of market-rate rental housing
2. Increase the supply of subsidized housing
3. Encourage development within areas with existing infrastructure
4. Improve access and awareness of home renovation funding opportunities
5. Improve clarity and consistency of zoning classifications
6. Increase permissibility of accessory dwelling units and other forms of “middle density” housing
7. Increase supply of senior housing, including both independent and assisted living
8. Increase local management over short-term rentals

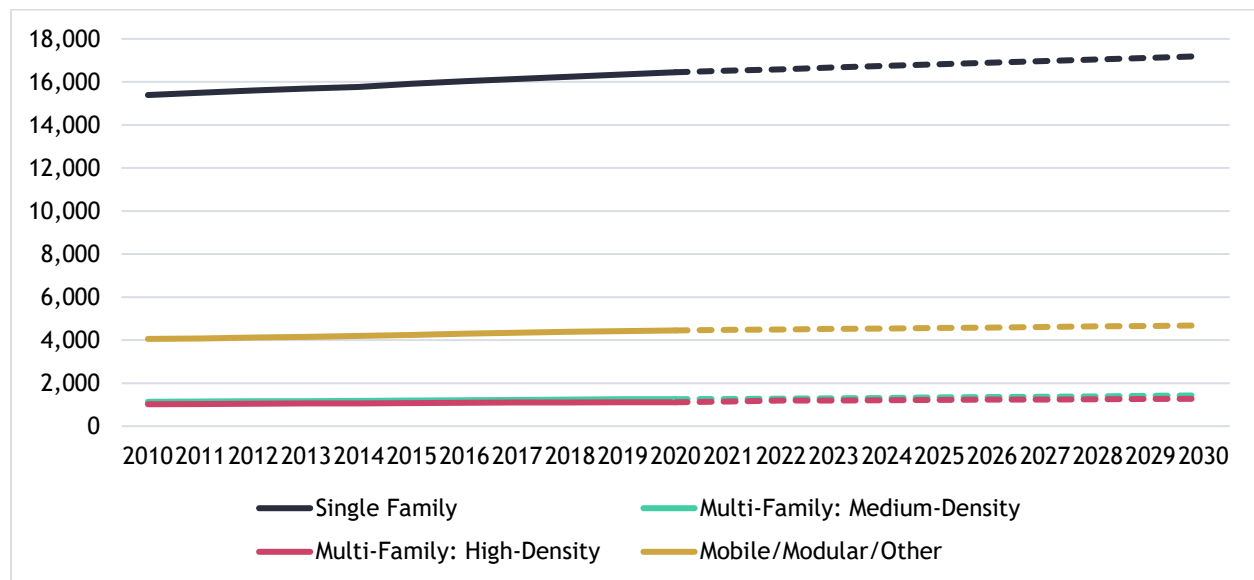
III. Detailed Recommendations & Regional Implications

Forecast of Housing Demand

Figure 2 and Table 1 display a forecast of housing demand for Okanogan County according to four categories.⁴ Single-family consists of traditional single-family detached dwellings. Multi-family: medium-density includes attached and detached single-family dwellings (e.g.: Methow Housing Trust units, ADUs, etc.) and multi-family dwellings with up to four units. Multi-family: high-density includes all multi-family development of more than five units per building. The final category consists primarily of manufactured homes, but also includes modular buildings, yurts and any other non-standard form of dwelling.

The forecast, illustrated in Figure 2 and Table 1, accounts for socioeconomic trends, planned developments, as well as recent building trends in Okanogan County. The forecast should not be considered aspirational based on changes to particular policies or practices but rather as an extension of the status quo.

Figure 2: Housing Forecast, 2020-2030



Source: Points Consulting, 2020

⁴ Categorizations were custom developed for this project based on data available from the US Census Bureau and Okanogan County’s Building Department.

Table 1: Housing Forecast, 2020-2030

Housing Type	2010	2020	2030	'10-'20 Growth	'20-'30 Growth	'10-20 % Growth	'20-'30 % Growth
Single Family	15,392	16,452	17,200	1,060	748	6.9%	4.5%
Multi-Family: Medium-Density	1,134	1,256	1,430	122	174	10.7%	13.9%
Multi-Family: High-Density	1,020	1,112	1,274	92	162	9.0%	14.6%
Mobile/Modular/Other	4,057	4,450	4,684	393	234	9.7%	5.3%
Total	21,603	23,270	24,588	1,667	1,318	7.7%	5.7%

Source: Points Consulting, 2020

PC forecasts that single-family will continue to be the dominant form of housing in Okanogan County over the next decade. The growth rate is slightly lower than the preceding decade, due in part to a slow-down in building in light of the 2020 recession and partly to a projected reduction in building in the Methow Valley region. Despite these headwinds, the region is forecast to see 748 additional single-family homes, or roughly 75 per year. The pace of development of both medium-density and high-density single family is forecast to increase owing to planned developments by the organizations such as the Methow Housing Trust and the Housing Authority of Okanogan County. Manufactured housing will continue to back up single-family as the second most utilized form of housing. Given shifts in building trends across the region, the mobile, modular, and other housing category is forecast to outperform single-family in terms of growth rate.

Regional Implications

Methow Valley

The Methow Valley is relatively low in population density though it has seen noteworthy population growth over the past nine years, both in its principal cities and in unincorporated areas. The Methow Valley accounts for 42.0% of all single-family home permits over the past ten years. Single-family homes built in the Methow Valley also tend to be larger and expensive than other regions, evidenced by the regions average home value of over \$420k. The region's median age is highest in the county at 54.7. The Methow Valley is also characterized by a high proportion of second-home owners, evidenced by the fact that 43.0% of housing units are characterized as vacant in 2020.

In relation to this report's recommendations, county and local officials will need to come to a resolution on subdivision and water availability issues and develop further management tactics over short-term rentals. Both of these issues weigh heavily on the future of housing development in the Methow Valley. Due to the predominance of expensive single-family housing, the Methow Valley should consider enabling the development of more affordable and middle-income housing options for all middle-income groups, including service workers supporting the tourism industry. According to the community survey, most residents of the Methow Valley display extensive openness to new housing concepts and solutions. The Methow Valley also hosts a major asset that is not present elsewhere in the county, in the

Methow Housing Trust. The housing trust model both has the favor of community members and facilitates the development of more medium-density single-family housing.

North Region

The North region is the largest in the county in terms of population and also the fastest growing over the past decade. Population in the primary cities of Oroville and Tonasket have remained stable, while most population and housing growth has occurred in unincorporated areas. Over the past ten years, the North region has accounted for 29.3% of all home permits issued. The North region also produces more manufactured homes than any other region, accounting for more than half of the county's inventory over the past decade. The population of the North region is both older and lower-income than most other sections of the county.

In relation to this report's recommendations, the North region needs more rentals both of the market-rate and subsidized variety. The concentration of elderly people also indicates growing demand for more senior housing. As growth continues, the region may also need to review zoning codes to ensure that both low-density and high-density districts are available. Given the region's broad geographic area and tourism assets, issues related to managing development in rural areas, and short-term rentals will become increasingly important.

Central Region

The Central region is highest in population density within Okanogan County. The principal cities of Omak and Okanogan have seen mild population increases over the past nine years. New housing development over the past decade has been limited and split nearly evenly between single-family homes and manufactured homes. The region's population is average for Okanogan County in terms of income, age, and diversity.

As the only area of Okanogan County with some level of urbanization, issues related to facilitating medium-density growth and infill are most applicable to the Central region. Residents also indicate a strong desire for more rentals, which is more achievable in Omak and Okanogan than in many other locations in the county. Given the concentration of resources, the Central region also bears most of the county's burden in terms of transitional and homeless housing, issues that will require further funding to support.

South Region

The South region is unique within Okanogan County for being the smallest in terms of population, the youngest and the most diverse. The city of Brewster's population has remained stable, while Pateros has lost population over the past nine years. New residences have been added at the pace of roughly 25 units per year, split between both single-family and manufactured homes. Despite a large concentration of low-wage jobs, the region's median home values are second highest in Okanogan County at roughly \$230k. The South region has the highest proportion of renter-households in Okanogan County at 40.5%. Lastly, the South region also hosts nearly three-quarters of the region's temporary farmworkers in a given year.

In relation to this report’s recommendations, the South region needs more rentals, both of the market-rate and subsidized variety. Residents of the region are also less concerned than other areas about the style of such housing, displaying interest in both medium-density and high-density multi-family options. Community leaders in the South region will need to balance land-use policies in urban growth areas to ensure that adequate housing is produced without detracting from agricultural uses.

Reservation Region

The Reservation region hosts over 7,000 residents across a vast geographic area of 1,050 square miles. The Reservation region is younger and more diverse than average for Okanogan County, and also has an above average number of persons per household. Production of new housing in the Reservation region has been nearly non-existent over the past ten years, adding just eight new units. The region also has an above average proportion of renter-households.

In relation to this report’s recommendations, the South region needs more rentals, both of the market-rate and subsidized variety. Residents of the Reservation region display openness to any form of housing that can be added to the region, including small and large multi-family, manufactured home communities, and rent-controlled rentals.

Recommendations Summaries

As noted in [Chapter II. Executive Summary & Recommendations](#), PC’s recommendations have various forms of application within the five regions of Okanogan County. Table 2 outlines how recommendations can be considered within these varied regional contexts.

Table 2: Regional Recommendations Matrix

Recommendation	Central Region	Methow Valley	North Region	South Region	Reservation Region
1. Market Rate Rentals	★	★	★	★	★
2. Subsidized Housing	★	★	★	★	★
3. Develop Near Infrastructure		★	★		
4. Home Renovation Funding	★	★	★	★	★
5. Zoning Classifications	★	★	★	★	★
6. ADUs & Medium Density	★	★	★	★	★
7. Senior Housing	★	★	★		★
8. Management of Short-Term Rentals		★	★	★	

Source: Points Consulting, 2020

The following are more detailed descriptions of the recommendations listed in [Chapter II. Executive Summary & Recommendations](#) with more data and justification developed during the course of the Housing Needs Study. Where appropriate, best practices of how similar issues were addressed elsewhere in the country are outlined.

1. Increase the supply of market-rate rental housing

Communities can employ rather simple strategies to make market-rate housing more available and easily blended-in to existing neighborhoods. These actions may include:

- Permitting duplexes in single-family zones under certain conditions, such as on corner lots
- Allowing twin homes, triplexes or quadplexes in zones where duplexes are already permitted
- Enacting design controls to assure compatibility and sensitivity to higher density construction
- Identifying areas where multi-family housing makes sense and focus public investment on infrastructure improvements
- Develop a local program that offers homeowners a combination of financing, design, permitting, or construction support to convert a single-family home into multi-family rentals

There are over 4,800 renter households in the low-income and moderate-income categories with few options for government assistance.

The approach to addressing market-rate rentals will vary based on community and context. Communities such as Omak and Okanogan which articulate duplex permissibility may need to increase the number of units permitted per lot. Communities such as Oroville and Twisp, which have designated multi-family zones, may need to further entice real estate developers with tools such as reduced permitting fees, density bonuses, or other incentives.

The findings of this analysis overwhelmingly point to affordable, non-subsidized rentals as the county's single biggest housing-related need. Median household income in Okanogan County was just over \$45,800 in 2018, far short of benchmarks for the state and most neighboring counties.⁵ Households far below Area Median Income (AMI) are generally eligible for more funding opportunities through state-funded programs, but there are over 4,800 renter households in the low-income and moderate-income categories with few options for government assistance.⁶

This category, sometimes termed Naturally-Occurring Affordable Housing (NOAH) typically arises in one of three ways: conversion of owned single-family homes to rentals, multi-family units decreasing in cost due to age, or affordable housing developments reaching the end of their thirty-year compliance period. There has not been a strong trend in Okanogan County toward any of these alternatives. Confirmed by both Census data and county building permit data, there have been very few multi-family developments in the county over the past thirty years, either of the deluxe or economy variety. However, the proportion renter-occupancy has increased slightly over the past thirty years. As indicated in interviews with local

⁵ 2018 American Community Survey, Table S1091, <https://data.census.gov/>.

⁶ Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2012-2016.


stakeholders and community survey data, there has been a slight trend toward conversion of single-family homes to rentals, but this has not been strong enough to fulfill demand. In addition, it is worth noting that over 400 rent-subsidized units reached the end of their federal compliance period in 2017, so there could be more such multi-family units entering the market.

The category of NOAH have received some attention from real estate developers in recent years. Some estimates indicate that NOAH accounts for more than 60% of all affordable housing stock in the United States.⁷ NOAH typically encompasses what real estate professionals term Class B and Class C real estate, which describes buildings that are older, in need of some renovation, and are in slightly less desirable locations. Urban areas will often employ large-scale public/private partnerships to preserve such spaces from gentrification.

West Seattle Washington offers an example of a nearby community that provided both affordable and subsidized housing within the same master planned community. The High Point neighborhood was opened in 2005 using funds from the Hope VI program, which sought to integrate affordable units with market-rate into uniquely mixed-income communities. The neighborhood features 1,600 units, of which roughly half are affordable for various area median income (AMI) levels. The over 800 non-subsidized units include 104 market-rate rental homes and a remaining mixture of senior housing, single-family, and condos. High Point's inventory of for-sale homes were absorbed at record rates and continue to sell quickly when put on the market. The High Point community also resolved another community issue by replacing a 716-unit housing development that had fallen into disrepair. The Seattle Housing Authority carefully protected against displacement by ensuring that all former very low-income tenants who wished to return were assured a unit in the new development.



⁷ Naturally-Occurring Affordable housing, CoStar, 2016, https://2os2f877tnl1dvtmc3wy0aq1-wpengine.netdna-ssl.com/wp-content/uploads/ULI-Documents/ULI_NAAHL_Presentation.pdf.



Such strategies could be considered for Okanogan County at this stage but smaller steps can be taken as well. Community leaders should be aware of the existing options and take steps to encourage landlords and property owners to maintain these properties for these purposes, and even to pursue efforts to adapt other existing single-family real estate for these purposes.

Given that historic development of multi-family properties in Okanogan County has been so limited, leaders may need to pursue alternatives that encourage real estate developers to build more of this type of housing. Legislation via the state of Washington encourages communities to reduce regulation and reduce developer costs for duplexes and multi-family housing within urban growth areas. Utilizing these benefits would first require certain cities to either loosen zoning policies regarding multi-family housing or assign more land within city limits for these purposes. Though most communities have explicit zoning that allows for multi-family, the space permitted for such uses is sometimes narrow. To cite a few examples, municipal code within the city of Omak has separate zoning districts for single-family, duplexes, and multifamily. The City of Winthrop permits multi-family in R3 districts, but not R2 or R1, and permits duplexes in R2 and R3.

2. Increase the supply of subsidized housing

A short-list of actions that community leaders can undertake to implement this recommendation include the following:

- Complete existing housing projects which are in development
- Pursue additional grant funding for additional units
- Consider developing more affordable units for seniors, as well as studio or one-bedroom units
- Consider approaching experienced non-profits in Washington about developing a master planned community that integrates affordable and subsidized housing with market rate housing

Pursuing funding for affordable housing is best taken on by recognized housing organizations such as the Housing Authority of Okanogan County and the Oroville Housing Authority, in partnership with recognized non-profits working with low-income individuals such as the Okanogan County Community Action Council (OCCAC) and Room One. These agencies are familiar with the process of applying for grant funding from HUD and Washington Commerce. The findings of this report should empower them to pursue such funding even further. This recommendation should not be seen in isolation from others on the list. Wherever possible, these housing agencies should seek to partner with the county and cities to develop middle-density alternatives that fit the character of host communities and which are more popular among residents than larger scale apartment complexes. Considering both population size and density, the areas most likely in need of more subsidized housing likely include Tonasket, Winthrop, and Brewster.

According to survey data, 38% of respondents would like to see more rent-subsidized apartments. The proportion is even higher in the Central and South regions.

Housing for those on the lower end of Area Median Income is a particularly acute need within Okanogan County. According to data from Housing & Urban Development, there are 350 subsidized units available within the county which house 590 individuals.⁸

Yet, 2,044 renter households are housing cost-burdened and the vast majority of these households are earning less than \$20,000 year.⁹ According to a 2015 analysis by Washington Commerce, average households in Okanogan County pay 68.9% of area median income to afford fair market rent, a rate that surpasses each of five surrounding Peer Region counties.¹⁰ The demographic cohort most in-need are small families (with four or fewer individuals). Though the issue affects households across the county, it is particularly acute in the communities of Brewster, Okanogan, and the Methow Valley.¹¹

The majority of existing housing subsidies are associated with the Housing Choice Vouchers program. Data also indicate, however, that the Low-Income Housing Tax Credits (LIHTC) have been used by multi-family developers in various locations throughout the region. Subsidized housing is scattered throughout the county within each of the predominant cities but by far the largest concentration of units is in Omak. The Reservation area, which has a lower population than other parts of the county, has two subsidized housing complexes.¹²

By all accounts, supply of subsidized housing is short of demand. Wait lists are reported to be months to years long. Those in social services report increasing issues finding long-term housing for those working in service positions that support the tourism industry. For lack of better alternatives, workers are renting space at hotels, living in tents or at RV parks, or “couch surfing” at friends’ homes. Some residents are concerned that developing additional subsidized housing will serve as a magnet for low-income residents of western Washington but many more residents are ardently in favor of addressing the need. According to PC’s community survey, 38.2% of respondents indicate they would like to see more rent-subsidized apartments in the region. The proportion of positive responses is even higher in the lower-income Central and South regions.

⁸ Housing and Urban Development, User Datasets, Picture of Subsidized Housing, <https://www.huduser.gov/portal/datasets/assthsg.html>.

⁹ American Community Survey, Selected Housing Characteristics 2018.

¹⁰ “State of Washington Housing needs Assessment,” January 2015, <https://www.commerce.wa.gov/wp-content/uploads/2016/10/AHAB-Housing-Needs-Assessment.pdf>.

¹¹ Please note that constitutional limitations vary on a state by state basis, so program specifics would need to be worked out to fit Washington’s specific circumstances.

¹² Policy Map, Federal Housing Data Map, <https://www.policymap.com/maps>.

An example of increasing the supply of subsidized housing can be seen in **Buncombe County, North Carolina**. Buncombe County is in a mountainous part of North Carolina and experienced 25% population growth from 2000 to 2017, which raised the land and housing prices to an unaffordable level—especially for the mid- to low-income residents. Through the years, Buncombe developed a comprehensive land-use plan, a point-based program that incentivizes density, and an Affordable Housing Services Program (AHSP). For construction loans, the AHSP offers low-interest loans that draw from the county’s annually allocated general fund. The loans are only given to those developers constructing new affordable units or converting existing non-residential structures to homes. In addition to the loans, AHSP offers rebates for the building permit fee for affordable units and expedites the review process. Then on the consumer side, the program provides down payment assistance, funding for emergency repairs, and rental assistance for those at risk of homelessness. Alongside other strategies Buncombe put in place, the AHSP has been successful as it has assisted 692 families since 2012 and supported 580 new rental units.



3. Encourage development in areas with existing infrastructure

Increasing a more compact townscape in the county's incorporated communities can encourage new housing to be built in places where infrastructure exists. Comprehensive plans adopted by Okanogan County and numerous municipalities include provisions that seek to steward scarce natural resources and to protect the characters of rural and agricultural areas. The simplest approach to achieve these ends is encouraging construction on existing lots within municipal boundaries where water and sewer utilities serve them. But the zoning ordinances in these communities may not be fully in sync with comprehensive plan guidance. This report recommends that communities:

- Update zoning to ensure development and building rules are consistent with more compact land use
- Review connection and service fees for areas outside city limits to ensure they reinforce housing objectives.
- Invest in local infrastructure to support housing development within city boundaries
- Consider connection fee waivers or other incentives to attract new development and construction into areas easily served by existing systems, especially for projects that address under-served populations.

Some of the most challenging housing related issues facing Okanogan County residents and leadership are environmental, recently resulting in a moratorium on subdivisions within the Methow Valley watershed. The area generally includes all of the Methow Valley from the community of Methow on the south to Mazama on the north. State-level laws dating back to the 1970s governed how much water could be used by various districts. Local organizations have pushed for updated investigation based on recent ecological and development patterns.¹³ Concerns have focused primarily on water availability, but other connected issues have been cited such as the ability for fire fighters and emergency workers to service homes in remote locations. These activities have led to a prohibition of further subdivision in areas outside of city limits unless proof is provided of another water source. This rule is slated to remain in effect until the conclusion of a watershed availability report, which will be completed sometime in 2022. The moratorium, however, applies only to new subdivisions. Construction on lots already recorded is allowed to proceed

Though these issues are specifically focused on the Methow Valley, they have an outsized impact on housing issues in Okanogan County. Over the past ten-years, 42.0% of single-family building permits issued by the county have been within the Methow

Over the past ten-years, 42% of single-family building permits issued by the County have been within the Methow Valley region. Often these developments are in unincorporated areas.

¹³ Marcy Stamper, "Watershed Movement: Making Sens of the Longstanding Methow Rule," Methow Valley News, <https://methowvalleynews.com/2019/05/08/watershed-moment-making-sense-of-the-longstanding-methow-rule/>.

Valley region, which is also the predominant form of housing developed in the county.¹⁴ To further pinpoint the issue, the majority of building has occurred outside of city boundaries in precisely the areas affected by the moratorium.

Outside of the Methow Valley, residents of the North region voice similar concerns about long term sustainability. In fact, 24.6% of respondents from the North indicated agreement with the statement "Building style and practices do not address sustainability factors (i.e.: water usage, carbon emissions, forest fire vulnerability, etc.)." Outside of the Methow Valley, the North region is responsible for the second largest concentration of new home development over the past ten years.

From a planning and development perspective, current challenges with growth in unincorporated areas call attention to the importance of encouraging housing development within districts that have the infrastructure to accommodate new residents. Development within city limits and urban growth boundaries allows for the most efficient spending on infrastructure such as sewer and water systems and roadways.

Taken in consideration with other recommendations in this report, this further extenuates the importance of zoning practices that provide flexibility for developers to serve a wide variety of home building styles from small to large, luxury to affordable, and to allow their development within close proximity of one another.

4. Improve access and awareness of home renovation funding opportunities

A short-list of actions that community leaders can undertake to implement this recommendation include the following:

- Increase awareness of existing home renovation/maintenance programs for low-income households, both among low-income groups and among builders and contractors
- Consider developing a local fund which supports homebuyers and contractors to renovate existing single- and multi-family housing
- Expand use of HUD Home Investment Partnership Program (HOME) funds among non-profit and for-profit property owners who can meet program objectives and rules

Periods of housing booms have been few and far between in Okanogan County, which leads to an older housing stock than other parts of Washington. In fact, roughly 21% of the county's housing units were built prior to 1950, considerably higher than state and national benchmarks. Many older homes could continue providing shelter for many years but suffer from lack of or inadequate maintenance. The issue is clear to many residents, supported by the 47.0% of respondents to the community survey indicate that "too many homes are under-maintained." The topic also rated second among residents' largest non-affordability related

¹⁴ Points Consulting calculations based on data from the Okanogan County Building Department: <https://okanogancounty.org/Building/REPORTS.htm>.

housing concerns. The issue was also observed by PC staff while touring the region. As one salient data point, mobile/manufactured homes make up 16.4% of the county's housing stock, nearly three times higher than the national average.¹⁵ The majority of these homes were installed prior to the 1980s and are more likely to have maintenance and repair issues.

Home maintenance issues encompass community members' concerns related both to residents' well-being and community character.

The issue extends both to owner-occupied housing as well as property owners who are leasing homes to others. Comments from community members indicate that home maintenance concerns encompass both concerns related

residents' well-being and community character. The former issue extends to issues such as poor heating and ventilation and unsound physical structures. The latter issue relates to the "broken window effect," a short-hand way to describe the continued deterioration of neighborhood quality when maintenance issues are not addressed.

Various agencies offer funding designed to assist low-income residents with home maintenance and renovation. Agencies offering assistance on this front include the Washington State Housing Finance Commission (WSHFC), USDA Section 504 Home Repair, and Washington Commerce's Home Rehabilitation Loan Program (HRLP). Programs generally target audiences with far below average AMI in rural areas. Most programs give preference to the elderly, people with disabilities, and Veterans.

Local program administrators indicate that there are numerous issues with the application of these funding streams including home eligibility, applicant income eligibility, funding caps, and the level of administrative paperwork required for contractors. Additionally, many residents are simply unaware of these programs. Systematically, funding primarily focused on repairs and improvements that affect energy efficiency, safety, and durability do not generally extend to cosmetic issues. Cosmetics not only affect a community's quality-of-place but also provide an opportunity for homeowners to earn appreciation in the equity of their homes.

An example of this is seen in **Heppner, Oregon**, just an hour south of the I-84 Columbia Gorge freeway. The city and the **Willow Creek Economic Development Group (WCVEDG)** manage a housing rehabilitation grant program that provides funding for home buyers interested in renovating distressed single-family homes. Homebuyers and contractors can apply for the grant to get up to 20% (max \$20,000) of their renovations paid for by the WCVEDG. Though the fund has been used routinely by locals to renovate homes, the community feels they are reaping benefits by turning over blighted real estate and increasing property tax collections.

¹⁵ Selected Housing Characteristics, American Community Survey, DP04, United States and Okanogan County : <https://data.census.gov>.

Though these programs are helpful there are no such programs available in Okanogan County for those in middle-income categories. Some communities have designed boutique programs to address these issues, by providing incentive for home owners and investors to purchase and renovate homes. These programs can be operated similar to revolving loan funds and run through a non-profit or a regional economic development organization. The City of Spokane has also developed programs allowing for-profit multi-family housing providers to utilize HUD Home Investment Partnership Program (HOME) funds.¹⁶ Though some may have concerns that such programs incentivize housing gentrification, with the proper policies and controls such programming can incentivize ownership and equity appreciation rather than investor speculation.

5. Improve clarity and consistency of zoning classifications

The clarity, consistency, and simplicity of zoning is important, particularly if the zoning is attempting to affect change in the built environment. This relates to both the process by which development and construction applications are reviewed and the standards they must observe in their design. Recommendations include:

- Organize a meeting of regional planning and zoning professionals to discuss regional goals, experiences, and best practices
- Audit development, land use, and construction review processes to ensure they are efficient and consistent with the need to provide additional middle- and low-income housing
- Consider waiving certain permit fees or other charges as an incentive to housing construction, particularly if addressing underserved populations
- Audit and revise development regulations to assure their ease of use and consistency with housing objectives.

Along these lines, the state of Washington's recently enacted House Bill (HB) 2343 encourages local governments to consider numerous actions related to permitting which could help increase residential building capacity. Many of the legislation's commendable effects include easing restrictions on density and are addressed elsewhere in this report. The bill specifies a process for streamlining review and approval of permits.¹⁷ It also lists an open-ended component as follows: "Adopt other permit process improvements where it is demonstrated that the code, development regulation, or ordinance changes will result in a more efficient permit process for customers."¹⁸ Elsewhere are listed options for expedited permitting for housing units that conform with local housing priorities. There are additional strategies that could be employed to improve speed and efficiency for building permits. These include adopting an online permitting process, adopting fee waivers or exemptions for

¹⁶ City of Spokane, Community, Housing & Human Services (CHHS), <https://my.spokanecity.org/chhs/programs/>.

¹⁷ Pursuant of RCW 58.17.100: <https://app.leg.wa.gov/RCW/default.aspx?cite=58.17.100>

¹⁸ Ibid., HB 2343.

development of units that provide affordable housing and/or address underserved populations such as seniors, disabled veterans, or people living below threshold area median income levels.

Land use plays a major role in all forms of development. Both nationally and locally, land use, zoning, and minimum lot sizes are regularly cited by developers as potential hurdles to orderly and affordable development. These regulations can include density requirements that can increase the cost of land per unit in the development process. Review of local comprehensive plans and the moratorium on subdivision suggest that the current policies place a clear emphasis on protecting and preserving natural resources to include rural parts of the county and farmland. Though the desire to preserve the historic rural character of the county is understandable, if taken to extreme levels prohibitive land use and zoning regulation can make it difficult for low- and middle-income residents to find attainable housing. In fact, some recent research has found linkages between highly restrictive anti-sprawl policies and housing affordability, particularly in Western states.¹⁹

The project team observed a variety of zoning policies in local land-use and zoning codes. The top eight most populated cities have multiple residential districts that specify varying levels of residential density. Some communities have more articulated policies, such as Oroville, which has four districts ranging from R1 (low-density single-family) to R4 (high-density multi-family).²⁰ In many cases, communities have developed special or transitional zones to deal with unique circumstances. For example, Winthrop has a "Tourism/Residential" district that has the same policies as its R2 zone but allows for overnight rental of single-family and multi-family residences.²¹ Numerous communities have also recently developed a "Rural Residential" zone, which applies to homes utilizing city services but which are set apart for very low-density usage, such as 20,000 square feet minimum lot sizes.

The level of density both in lot sizes and building sizes varies greatly across the region. Minimum lot sizes for conventional low-density single-family housing range from as high as 8,000 square feet (SF) to as low as 5,000 SF. Likewise, minimum building sizes for R1 range from as high as 800 SF and as low as 500 SF, while some communities appear to have no minimum building size listed whatever. At the higher density end of land use policies, such as R3 and R4, communities are typically in the 5,000 to 6,000 SF range. Many communities list specific conditions for given zones that would permit a developer to build with greater density, typically meeting certain amenity standards for things like open-space, lower income units, or parking.

¹⁹ Randall Pozdena, January 2019, "The Housing Affordability Crisis: The Role of Anti-Sprawl Policy," https://www.heartland.org/template-assets/documents/publications/2019-01-The_Housing_Affordability_Crisis_The_Role_of_Anti-Sprawl_Policy.pdf.

²⁰ https://library.municode.com/wa/oroville/codes/code_of_ordinances?nodeld=TIT17ZO_CH17.28RE_FODIR-

²¹ <https://www.codepublishing.com/WA/Winthrop/#!Winthrop17/Winthrop1720.html#17.20.035>

Localized decision-making authority related to factors such as lot sizes, building sizes, or setbacks are encouraged by this report. PC does not suggest that these policies should be normalized or consolidated. That said, planning and zoning departments should be aware that such considerable differences within the region can be confusing to developers. Every effort should be made to simplify and clarify these rules, including placing bulk and density standards within stand-alone documents that can be easily distributed, and potentially using visual aids and figures. In addition, guidance from state authorities related to housing availability and affordability should be considered.

6. Increase permissibility of accessory dwelling units and other forms of “medium-density” housing

Enabling builders and real estate developers to fill housing demand may require alterations to some zoning code and policies. Many urban and rural communities in Washington are undergoing similar considerations. Though Okanogan County is not governed by the Growth Management Act, lessons can be taken from communities who are required to take aggressive steps toward greater density. Recommendations include:

- Alter middle residential districts to prevent lots and home sizes from exceeding given square footage maximums.
- Authorize middle density type units (e.g.: triplex, quadplex, sixplex, stacked flat, townhouse, or courtyard apartments) in zoning districts that currently allow for single-family or duplexes.
- Alter policies related to ADUs that make their use more feasible for homeowners.

A common topic of debate in housing across the United States, the “missing middle,” has a fluid and oftentimes locally defined definition. The missing middle refers to the broad range of incomes that make up a local labor shed that can be at risk of being priced out of a market, resulting either in relocation or acceptance of sub-standard housing in order to remain in the area. At the same time, these cohorts earn enough to be outside of the Area Median Income (AMI) requirements to qualify for subsidized units. National discussions on this topic tend to focus on a comparison of local wages with cost of living to demonstrate that cost of housing is prohibitively burdensome on even average households. Many such discussions focus on engaging employers and private partners to sustain local workforce needs, a phase which may come about in later stages of this engagement.

In the wake of these issues, professionals in urban and regional planning are increasingly adopting policies that encourage development of “medium density” housing. Medium density describes the range of housing options that are somewhere between low-density single-family and traditional multi-family densities. The traditional version of middle-density that most communities are familiar with are duplexes, but many other innovative types have been developed in recent years such as twin homes, triplexes, quadplexes, sixplexes, courtyard apartments, and townhomes. By spreading the cost of land and building materials across a larger number of units, homes are made more affordable. At the same time, such

housing types can encourage other important community development priorities such as walkability, neighborhood retail, and community engagement.

Despite the demand, such propositions can sometimes be seen by residents as an incursion of “big city” concepts into their rural communities. Issues of restrictive zoning due to community concerns are not

Many residents remain disinterested in apartment complexes but they do display strong interest in other medium density concepts such as medium-density single-family and multi-family, and ADUs.

limited to Okanogan County. One recent study indicates that in the United States, 75% of residential land is zoned to exclude anything other than single-detached homes.²² Despite these challenges, PC’s community survey indicates that many residents remain disinterested in apartment complexes, though residents do display strong interest in other medium density concepts. For example, when asked what forms of housing they would like to see more of, 38.7% of respondents selected “Medium-density single-family housing,” 34.3% selected “Medium sized market rate apartments,” and 20.2% selected “accessory dwelling units.”

ADUs are a particularly hot topic both in Washington and across the United States. The Washington Legislature’s HB 2343 has a list of options specifically focused on this issue:

- “Development of local programs that offer homeowners a combination of financing, design, permitting, or construction support to build” ADUs.
- Prior accessory dwelling unit requirements are removed, replaced with the following options:
 - Authorize ADUs in one or more zoning districts in which they are currently prohibited.
 - Remove minimum residential parking requirements related to ADUs.
 - Remove owner occupancy requirements related to ADUs.
 - Adopt new square footage requirements related to ADUs that are less restrictive than existing square footage requirements.

Though builders are frequently maligned for focusing too heavily on luxury custom-built homes, numerous members of the real estate and construction community interviewed during the course of this study indicated strong interest in building smaller scale, more affordable homes. From their perspective, builders would pursue these options more frequently except for the added cost of infrastructure and development fees.

In PC’s community drive-through, a few developments were noted that are employing some medium density practices. PC suspects that such developments were permitted through each city’s “planned residential” or “planned unit” development process. Such processes can often

²² Mike Kingsella and Edward J. Pinto, Up for Growth, “New Research Confirms the Benefits of “Light Touch” Density,” <https://www.upforgrowth.org/news/new-research-confirms-benefits-light-touch-density>.

serve as the testing ground for communities to pilot new concepts. As such, lessons should be taken from these and other developments and cities should consider implementing more “by-right” options and more dense standards for existing zones.

Accessory Dwelling Units (ADUs) are another promising option for many regions to increase medium-density housing. ADUs include either attached or detached buildings used primarily for residential purposes that also share a parcel with an existing residential unit. ADUs are called out within numerous jurisdictions’ municipal codes, including Omak, Brewster, Oroville, Twisp, Pateros, and the county. Where mentioned by name, each community has varying levels of restriction on issues such as minimum building size, occupancy requirements in the primary dwelling, number of unrelated dwellers, and off-street parking. Individual communities may consider reducing some of these standards within certain residential districts, particularly if units are designed for use by underserved populations or low-income residents. Additionally, communities that do not address ADUs by name should consider revising their code to provide structure on this topic for existing homeowners to take advantage of such opportunities.

7. Increase supply of senior housing, including independent and assisted living

A short-list of actions that community leaders can undertake to implement this recommendation include the following:

- Pursue funding for subsidized senior units
- View zoning rules in light of seniors’ preferences to age in place, and remove barriers to options such as non-family member home sharing and ADUs

Addressing senior housing is more complex than simply building subsidized housing for seniors. A survey conducted by the American Association of Retired People (AARP) revealed that the vast majority of those in the Baby Boomer generation (Boomers) would prefer to remain in their living situations for as long as possible. Among Boomers, 78% indicate a desire to remain in their communities and 76% would prefer to remain in their existing residences.²³ Furthermore, two-thirds of those in the 65+ age group are likely to stay in their current residences and never move.²⁴ Seniors do indicate openness to a number of residential models that would accommodate aging in place. For example, 54% show interest in joining a village, home sharing (30%), and utilizing an on-site accessory dwelling unit either for themselves or another resident (ADU). These statistics point to the fact that seniors frequently prefer the idea of aging in place, provided that they can have a community of support around them and the option to rent out space on their property to caretakers or tenants. Such issues warrant consideration of local zoning ordinances related both to ADUs and restrictions on the number of unrelated persons who can dwell in a single household.

²³ AARP, “2018 Home and Community Preferences Survey”, August 2018.

<https://www.aarp.org/research/topics/community/info-2018/2018-home-community-preference.html>

²⁴ Ibid.

At the same time, the need for affordable subsidized senior housing should not be ruled out as a possibility. However, regional leaders should carefully diagnose the need, working with the Area Council on Aging to determine feasibility. Elderly populations are scattered throughout the region. Considering both population size and density, the areas most likely in need of more senior housing include Oroville, Omak, Twisp, and Winthrop.

Okanogan County's population of people 65 years or older is expected to increase to 29% by 2030.

Like many rural areas, Okanogan County has a gradually aging population. With this reality comes the challenge of housing an increasingly older population. Over the ten-year period from 2008 to

2018, the percentage of Okanogan County's population that is 65 years or older increased from 16.1% to 23.5% of overall population. Forecasts indicate this proportion will increase to 29.3% by 2030.²⁵ These proportions are considerably higher than both surrounding Peer Region counties, and the state of Washington. The elderly also compose the largest proportion of cost-burdened households. More specifically, among all cost-burdened households, 22.7% classify as elderly who live alone, and 15.6% classify as elderly families.

Residents who responded to the community survey indicate a strong desire to see this issue addressed. Among the housing types residents wish to see more of, senior independent living and senior assisted-living were both popular priorities, attaining consent from 45.0% and 29.7% of the population, respectively. Independent living is most popular in the Methow Valley, Reservation and Central regions, whereas assisted living is most popular in the Reservation and North regions.

8. Increase local management over short-term rentals

A short-list of actions that community leaders can undertake to implement this recommendation include the following:

- Engage with communities at the local level through public hearings and surveys and pursue tracking and regulation that meets with their concerns
- For communities that require more active engagement by government, consider various options including:
 - Registration/permitting
 - Prohibitions within given zoning districts
 - Controls on parking, occupancy, local residency, etc.

²⁵ Washington Office of Financial Management, 2017 Population Projections, <https://ofm.wa.gov/washington-data-research/population-demographics/population-forecasts-and-projections/growth-management-act-county-projections/growth-management-act-population-projections-counties-2010-2040-0>.

Okanogan County has a variety of tourism assets that have become popular in recent years. The Methow Valley is most widely known as a destination for outdoor recreation in both summer and winter months. The

North region also attracts visitors from across the United States and Canada to visit Lake Osoyoos. The South region features wineries, golf courses, and recreation along the Columbia River. These attractions have resulted in increased interest from residents and visitors into short-term vacation rentals such as Airbnb. The phenomenon has become all the more popular in the midst of the COVID-19 public health crisis, as many urban dwellers have sought respite in rural areas while working from home. Data indicate that the Methow Valley experienced a spike in occupancy since the onset of COVID-19, starting in the spring months and extending through the summer. Winthrop, for example, has been at over 80% nightly occupancy since April 2020. Other markets in Okanogan County have seen increased usage as well though not to the same extent.²⁶

In the Methow Valley, nearly two-thirds of respondents indicated that short-term rentals were an issue they were dissatisfied with, compared to about one-third in the North region.

The community survey indicates intense concern over short-term rentals in the Methow Valley, mild concern in the North region, and relatively little concern in other areas. In the Methow Valley, nearly two-thirds of respondents indicated that short-term rentals were an issue they were dissatisfied with, compared to about one-third in the North region.

The most common approach for communities who want to manage short-term rentals is requiring operators to either register with the city or obtain a conditional use permit (CUP). Such actions do not prohibit operations but they do allow cities to track growth and the impact of that growth on the community. Tighter forms of regulation will only allow short-term rentals in certain zoning districts, and at the extreme end some communities prohibit short-term rentals entirely.

Communities in Okanogan County have taken various approaches to short-term rentals. Most communities have no explicit mention of short-term rentals. The city of Omak requires a CUP. The City of Twisp requires a "transient accommodation permit." The City of Pateros identifies specific zones where short-term rentals are permissible. The town of Winthrop had a temporary moratorium on new short-term rentals for a period of a year, and has recently adjusted city zoning to allow short-term rentals outright within business and tourism/residential overlay districts.²⁷ Unincorporated areas are governed by Okanogan County Zoning Code, which has a similarly nuanced treatment of short-term rentals. Nightly rentals are typically permitted in rural areas and agricultural residential areas but are more

²⁶ AirDNA Market Minder, <https://www.airdna.co/>.

²⁷ Don Nelson, Methow Valley News, "Winthrop Town Council Makes Changes in Overnight Rental Regulations Official," <https://methowvalleynews.com/2019/04/24/winthrop-town-council-makes-changes-in-overnight-rental-regulations-official/>.

tightly regulated within low-density residential, rural residential, and the Methow Review District.

The **City of Olympia** recently finished a public input process related to short-term rentals. The city took the project on due growing citizen concern over the issue and a desire to maintain community integrity and protect the supply of rental housing. The City collected feedback for a period of five-months through an electronic community survey. Based on this feedback the city developed a list of policy recommendations that were further fielded for comment before being implemented. Policies require short-term rental operators to carry insurance, pay taxes on revenue, and to hold a permit from the city to operate. Rentals are permitted within all residential districts though operators are capped at two rentals per parcel and two properties within city limits. There are also requirements related to maximum number of occupants per rental and other management practices.

Though short-term rentals have been at the cross-hairs of many community regulators, one must also acknowledge the benefits. Short-term bring visitors and spending into the region, which is frequently a considerably economic driver to rural areas. They also provide an alternative or primary source of income through an existing asset with little capital improvement costs. Given housing affordability issues in Okanogan County, restricting resident's ability for an alternative source of income should be taken cautiously.

For the time being, restrictions within the Methow Valley and the county seem to address the predominant concerns. As the short-term rentals model continues to gain popularity, similar policies may need to be considered in the North, Central, and South regions as well.

Funding Opportunities

The following programs are for primary consideration when developing single-family and multi-family housing in the state of Washington for rural areas such as Okanogan County.

Housing Trust Fund (Washington Department of Commerce)

Housing Trust Fund dollars support a wide range of capital projects that house a diverse array of low-income populations. Properties financed by the program can house people with incomes less than 80% of Area Median Income, but the majority of these properties are home to underserved households or those with incomes below 30% of Area Median Income. This includes people and families experiencing homelessness, people in need of supportive housing, seniors, veterans, farmworkers, and people with developmental or other disabilities. Special-needs projects coordinate with state and local service providers, to ensure clients receive appropriate housing and services.

9% Housing Credit (Washington Housing Finance Commission)

The Commission's 9% Low-Income Housing Tax Credit Program (LIHTC) allocates federal income tax credit to developers to encourage the construction and rehabilitation of affordable multifamily housing. Housing credit in the 9% Program is allocated through an annual competitive process in which projects are evaluated and scored according to the Commission's established criteria.

80 / 20 Bonds (Washington Housing Finance Commission)

Tax-exempt bonds, also known as private activity bonds, are bonds where the interest earned by the bondholder(s) is exempt from federal taxation. These bonds are used by nonprofit and for-profit developers to borrow funds for construction and other costs of developing affordable housing. Because the interest is tax-exempt, the debt has lower interest rates than traditional financing. In return, the developer must set aside a certain percentage of units for low-income residents. The Commission issues two types of bonds: Multifamily Bonds and 501(c)(3) Nonprofit Housing Bonds. Multifamily bonds are subject to annual volume limits ("Bond Cap") based on the state's population. In 2013, the Commission allocated nearly \$243 million in bonds to multi-family housing projects across the state.

501 (c) 3 Nonprofit Housing Bonds (Washington Housing Finance Commission)

Nonprofit housing bonds can be used to finance housing facilities wholly owned by a 501(c)(3) organization, as long as the new housing facility furthers the charitable purpose of the organization. Nonprofit bonds or 501(c)(3) bonds cannot be combined with Low-Income Housing Tax Credit; however, nonprofit 501(c)(3) bonds are less restrictive regarding the types of units that can be financed as well as facility amenities. Nursing beds can be financed for example as well as amenities like commercial kitchens and laundry facilities, as long as they serve the needs of the building residents or advance the mission of the nonprofit organization.

Bond / Tax Credit Program (Washington Housing Finance Commission)

If more than 50% of a project is financed with tax-exempt Multifamily Bonds, the project may access the 4% Low Income Housing Tax Credit (LIHTC) program without competing for an allocation of the 4% Tax Credit. However, during years when anticipated demand for Multifamily Bonds is expected to exceed availability, there will be competition for the bonds through an announced Bond Round. Using bonds with tax credits allows developers to combine low interest rates on long-term debt with a substantial equity contribution from an allocation of LIHTC. While LIHTC cannot be used with 501(c)(3) bonds, nonprofit developers can access LIHTC by forming a partnership with a for-profit tax credit investor and applying for Multifamily Bonds.

Single Family Housing Programs (USDA Rural Development Services – Washington)

Well-built, affordable housing is essential to the vitality of communities in rural America. Housing Programs give families and individuals the opportunity to buy, build, repair, or own safe and affordable homes located in rural America. Eligibility for these loans, loan guarantees, and grants is based on income and varies according to the average median income for each area.

Multi-Family Housing Programs (USDA Rural Development Services – Washington)

USDA-Rural Development (USDA-RD) provide affordable multi-family rental housing in rural areas by financing projects geared for low-income, elderly, and disabled individuals and families as well as domestic farm laborers. USDA extends its reach by guaranteeing loans for affordable rental housing designed for low- to moderate-income residents in rural areas and towns. USDA preserves a portfolio of more than 14,000 properties by aggressively restructuring loans for existing rural rental housing and off-farm labor housing projects to allow for sufficient reserves to meet major repairs and improvements over the lifetime of the property. On a yearly basis, USDA provides grants to sponsoring organizations to repair or rehabilitate housing for needy families. USDA-RD also provides rental assistance for low-income tenants who cannot afford to pay their full rent.

IV. Housing Supply & Demand Analysis

Demographic Analysis

Past & Projected Growth Rates

Okanogan County has seen slow and steady growth over the past ten years, a trend that is projected to continue. However, when comparing the population change to the Peer Region²⁸ and Washington, Okanogan County is growing at a much slower rate. With the greater region seeing significant growth, there is an opportunity for Okanogan County to gain additional population depending on the attraction and growth strategies it pursues. Historically, the county has not had as much population growth and net migration compared to the Peer Region and Washington. The Peer Region has a much larger rate of growth from net migration and it can be assumed that the surrounding counties are absorbing population that could be influenced to locate in Okanogan if the right strategies are pursued. Housing can be an influential part of a growth and attraction strategy by identifying and promoting development of unique yet in-demand housing types that are not offered by the greater region. The charts below demonstrate that Okanogan has seen less growth than regions of comparison, but growth is still occurring that could increase demand for new housing.

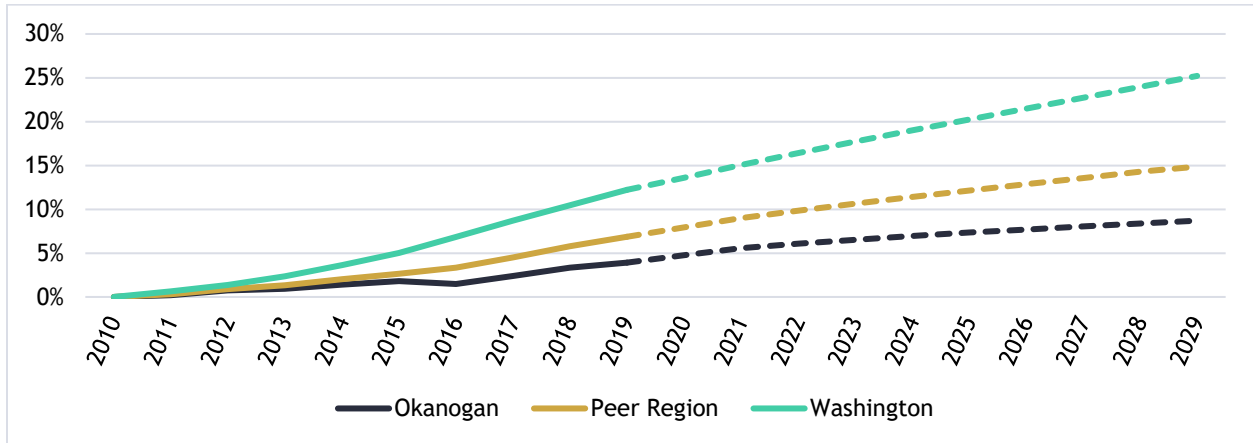
Table 3: Population Change, 2010-2019

	Numeric Change in Population	Percentage Change in Population	Growth from Natural Increase	Growth from Net Migration
Okanogan	1,610	3.9%	45.5%	54.5%
Peer Region	14,674	6.9%	31.5%	68.5%
Washington	821,870	12.2%	37.9%	62.1%

Source: Points Consulting using State of Washington Office of Financial Management (OFM), 2019 Population Trends, 2019

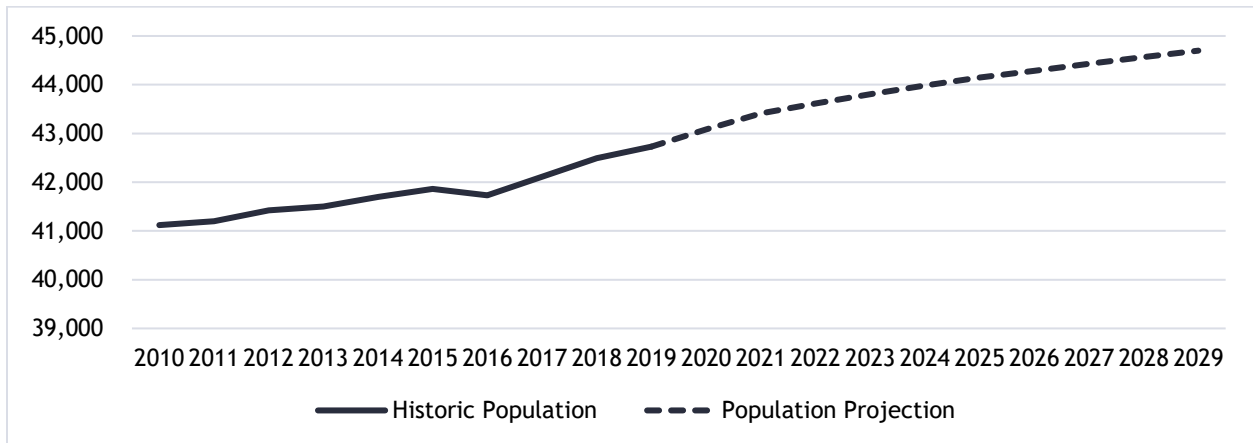
²⁸ The Peer Region includes the following surrounding Counties: Chelan, Stevens, Okanogan, Douglas, Lincoln and Ferry.

Figure 3: Cumulative Population Change: 2010-2029



Source: State of Washington OFM, 2019 Population Trends and Growth Management Act population projections for counties, one-year intervals: 2010 to 2040

Figure 4: Okanogan County Population Change



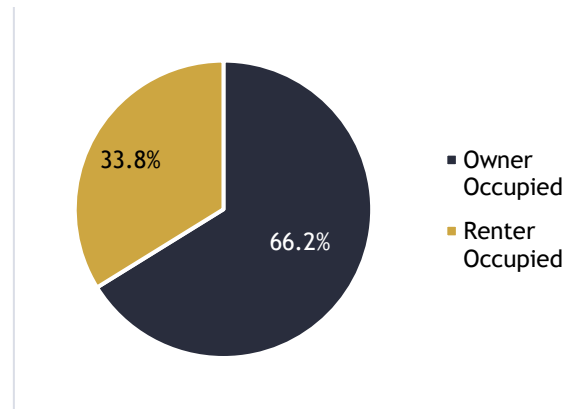
Source: State of Washington OFM, 2019 Population Trends and Growth Management Act population projections for counties, one-year intervals: 2010 to 2040

Population Characteristics

Households

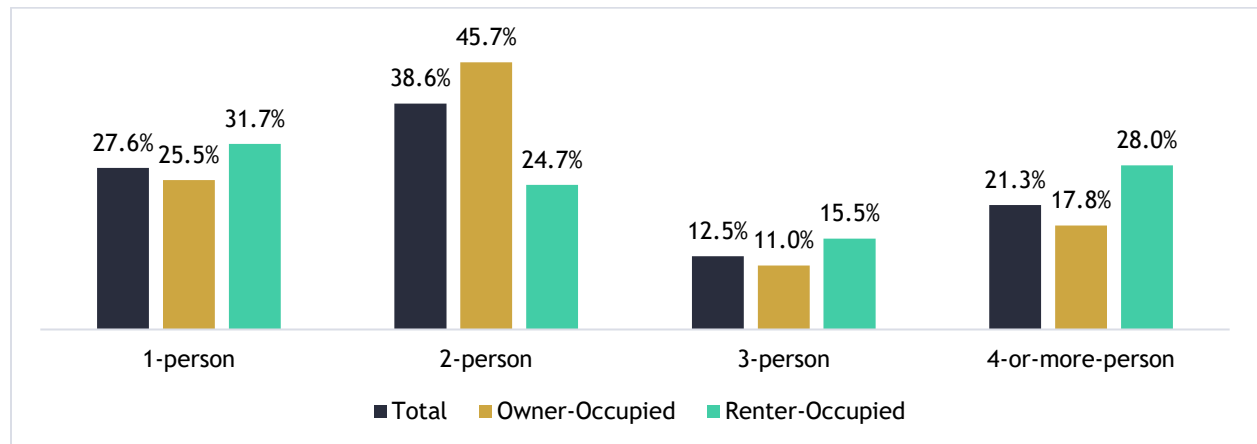
There are 23,499 households in Okanogan County. With a population of about 42,490, there are 0.55 households per person. The housing stock is split with two-thirds being owner-occupied, and the remaining one-third being renter-occupied. Looking further into the household characteristics, the most common owner-occupied household size is two people, while the most common renter-occupied household is one person, followed by four-or-more person households. Additionally, when analyzing the types of households, married couples are the most common, accounting for almost 50%. There is a proportionally large share of single female households, accounting for just over 12% of the households while single male households account for under 5%.

Figure 5: Owner vs Rental Occupancy in Okanogan County



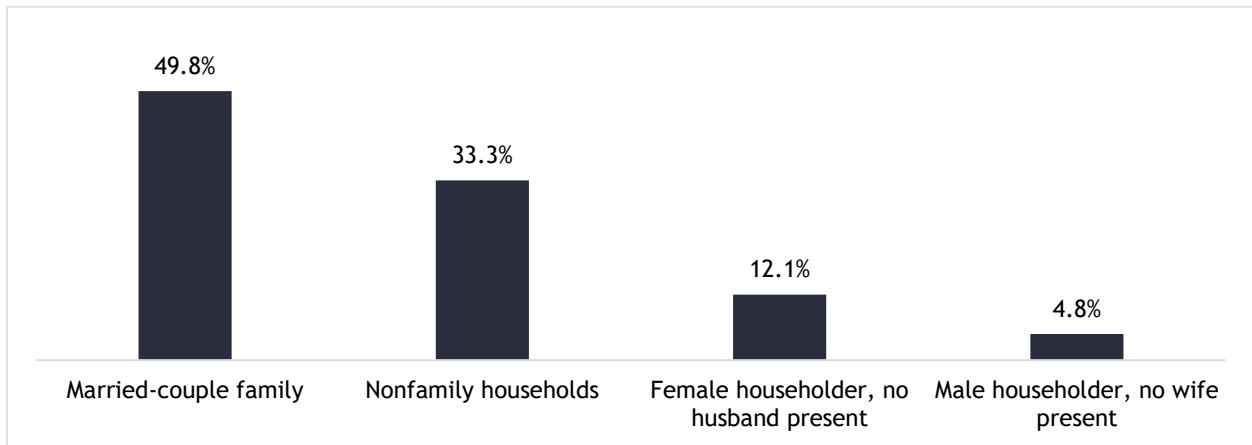
Source: 2018 ACS 5-year Estimates, Occupancy Characteristics (S2501), 2018

Figure 6: Persons in Households in Okanogan County



Source: 2018 ACS 5-year Estimates, Occupancy Characteristics (S2501), 2018

Figure 7: Types of Households in Okanogan



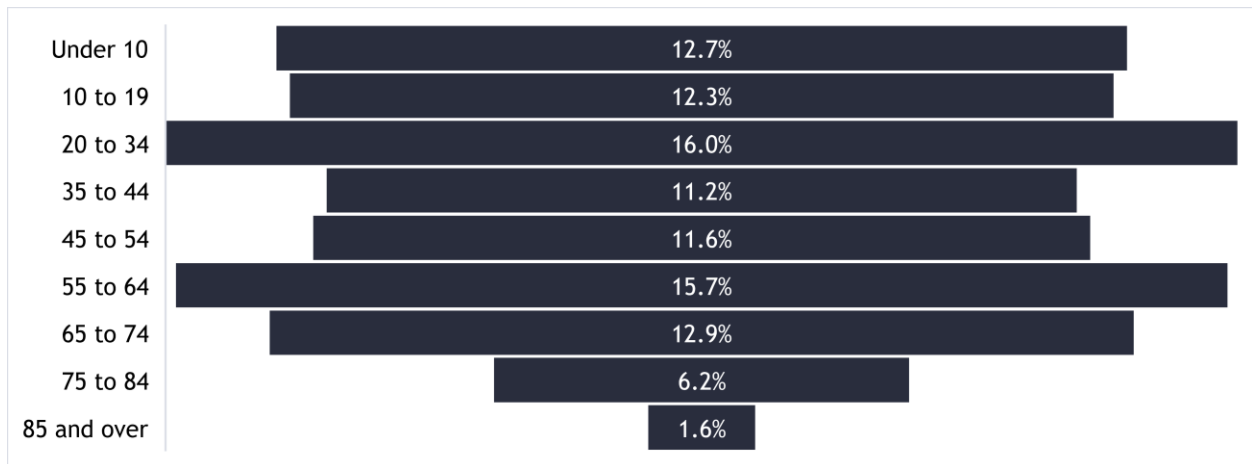
Source: 2018 ACS 5-year Estimates, Occupancy Characteristics (S2501), 2018

Population by Age & Race/Ethnicity

Okanogan has an evenly distributed population across age ranges. This is uncommon in rural communities which often demonstrate aging population trends predominantly characterized by growth in residents age 65 and older. At the same time, the 55+ and 65+ population groups do compose a significant proportion of the area’s population.

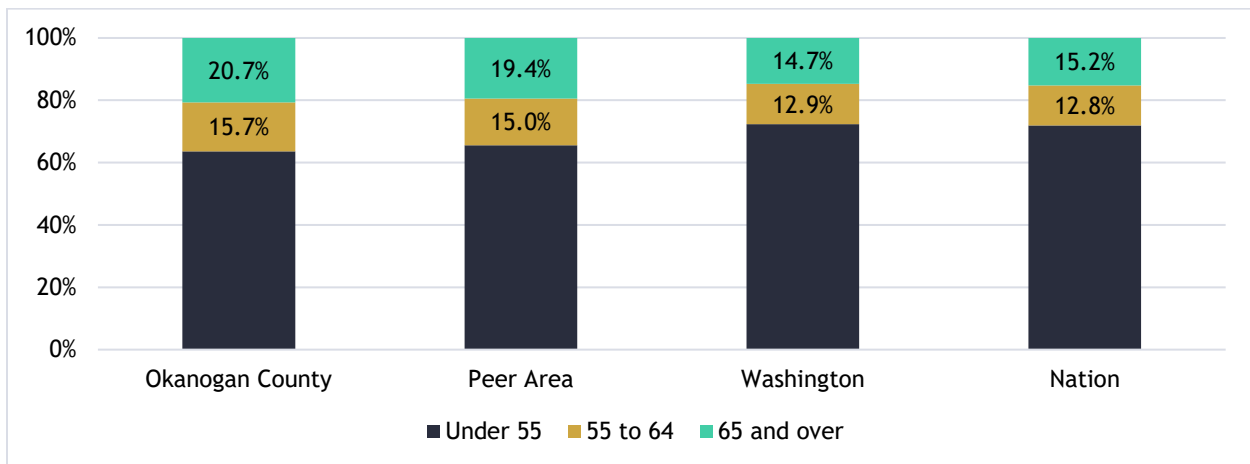
Local housing can significantly affect a community’s population retention and growth, making it important to provide diverse housing options for all age groups. Lack of housing diversity may cause residents to move elsewhere for housing that fits their lifestyle and age.

Figure 8: Population by Age in Okanogan



Source: 2018 ACS 5-year Estimates Data Profiles, Demographic and Housing Estimates (DP05), 2018

Figure 9: Population 55+ in Okanogan County & Benchmark Areas



Source: 2018 ACS 1-year Estimates Data Profiles, Age & Sex, S0101, 2018

Table 4 displays the race and ethnicity data for the populations of Okanogan, the Peer Region, Washington, and the Census County Divisions (CCDs) of Okanogan. Okanogan has a prominent population of American Indian and Hispanic residents. Many of the American Indian residents reside in the Colville Reservation in the southeast part of the county. In fact, the Colville Reservation CCD accounts for 73% of the county’s American Indian and Alaska Native population. It is important to note, however, that the Reservation CCD also expands into neighboring Ferry County. The Colville Reservation has a population of about 7,200, and about 3,000 of that population is in Okanogan County. Most of the county’s Hispanic residents live in the Brewster-Wakefield, Okanogan, Omak, and Tonasket CCDs.

Table 4: Race and Ethnicity Comparison

	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some other race	Two or more races	Hispanic or Latino
Brewster-Wakefield CCD	53.1%	1.2%	1.2%	0.3%	0.0%	39.4%	4.8%	61.2%
Colville Reservation CCD	32.8%	0.4%	52.2%	1.8%	0.4%	5.1%	7.3%	11.5%
Conconully-Riverside CCD	89.4%	0.1%	3.8%	0.3%	0.0%	1.3%	5.1%	13.2%
Early Winters CCD	97.6%	0.0%	0.0%	0.0%	0.0%	0.0%	2.4%	0.0%
Methow Valley CCD	94.3%	0.1%	0.6%	0.5%	0.0%	2.5%	1.9%	6.6%
Okanogan CCD	74.3%	1.2%	2.4%	0.3%	0.0%	15.4%	6.6%	29.2%
Omak CCD	78.9%	0.5%	6.1%	0.0%	0.3%	4.6%	9.6%	11.4%
Oroville CCD	83.7%	0.0%	3.9%	2.8%	0.0%	6.1%	3.5%	10.5%
Tonasket CCD	85.0%	0.5%	3.5%	0.0%	0.0%	8.2%	2.8%	21.1%
Okanogan County	73.1%	0.5%	9.8%	0.9%	0.1%	10.4%	5.3%	19.7%
Peer Region	80.9%	0.5%	3.7%	0.9%	0.1%	9.8%	4.1%	20.1%
Washington	74.8%	3.9%	1.3%	8.8%	0.7%	4.6%	6.0%	12.9%

Source: 2018 ACS 5-year Estimates Data Profiles, Demographic and Housing Estimates (DP05), 2018

Language Proficiency

Okanogan is very reflective of the larger region when looking at the language proficiency of the population. However, when comparing Okanogan to the state of Washington, Okanogan has a much larger Spanish speaking population nearly double the share of the state. The share of the Spanish speaking population mirrors race and ethnicity trends, and the majority of Spanish speaking residents live in the CCDs of Brewster-Wakefield, Okanogan, Omak, and Tonasket.

Table 5: Language Proficiency Comparison

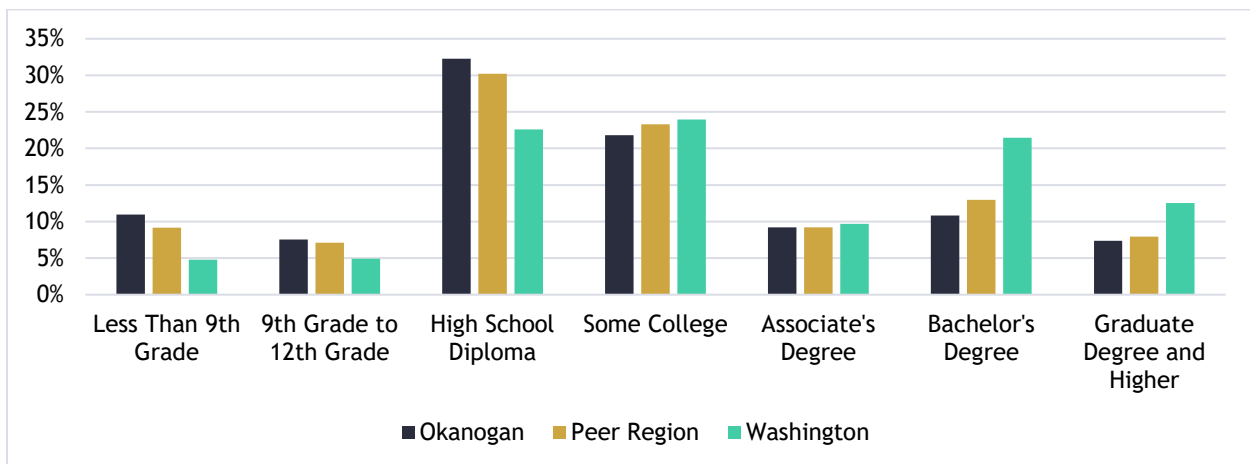
	English	Spanish	Other Indo-European languages	Asian and Pacific Island languages	Other languages
Brewster-Wakefield CCD	44.2%	55.3%	0.2%	0.3%	0.0%
Colville Reservation CCD	89.9%	5.5%	0.1%	0.7%	3.8%
Conconully-Riverside CCD	90.5%	8.7%	0.6%	0.1%	0.0%
Early Winters CCD	100.0%	0.0%	0.0%	0.0%	0.0%
Methow Valley CCD	93.7%	5.8%	0.4%	0.0%	0.1%
Okanogan CCD	74.2%	23.8%	1.1%	0.3%	0.7%
Omak CCD	90.4%	9.3%	0.0%	0.3%	0.0%
Oroville CCD	88.9%	7.7%	2.4%	0.6%	0.4%
Tonasket CCD	79.8%	18.9%	1.3%	0.0%	0.0%
Okanogan	82.1%	16.1%	0.8%	0.3%	0.7%
Peer Region	81.5%	16.7%	1.0%	0.4%	0.3%
Washington	80.6%	8.5%	3.9%	5.9%	1.1%

Source: 2018 ACS 5-year Estimates, Languages Spoken at Home (S1601), 2018

Educational Attainment

Overall, Okanogan County lags the Peer Region and the State of Washington in terms of educational attainment of their population. Approximately 19% of Okanogan’s population does not have a high school diploma, compared to the state of Washington with 10%. Conversely, Okanogan County has a lower percentage of residents that have obtained a higher education degree than the statewide percentage. The county’s education attainment reflects a high concentration of agriculture and farming-related occupations.

Figure 10: Educational Attainment Comparison



Source: Emsi, Educational Attainment Snapshot, 2020.1

Cost of Living Assessment

Residents' ability to make a living in a given area is not just about income and employment levels, but also about how far their dollars will extend in that location. As indicated in Table 6, the primary communities within Okanogan County rate favorably in terms of cost-of-living. All communities rate relatively well on utilities and transportation costs, owing to the low cost of hydroelectric power. Accentuating the degree of housing cost disparity across the region, the housing category varies widely, from a low of 25.3 (out of 100.0) in Nespelem to 111.2 in Twisp. All other cities rate in the low 80s, indicating much greater affordability than the national average.

Table 6: Cost of Living Comparison, Selected Locations

	Overall	Housing	Grocery	Health	Utilities	Transportation
Omak	83.3	73.1	97.0	96.4	82.6	72.4
Brewster	83.3	76.8	97.0	96.4	69.2	72.3
Oroville	82.2	69.9	97.6	96.4	81.0	72.4
Twisp	93.9	111.2	100.2	96.4	70.3	71.9
Nespelem	67.9	25.3	94.4	96.4	76.3	72.6
Okanogan County	86.2	84.1	98.7	96.4	77.7	72.6
Washington	118.7	164.9	101.1	83.3	74.0	113.6
United States	100.0	100.0	100.0	100.0	100.0	100.0

Source: Sperlings Best Places, Cost of Living Comparison

Community Tapestries Segmentation

Esri's Tapestry Segmentation Profiles are a consumer analysis tool that identifies distinctive markets in the US based on socioeconomic and demographic characteristics to provide an accurate, comprehensive profile of US consumers. In essence, each tapestry provides consumer market profiles that categorize households based on their preference for goods, leisure activities, and housing choice. These profiles estimate the average national growth, demographic characteristics, and buying power of such households. Using these household tapestry profiles, Okanogan can identify the broad categories of households already present in the county and gauge the types of development likely to attract target groups.

The following are the tapestries that make up most Okanogan County's households. The region's tapestries show a concentration of family demographics who value a country-oriented lifestyle and span across income categories. General descriptions of the Okanogan tapestries are below.

- **The Great Outdoors** - neighborhoods in pastoral settings, often comprised of educated empty nesters living an active but modest lifestyle. Their focus is on land and are partial to gardening and home-cooked meals.
- **Rural Resort Dwellers** - older residents whose lives are centered on enjoying the resort of outdoor activity areas. Often blue-collar workers willing to travel further for work and passionate about their hobbies such as fishing and hunting.

- **Small Town Simplicity** - young families and senior households that are bound by community ties. Often simple and semi-rural lifestyle, with poverty affecting one in four households.
- **Midlife Constants** - senior or close to senior residents who live outside of city centers, have a higher net worth, and prefer a country lifestyle.
- **Rooted Rural** - group commonly employed in forestry or agriculture. Often more conservative and enjoys time spent outdoors hunting, fishing, or working on their gardens.
- **Valley Growers** - small market concentrated in California and Washington. Comprised of young Hispanic families with children and extremely family oriented.
- **Southern Satellites** - a typical older and more rural population with married couples who have household income and home value below the national average.
- **Down the Road** - mix of low-density, semi-rural neighborhoods in metropolitan areas living in either mobile homes or single-family homes. Workers are in service, retail trade, manufacturing, and construction.
- **Rustbelt Traditions** - the backbone of industrial cities. Residents are a mix of married-couple families and singles living in older developments of single-family homes. The workforce is primarily white collar with a concentration in manufacturing.
- **Heartland Communities** - semi-rural and semi-retired close-knit communities. Typically married with homeownership and children have moved away. Their hearts are with the country and enjoy a slower pace of life.
- **Family Foundations** - family-oriented households with older children at home and working toward financial independence. Stable neighborhoods with many working in healthcare or public administration across all levels of government.
- **Old and Newcomers** - composed of neighborhoods in transition, populated by renters who are just beginning their careers or retiring. The market features singles' lifestyles on a budget.
- **Traditional Living** - low-density neighborhoods comprised of couples and singles, many growing up in the same community. Typically, younger households just starting and juggling new responsibilities and lifestyles.

Table 7: Tapestries Segmentation

Tapestry Segment	Res- ervation Region	Central Region	North Region	South Region	Methow Valley	Okan- ogan County	United States
The Great Outdoors (6C)	7.3%	32.1%	3.0%	22.6%	38.7%	20.9%	1.6%
Rural Resort Dwellers (6E)	4.3%	3.1%	27.9%	11.8%	61.3%	20.3%	1.0%
Small Town Simplicity (12C)	-	11.3%	30.4%	-	-	12.4%	1.8%
Midlife Constants (5E)	0.6%	25.2%	-	-	-	8.2%	2.5%
Rooted Rural (10B)	-	-	27.6%	-	-	8.0%	2.0%

Valley Growers (7E)	-	-	-	42.1%	-	5.8%	0.2%
Southern Satellites (10A)	-	4.4%	11.0%	6.1%	-	5.4%	3.1%
Down the Road (10D)	38.3%	0.3%	-	10.4%	-	5.4%	1.2%
Rustbelt Traditions (5D)	4.3%	10.0%	-	7.0%	-	4.6%	2.2%
Heartland Communities (6F)	32.2%	-	-	-	-	3.3%	2.3%
Family Foundations (12A)	13.0%	-	-	-	-	1.3%	-
Old and Newcomers (8F)	-	8.5%	-	-	-	2.7%	-
Traditional Living (12B)	-	5.2%	-	-	-	1.8%	-

Source: Esri, Tapestry Segmentation Area Profile, 2020

Table 8: National Demographics of Tapestries

Rank	Tapestry Segment	Median Household Income	Median Age	Average Household Size	Wealth Index	Socioeconomic Status Index
1	The Great Outdoors (6C)	\$56,400	47.4	2.44	122	109
2	Rural Resort Dwellers (6E)	\$50,400	54.1	2.22	117	108
3	Small Town Simplicity (12C)	\$31,500	40.8	2.26	38	71
4	Midlife Constants (5E)	\$53,200	47.0	2.31	107	104
5	Rooted Rural (10B)	\$42,300	45.2	2.48	64	88
6	Valley Growers (7E)	\$35,300	27.4	3.98	39	62
7	Southern Satellites (10A)	\$47,800	40.3	2.67	71	91
8	Down the Road (10D)	\$38,700	35.0	2.76	46	76
9	Rustbelt Traditions (5D)	\$51,800	39.0	2.47	70	97
10	Heartland Communities (6F)	\$42,400	42.3	2.39	60	86

Source: Esri, Tapestry Segmentation Area Profile, 2020

Underserved Populations

Though aggregate level statistics are significant for purposes of this study, one of the central components for local government and non-profit stakeholders is determining trends related to specific disadvantaged populations.

Formerly Incarcerated/Transitional

This category typically refers to individuals who are exiting institutionalized environments and in search of more permanent housing. Securing housing for such individuals can often be challenging due to limited incomes, landlords' background checks, and other such issues.

The most recent data on this topic are ten years old, dating back to the 2010 Census. At that time, there were a total of 382 institutionalized individuals living in Okanogan County, which is relatively small both in terms of number and as a percentage of the county's population.²⁹ In comparison to the statewide average, Okanogan County has a slightly higher proportion of its institutionalized population living in nursing facilities/skilled-nursing facilities. Lastly, it is also important to note that institutionalized populations from areas outside of Okanogan County could migrate to the area following release from an institutionalized environment.

Homeless

Homelessness is notoriously difficult to quantify. Most efforts to tabulate homelessness are conducted for a given snapshot in time rather than in a longitudinal manner. Additionally, homelessness is generally not something that individuals are eager to disclose. Therefore, as with any community, the actual state of homelessness is likely more widespread than any statistical analysis indicates.

Using 2019 data from Washington Commerce, 550 individuals were sheltered or served by a homelessness prevention system in Okanogan County. This figure dropped significantly from the 2018 level of 627 but intake is generally increasing year-over-year during the past five years. The median length of time that individuals are homeless was 113 days. More than half of participants exit to permanent housing and 22% returned to homelessness.³⁰ Further data collected by the Okanogan County Community Action Council (OCCAC) indicate that homelessness in the region is far more likely to affect minority populations. Those who identify as Black/African American, American Indian or Alaska Native, and Hispanic/Latino make up just over one-third of the county's population but account for 80% of the cases served by OCCAC.³¹

Waitlists for subsidized housing units serve as another helpful indicator concerning the depth of the region's housing challenges. Frequently, individuals seeking subsidized housing are marginally housed or homeless. As of September 2020, all properties managed by the

²⁹ Census 2010, Table PCT20: Population in group quarters.

³⁰ Washington State Homeless System Performance Reports, https://public.tableau.com/profile/comhau#!/vizhome/DRAFTWashingtonStateHomelessSystemPerformance_CountyReportCardSFY2019/ReportCard.

³¹ OCCAC Racial Equity Analysis.

Oroville Housing Authority are fully occupied. The 22-unit Similkameen Park property in Oroville has 12 persons/households on the waiting list. The 20-unit Oroville Gardens property, which is designated for elderly and/or disabled individuals, has 20 persons/households on the waiting list.³² Likewise, properties operated by the Housing Authority of Okanogan County have an existing waitlist of 265.³³ Affordable housing providers also report more demand than available housing for smaller-sized affordable rentals, such as studios and one-bedroom units.

Efforts by local organizations include an action plan to reduce homelessness and alleviate the circumstances that lead to homelessness including improving the supply of affordable housing, decreasing discharges from institutions directly to shelters, and reducing the duration of homelessness, among other goals.³⁴

Seniors

As with many rural communities with strong agricultural roots, the population of Okanogan County is gradually aging. Along with this trend comes challenges in assisting seniors with housing and other community issues. As indicated in Figure 9, Okanogan County has a large share of seniors, even compared to the equally rural Peer Region. In fact, 36.4% of the region's population is 55 years or older, which exceeds this metric statewide by nearly 9 percentage points.

Aging & Adult Care of Central Washington (AACCW) is the Area Agency on Aging (AAA) serving the six counties of Central Washington which includes Okanogan. In 2015, the AACCW conducted a survey to determine which of its services were most important to residents. Within Okanogan County, the topics receiving the most selections as "very important" included congregate meal, in-home care, respite care, and transportation. Outside of the top-rated responses but still receiving a substantial number of selections was "housing modifications."³⁵

As has been observed in other communities across the nation, there are many seniors who would be interested in adapting to a new living arrangement but are held back by lack of inventory that suits their needs. A 2018 survey by the AARP indicates high interest in alternatives such as home sharing (32% of respondents), accessory dwelling units (31%), and joining a community independent living organization (56%).³⁶

³² Oroville Housing Authority, Personal Correspondence, September 24th 2020.

³³ Housing Authority of Okanogan County, Personal Correspondence, October 5th, 2020.

³⁴ "Okanogan County Homeless Housing Action Plan, 2019."

³⁵ "2016-2019 Area Plan Aging & Adult Care of Central Washington,"

<http://www.aaccw.org/files/2016/03/Website-AACCW-2016-2019-Area-Plan.pdf>

³⁶ American Association of Retired People, "2018 Home And Community Preferences Survey: A National Survey Of Adults Age 18-Plus," August 2018.

https://www.aarp.org/content/dam/aarp/research/surveys_statistics/liv-com/2018/home-community-preferences-survey.doi.10.26419-2Fres.00231.001.pdf

These results indicate a need to continue developing both market-rate and subsidized housing options that are catered to the health and communal needs of seniors. Development of more senior housing and accommodations for seniors to comfortable age-in-place would obviously benefit seniors but could also yield a secondary benefit of creating more housing opportunities for younger generations.

Disability

Disability is often a factor for individuals seeking housing, as the majority of housing stock is not built to accommodate those with disabilities. Additionally, disability is often a co-existing factor with other groups highlighted as disadvantaged populations. Within Okanogan County, 7,293 (or 17.7%) of the non-institutionalized population classifies as disabled. By comparison, disability affects just 12.6% of the population both of Washington and the United States.³⁷ The largest subcategories within the disabled classification are those 65 and over with either independent living difficulties or self-care difficulties.

Veterans

As a population group that receives benefits preference from the state or Washington, it is critical to understand the number and unique circumstances of Veterans in the region. To further highlight the issue, recent research suggest that the number of homeless Veterans in Washington is rising, evidenced by the 41% increase between 2016 and 2017, the largest within the United States.³⁸

According to the latest Census statistics, roughly 3,500 Veterans reside in Okanogan County, composing 10.9% of its population.³⁹ The number of Veterans in the county is comparable to much more populous regions such as Franklin and Kittitas counties.⁴⁰ Relative to the state and nation, the average Veteran in Okanogan County is older and more likely to have served in the Vietnam War. Though Veterans in the county are less likely to be in poverty than the population in general, they are more likely to be in poverty than Veterans elsewhere in Washington state (11.0% for Okanogan County, compared to 6.2% in Washington). The rate of Veterans with disabilities is also higher in Okanogan County (37.4% compared to 28.5% in Washington).⁴¹ Data from affordable housing providers indicate that the 65 homeless Veterans entered into housing solutions in 2018 was equivalent to 0.7% of the state's activity and rated 16th among all counties in the state.⁴²

³⁷ US Census Bureau ACS 2018: ACS 1-Year Estimates, Table S1810.

³⁸ Washington Commerce, "Veteran Housing Study," June 2018, https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=Veteran-Housing-Study_d0a63a33-278e-4685-8bb1-ce3406086b81.pdf.

³⁹ American Community Survey 2018 5-Year Estimates, Table S2101.

⁴⁰ US Department of Veterans Affairs, National Center for Veterans Analysis & Statistics, https://www.va.gov/vetdata/veteran_population.asp.

⁴¹ Ibid. ACS 2018.

⁴² Okanogan County, Community Action Council, 2018 Homelessness Statistics.

Farmworker Housing

Agriculture features prominently within Okanogan County, both as a driving industry and as a land-use element. In terms of employment, the segment of “Farming, Fishing, and Forestry Occupations” represents over 2,900 jobs in the county, equivalent to 15% of all jobs.⁴³ The County has over 22,000 acres committed to orchards, which amounts to 6.9% of all orchard-land in the state of Washington.⁴⁴

Figure 11: Farmworker Housing, Hwy 153 Near Pateros



Housing farmworkers in the region is a unique challenge as many workers are temporary residents during the cherry and/or apple harvest seasons, meaning workers will only be in the region for a number of weeks or months. At the same time, some farmworkers reside in the county year-round. Most options are designed to accommodate single men, though many households need housing for their entire families.

Naturally, temporary farmworker housing makes up a significant component of the regional housing stock. Of housing facilities registered with Washington’s Office of Environmental Health & Safety, there are 87

individual facilities within the county, which include up to 791 units. Though counts vary based on year and season, these facilities have housed 5,033 individuals over the past year and a half.⁴⁵ Using the latest Census data as a benchmark, the proportion of units within the county dedicated to Temporary Farmworker Housing is equivalent to 3.4% of the county’s total housing stock.^{46 47}

⁴³ Economic Modeling Specialists Inc. 2019Q4.

⁴⁴ US Census of Agriculture, Table 30: Land in Orchards 2017, https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1,_Chapter_2_County_Level/Washington/.

⁴⁵ Washington Office of Environmental Health and Safety, Temporary Worker Housing Facilities: http://www.healthspace.com/Clients/Washington/State/Web.nsf/module_facilities.xsp?module=Labor_Camp

⁴⁶ Based on Housing Units in Okanogan County as of July 1, 2018: <https://www.census.gov/quickfacts/fact/table/okanogancountywashington,WA/PST045218>.

⁴⁷ Please note, of photos used in this document, most were taken by PC staff. Those that were not are believed to be permitted via United States fair use policies. As a courtesy to original content providers, links to each work are provided in Appendix B: Photo Attributions.

Figure 12: Riverview Meadows in Okanogan



In areas of the county with a strong agricultural industry, particularly the South and Central areas, landowners and communities have provided numerous housing options for migrant agricultural workers. Options include an array of styles, sizes, amenities, and levels of quality. Historically, many orchard owners have taken responsibility for providing housing for workers. But recently, non-profit organizations have stepped up in offering housing in larger complexes with better amenities, such as the Riverview Meadows development in North Okanogan (Figure 12).

The Riverview Meadows facility is set to have its first operating season in the spring/summer of 2020. Given the location, cleanliness, amenities, and affordable cost of this facility it will likely be considered a premier option for most farmworkers. The advent of this facility will have a dynamic effect on demand at other facilities in the region as well. For these reasons, occupancy rates should be carefully monitored over the upcoming season as a leading indicator of the level of existing unmet demand.

Industry & Workforce Analysis

Employment

When looking at the top occupations and top industries in Okanogan, agriculture and public administration across all levels of government are critical economic drivers. Government being a large industry is common across rural places in the United States. Rural locations may also tend to include agriculture as a component of local economies but the concentration of agriculture in Okanogan stands out and is more unique.

The two Tables show the advanced metric location quotient (LQ). LQ measures how concentrated or specialized industry is in an area, demonstrating what makes their economy unique. A number greater than 1.00 indicates that the sector is more concentrated than the national average. In general, LQ scores greater than 1.20 indicate an industrial strength that draws in populations from outside the region.⁴⁸ Agricultural occupations have an LQ of 22.81 and the agriculture industry has an LQ of 29.63 which shows how unique and concentrated agriculture is in Okanogan.

⁴⁸ A significantly high LQ typically indicates that local demand for the products and/or services produced by that industry have been met and the industry is likely exporting products and/or services outside of the county. In other words, these may be industries that are bringing money into the county, rather than circulating money already present.

Additionally, the Tables show the compound annual growth rates (CAGR). The CAGR shows the mean yearly growth rate from 2009 to 2019. Unfortunately, agricultural employment opportunities have not been growing in recent years. On the other hand, certain service-oriented professions have displayed some growth, such as Transportation & Warehousing as well as Healthcare.

Employment Profile

Table 9: Employment by Occupational Classification⁴⁹

SOC	Description	2019 Jobs	'09 to '19 CAGR	2019 Location Quotient	Median Hourly Earnings
45	Farming, Fishing, and Forestry	2,944	(2.9%)	22.81	\$28,247
43	Office and Administrative Support	1,887	(0.6%)	0.72	\$33,612
41	Sales and Related	1,425	0.5%	0.83	\$26,738
25	Education, Training, and Library	1,388	1.8%	1.36	\$41,956
53	Transportation and Material Moving	1,360	1.1%	1.12	\$33,196
35	Food Preparation and Serving Related	1,295	0.2%	0.84	\$25,280
11	Management	1,130	(0.8%)	1.22	\$74,601
49	Installation, Maintenance, and Repair	777	1.2%	1.13	\$42,776
29	Healthcare Practitioners and Technical	739	1.2%	0.73	\$67,249
47	Construction and Extraction	663	(1.5%)	0.92	\$42,662

Source: Emsi, Occupation Table, 2020.1

Table 10: Employment by Industry Classification

NAICS	Description	2019 Jobs	'09 to '19 CAGR	2019 Location Quotient	Avg. Earnings Per Job
90	Government	5,172	0.3%	1.85	\$66,468
11	Agriculture, Forestry, Fishing & Hunting	4,749	(2.2%)	29.63	\$31,401
44	Retail Trade	1,879	0.3%	1.05	\$33,489
62	Health Care & Social Assistance	1,556	2.4%	0.68	\$48,673
72	Accommodation & Food Services	1,201	0.8%	0.76	\$21,767
23	Construction	538	(1.1%)	0.63	\$42,329
48	Transportation & Warehousing	405	14.6%	0.64	\$48,730
31	Manufacturing	294	(1.1%)	0.20	\$40,865
81	Other Services (except Public Admin.)	267	(8.2%)	0.39	\$25,049
56	Admin., Support, Waste & Remediation Svcs.	206	0.1%	0.20	\$35,422

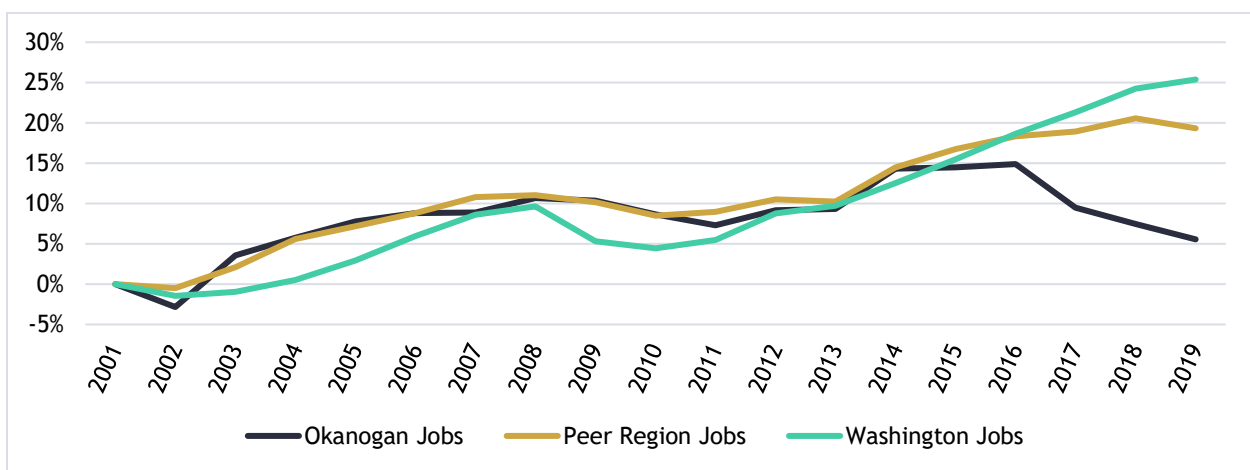
Source: Emsi, Industry Table, 2020.1

⁴⁹ CAGR is Compound Annual Growth Rate.

Overall, Okanogan has seen positive employment and earnings growth. Both figures show cumulative growth using 2001 as the starting date. Historically, Okanogan has demonstrated job growth, but the county has seen a decline in jobs over the last four years. This decline began in 2017 and has been so sharp that 2019 jobs are at levels lower than during the Great Recession of 2007-2009.

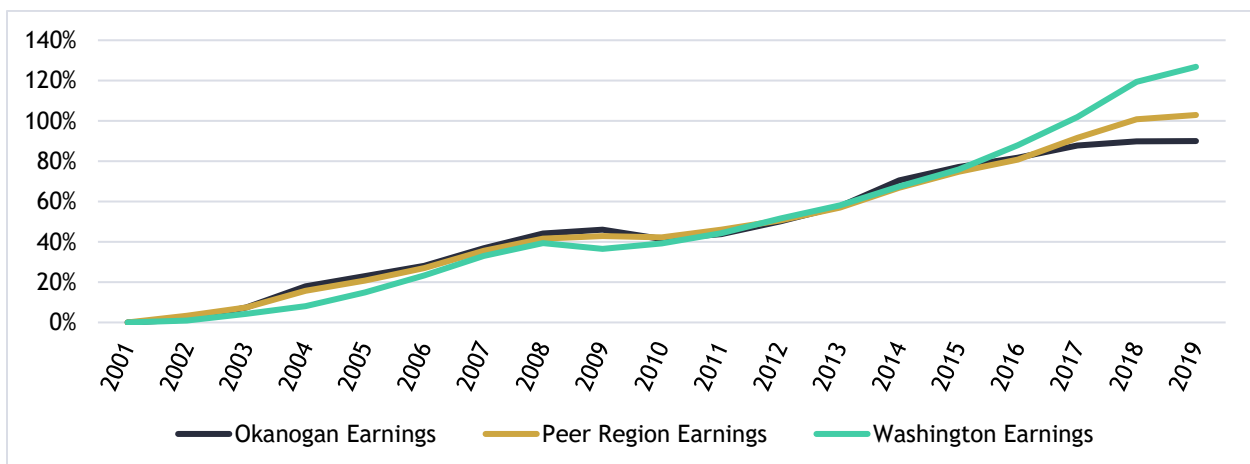
Overall, the county is lagging the Peer Region and Washington for cumulative job growth. However, when looking at cumulative earnings growth, Okanogan has largely kept up with the Peer Region and the State. As with employment growth, earnings have shown some tapering in recent years, dating back to 2017.

Figure 13: Cumulative Job Growth, 2001-2019



Source: Emsi, Industry Table, 2020.1

Figure 14: Cumulative Earnings Growth, 2001-2019

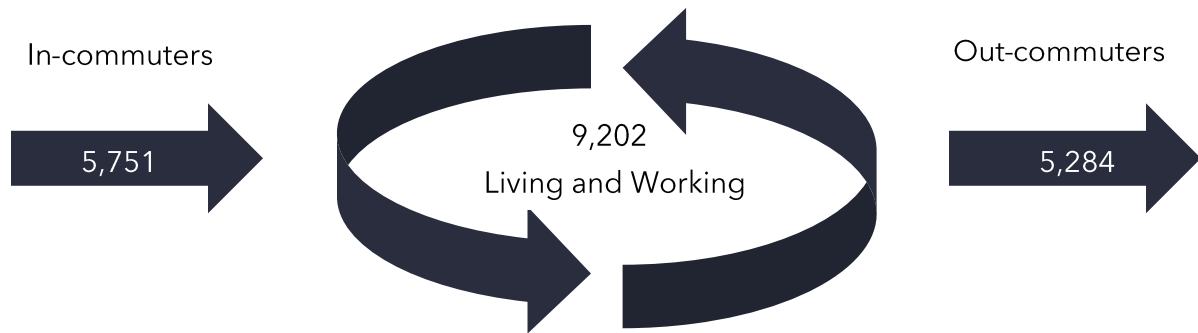


Source: Emsi, Industry Table, 2020.1

Commuting Patterns

On a daily basis, Okanogan gains population due to in-commuters from nearby areas. The US Census Department, estimates that approximately 5,751 individuals entered Okanogan daily for work in 2017. At the same time, roughly 5,284 residents left for work to jobs located in nearby areas. In determining the needs of potential future residents, the population of in-commuters is likely to provide context for the most likely target population for additional residential growth for the county.

Figure 15: Commuting Patterns



Source: U.S. Census Bureau American Community Survey, OnTheMap, 2017

In and Out Migration

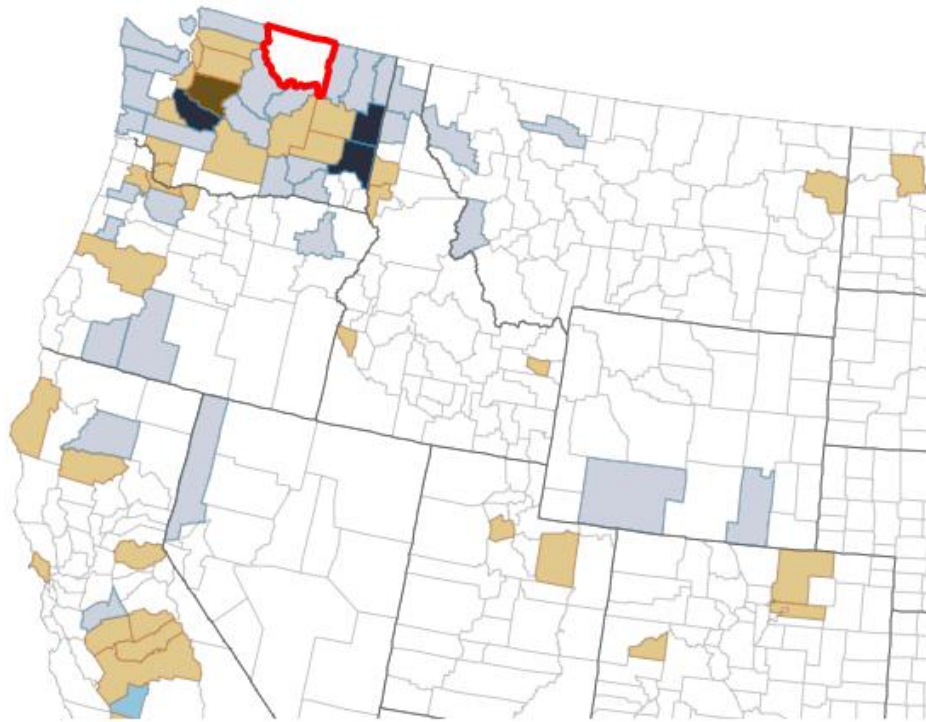
Table 11 and Figure 16 show where Okanogan gains and losses population through migration. Okanogan gains the most people from King County and loses the most to Spokane County followed by Los Angeles County. Naturally, the most migration activity is to other counties within the state but there is also the ability to attract from outside of the state.

Table 11: In and Out Migration

Positive Net Migration From		Negative Net Migration to	
King County (WA)	411	Spokane County (WA)	(178)
Rutland County (VT)	149	Los Angeles County (CA)	(147)
Snohomish County (WA)	88	Whitman County (WA)	(90)
Thurston County (WA)	57	Pierce County (WA)	(90)
Mountrail County (ND)	41	Maricopa County (AZ)	(49)
Cowlitz County (WA)	39	Whatcom County (WA)	(49)

Source: U.S. Census Bureau American Community Survey, OnTheMap, 2017

Figure 16: Migration Map



Source: US Census, Flows Mapper, 2014-2018

Jobs to Housing Ratio

In 2019, it is estimated there were 23,499 housing units and 17,477 jobs in Okanogan County. This results in a job to housing ratio of 0.74. This is indicative that people are choosing to be in Okanogan, even if they are having a longer commute to their job outside of the county. Additionally, a growing contingent of second-home owners deciding to retire in the Methow Valley are a factor in this ratio. A recent analysis by staff at Twisp Works indicated that 41% housing units in the Methow Valley are occupied by part-time residents.⁵⁰ Reasoning for each household can be different, but some explanations could be because of community ties, affordability, and lifestyle.

Growth & Recessionary Cycles

Economies tend to cycle through both growth and recessionary periods. Due to the significant role that housing plays in household spending and wealth formation, there is an obvious correlation between the housing market and the economy. This topic is particularly pertinent, as the United States just concluded a record-long 128-month period of economic expansion. As of February 2020, however, the national economy is officially in a recession.

⁵⁰ Twisp Works Economic Study, 2/13/20.

Naturally, this calls into question how Okanogan County's economy and housing market fares during recessionary periods.

Not surprisingly, recessions during the past thirty years have affected Okanogan County significantly. There are several other less intuitive trends within the employment data. Firstly, employment growth is typically meager for several quarters or even years following the official end of a recession. In other words, like many rural areas, national recessions have a potent but delayed effect on the region. For example, the four-quarter moving average of employment was generally stable throughout the Great Recession (2007 to 2009). However, employment struggled to reach those same levels between 2009 and 2011. A similar pattern is observable following the dot.com bubble of 2000-2001.⁵¹

Secondly, the region's economy seems to follow its own unique patterns of expansion and contraction that are not associated with the national economy. For example, while the national economy has boomed over the past ten years, the county experienced several distinct cycles. Employment increased between 2012 and 2015, before tailing off considerably between 2015 and 2019. Examining the data in more detail indicates that employment drop-offs are typically associated with punctuated job losses in the recreation and manufacturing industries. Lastly, as with many recreation-dependent economies, recently unemployment data for Okanogan County indicates above average unemployment claims and rates (currently at 14.5% as of April 2020).

Similar to the employment phenomenon, home values in Okanogan County experienced the Great Recession far later than many other locations. Home values in Okanogan County took a significant hit from 2009 through 2013. Since 2013, home values have increased an average of 11.5% per year, a figure which ranks between the higher-growth markets of Chelan and Douglas and above more rural markets such as Lincoln, Stevens, and Ferry.⁵² Monthly real estate data have thus far indicated that prices are holding stable in the months since COVID-19 outbreak, likely owing to very low inventory. It is difficult to determine whether demand will continue to sustain these prices as more new and previously-occupied housing inventory is brought to market.

Putting all the trends together, it is fair to expect that the recession initiated by COVID-19 will have a more prolonged effect on both employment and home prices than more urban parts of the state. The issue will be further exacerbated by the fact that certain areas, such as the Methow Valley, are largely driven by recreation spending, which is certain to be lower in the summer and winter months of 2020.

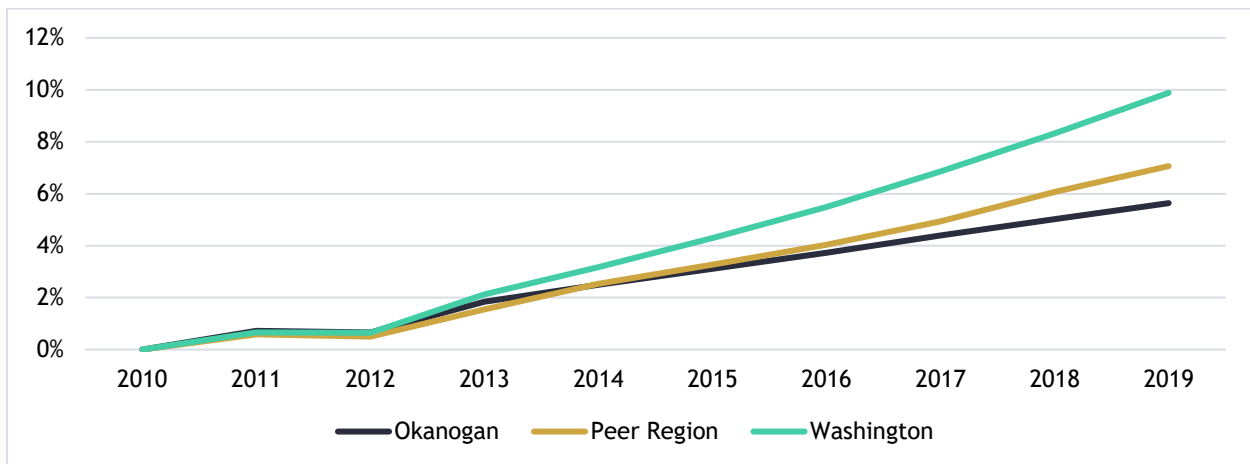
⁵¹ Points Consulting analysis of Census LEHD's Quarterly Workforce Indicators, <https://qwiexplorer.ces.census.gov/static/explore.html#x=0&g=0>.

⁵² Federal Housing Finance Authority, County House Price Index: <https://www.fhfa.gov/DataTools/Downloads/Pages/House-Price-Index.aspx>

Existing Housing Stock Housing Units

There are currently 23,499 housing units in Okanogan County and the total number of units has been rising since 2010. Figure 17 shows the cumulative growth since 2010 and compares Okanogan with the Peer Region and Washington. Okanogan has grown the slowest of the three groups.

Figure 17: Cumulative Growth in Housing Units

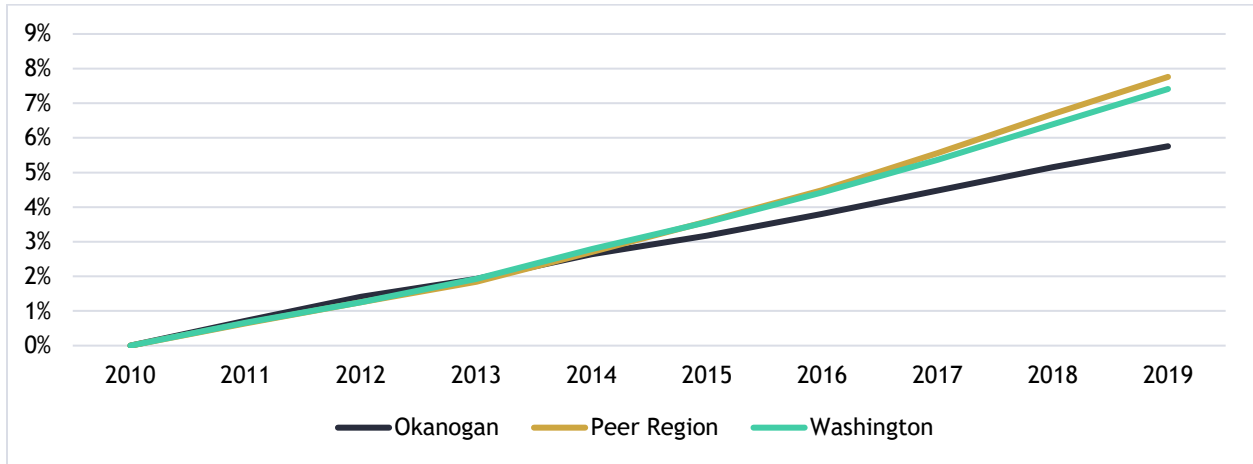


Source: State of Washington OFM, Housing Units, 2019

Housing by Type

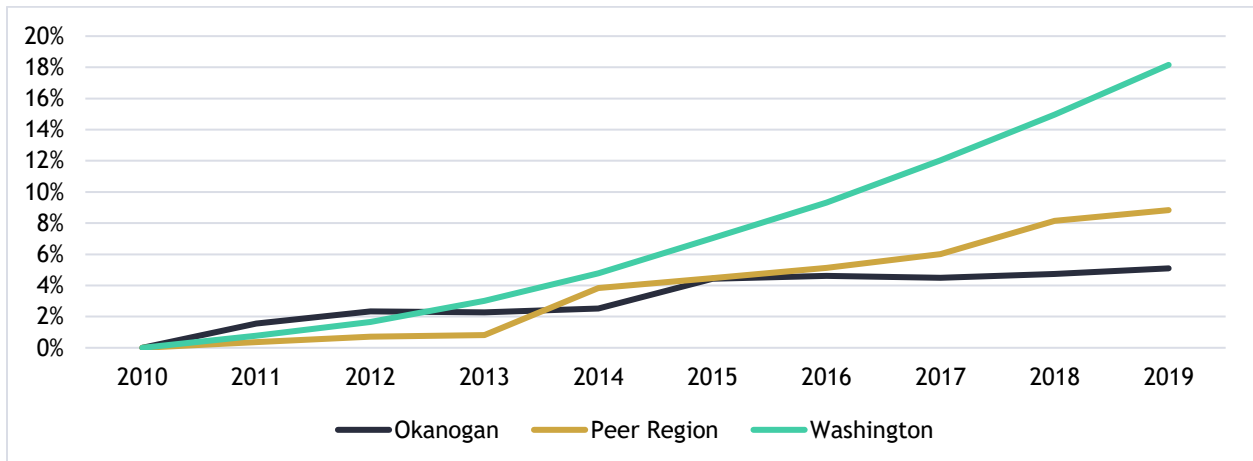
When looking at the housing types and their cumulative growth, Okanogan lags the state of Washington and Peer Region most in multi-unit housing but exceeds in mobile homes growth. This is additionally reflected in the current housing stock as Okanogan has a greater share of mobile homes than the Peer Region and Washington. Okanogan also lags in cumulative growth of single-family housing though not as much as multi-family. However, Okanogan has a larger proportion of existing single-home and mobile-home units compared to Washington state and the Peer Region. Rates of growth suggest that the Peer Region could surpass Okanogan County in the percentage of single-family homes.

Figure 18: Cumulative Growth in Housing, Single-Family Units



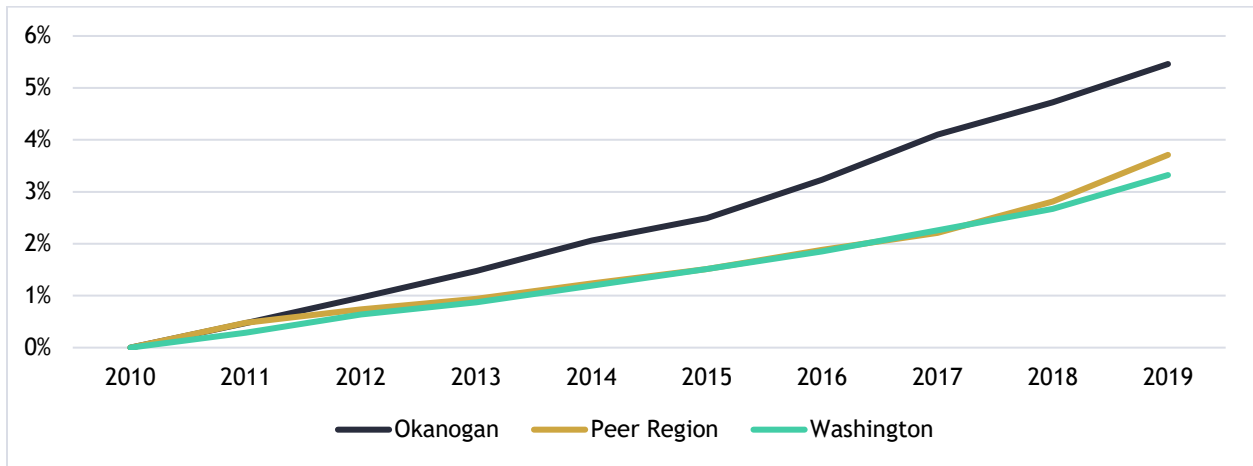
Source: State of Washington OFM, Housing Units, 2019

Figure 19: Cumulative Growth in Housing, Multi-Family Units



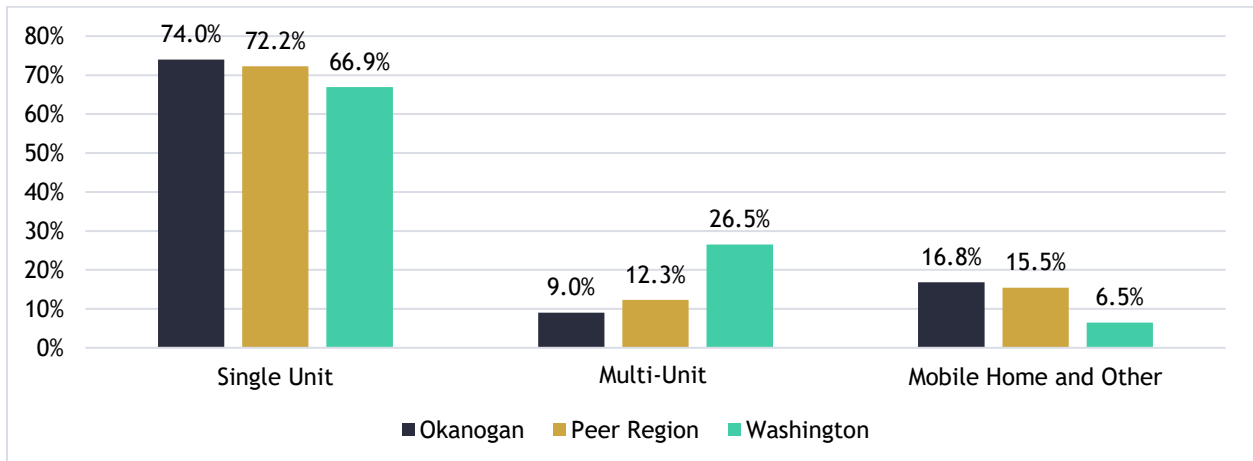
Source: State of Washington OFM, Housing Units, 2019

Figure 20: Cumulative Growth in Housing, Mobile Homes and Other Housing Units



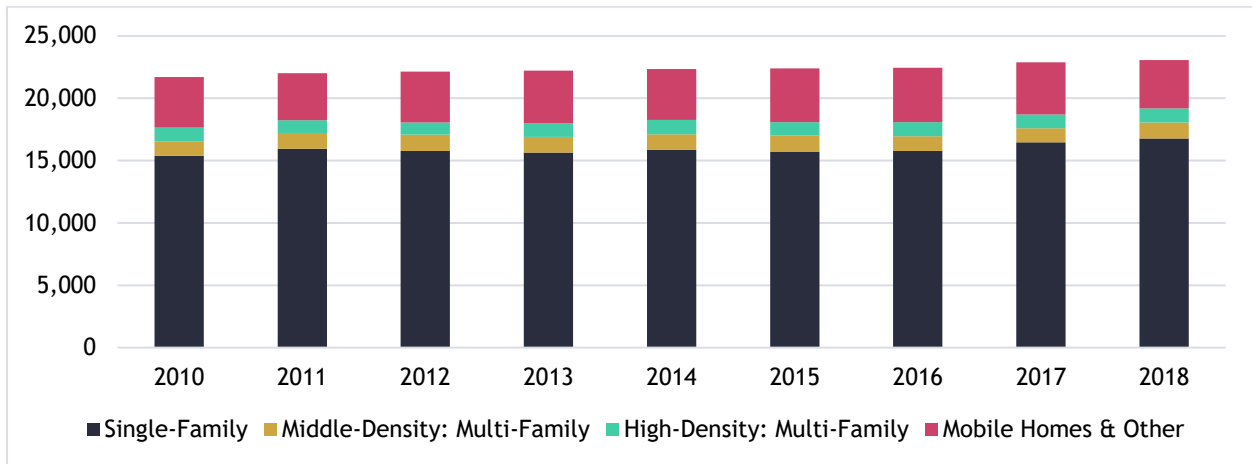
Source: State of Washington OFM, Housing Units, 2019

Figure 21: Types of Housing



Source: 2018 ACS 5-year Estimates Data Profile, Selected Housing Characteristics (DP04), 2018

Figure 22: Types of Housing over Time



Source: 2018 ACS 5-year Estimates Data Profile, Selected Housing Characteristics (DP04), 2018

Housing by Tenure

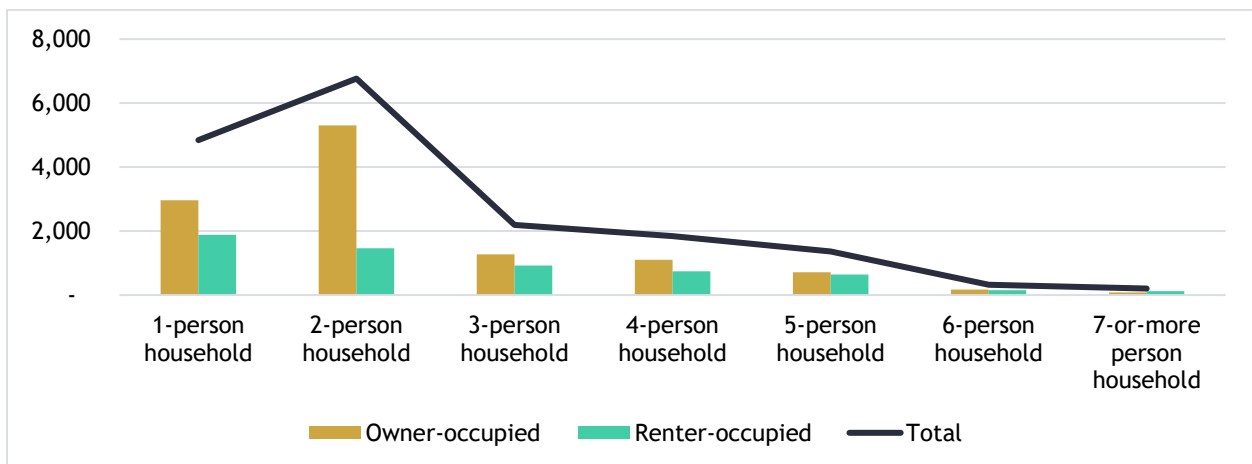
When looking at the ownership of housing in Okanogan and comparative areas, Okanogan has a larger share of renter-occupied units. The most common renter-occupied household is a 1-person household while the most common owner-occupied household is a 2-person household. With the low amount of multi-unit growth over the years, it is likely that a large number of renters are living in older housing.

Table 12: Housing by Tenure

	Okanogan County	Peer Region	Washington	Nation
Owner-occupied	66.2%	70.9%	62.7%	63.8%
Renter-occupied	33.8%	29.1%	37.3%	36.2%

Source: 2018 ACS 5-year Estimates Data Profile, Selected Housing Characteristics (DP04), 2018

Figure 23: Household Size by Housing Tenure in Okanogan County



Source: 2018 ACS 5-year Estimates Data Profile, Tenure Household Size (B25009), 2018

Housing by Size

Households by size show that Okanogan is fairly similar to the Peer Region as well as to Washington. The most common size is 2-person, followed by 1-person. The most uncommon is a 3-person household. This information helps to understand housing development strategy and inform the share of sizes of housing to develop.

Table 13: Household Size

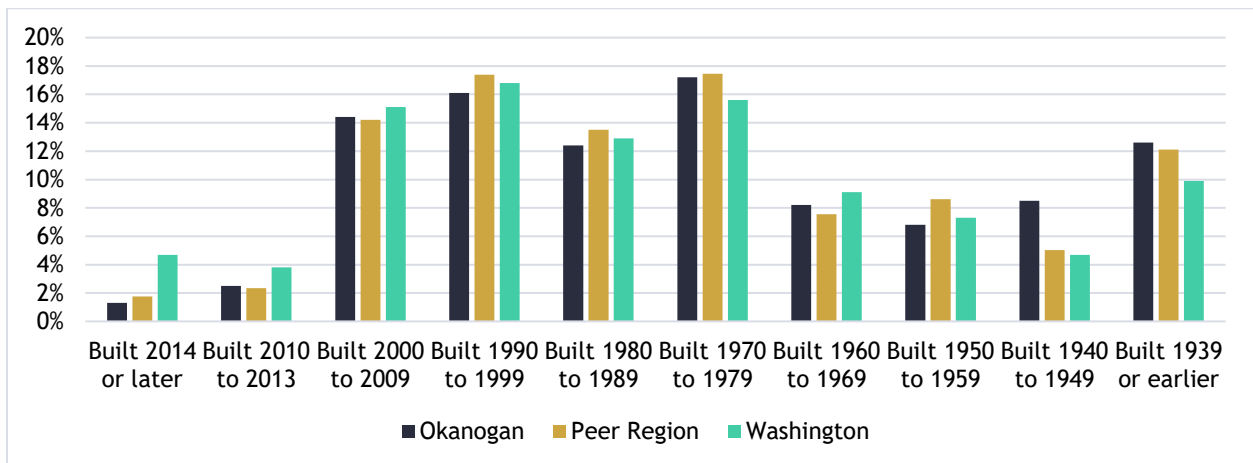
	Okanogan County	Peer Region	Washington
1-person household	27.6%	26.4%	26.8%
2-person household	38.6%	39.8%	35.5%
3-person household	12.5%	12.8%	15.4%
4-or-more-person household	21.3%	21.0%	22.3%

Source: 2018 ACS 5-year Estimates, Occupancy Characteristics (S2501), 2018

Housing by Age and Condition

Most housing units in Okanogan County were built between 1970 and 1979 followed closely by the period from 1990 to 1999. However, recent data suggest the market has since become stagnant and new home construction has slowed substantially. Overall, this information should be incorporated into planning how new housing stock can replace the currently aging housing product, or strategies should be developed to assist owners in renovating older housing stock.

Figure 24: Year of Building for Residential Structures



Source: 2018 ACS 5-year Estimates, Selected Housing Characteristics (DP04), 2018

Vacancy Rates

Okanogan County suffers from a higher degree of housing vacancy than benchmark areas. Almost a quarter of housing units in the county are vacant, which is greater than the state’s vacancy rate of 8%. Okanogan is not the only county in the area that suffers from this as the Peer Region is high at over 21%. Vacancy at this rate combined with widespread concern for

lack of housing options indicates a significant mismatch in the quality, price, or location of housing options that residents desire.

Table 14: Vacancy Rates

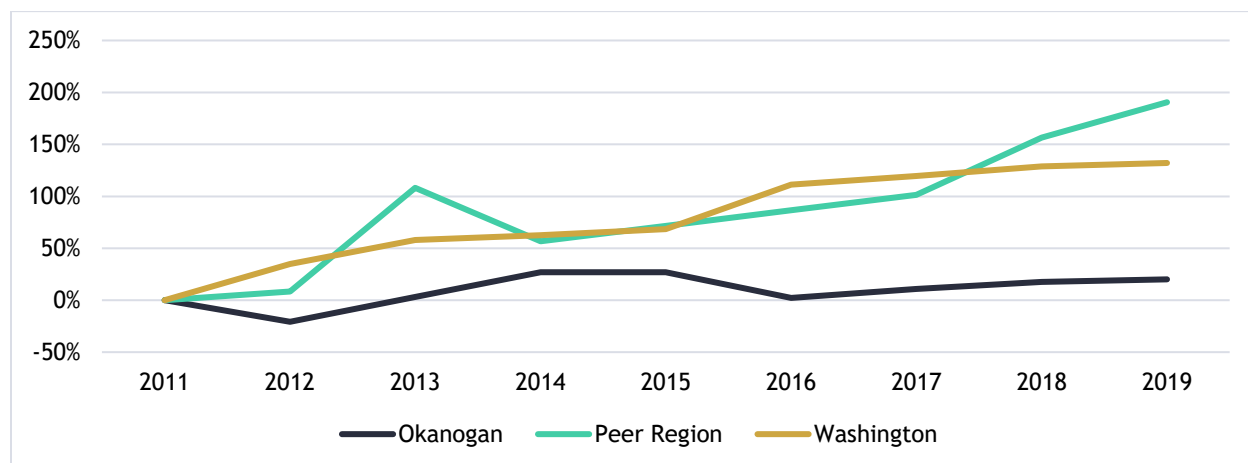
	Okanogan	Peer Region	Washington
Occupied Units	76.0%	78.4%	92.0%
Vacant Units	24.0%	21.6%	8.0%

Source: 2018 ACS 5-year Estimates Subject, Occupancy Characteristics (S2501), 2018

Housing Production Trends

Looking at building permit data, Okanogan has significantly trailed behind the state and the Peer Region. Figure 25 displays cumulative growth since 2011. In 2011, Okanogan issued 130 building permits and has issued about the same amount for the last 9 years, while the Peer Region and Washington have increased the number of permits they issue each year. County building permit data aligns with cumulative growth, which has been more stable than the Peer Region or state where there is more pronounced growth.

Figure 25: Cumulative Growth in Building Permits

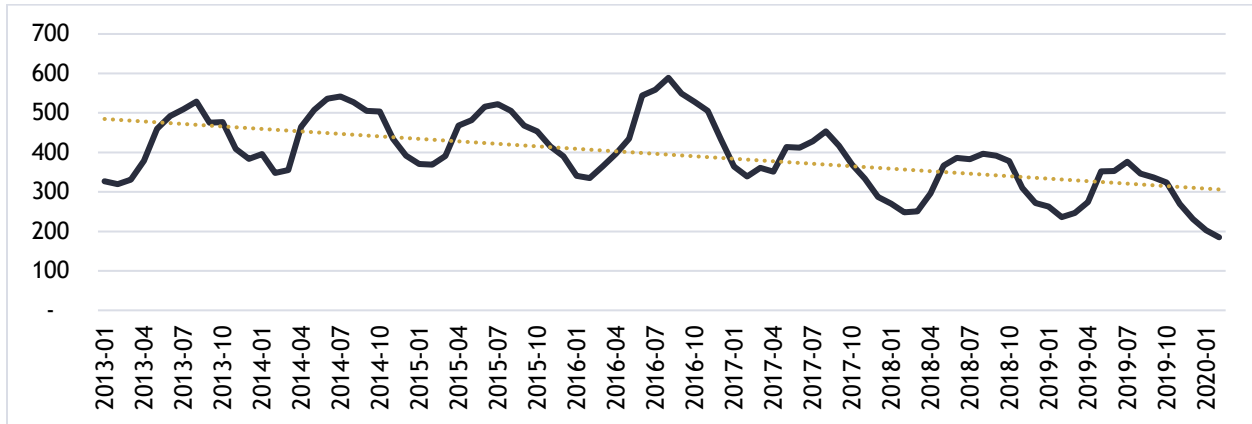


Source: University of Washington Runstad Department of Real Estate, Market Summary, 2020 Q1

Housing Sales Trends

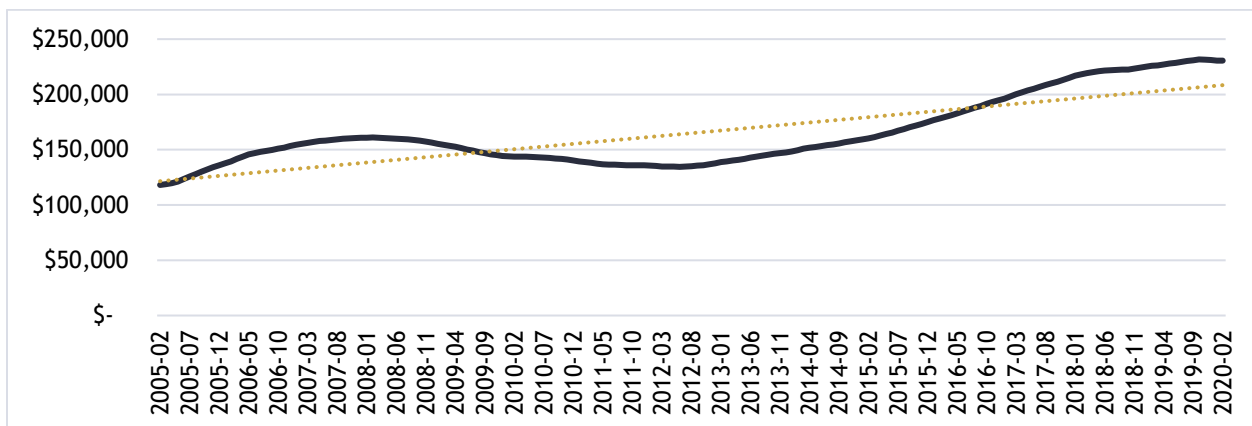
Housing sales data show that the Okanogan market is getting more competitive and rising in value but slower than peer communities. Increases in home prices may be driven mostly by a lack of new supply in the county. Home value and list price per square foot have increased over the years while the number of monthly listings have decreased, resulting in more intense competition for residences. Additionally, when looking at the renter-occupied market, the rent index has slowly increased at a similar rate to the cost of owned-homes.

Figure 26: Monthly Listings, Okanogan



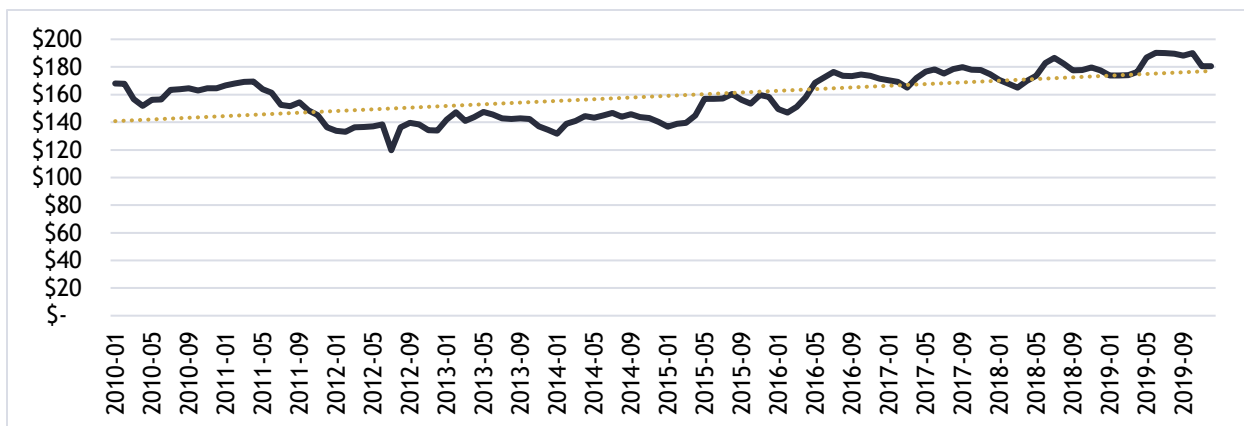
Source: Zillow Research, 2020

Figure 27: Home Value Index, Okanogan



Source: Zillow Research, 2020

Figure 28: List Price Per Sq Ft, Okanogan

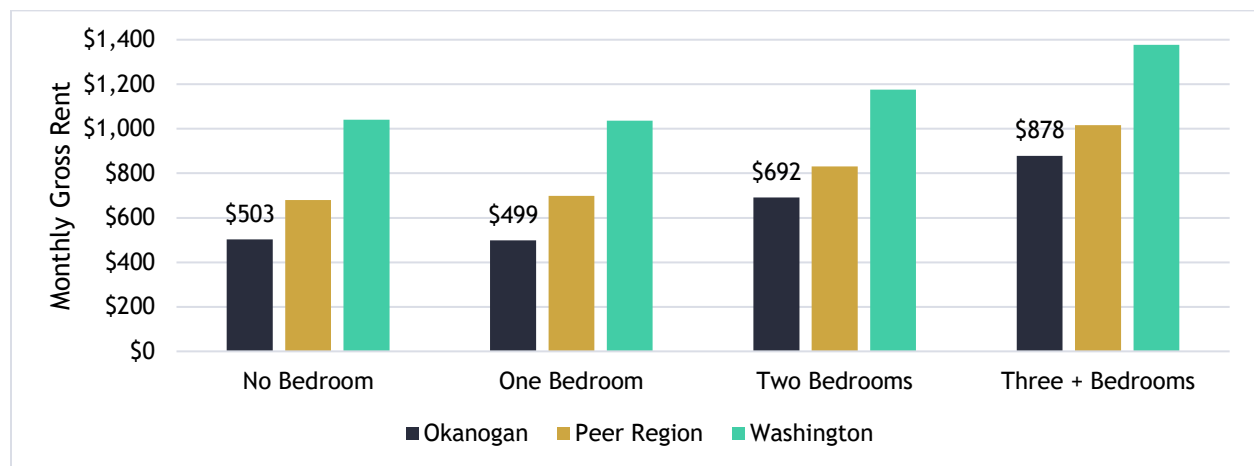


Source: Zillow Research, 2020

Housing Rental Trends

As noted in the [Chapter II. Executive Summary & Recommendations](#), one of the county's foremost housing issues is a lack of market-rate rentals. Finding data related to rentals in rural areas can be challenging. In this case, the consulting team is focusing on five-year US Census data from the period of 2014-2018. Though these data likely under-value current rental costs, they do have the benefit of displaying a greater depth of information for more precise geographic regions .

Figure 29: Average Rent Cost by Unit Size



Source: American Community Survey, 2014-2018, Bedrooms by Gross Rent

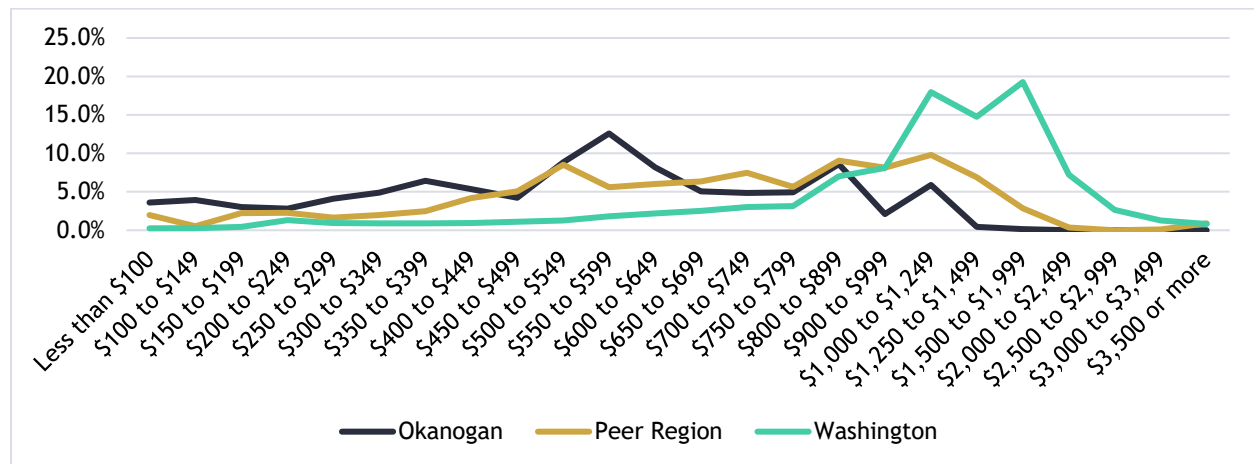
Table 15: Average Rent Cost by Unit Size, Regional Comparison

	Okanogan County	Peer Region	Chelan County	Douglas County	Ferry County	Lincoln County	Stevens County	Washington
No Bedroom	\$503	\$680	\$628	\$709	\$556	\$513	\$843	\$1,040
One Bedroom	\$499	\$698	\$769	\$803	\$517	\$363	\$492	\$1,037
Two Bedroom	\$692	\$830	\$887	\$855	\$657	\$766	\$707	\$1,176
Three + Bedroom	\$878	\$1,016	\$1,090	\$1,045	\$797	\$846	\$901	\$1,377

Source: American Community Survey, 5-Year Estimates, Bedrooms by Gross Rent

Average rent costs in Okanogan County range from \$499 to \$878 per month, depending on the number of bedrooms per unit. These prices are considerably lower than benchmarks for both the Peer Region and the state of Washington. For example, using the most common rental unit type, Two-Bedrooms, Okanogan County is 16.7% less expensive than the Peer Region. Also, within the Peer Region, only Ferry County is more affordable.

Figure 30: Overall Distribution of Rent Costs, Regional Comparison



Source: Points Consulting using American Community Survey, 2014-2018, Gross Rent

Table 16: Median Rent Cost, All Unit Sizes

Region	Median Rent Cost	Number of Rentals	Ratio of Population to Rentals
Chelan County	\$860	8,687	9.03
Douglas County	\$857	3,905	10.97
Ferry County	\$511	673	11.63
Lincoln County	\$557	731	14.99
Stevens County	\$599	3,407	13.38
Okanogan County	\$559	4,847	8.82
Peer Region	\$782	17,403	10.66
Washington	\$1,301	1,002,487	7.53

Source: Points Consulting using American Community Survey, 2014-2018, Gross Rent

Data in Figure 30 likewise indicate that gross rental costs in Okanogan tend to be lower. The distribution of gross rent price peaks in the \$500 to \$599 range, whereas in the Peer Region the peak is in the \$800 to \$999 range. Table 16 indicates the ratio of population to rentals (i.e. lower numbers indicate less availability of rentals). At 8.82 persons per rental, Okanogan County has a greater availability of rentals than any other County in the Peer Region. It should not be concluded from these statistics that there are an adequate number of rentals in the county, however. Issues such as unit size and rental cost also play a part in the appropriateness of the given units.

Another factor noted by numerous community stakeholders is that there are not enough small rentals (i.e.: studio and one-bedroom units) to serve local demand. Data indicate that small rentals are less concentrated than average within the county. The just over 200 studio units and roughly 900 one-bedroom units compose 19.0% of the county's total pool of rentals. By comparison, the Peer Region and the state of Washington each offer a greater concentration of units in this same size range (23.3% and 32.1%, respectively).



Housing Affordability

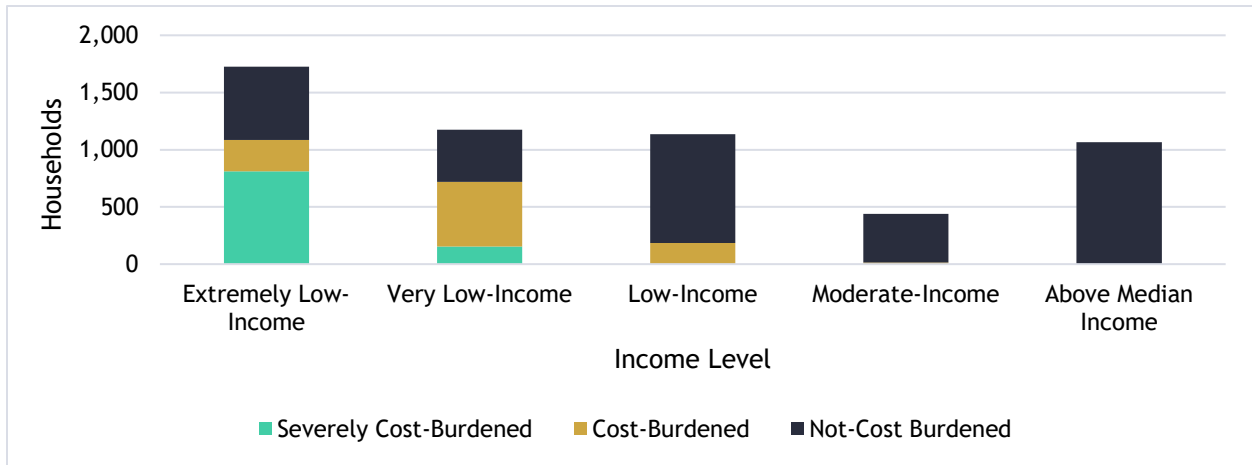
One of the central goals of this analysis is to determine which populations are negatively affected by housing affordability, both in terms of household characteristics and location. For this series of data it is helpful to know that the United States Department of Housing and Urban Development (HUD) has developed certain benchmarks for determining cost-burden. Those paying 30% or more for housing are considered cost-burdened, and those paying 50% or more are considered severely cost-burdened. Furthermore, the following benchmarks are used for determining income levels: extremely low-income (below 30% of area median income AMI), very low-income (30% to 50%), low-income (50% to 80%), moderate-income (80% to 100%), and above median income (greater than 100%).

Housing affordability metrics indicate that the majority of households who are cost-burdened or severely cost-burdened are renters in the extremely low-income or very-low income groups, or home-owners in the low-income group. Examining the data at a more regional level shows that the Oroville and Omak zip codes have the largest number of cost-burdened households. However, in terms of percentage of population, the greatest need is in Okanogan, Brewster, and the Methow Valley, where 26.8%, 26.7% and 25.7% of the population is considered cost-burdened, respectively. Figure 31 provides information about the types of households who are cost-burdened, with the portion of each rectangle within the chart indicating the number of households in that category. Small families (fewer than four individuals) in the low-income group are the largest single category demonstrating need. Though it is also important to note that elderly people, either living in families or groups, compose nearly 40% of all households with some level of cost-burden.

There is one positive trend associated with these metrics, in that renter households paying 30% or more of household income appear to be in decline over the past eight years. As shown in Figure 35, this figure has decreased from 41.7% of households in 2010 to 34.5% of households in 2018. The proportion of those paying 20 to 29 percent of household income has increased during the same time period, as has the population reporting zero income as well as no rent costs.

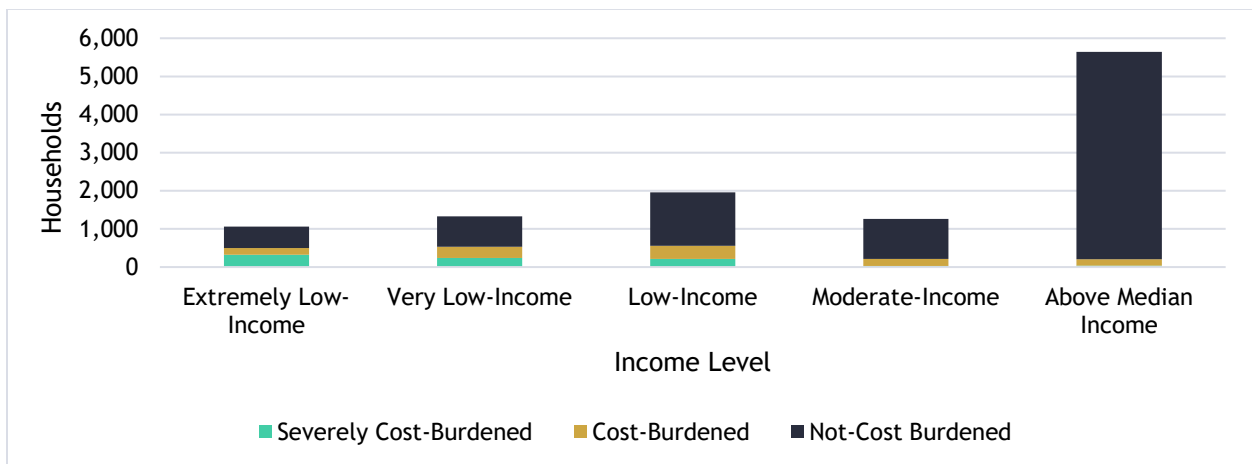
Cost-Burdened Households

Figure 31: Okanogan County Renters' Housing Cost-Burden by Area Median Income



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2012-2016

Figure 32: Okanogan County Home-Owners' Housing Cost-Burden by Area Median Income



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2012-2016

Table 17: Okanogan County Residents' Cost Burden by Area Median Income

	Severely Cost-Burdened (>50%)	Cost-Burdened (30% - 50%)	Not-Cost Burdened (<50%)	Total
Extremely Low-Income	1,135	450	1,200	2,785
Renters	71.4%	61.1%	53.3%	61.9%
Owners	28.6%	38.9%	46.7%	38.1%
Very Low-Income	390	860	1,255	2,505
Renters	39.7%	65.7%	36.3%	46.9%
Owners	60.3%	34.3%	63.7%	53.1%
Low-Income	215	530	2,350	3,095
Renters	0.0%	34.9%	40.4%	36.7%
Owners	100.0%	65.1%	59.6%	63.3%
Moderate-Income	30	200	1,475	1,705
Renters	0.0%	7.5%	28.8%	25.8%
Owners	100.0%	92.5%	71.2%	74.2%
Above Median Income	35	170	6,505	6,710
Renters	0.0%	0.0%	16.4%	15.9%
Owners	100.0%	100.0%	83.6%	84.1%
Total	1,805	2,210	12,785	16,800

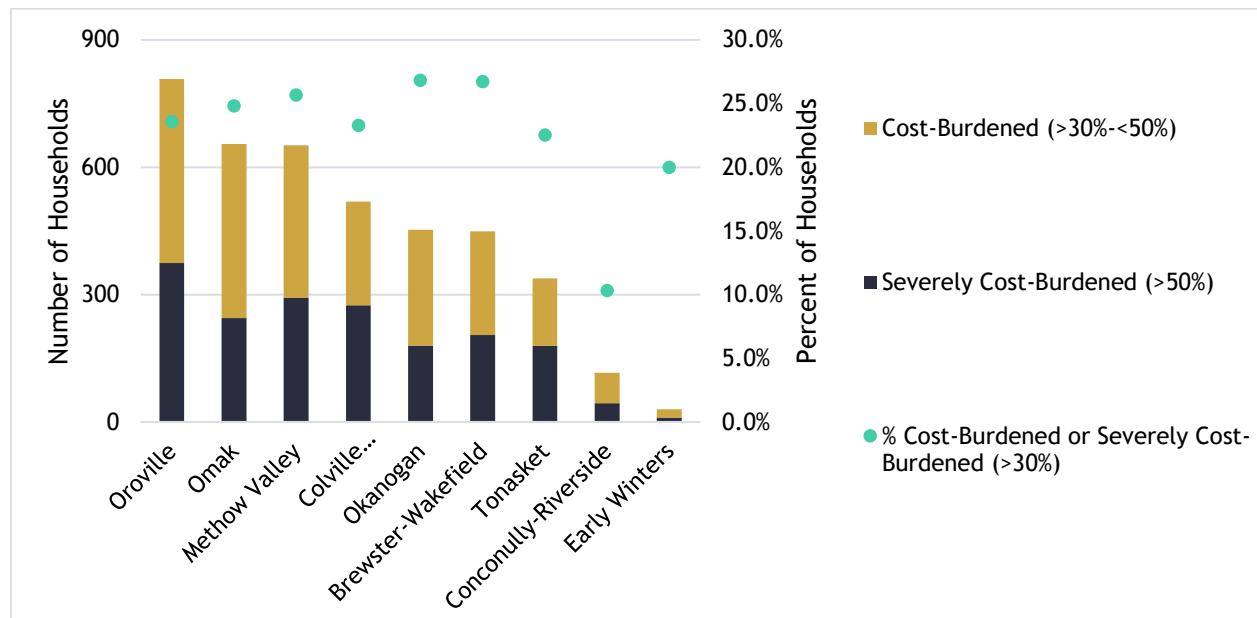
Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2012-2016

Table 18: Housing-Burden Regional Comparison

	Severely Cost-Burdened	Cost-Burdened	Severely or Cost Burdened	Not Cost-Burdened
Brewster-Wakefield	12.2%	26.7%	38.9%	73.8%
Okanogan	10.7%	26.8%	37.5%	70.4%
Methow Valley	11.5%	25.7%	37.2%	73.4%
Colville Reservation (Okanogan County)	12.3%	23.3%	35.6%	74.2%
Oroville	10.9%	23.6%	34.5%	75.8%
Tonasket	11.9%	22.5%	34.4%	74.3%
Omak	9.3%	24.8%	34.1%	67.8%
Early Winters	6.7%	20.0%	26.7%	86.7%
Conconully-Riverside	3.9%	10.3%	14.2%	88.8%
Okanogan County	10.7%	23.9%	34.6%	74.9%
Washington	13.9%	32.1%	46.0%	66.8%
United States	14.6%	31.3%	45.9%	67.2%

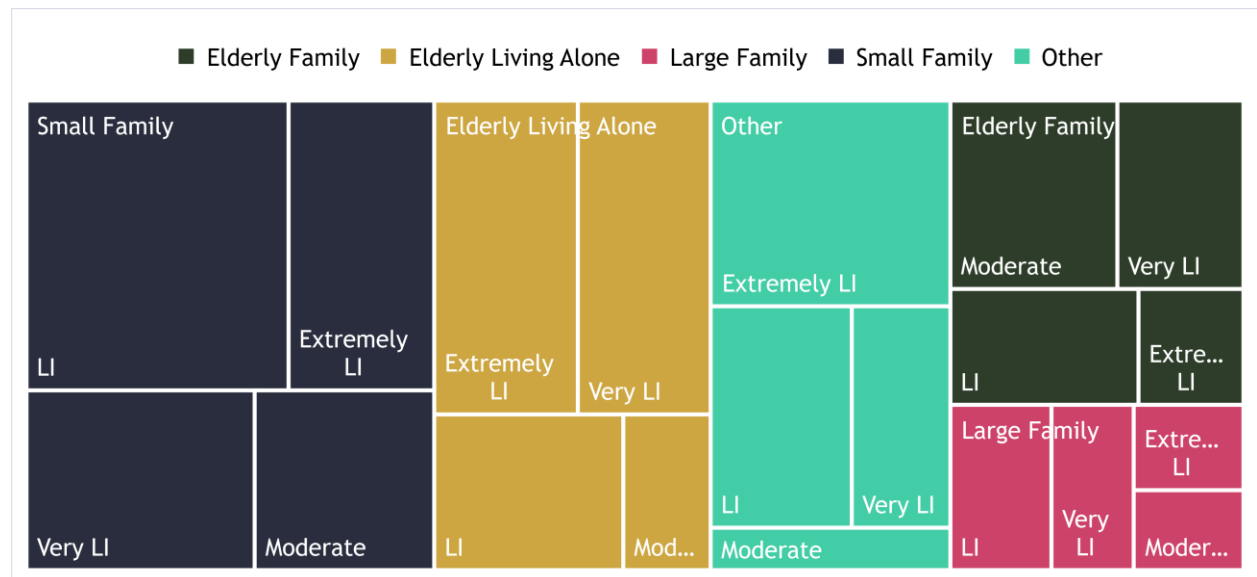
Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2012-2016

Figure 33: Comparison of Cost Burden by Census County Subdivision



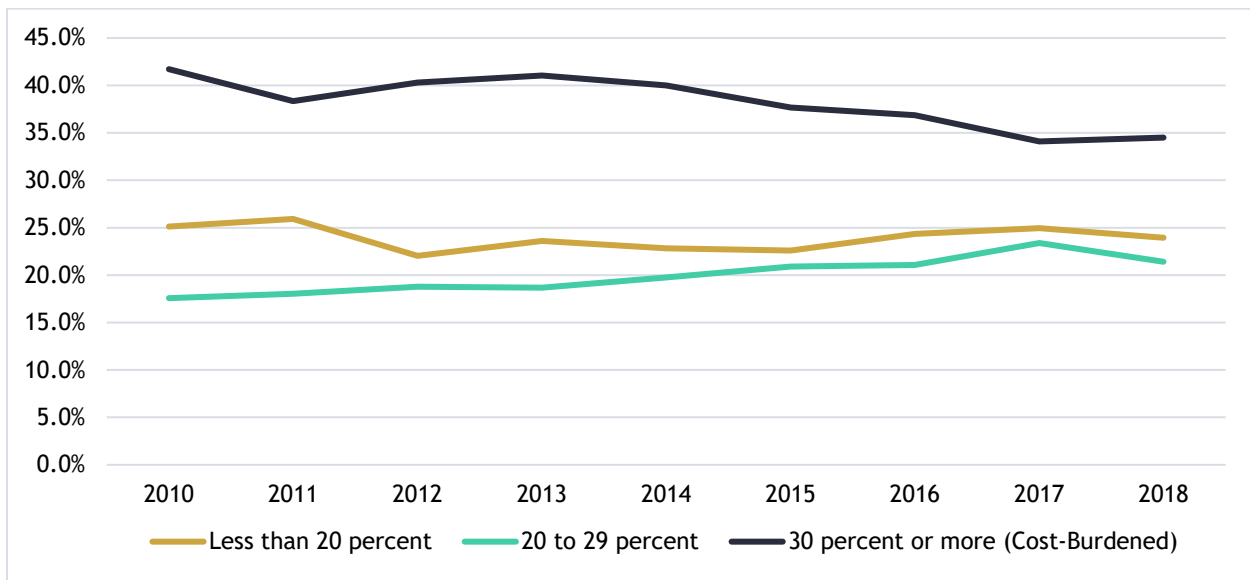
Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, 2012-2016

Figure 34: Composition of Low-Income Households



Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2012-2016

Figure 35: Cost Burden Over Time



Source: American Community Survey, Table B25106

Table 19: Composition of Low-Income Households

Household Type	Extremely Low-Income	Very Low-Income	Low-Income	Moderate Income	All Cost-Burdened HHs	% of Cost-Burdened HHs
Elderly Family (two or more 62+)	215	420	385	555	1,575	15.6%
Elderly Living Alone	795	735	520	240	2,290	22.7%
Large Family (Five +)	165	240	295	155	855	8.5%
Small Family (Four or Fewer)	745	725	1,340	570	3,380	33.5%
Other Household Type	870	385	550	180	1,985	19.7%
Total	2,790	2,505	3,090	1,700	10,085	

Source: Housing & Urban Development Comprehensive Housing Affordability Strategy Data, Table 7, 2012-2016

Subsidized Housing Availability

HUD calculate several metrics to assist those in social services and subsidized housing in determining the level of benefits for which particular individuals and families are eligible. The two most crucial of these datasets are displayed here, namely, the Multifamily Tax Subsidy (MTSP) Income Limits and Fair Market Rent (FMR).⁵³ These data are important for multiple reasons. Firstly, they clearly demonstrate which families are eligible for public housing

⁵³ Please note that the MTSP table has been truncated to the most common family sizes. An expanded version of the table is available on the HUD website.

<https://www.huduser.gov/portal/datasets/il/il2020/2020summary.odn>

support. Secondly, they also indicate the “cut-off” points beyond which public-services cannot provide support. Thirdly, HUD’s guidance on FMR is a good indicator of actual market-rate pricing trends in the region.

Table 20: MTSP Income & Rent Limits

	Persons in Family				
	1	2	3	4	5
Extremely Low-Income (30% AMI)	\$14,150	\$17,240	\$21,720	\$26,200	\$30,680
Very Low Income (50% AMI)	\$23,600	\$26,950	\$30,300	\$33,650	\$36,350
Low-Income (80% AMI)	\$37,700	\$43,100	\$48,500	\$53,850	\$58,200

Source: US Housing & Urban Development, Individual Income Limits Documentation System

Table 21: 2020 Fair Market Rent in Okanogan County

Efficiency/Studio	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
\$541	\$677	\$831	\$1,148	\$1,439

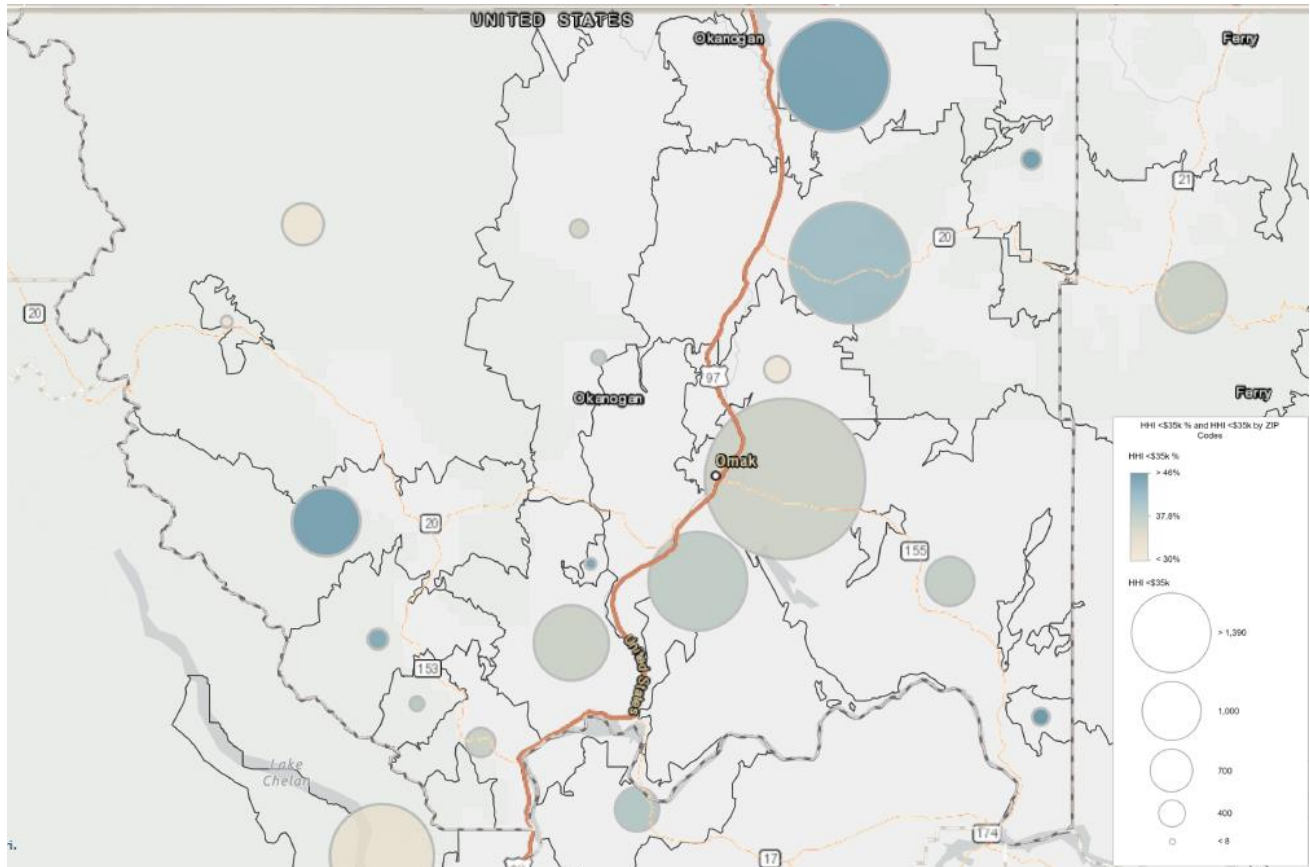
Source: US Housing & Urban Development, Fair Market Rents Documentation System

To provide further guidance on concentrations of low-income populations and availability of subsidized housing, Figure 36 indicates both the location and percentage of the regional population that earn less than \$35,000/year.⁵⁴ Using data on the number of subsidized housing units in the region, the project team also developed a metric indicating subsidized units per 100 low-income households (displayed in Table 22). Similarly, Figure 37 displays a “heat map” of subsidized housing locations by address, overlaid with low-income populations by zip code.

The majority of subsidized housing is available within population centers, but it is not evenly distributed. Omak leads the region with 18.27 units per 100 residents. Tonasket and Winthrop, meanwhile, rate fairly low with 4.6 and 4.84 units per 100 residents, respectively. Areas with reasonable concentration but no subsidized units include Coulee Dam and Pateros.

⁵⁴ Please note that in Figure 31 bubble size indicates the number of low-income households and the shade of each bubble indicates the percentage of the population that is low-income (darker indicating higher concentration).

Figure 36: Populations with Household Income Below \$35k



Source: ArcGIS Business Analyst, 2019 Household Income

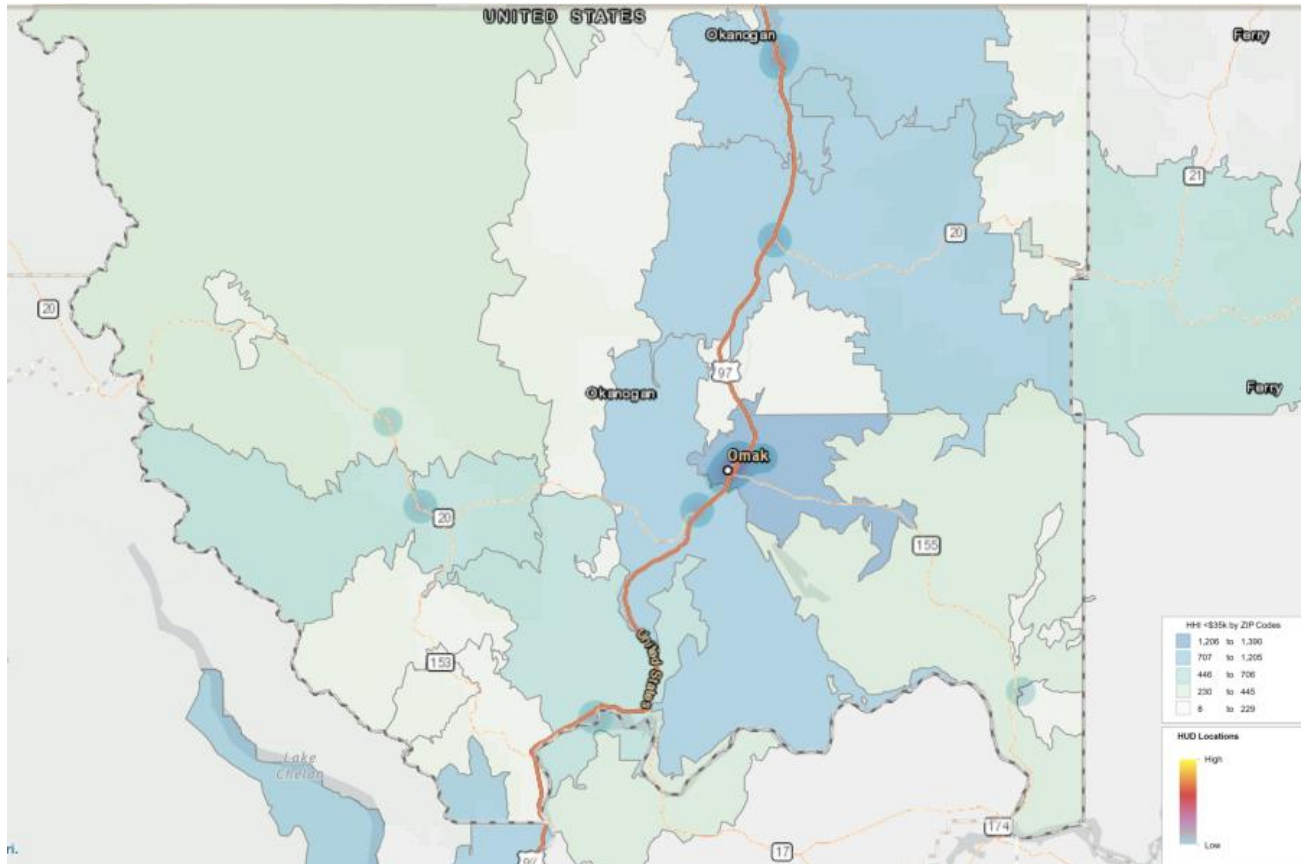
Table 22: Number and Percentage of Population with HHI <\$35k by Zip Code⁵⁵

ZIP Code	% HHI <\$35k %	HHI <\$35k	Rent-Subsidized Units	Subsidized Units per 100 Low-Income Households
98841 (Omak)	35.9%	1,390	254	18.27
98855 (Tonasket)	40.7%	1,022	47	4.60
98844 (Oroville)	44.6%	943	77	8.17
98840 (Okanogan)	37.3%	816	43	5.27
98812 (Brewster)	36.1%	597	42	7.04
98856 (Twisp)	44.6%	538	38	7.06
99116 (Coulee Dam)	37.1%	353	0	0.00
98862 (Winthrop)	25.3%	289	14	4.84
98846 (Pateros)	48.0%	170	0	0.00
98849 (Riverside)	36.4%	143	0	0.00
98814 (Carlton)	29.0%	91	0	0.00
98859 (Wauconda)	43.5%	83	0	0.00
98827 (Loomis)	45.1%	67	0	0.00
99155 (Nespelem)	35.4%	64	25	39.06
98819 (Conconully)	56.1%	34	0	0.00
98834 (Methow)	37.4%	33	0	0.00
98829 (Malott)	37.9%	8	0	0.00
98833 (Mazama)	44.4%	8	0	0.00

Source: ArcGIS Business Analyst, 2019 Household Income

⁵⁵ Please note that some Zip codes extend across Okanogan County boundaries. The number of subsidized units have not been calculated for populations outside of the county.

Subsidized Housing Locations
Figure 37: Heat Map of Subsidized Housing Locations



Source: Policy Map, Subsidized Housing Locations, and ArcGIS Business Analyst, 2019 Household Income

V. Community Engagement Summary

PC's Stakeholder Engagement process took the form of both in-depth interviews and a community survey. The blend of in-depth interviews with a community-wide survey allowed the project team to gain both a broad and a detailed viewpoint of Okanogan County's housing situation. Following are detailed descriptions of each of the processes utilized.

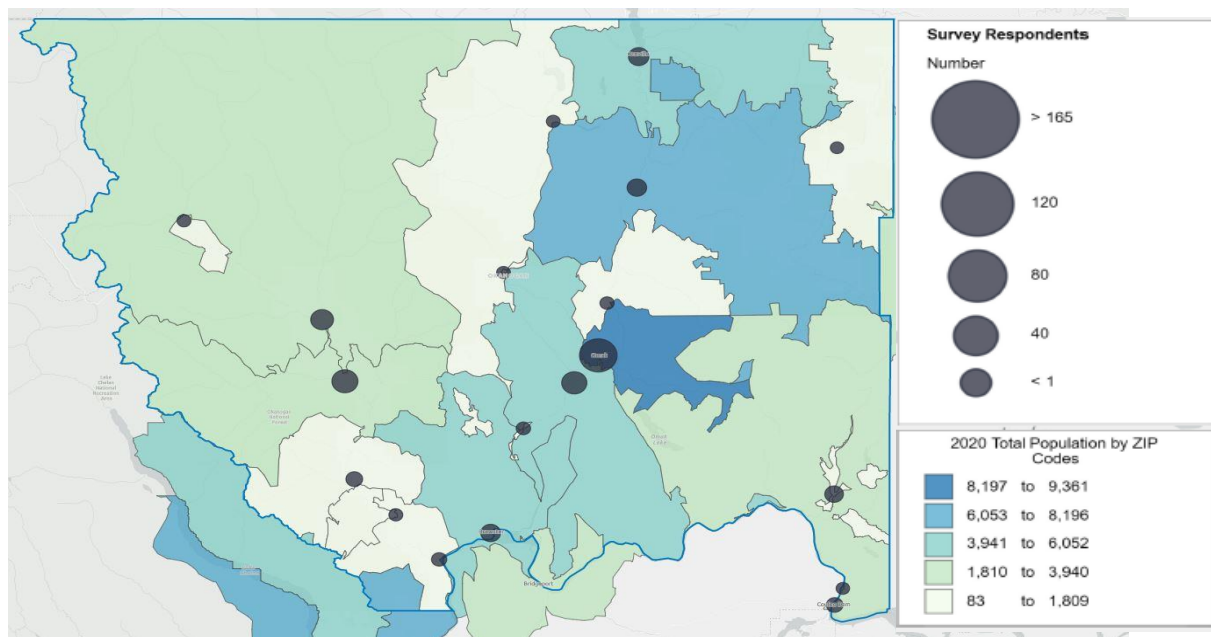
Community Survey Results

PC conducted a survey of community residents over a six-week period during summer 2020.⁵⁶ Survey forms were available both in English and Spanish. PC focused primarily on online methods of recruitment, targeting community groups and organizations both through existing connections and using social media (mainly LinkedIn and Facebook). For a one-week period, PC staff was onsite at various retail locations throughout the county, conducting a paper-based intercept survey. Retail partners were selected with the intent of obtaining diversity in terms of socio-economic status and area of residence.

Survey Results

PC collected 767 total responses of which 688 were qualified. Responses excluded from the analysis were primarily due to the respondent not living in the region or not providing their ZIP code of residence. The majority of observations are from the electronic version, while 82 observations are from the paper-based surveys (12.3% of the total).

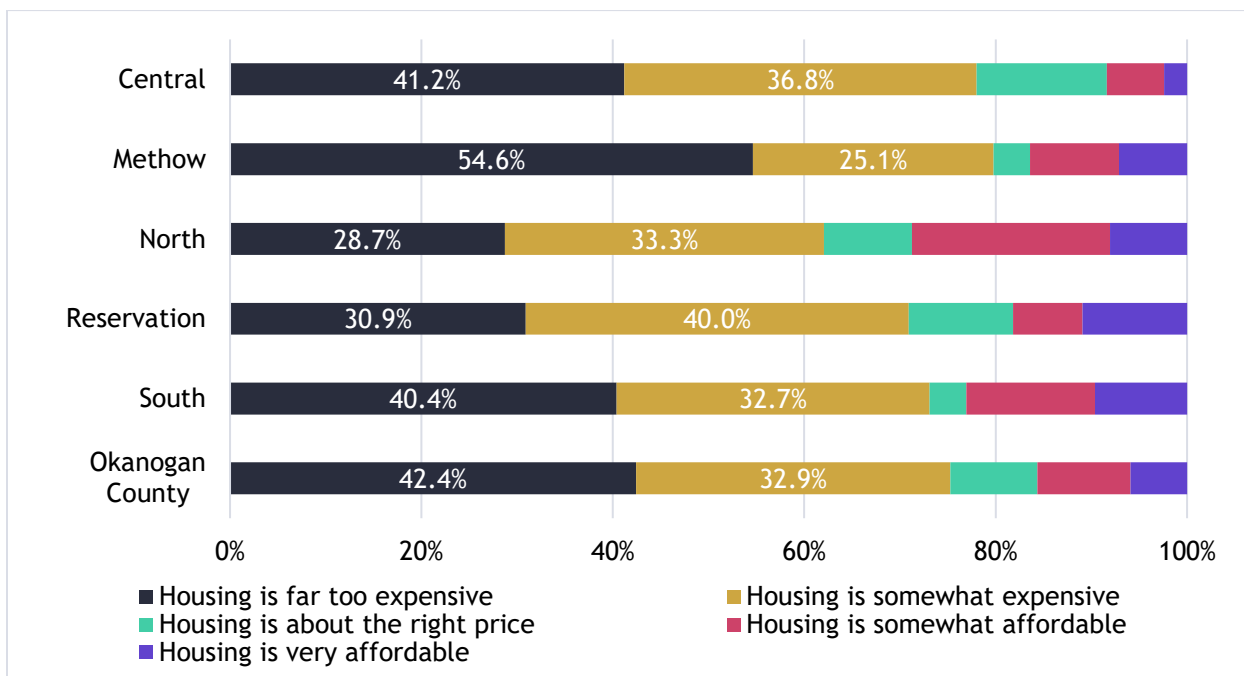
Figure 38: Survey Respondents Map



⁵⁶ The detailed questionnaire is included in Appendix D of this report. Some questions' responses are shortened in this narrative to conserve space.

Figure 38 displays the geographic distribution of respondents. The map is overlaid with total population within each ZIP code to illustrate the correlation between population density and survey responses. Table C3 in [Appendix C](#) displays the detailed geographic distribution of respondents by ZIP code. The Central region accounts for the largest number of responses followed by the Methow Valley. In terms of individual ZIP codes, leading regions include 98841: Omak (24.7%), 98856: Twisp (13.0%), and 98840: Okanogan (12.1%). The number of observations within the Central, Reservation and South regions match population density fairly well. The Methow Valley provided relatively more responses than its population would suggest (27.8% of responses and 12.7% of population), whereas the North region provided relatively fewer (14.5% of responses and 28.3% of population).

Figure 39: How satisfied are you with the cost of housing in your community?



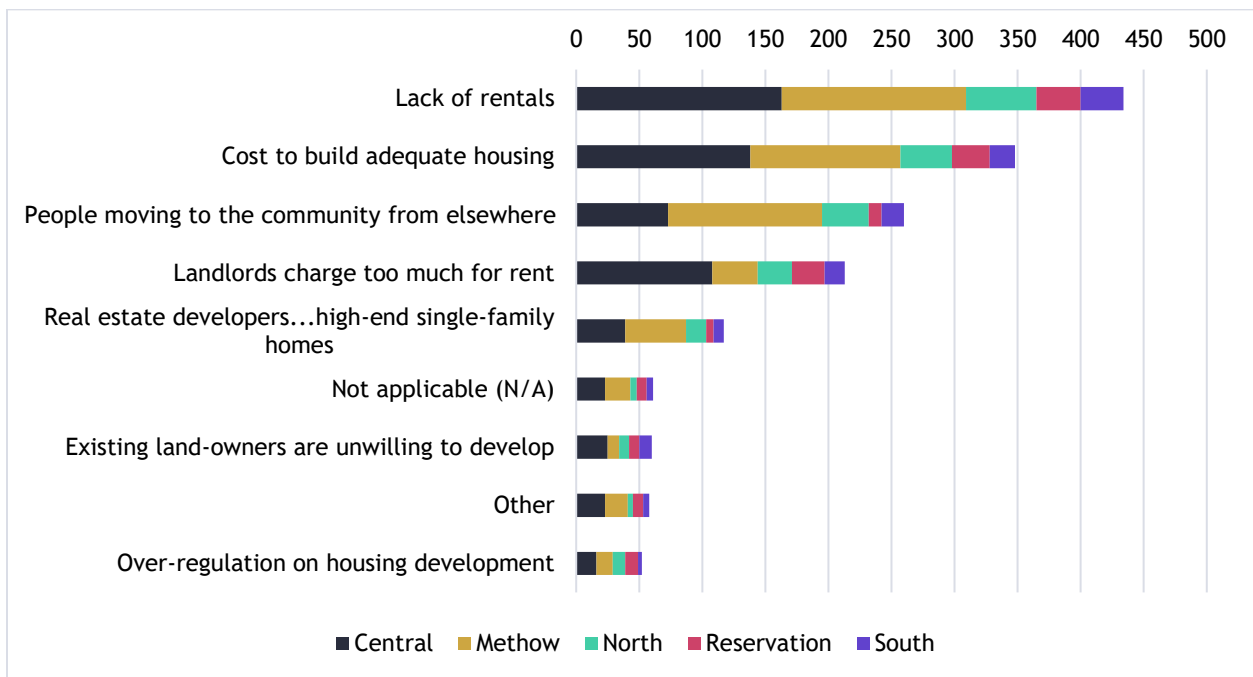
Source: Points Consulting, 2020

When asked about housing affordability over three-quarters of residents said that housing is either far too expensive or somewhat expensive (42.4% and 32.9%, respectively). This perspective accounts for the majority of respondents across the county. However, within the North region the concern was less acute (62.1%) and of heightened concern in the Methow Valley (79.8%).

Table 23: How satisfied are you with the cost of housing in your community?

Counts	Don't know	Housing is far too expensive	Housing is somewhat expensive	Housing is about the right price	Housing is somewhat affordable	Housing is very affordable	Grand Total
Central	15	103	92	34	15	6	265
Methow	3	100	46	7	17	13	186
North	10	25	29	8	18	7	97
Reservation	5	17	22	6	4	6	60
South	6	21	17	2	7	5	58
Okanogan County	39	266	206	57	61	37	666
Distribution							
Central	--	41.2%	36.8%	13.6%	6.0%	2.4%	--
Methow	--	54.6%	25.1%	3.8%	9.3%	7.1%	--
North	--	28.7%	33.3%	9.2%	20.7%	8.0%	--
Reservation	--	30.9%	40.0%	10.9%	7.3%	10.9%	--
South	--	40.4%	32.7%	3.8%	13.5%	9.6%	--
Okanogan County	--	42.4%	32.9%	9.1%	9.7%	5.9%	--

Figure 40: What are your greatest housing affordability concerns? (Top 3)



Source: Points Consulting, 2020

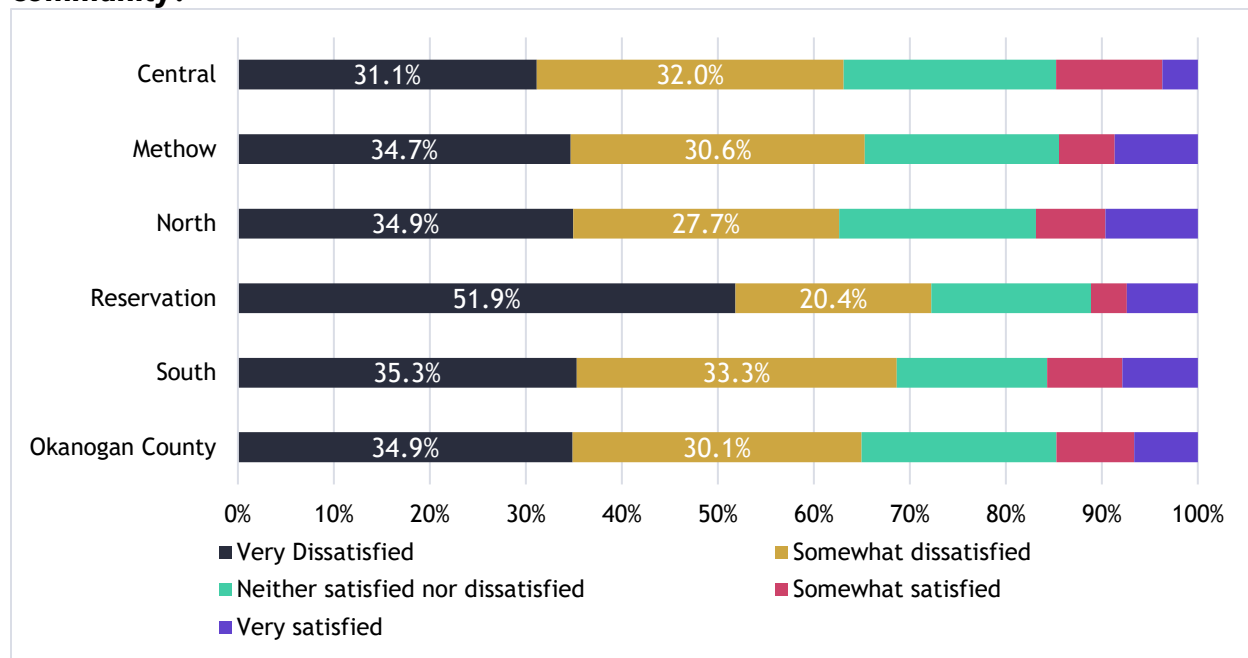
Table 23 displays the greatest housing affordability concerns for respondents who indicated that housing was far too expensive or somewhat expensive. By far the greatest concern is “lack of rentals, in general,” which was selected by 80.1% of all respondents. Rounding out the top three are “Cost to build adequate housing” and “People moving to the community from elsewhere.”

Regional differences are particularly acute on three questions. Respondents in the Methow Valley are highly concerned about “People moving to the community from elsewhere.” This option was selected by 68.9% of respondents, as compared to just 37.8% of respondents from other regions. Respondents from the Central and Reservation regions report high concern over “Landlords charge too much for rent.” Lastly, respondents from the South region were much more likely to select “Existing land-owners are unwilling to develop.”

Table 24: What are your greatest housing affordability concerns? (Top 3)

Counts	Okanogan County	Central	Methow	North	Res-ervation	South
Lack of rentals	434	163	146	56	35	34
Cost to build adequate housing	348	138	119	41	30	20
People moving to the community from elsewhere	260	73	122	37	10	18
Landlords charge too much for rent	213	108	36	27	26	16
Real estate developers...high-end single-family homes	117	39	48	16	6	8
Not applicable (N/A)	61	23	20	5	8	5
Existing land-owners are unwilling to develop	60	25	9	8	8	10
Other	58	23	18	4	8	5
Over-regulation on housing development	52	16	13	10	10	3
Distribution						
Lack of rentals	80.1%	81.1%	82.5%	75.7%	71.4%	82.9%
Cost to build adequate housing	64.2%	68.7%	67.2%	55.4%	61.2%	48.8%
People moving to the community from elsewhere	48.0%	36.3%	68.9%	50.0%	20.4%	43.9%
Landlords charge too much for rent	39.3%	53.7%	20.3%	36.5%	53.1%	39.0%
Real estate developers...high-end single-family homes	21.6%	19.4%	27.1%	21.6%	12.2%	19.5%
Not applicable (N/A)	11.3%	11.4%	11.3%	6.8%	16.3%	12.2%
Existing land-owners are unwilling to develop	11.1%	12.4%	5.1%	10.8%	16.3%	24.4%
Other	10.7%	11.4%	10.2%	5.4%	16.3%	12.2%
Over-regulation on housing development	9.6%	8.0%	7.3%	13.5%	20.4%	7.3%

Figure 41: How satisfied are you with the types of housing available in your community?



Source: Points Consulting, 2020

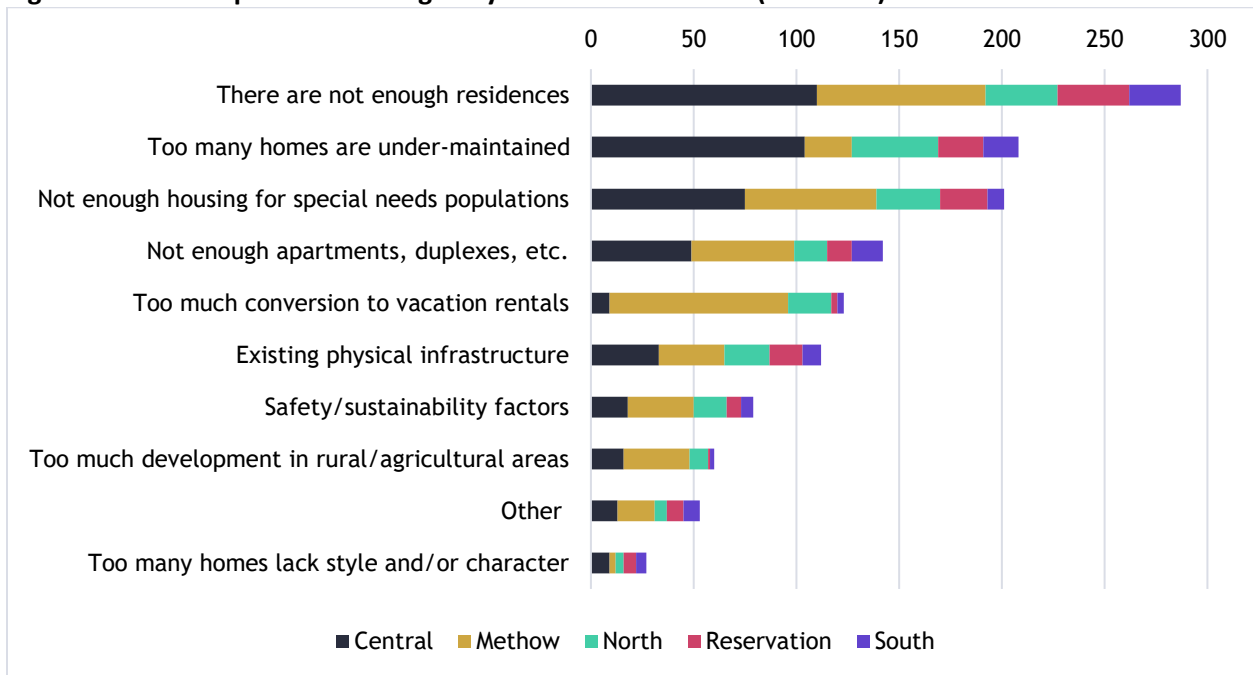
Question 4 of the survey asked respondents to consider their level of satisfaction in the types of housing available in the region, without consideration for cost. Respondents were prompted to consider factors such as physical attributes, size, location, and amenities. For the county as a whole, 65.0% of respondents were either “very dissatisfied” or “somewhat dissatisfied” with housing options. Dissatisfaction is highest in the Reservation region (72.2%) and lowest in the North region (62.7%).

Table 25: How satisfied are you with the types of housing available in your community?

Counts	Don't know	Very Dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied	Grand Total
Central	9	76	78	54	27	9	253
Methow	8	60	53	35	10	15	181
North	7	29	23	17	6	8	90
Reservation	2	28	11	9	2	4	56
South	2	18	17	8	4	4	53
Okanogan County	28	211	182	123	49	40	633
Distribution							
Central	--	31.1%	32.0%	22.1%	11.1%	3.7%	--
Methow	--	34.7%	30.6%	20.2%	5.8%	8.7%	--

North	--	34.9%	27.7%	20.5%	7.2%	9.6%	--
Reservation	--	51.9%	20.4%	16.7%	3.7%	7.4%	--
South	--	35.3%	33.3%	15.7%	7.8%	7.8%	--
Okanogan County	--	34.9%	30.1%	20.3%	8.1%	6.6%	--

Figure 42: What aspects of housing are you dissatisfied with? (Select All)



Source: Points Consulting, 2020

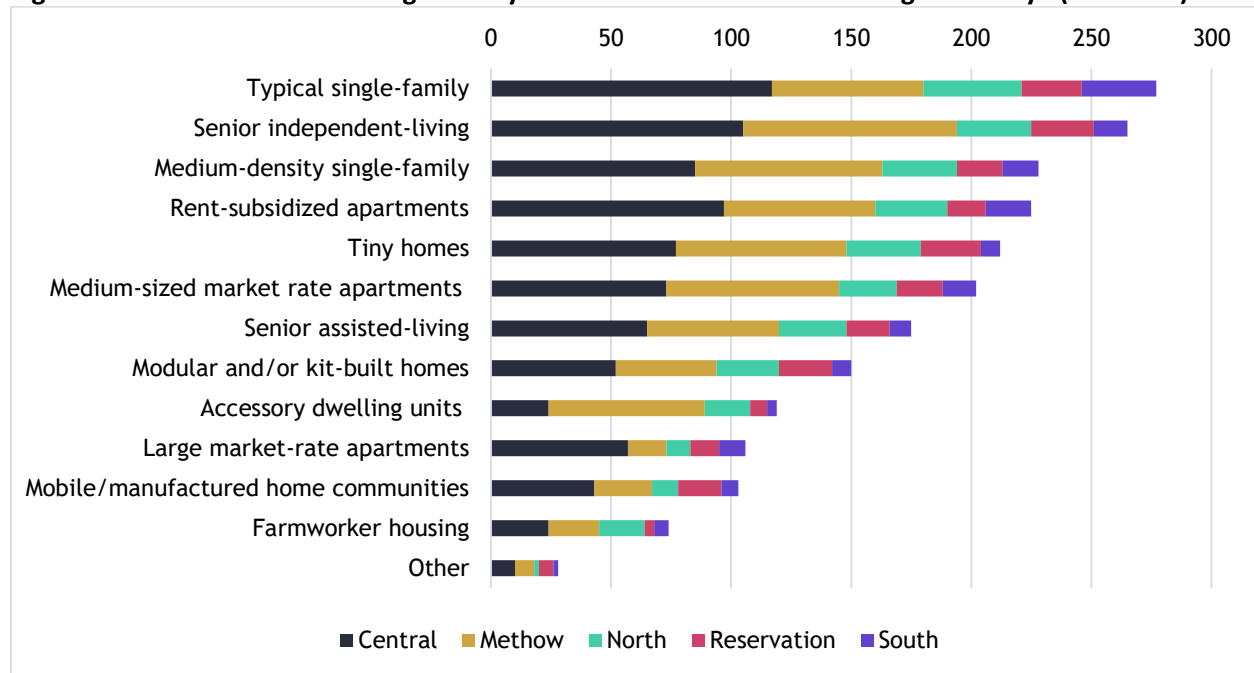
Table 25 displays the most dissatisfying aspects of housing for respondents who indicated that they were very or somewhat dissatisfied with housing types. Rather than focusing on style and amenities, the overwhelming majority of respondents indicated that “there are not enough residences to house people” (64.9% of respondents). Respondents also expressed concerns that “too many homes are under-maintained,” and that there is “not enough housing for special needs populations.” Though respondents may have varying opinions of what special needs housing includes, the answer choice included the following examples: “seniors, emergency, disabled, transitional housing, etc.”

Respondents of the Methow Valley are particularly concerned with the issue of “too much conversion of housing stock to vacation rentals,” which was the highest single response for residents of the region. On the other hand, residents of the North and Central regions display a distinctive concern for under-maintained homes which was selected by 65.4% and 64.6% of respondents, respectively. By comparison, respondents from other areas only selected it 28.4% of the time.

Table 26: What aspects of housing are you dissatisfied with? (Select All)

Counts	Okanogan County	Central	Methow	North	Res-ervation	South
There are not enough residences	287	110	82	35	35	25
Too many homes are under-maintained	208	104	23	42	22	17
Not enough housing for special needs populations	201	75	64	31	23	8
Not enough apartments, duplexes, etc.	142	49	50	16	12	15
Too much conversion to vacation rentals	123	9	87	21	3	3
Existing physical infrastructure	112	33	32	22	16	9
Safety/sustainability factors	79	18	32	16	7	6
Too much development in rural/agricultural areas	60	16	32	9	1	2
Other	53	13	18	6	8	8
Too many homes lack style and/or character	27	9	3	4	6	5
Distribution						
There are not enough residences	64.9%	69.2%	60.7%	53.8%	76.1%	67.6%
Too many homes are under-maintained	47.1%	65.4%	17.0%	64.6%	47.8%	45.9%
Not enough housing for special needs populations	45.5%	47.2%	47.4%	47.7%	50.0%	21.6%
Not enough apartments, duplexes, etc.	32.1%	30.8%	37.0%	24.6%	26.1%	40.5%
Too much conversion to vacation rentals	27.8%	5.7%	64.4%	32.3%	6.5%	8.1%
Existing physical infrastructure	25.3%	20.8%	23.7%	33.8%	34.8%	24.3%
Safety/sustainability factors	17.9%	11.3%	23.7%	24.6%	15.2%	16.2%
Too much development in rural/agricultural areas	13.6%	10.1%	23.7%	13.8%	2.2%	5.4%
Other	12.0%	8.2%	13.3%	9.2%	17.4%	21.6%
Too many homes lack style and/or character	6.1%	5.7%	2.2%	6.2%	13.0%	13.5%

Figure 43: What forms of housing would you like to see more of in Okanogan County? (Select All)



Source: Points Consulting, 2020

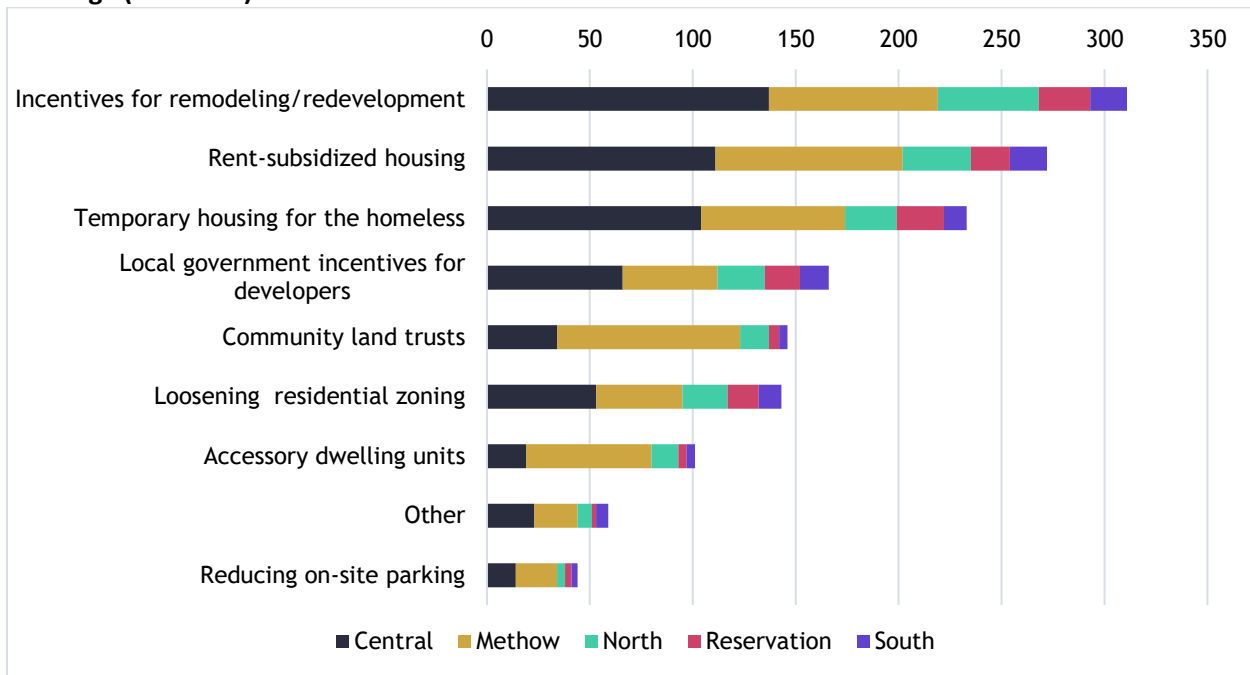
All survey respondents were asked to indicate which housing options they want to see more of in the region. Importantly, respondents were asked to not select options with which they were unfamiliar. Respondents indicate openness to a wide variety of housing types both traditional and more progressive. Each of the following were selected by one-third or more of the respondents: Typical single-family; Senior independent-living; Medium-density single-family; Rent-subsidized apartments; Tiny homes; and Medium-sized market rate apartments. Options receiving the lowest number of selections include Farmworker housing and Mobile/Manufactured home communities. It is also interesting to note that respondents are relatively unenthusiastic about large multi-family apartment complexes, but are fairly interested in medium density options of both the single-family and multi-family varieties.

Respondents from the Methow Valley showed relatively less interest in larger forms of single-family housing and intensified interest in high-density options such as subsidized and market rate apartments and medium density housing. Accessory dwelling units are also a far more popular option with Methow Valley residents, receiving 37.6% of selections as compared to just 28.4% for other regions.

Table 27: What forms of housing would you like to see more of in Okanogan County? (Select All)

Counts	Okanogan County	Central	Methow	North	Res-ervation	South
Typical single-family	277	117	63	41	25	31
Senior independent-living	265	105	89	31	26	14
Medium-density single-family	228	85	78	31	19	15
Rent-subsidized apartments	225	97	63	30	16	19
Tiny homes	212	77	71	31	25	8
Medium-sized market rate apartments	202	73	72	24	19	14
Senior assisted-living	175	65	55	28	18	9
Modular and/or kit-built homes	150	52	42	26	22	8
Accessory dwelling units	119	24	65	19	7	4
Large market-rate apartments	106	57	16	10	12	11
Mobile/manufactured home communities	103	43	24	11	18	7
Farmworker housing	74	24	21	19	4	6
Other	28	10	8	2	6	2
Distribution						
Typical single-family	47.0%	50.2%	36.4%	48.8%	48.1%	66.0%
Senior independent-living	45.0%	45.1%	51.4%	36.9%	50.0%	29.8%
Medium-density single-family	38.7%	36.5%	45.1%	36.9%	36.5%	31.9%
Rent-subsidized apartments	38.2%	41.6%	36.4%	35.7%	30.8%	40.4%
Tiny homes	36.0%	33.0%	41.0%	36.9%	48.1%	17.0%
Medium-sized market rate apartments	34.3%	31.3%	41.6%	28.6%	36.5%	29.8%
Senior assisted-living	29.7%	27.9%	31.8%	33.3%	34.6%	19.1%
Modular and/or kit-built homes	25.5%	22.3%	24.3%	31.0%	42.3%	17.0%
Accessory dwelling units	20.2%	10.3%	37.6%	22.6%	13.5%	8.5%
Large market-rate apartments	18.0%	24.5%	9.2%	11.9%	23.1%	23.4%
Mobile/manufactured home communities	17.5%	18.5%	13.9%	13.1%	34.6%	14.9%
Farmworker housing	12.6%	10.3%	12.1%	22.6%	7.7%	12.8%
Other	4.8%	4.3%	4.6%	2.4%	11.5%	4.3%

Figure 44: What tools would you be in favor of your community using in order to provide more housing? (Select All)



Source: Points Consulting, 2020

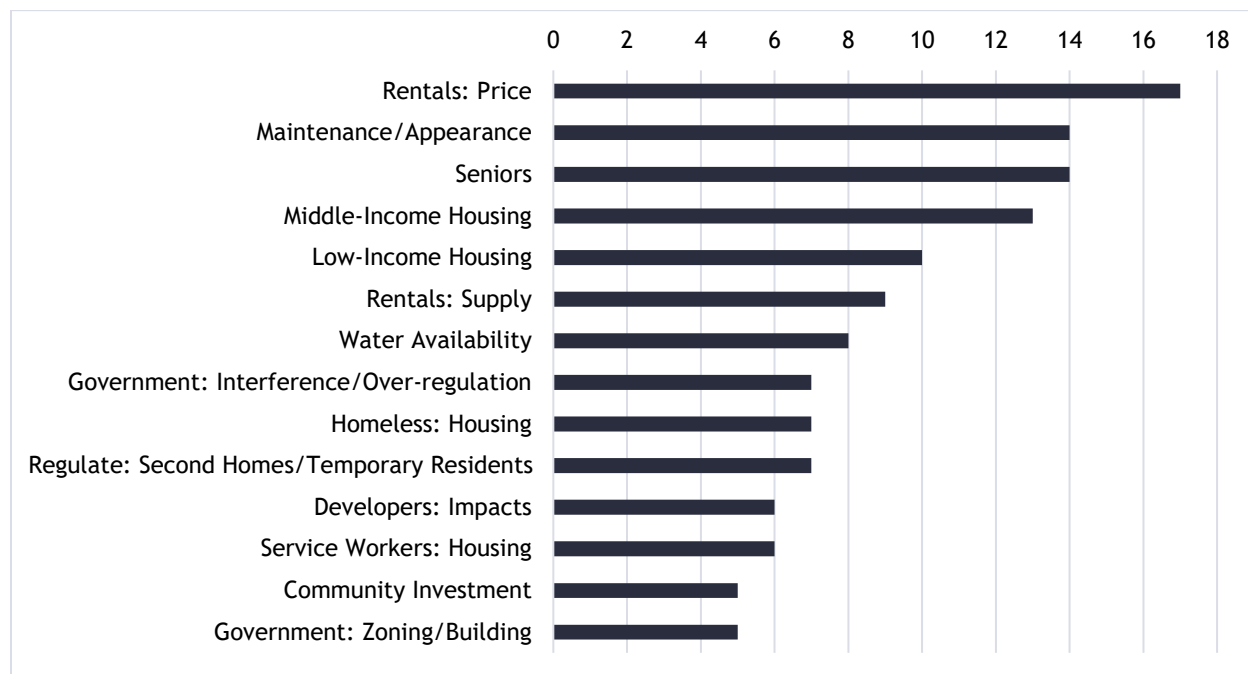
Question 7 asked respondents to consider what tools and processes would be most favorable for producing more housing in their communities. As with previous technical questions, respondents were prompted not to select options with which they are unfamiliar. The three most popular options include “Incentives for remodeling/redevelopment,” “rent-subsidized housing,” and “temporary housing for the homeless.” The least popular options include “accessory dwelling units” and “loosening residential zoning.”

Given the high concern about under-maintained homes in the Central and North regions, it is not surprising that incentives for remodeling/redevelopment scored highly in those areas. What is surprising is that this choice was popular in other regions as well, receiving 39% or higher selection in every region in the county. The issue of homeless housing has varying levels of support across the county. The Central and Reservation regions show relatively high support (45%+) whereas the North and South regions are less supportive (32% or less). Respondents from the Methow Valley are particularly in-favor of the Community land trust model (52.0%), whereas no other region has greater than 25% support. Likewise, residents of the Methow Valley are more likely to advocate for accessory dwelling units than other residents of the county.

Table 28: What tools would you be in favor of your community using in order to provide more housing? (Select All)

Counts	Okanogan County	Central	Methow	North	Res-ervation	South
Incentives for remodeling/redevelopment	311	137	82	49	25	18
Rent-subsidized housing	272	111	91	33	19	18
Temporary housing for the homeless	233	104	70	25	23	11
Local government incentives for developers	166	66	46	23	17	14
Community land trusts	146	34	89	14	5	4
Loosening residential zoning	143	53	42	22	15	11
Accessory dwelling units	101	19	61	13	4	4
Other	59	23	21	7	2	6
Reducing on-site parking	44	14	20	4	3	3
Distribution						
Incentives for remodeling/redevelopment	54.6%	59.8%	48.0%	63.6%	53.2%	39.1%
Rent-subsidized housing	47.7%	48.5%	53.2%	42.9%	40.4%	39.1%
Temporary housing for the homeless	40.9%	45.4%	40.9%	32.5%	48.9%	23.9%
Local government incentives for developers	29.1%	28.8%	26.9%	29.9%	36.2%	30.4%
Community land trusts	25.6%	14.8%	52.0%	18.2%	10.6%	8.7%
Loosening residential zoning	25.1%	23.1%	24.6%	28.6%	31.9%	23.9%
Accessory dwelling units	17.7%	8.3%	35.7%	16.9%	8.5%	8.7%
Other	10.4%	10.0%	12.3%	9.1%	4.3%	13.0%
Reducing on-site parking	7.7%	6.1%	11.7%	5.2%	6.4%	6.5%

Figure 45: Do you have any other thoughts on housing in your community that you would like to share?



Source: Points Consulting, 2020

For the final question, respondents were asked for open-ended feedback on housing related issues. To translate this data into a quantifiable form, PC coded each of the 154 open-ended responses in terms of categories. Each response was assigned up to two categories. Each concept presented in Figure 45 were noted by five or more respondents to the survey. Detailed data on other topics are contained in [Appendix C](#).

Open-ended responses largely reflect the concerns and values of citizens noted in the categorical portion of the survey. Notably, both the supply and price of rentals is the item most mentioned by residents (17 responses). General or specific options for senior housing is noted by 14 respondents. Many respondents expressed deep concern over Water Availability and real estate developers' impact on communities, more generally. This concern was particularly acute in the Methow Valley but extended elsewhere as well. Though selections focused on government activity were relatively low in the categorical responses, many open-ended responses indicate strong views about the government's role in housing. The largest single public administration issue is the request for more local regulation of second and temporary homes (particularly in the Methow Valley). Other residents either praised given regulations related to zoning/building, or call for further advancement and articulation of these policies. Lastly, a large number of residents express a desire for less regulation over housing, in general.

In-Depth Interview Highlights

Over the course of several months in 2020, Points Consulting conducted 28 individual interviews with stakeholders in Okanogan County. Stakeholders engaged with included developers, builders, city/county officials, major employers, community leaders, bank lenders, and those involved with aspects of real estate. These interviews shined light on specific perceptions and detailed the status of housing needs and various issues surrounding development. All feedback and narrative that is proceeding is non-attributable to specific individuals.

Summary of Key Themes

Low-Income Housing

Low-income housing can be a topic fueled with strong opinions. The Okanogan County community has varied responses to the subject. It has been and will continue to be a delicate issue to work with.

There are many who recognize the need to do this for many reasons—helping people get on their feet, providing assistance to necessary workers, or that it is just the right thing to do to provide this social service to low-income households. Some community members, however, feel that low-income housing programs only attract and retain people with bad behavior and negative outcomes for their communities.

From a regional perspective, our team heard that the North county area is a bit stronger in subsidized housing than some other areas.

“The need for housing that is affordable is absolute. We need more of those homes.”

Farmworker Housing

Most of the conversation around farmworker housing was quite positive. Most community members noted and appreciated how formalized, safe, and legal farmworker housing has become. It is evidence that WAFLA and other related services are meeting expectations.

There are, however, some gaps in the system that people suggested improvements. For example, most of the farmworker housing is set up for single men with little to no accommodations for farmworker families. There are also female farmworkers in the programs, and they do not seem to have appropriate separation.

The Missing Middle

In virtually every region there was someone who mentioned the housing struggles of those with good incomes but were still being priced out of acceptable housing. These are the nurses, firefighters, service workers, and others who

“Good, reliable workers that make \$25-30 per hour are priced out of any programs that exist and have a really hard time finding housing.”

provide much-needed service to the community and businesses. Yet finding acceptable housing at a price they can afford is extremely difficult. There seems to be a need of some form of subsidized program for people in this category.

The Methow Housing Trust seems to be a great example of how this can be done effectively, although local stakeholders recognized it doesn't solve the problem for all demographics. All conversations about this program were positive with regard to housing quality, benefit to community, and program management.

Rising Costs of Development/Infrastructure Problems

Community members noted that the cost of making land ready for development is prohibitive. Developers seeking to build mid-level housing do not have a bunch of money coming that subsidized housing receives, and cities/towns do not have the funding to build more public infrastructure.

Some builders mentioned that the county loves to tax contractors and there is no legal way for contractors to operate out of a home. This makes it more difficult for builders to work affordably, which can then lead to more increased building costs. Additionally, contractors do not have an opportunity to get a conditional use permit to operate outside the city limits.

"It's so easy in the county (working with planning/zoning folks). Unrealistically easy, two-week turnaround in plan reviews. Many times they can review things on the spot."

The feeling is that cities and counties both need to expand annexations or come up with some type of leniency to go out to the rural parts of town because it is time for these communities to grow. There are still areas that are not annexed into the

fire district, and they have no fire protection. Lastly, it is important to recognize that most small, rural communities face similar challenges in this regard due to lack of resources.

Buildable Land

There seems to be a perceived strain between various real estate uses. Agricultural, residential, and commercial real estate seem to be fighting for available land to build in the county. This is made harder when some communities are reluctant to modify zoning.

"Unless we can get group use for land again, there is no way to get things more affordable. We can't subdivide things into smaller areas to try to drive prices down. Our hands are tied for planning tools."

Additionally, access to resources like water makes it difficult for some communities to be flexible with how/where they can build housing. For example, the water moratorium has restricted some communities to in-fill options available without being able to expand. Several themes were noted from various regions:

- Omak/Okanogan have buildable land, but not always served by utilities. North Omak has land, but not utilities. Land owners also do not want to develop land.
- Brewster - Gebbers farm. Own a bunch of land. Buy houses as they come on the market to put their workers in.
- Tonasket - a couple larger parcels that could be developed. Infrastructure nearby but owners do not want to develop.
- Central region - a couple developers who could do things, but do not want to spend money building public infrastructure.

Infrastructure Problems

- Water/infrastructure costs
- Water moratorium
- Developers do not want to spend money building public infrastructure

Lack of Housing Impacts Economic Growth

Multiple business owners, government leaders, and service providers noted how hard it is to attract and retain workers to the area due to lack of housing. In some cases, the area has lost opportunities for new business to enter the region when prospective businesses realize how low the housing stock is.

Even a small number of new employees, 5-10, is something that seems impossible in some areas because there is nowhere to put them. When people do find a rental and look for a home to build or buy, they may still be disappointed and leave the area.

“The first question businesses ask about is housing. The deal is lost before it begins.”

VI. Document & Ecosystem Review

The consulting team has spent the past several weeks since the project launch meeting collecting and analyzing information on economic and residential growth plans and objectives for the various communities in Okanogan County. As PC's team dives further into the quantitative and qualitative aspects of regional housing, it is necessary to first understand the regulatory and environmental conditions within the region. Following is a generic list of documents that have been reviewed at this stage. A full list is contained in [Appendix A](#).

- Comprehensive plans for cities, the county, and the Colville reservation
- Joint land use plans between any border sharing institutions
- Zoning maps and code for cities and the county
- State and local building codes
- Other community and economic development related reports

In addition, while PC was onsite for the project launch meeting in February 2020, the project team conducted a regional tour of each of the county's five regions, including both the predominant cities and numerous smaller towns. The intent of this tour was for the team to obtain an in-depth understanding of the region's terrain, culture, economy, and demographics. Prior to conducting the tour, the project team designed a worksheet for assessing various assets of each city and community, which included the following topics:

- Consistency of zoning/community feel
- Housing conditions
- Level of residential density
- In-fill opportunities
- Availability of services/amenities (e.g.: retail, entertainment, services, healthcare)
- Natural/built environment conditions
- Pedestrian infrastructure
- Housing mix (rough distribution by type)

State of the Nation's Housing Report

Prior to reviewing local planning documents, the project team reviewed national trends with regards to household demographics, housing markets, and nationwide trends. The most comprehensive recent report is the "State of the Nation's Housing," released in 2019 by Harvard University's Joint Center for Housing Studies. The report identifies national trends in housing markets, demographics, and challenges.⁵⁷ Some key trends noted in this study include:

⁵⁷ The State of the Nation's Housing (2019). *Joint Center for Housing Studies of Harvard University*. Retrieved from: https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_State_of_the_Nations_Housing_2019.pdf

- In general, there is a higher home price-to-income ratio on both coasts, which is very pronounced particularly in the western half of Washington. This ratio measures the ratio of median home prices to median wages to gauge how affordable for-sale housing compared to local salaries.
- Nationally, the share of low-cost rentals has shrunk as markets either fail to produce multi-family housing or respond to the growing number of households earning more than \$45,000 that are entering the rental market.
- Renter cost burden rates are growing for almost all income groups across the nation.
- Millennials and baby-boomers are defining the way that local housing markets must perform in order to grow.
- In 2018, the number of new home construction starts increased from the previous year in the Western region by 7%.
- The percent increase of residential land prices was notably higher in Washington compared to other markets nationally except for California.

Local Plans and Documents

The following section includes summarization and highlights from key planning and housing related documents for the state of Washington and Okanogan County. The project team's final Housing Needs Study will draw on the foundational understanding provided by these studies in addition to original research and stakeholder engagement. The project team also reviewed the municipal code for each of the eight largest cities within the county, namely: Omak, Okanogan, Brewster, Oroville, Tonasket, Twisp, Pateros, and Winthrop. Code for Okanogan County, which is in pending status given recent legal activities, was also reviewed.

For current purposes, this preliminary report is mostly based on the county as a whole and the individual cities that compose the county. The final analysis will not only account for the county as a whole but also for the unique dynamics within each of the five regions of Okanogan County.

State of Washington, Housing Needs Assessment

For years, the Washington Department of Commerce has been tuned to housing availability and affordability issues across the state. Commerce conducted a statewide Housing Needs Assessment in 2015. Since that time, the state has taken multiple legislative actions which encourage and incentivize cities to amend local zoning codes and develop affordable housing solutions. The two leading pieces of legislation on this front include House Bill 1923, which was enacted in May 2019, and House Bill 2343, which was just signed by Governor Inslee in March 2020.⁵⁸

⁵⁸ Washington State Legislature, House Bill (HB) 1923 - 2019-20: <https://app.leg.wa.gov/billsummary?BillNumber=1923&Year=2019&Initiative=false>. And HB 2343 - 2019-20: <https://app.leg.wa.gov/billsummary?billnumber=2343&year=2019>.

Washington Commerce's 2015 assessment shows how Okanogan compares to the other counties in the state.⁵⁹ Since most of the data in this report is from 2011 and 2012, it is likely slightly outdated but many of the same trends have continued since that time. Unsurprisingly, the report shows that the Seattle Metro area has the most expensive market, and residents experience the greatest struggles in affordable housing and cost burdens. Housing issues tend to ripple outward from major metro areas, so these affordability challenges may push some residents out from denser counties, such as King, Snohomish, and Pierce to less dense areas such as Skagit, Whatcom, and Chelan. Likewise, as affordability decreases in these areas, some residents may by choice or for cost reasons relocate to Okanogan County.

The report includes numerous cuts of information, with implications for Okanogan County. Other key findings include:

- Okanogan has moderate Median Home Sales Price when compared to the rest of the state of Washington. Neighboring counties to the West have a significantly higher median home sales price. Okanogan County prices are in the same range as Spokane, Kittitas, and Kitsap counties. See Figure 2 in Commerce's Housing Needs Assessment report.
- Okanogan has low to moderate median gross rent prices in comparison to the rest of Washington's counties. Okanogan County rent prices are in the same range as Grant, Gray's Harbor, and Whitman counties. See Figure 3 in Commerce's Housing Needs Assessment report.
- The Puget Sound region issued significantly more building permits than the rest of the state. Okanogan County, like most of central and eastern Washington, is in the 5,000 or fewer range between 2000 and 2012. See Figure 4 in Commerce's Housing Needs Assessment report.
- Homeownership rates declined in the state of Washington from 2000 to 2012. The rate of decline in Okanogan County was comparable to counties in the Seattle Metro area. See Figure 5 in Commerce's Housing Needs Assessment report.
- Okanogan's vacancy rate was less than 5% at the completion of this needs assessment suggesting a competitive housing market. The vacancy rate in Okanogan County was comparable to Chelan, Spokane, and Benton counties. See Figure 6 in Commerce's Housing Needs Assessment report.
- Both subsidized housing and housing need is greatest in the Puget Sound area. See Figure 7 in Commerce's Housing Needs Assessment report.
- Housing in Okanogan County has a moderate-cost burden on low-income households. Counties with similar population and cost-burden levels appear to have similar concentrations of subsidized units, including Douglas and Stevens. See Figure 8 in Commerce's Housing Needs Assessment report.

⁵⁹ Washington Department of Commerce (2015, January). *Housing Needs Assessment*. Retrieved from <https://www.commerce.wa.gov/wp-content/uploads/2016/10/AHAB-Housing-Needs-Assessment.pdf>

Okanogan County Comprehensive Plan

The Okanogan County Comprehensive Plan is a living document with the last update occurring in November 2018. The plan identifies maintaining a rural lifestyle as one of the biggest priorities for the county and its residents, if not the greatest priority. This includes preserving its vast land mass, clean air, immense areas of public land, diverse recreational opportunities, and long traditions of farming, ranching, and use of natural resources. Planning efforts for the county moving forward should align with these priorities, but also promote new economic opportunities that create a robust sustainable economy. One of the challenges to this vision for the county is the preservation of potable water supplies and agricultural land.

Okanogan County's comprehensive plan identifies three alternative approaches to rural development in the county. The first alternative leaves the 2014 comprehensive plan unchanged and does not support more intense levels of rural development. Alternative two includes higher levels of rural development that are based and guided by historic growth levels. Alternative three is a more restricted regulatory approach to rural development.

The county identifies availability of potable water as a determinant for new development and residential development is restricted to areas that meet adequate supply requirements. Some areas of the county have limited water supply and have placed a moratorium on new development, such as the Methow Valley.

The moratorium in the Methow Valley places a two-year ban on all land subdivisions though this ban does not affect existing parcels, even if they are undeveloped.⁶⁰ Exemptions can also be obtained if proof is provided of another water source that does not deplete the Methow watershed. There are competing views expressed by county residents on the moratorium. Some feel the moratorium is necessary to understand the development capacity the valley can support, and others feel it disproportionately affects large landowners who rely on subdividing and selling portions of property for income.⁶¹

The motivation for the moratorium is to ensure that development does not deplete scarce water resources in the Methow Valley and negatively impact current and future residents. This creates conflict because the Methow Valley is a very desirable place to live and a building moratorium necessarily upsets some residents and hampers certain avenues of economic growth. This is somewhat in conflict with the county's comprehensive plan which identifies the need for a mixture of housing types and densities across different cities and communities to ensure a vibrant economic base. The comprehensive plan also notes that affordable housing is also critically important to maintain a viable agricultural economic base as there is a need for farmworker housing.

⁶⁰<https://methowvalleynews.com/2020/01/29/mixed-reactions-to-subdivision-moratorium/>

⁶¹ Ibid.

The county's comprehensive plan has a significant section dedicated to ground water and actions that should be taken to ensure that residents have ample access and that the county works to ensure that availability of ground water does not deter economic growth. This includes targeting funding for studies that allows the county to understand replenishment of ground water supplies. The comprehensive plan notes that the county will support formation of water banks and calls for the county to make clear, conscious connections between watershed planning and land use planning in the county. This goal aligns with the objective of the Methow Valley moratorium, as the moratorium should allow for additional planning and assessment of local water capacity. Once capacity is determined, appropriate regulations should be created to allow development within means. The county recognizes the importance of groundwater supplies to the economic well-being of the area and will make every effort to ensure groundwater is available for beneficial use within constraints of the law.

Sewer and other infrastructure do not appear to be an issue for the county as these requirements typically are the responsibility of municipalities and are contained to municipal areas and expansion areas. The comprehensive plan encourages municipalities to plan infrastructure needs accordingly with anticipated annexation and growth.

Greater Omak Area Comprehensive Plan, 2019 Update

The Greater Omak Area Comprehensive Plan update was updated in June 2019 and covers 3,777 acres that include the corporate limits and Urban Growth Area. The plan includes the Omak Airport which is geographically located outside of this boundary. This recent update was made to the original plan composed in 1993. Key components include a focus on a healthy environment, sustainable economic base, and protecting quality of life. The plan estimates that the area covered will have a population between 4,870 and 5,374 by 2030, which would represent a total increase between 96 to 600 people since 2010.

Goals that capture the community vision as it pertains to residential development include the following:

- Protect and preserve the rural quality of life enjoyed by area residents
- Provide for controlled growth within limits established by resources and services the city, county and Tribes can efficiently and effectively develop and maintain

In term of new residential development, the plan suggests 19 strategies that make provisions for new development that is healthy, safe, and obtainable across all residents' income levels. It appears to favor low- and medium-density single family development in non-urbanized areas which would include the city, county, and Tribe making sufficient infrastructural provisions for such development. The plan suggests a designated Urban Growth Area to protect existing agriculture and the low-density character of non-urban areas. Such development would be focused near commercial zones and areas with appropriate levels of service.

The plan makes mention of promoting mixed-use developments throughout the planning area and suggests that the city should continue to maintain a policy declining to extend city services, such as water and sewer, outside of the corporate limits other than where it is required for tribal economic development. In addition, the plan establishes the use of housing authorities, trusts, and other mechanisms to promote home ownership as important for the future of the Greater Omak area.

Comprehensive Economic Development Strategy, NCW Economic Development District

The North Central Washington Economic Development District (NCWEDD) is the Economic Development Administration's designated economic development district that serves Okanogan, Douglas, and Chelan counties as well as the Colville Confederate Tribes. The comprehensive economic development (CEDS) strategy was adopted in June 2018.⁶²

Within the CEDS plan housing is mentioned in the section under "weaknesses," which the committee further articulates as "Lack of Affordable Mid-Range Housing." The plan states that it is an issue facing all counties and Tribes that hurts the region's ability to attract and retain workforce. Various cities in the NCWEDD area have identified this as an issue and have started to act. The City of Rock Island, in neighboring Douglas County, has three residential developments underway, with over 140 homes already permitted. The City of Wenatchee, in neighboring Chelan County, found that only 58% of households can afford the median sale price of a home in their city and over 30% of Wenatchee area households spend more than 30% of their income on housing costs, with 12% spending more than 50%.

Other challenges in the region include a dwindling middle-income housing supply, continued out-migration from smaller communities, and effects from natural disasters such as wildfires. The Okanogan County Long Term Recovery Group is an organization that ensures everyone displaced by flood and fires can return to safe and secure housing.

The plan also identifies a strategy for the Pateros Downtown Mall Resurfacing to resurface and expand the downtown mall to include a portion that will serve new residential housing to reduce the shortage of affordable housing.

Confederated Tribes of the Colville Indian Reservation 2012 - 2016 Community Economic Development Strategies

The Colville Reservation composes a large portion of southeast Okanogan County. The tribal boundaries are not contiguous with Okanogan County's boundaries as the Colville Reservation extends into parts of Ferry County and Chelan County, but the tribal

⁶² NCW Economic Development District (2018, June). *Comprehensive Economic Development Strategy*. Retrieved from <https://static1.squarespace.com/static/5792bd2db3db2bd9ef3b811e/t/5b73195f1ae6cf062bad3993/1534269798541/2018+CEDS+-+Adopted+June+27.pdf>

headquarters are within the county. The Tribe's largest population base is in the East Omak area. According to the strategy document, while water is plentiful in this district, any future development would have to include a tribal owned wastewater system or a major upgrade to the city's system as it is near capacity.

The Tribe has an ongoing community economic development strategy document that addresses housing.⁶³ The plan lists housing as a strategic issue and identifies a lack adequate affordable housing. The plan notes that the Tribe is aware of the housing shortage and that overcrowding, homelessness, and lack of homeownership compounds the problem. Another issue is that reservations are not attractive places for investors to develop housing.

The Colville Indian Housing Authority has been one of the more active programs throughout the Tribe in the last several years and has completed developments such as the White Buffalo Meadows project, which added 20 homes to the Nespelem District. The housing authority also completed the Buttercup Lane housing development in Inchelium.

The housing authority has also had success restoring dilapidated houses. Housing is a need throughout the reservation, but the Keller area is specifically identified as an area of need. Mid-level housing is identified as a specific need for the Inchelium area and senior housing/assisted living is also identified as a need in the plan.

The Confederated Tribe Plan also notes that some communities on the reservation lack adequate home water systems and even electricity. Safe, usable roadways throughout the reservation are lacking as well as facilities such as modern health clinics and youth shelters.

Town of Winthrop Comprehensive Plan


The Town of Winthrop is situated on the western side of the county within the Methow Valley and has a comprehensive plan from late 2015.⁶⁴ This plan envisions Winthrop as a vital economy and livable community that is welcoming to residents and visitors. It also calls for orderly development within the town's capacity to provide water, sewer, and essential

Figure 46: Buttercup Lane Housing Development in Inchelium



⁶³ Colville Indian Reservation (2016). Confederated Tribes of the Colville Indian Reservation 2012 - 2016 Community Economic Development Strategies. Retrieved from https://e5c84faa-6ce8-4777-9b7d-37e9a2fe3001.filesusr.com/ugd/79c0f4_906413c27f074ff8b9cdea6a9c7e581c.pdf

⁶⁴ Rocklynn Culp (2015, December). Town of Winthrop Comprehensive Plan. Retrieved from http://www.townofwinthrop.com/pdfs/Comp_Plan_final.pdf



services. Winthrop is affected by land use planning done by Okanogan County and other entities as the Okanogan Comprehensive Plan and Methow Watershed Implementation Plan both have ramifications for development in Winthrop. Development in the county may increase traffic and demand for services while decreasing water availability and quality in Winthrop. For this reason, the town needs to work with the county to make sure its interests are represented.

The plan notes that Winthrop enjoyed positive economic growth and development in the late 1980s and 1990s, which included upgrades to water and wastewater treatment systems. Positive development continued until the recession in 2008. During that year, the building trend stalled as only 74 of 170 proposed residential lots were developed. Since the recession, Winthrop has started to see a rebound in population growth and is positioned well for multi-family development due to capacity of its water and sewer system.

The housing element of the plan expects the residents of the town to grow as Washington grows. The city notes a shortage of affordable housing that meets the needs of year-round and seasonal residents. Their goals reflect that they would like to provide more affordable housing, rental housing, and more overall diversity in their housing stock.

To support expected growth, Winthrop will seek additional water rights and develop infrastructure systems needed to serve its permanent population and tourist economy. The comprehensive plan describes many proposed policies that deal with annexation and expansion that would require appropriate planning be completed concurrently with proposed development or annexation plans. Winthrop also maintains comprehensive water system and sewer system plans, and a transportation improvement plan that help inform its Capital Facilities Plan. The Capital Facilities Plan contains a six-year spending plan for capital purchases; this plan is updated annually and forms the basis for capital budgeting. Based on Winthrop's comprehensive plan, the town seems capable of expanding and supporting new residential real estate of various types including multi-family.

A challenge that needs to be considered is how to manage improvements to the town's water system. The system was rebuilt in 1985 but poor design, improper installation, and inadequate inspection during that project continues to present maintenance problems. Future improvements are anticipated, but the Water System Plan anticipates that the town will approach or exceed the limits of its water rights within the 20-year planning horizon, and recommends attention to securing additional rights. The comprehensive plan notes that sewer provides good capacity and is consistently updated and improved. The plan also describes the street system which appears to be sufficient for the town's current size.

Bridgeport Urban Area Comprehensive Plan

Bridgeport is just outside of the county and across the Columbia River in Douglas County. Nevertheless, the city's plans have an effect on communities in Okanogan County as many residents work in the city of Bridgeport and many Bridgeport residents commute into

Okanogan County. The city has an active comprehensive plan that was last updated in 2017.⁶⁵

The plan's section on housing shows that the city views housing stock as essential for long term viability. Their goal is to increase the diversity in housing prices and densities. The city is open to rehabilitating and retrofitting homes, given the appropriate structure, along with the development of incentives and support of manufactured homes. The plan encourages housing development for all income levels. This is to be done by defining the different types of housing and densities allowed and by providing a balance of those types throughout the community and outlines the following policies to accomplish this goal:

1. Support and encourage the retention and rehabilitation of existing housing units, thereby more efficiently utilizing the older housing stock.
2. Promote the retro-fitting and weatherization of existing housing for improved energy efficiency by encouraging the continued use of existing programs and the development of new and innovative programs.
3. Encourage a diversification of housing types and densities that can satisfy various lifestyles and economic capabilities.
4. Develop incentives that promote the construction of affordable housing and encourage cooperation with developers to meet the needs of all residents, including the low income and elderly segments of the population.
5. Recognize that manufactured homes are a viable housing option and the most accessible private market housing opportunity available to potential homeowners.
6. Recognize and accommodate special needs populations, such as those requiring group home and/or foster care facilities, nursing home care, congregate care, emergency shelter, or supervised environments within the development codes.
7. Disperse publicly assisted housing, group homes, and quasi-residential uses such as day care centers throughout the community by making provisions for these uses to locate within all residential districts, including existing residential neighborhoods. In some districts it may be appropriate to require an additional review process, beyond the issuance of a building permit, to ensure compatibility of these uses with existing residences.
8. Long-term residential care should be provided for in all land use designations.

⁶⁵ City of Bridgeport (2017). Bridgeport Urban Area Comprehensive Plan. Retrieved from https://www.bridgeportwashington.net/application/files/8215/1726/5126/Bridgeport_Urban_Area_Comprehensive_Plan_Adopted_7_20_2016_Updated_2017.pdf

Appendix A: Documents Reviewed

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Appendix B: Steering Committee & Stakeholder Engagement Participants

The following are the Steering Committee members who worked with PC over the course of the project:

- Chris Branch, Okanogan County Commissioner
- Sue Edick, Oroville Housing Authority
- Lael Duncan, Okanogan Community Action Council
- Lisa Apple, Okanogan Behavioral Healthcare
- Nancy Nash-Mendez, Housing Authority of Okanogan County
- Roni Holder Diefenbach, the Economic Alliance

The following is the list of individuals with whom PC conducted in-depth interviews.

North Region

- Alisa Weddle - Tonasket City Council
- Marcus Alden - HR at Reman & Reload, Oroville
- Sandy Andrews - Owner of Camaray Motel, Oroville
- Mike Marthaller - Oroville City Council
- Kurt Danison - Planner, Highlands Associates - on-call planner numerous cities
- Roni Holder Diefenbach - Executive Director, Economic Alliance
- Steve McCullough - Superintendent, Tonasket School District
- Rocky Devon - Remax Real Estate, Oroville
- Sue Edick - Director, Oroville Housing Authority

Central Region

- Chris Branch - County Commissioner
- Jesus Hernandez - CEO, Family Health Centers
- Lael Duncan - Executive Director, Okanogan County Community Action Council
- Luis Guitron - Field Services Manager, WAFLA
- Mary Neimeyer - Windermere Real Estate
- Sheila Corson - Okanogan PUD
- Todd McDaniel - Omak City Manager



South Region

- George Brady - Pateros City Council
- Tory Wulf - Project Manager, Gebbers Farms

Reservation

- William Marchand - Planning Director, Colville Confederated Tribes
- Douglas Marconi- Executive Director, Colville Indiana Housing Authority

Methow Valley

- Soo ing-Moody - Mayor, Twisp
- Julie Tate-Libby - Twisp Works
- Rocklyn Culp - City Planner, Winthrop
- Kelly Edwards - Room One, Social Services Provider
- Danica Ready - Executive Director, Methow Housing Trust
- Lucas Evans - Owner, Methow Valley Builders
- Andy Hover - Okanogan County Commissioner, District 2
- Darold Brandenburg - General Contractor, Brandenburg Construction

Appendix C: Detailed Data

Table C1: Top Specific Industries

NAICS	Description	2019 Jobs	2019 Location Quotient	Avg. Earnings Per Job	14-19 % Change	19-24 % Change
111000	Crop Production	3,201	51.77	\$28,188	(22.7%)	(20.6%)
903999	Local Government, Excluding Education and Hospitals	2,088	3.20	\$63,560	4.2%	(1.6%)
903611	Elementary and Secondary Schools (Local Government)	1,683	2.05	\$59,290	22.1%	5.9%
115114	Postharvest Crop Activities (except Cotton Ginning)	1,219	117.54	\$34,903	18.7%	10.0%
445110	Supermarkets and Other Grocery (except Convenience) Stores	480	1.67	\$29,697	8.7%	6.4%
903622	Hospitals (Local Government)	474	6.17	\$85,369	1.0%	(4.7%)
624120	Services for the Elderly and Persons with Disabilities	421	1.90	\$25,705	(21.2%)	12.9%
722513	Limited-Service Restaurants	352	0.70	\$18,789	2.4%	(0.4%)
901199	Federal Government, Civilian, Excluding Postal Service	348	1.34	\$107,430	(3.6%)	(10.8%)
722511	Full-Service Restaurants	339	0.54	\$21,730	(7.6%)	1.8%
721110	Hotels (except Casino Hotels) and Motels	337	1.80	\$28,124	10.3%	(2.3%)
452311	Warehouse Clubs and Supercenters	306	1.86	\$35,193	(7.4%)	2.5%
902999	State Government, Excluding Education and Hospitals	281	1.09	\$76,716	(1.0%)	5.2%
621111	Offices of Physicians (except Mental Health Specialists)	186	0.63	\$96,101	(5.4%)	(20.2%)

Source: Emsi, Industry Table, 2020.1

Table C2: Top Specific Occupations

SOC	Description	2019 Jobs	2019 Location Quotient	Median Annual Earnings	14-19 % Change	19-24 % Change
45-2092	Farmworkers and Laborers, Crop, Nursery, and Greenhouse	1,574	21.32	\$27,776	(37.1%)	(11.6%)
41-2011	Cashiers	591	1.45	\$25,598	2.4%	(1.7%)
11-9013	Farmers, Ranchers, and Other Agricultural Managers	536	30.28	\$71,885	(21.2%)	(18.3%)
45-2093	Farmworkers, Farm, Ranch, and Aquacultural Animals	436	25.78	\$28,300	(11.7%)	(20.1%)
35-3021	Combined Food Preparation and Serving Workers, Including Fast Food	420	0.99	\$24,722	3.9%	2.2%
41-2031	Retail Salespersons	364	0.74	\$26,512	3.4%	6.9%
25-9041	Teacher Assistants	355	2.24	\$30,369	33.1%	6.6%

43-9061	Office Clerks, General	322	0.83	\$32,212	(1.4%)	(1.0%)
53-3032	Heavy and Tractor-Trailer Truck Drivers	287	1.35	\$39,312	17.0%	16.2%
39-9021	Personal Care Aides	272	1.01	\$29,835	8.2%	17.9%
49-9071	Maintenance and Repair Workers, General	263	1.49	\$38,151	3.1%	0.5%
45-2099	Agricultural Workers, All Other	261	32.35	\$24,425	(14.3%)	(18.7%)
53-7064	Packers and Packagers, Hand	240	3.11	\$25,099	(15.8%)	(0.6%)
37-2011	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	234	0.85	\$31,088	(5.5%)	0.2%

Source: Emsi, Occupation Table, 2020.1

Table C3: Distribution of Respondents by ZIP and Region

Location	Survey Responses	% of Total	Population	% of Total
Central	265	39.7%	16,688	37.2%
98841: Omak	165	24.7%	9,361	20.9%
98840: Okanogan	81	12.1%	5,637	12.6%
98829: Malott	8	1.2%	280	0.6%
98849: Riverside	7	1.0%	1,219	2.7%
98819: Conconully	4	0.6%	191	0.4%
Methow	186	27.8%	5,690	12.7%
98856: Twisp	87	13.0%	2,426	5.4%
98862: Winthrop	65	9.7%	2,420	5.4%
98814: Carlton	24	3.6%	473	1.1%
98833: Mazama	5	0.7%	192	0.4%
98834: Methow	5	0.7%	179	0.4%
North	97	14.5%	12,700	28.3%
98844: Oroville	49	7.0%	5,336	11.9%
98855: Tonasket	43	6.4%	6,469	14.4%
98827: Loomis	4	0.6%	440	1.0%
98859: Wauconda	1	0.1%	455	1.0%
Reservation	62	9.3%	3,053	6.8%
99155: Nespelem	37	5.5%	616	1.4%
99116: Coulee Dam	23	3.4%	2,354	5.3%
99124: Elmer City	2	0.3%	83	0.2%
South	58	8.7%	6,700	14.9%
98812: Brewster	44	6.6%	5,434	12.1%
98846: Pateros	14	2.1%	1,266	2.8%
Grand Total	668	100.0%	44,831	100.0%

Table C4: Detailed Survey Responses for Open-Ended Survey Question

Coded Response	Number of Responses
Rentals: Price	17
Maintenance/Appearance	14
Seniors	14
Middle-Income Housing	13
Low-Income Housing	10
Rentals: Supply	9
Water Availability	8
Government Interference/Over-regulation	7
Homeless: Housing	7
Regulate: Second/Vacation Homes	7
Developers: Impacts	6
Government: Zoning/Building	6
Service Workers: Housing	6
Community Investment	5
Education	4
Low Income Levels	4
Middle-Density Housing	4
Smaller Homes	4
Subsidized Housing	4
Tiny Homes	4
Community Land Trust	3
Housing Supply	3
Lack of Land	3
Landlords: Maintenance	3
Mobile Home Parks: Rent Eviction	3
No Changes	3
Resident Displacement	3
Communication	2
Disabled	2
First-time Homebuyers	2
Landlords: Stricter Policies	2
Pets	2
Restrict Vacation Rentals	2
Veterans	2
Youth Programs	2
Community Vision	1
Developers: Profit	1
Don't Regulate: Second Homes/Temporary Residents	1
Energy Efficiency Programs	1
Family/Lifestyle Needs	1
Funding	1
Grant Funding	1
Habitat for Humanity	1
Homeless: No Housing	1

Landlords: Looser Policies	1
Less: Farmworkers' Housing	1
More: Farmworkers' Housing	1
Motor Homes	1
Program Abuse	1
Rising Costs	1
Security	1
Unwelcoming Community	1

Appendix D: Community Survey Questions

1. In what ZIP code do you reside?
 - _____ [if respondent lives outside of Okanogan County skip to survey exit]
2. Broadly speaking, how satisfied are you with the cost of housing in your community? [if "far too expensive" or "somewhat expensive" go to question #2, otherwise skip to #3)
 - Housing is far too expensive
 - Housing is somewhat expensive
 - Housing is about the right price
 - Housing is somewhat affordable
 - Housing is very affordable
 - Don't know
3. What are your greatest housing affordability concerns? Select the top 3 issues and feel free to write-in a response.
 - People moving to the community from elsewhere are driving up real-estate costs
 - Cost to build adequate housing exceeds the income levels of average citizens
 - Over-regulation on housing development drives up costs
 - Real estate developers focus too much on high-end single-family homes
 - Existing land-owners are unwilling to develop their land or it is overpriced
 - Lack of rentals, in general
 - Landlords charge too much for rent
 - Other _____
4. Broadly speaking, how satisfied are you with the types of housing available in your community? For this question, consider physical attributes, size, location, amenities, etc. [if "somewhat dissatisfied" or "very dissatisfied," go to #4, otherwise skip to question #5].
 - Very satisfied
 - Somewhat satisfied
 - Neither satisfied nor dissatisfied
 - Somewhat dissatisfied
 - Very dissatisfied
 - Don't know
5. What aspects of housing are you dissatisfied with? Select all that apply.
 - Too many single-family homes and not enough apartments, duplexes, etc.
 - Too much development in historically rural/agricultural areas
 - Existing physical infrastructure does not adequately support further residential development
 - Too many homes are under-maintained
 - Too much conversion of housing stock to vacation rentals (e.g.: AirBnB)

- Not enough housing for special needs populations (e.g. seniors, emergency, disabled, transitional housing, etc.)
 - Too many homes lack style and/or character
 - Building style and practices do not address sustainability factors (i.e.: water usage, carbon emissions, forest fire vulnerability, etc.)
 - There are not enough residences to house the people who want to live here
 - Other _____
6. What forms of housing would you like to see more of in Okanogan County? If you do not know what the housing type is, please leave the option blank. Select all that apply.
- Large market rate apartments with 20+ units per building
 - Rent-subsidized apartments
 - Farmworker housing
 - Senior independent-living
 - Senior assisted-living
 - Typical single-family housing on individual lots(5,000+ square feet)
 - Medium-density single-family housing (e.g.: duplexes, condos, triplexes, etc.)
 - Medium sized market rate apartments with 4-10 units per building
 - Accessory dwelling units (i.e.: additional living quarters shared with a single-family lot)
 - Mobile/manufactured home communities
 - Tiny homes
 - Modular and/or kit-built homes
 - Other _____
7. What tools would you be in favor of your community using in order to provide more housing? If you do not know what the tool is, please leave the option blank. Select all that apply.
- Community land trusts
 - Rent-subsidized housing
 - Temporary housing for the homeless
 - Loosening of residential zoning requirements (i.e.: minimum home/lot sizes, dwellings per acre, etc.)
 - Accessory dwelling units
 - Reducing on-site parking requirements
 - Local government incentives for real estate developers (e.g.: waiver/deference of fees, tax abatements, expedited permitting, etc.)
 - Incentives for remodeling/redevelopment of existing housing stock
 - Other _____
 - Don't know
8. Do you have any other thoughts on housing in your community that you would like to share?_____