

Chapter 5 Housing Element

I. INTRODUCTION

Because of its geographical location, the Selah UGA is a suburb to the City of Yakima, so housing is an important component of the Selah UGA Comprehensive Plan. As shown on the existing land use map (Figure 2.5, Land Use Element), the greatest percentage of developed land use within the Selah UGA is residential (719.2 acres, 40% of the developed area). As quality of life factors continue to be enhanced, the City of Selah UGA will attract more people, and additional housing units will be necessary.

II. HOUSING STOCK – TYPE, TENURE AND AGE

Washington State Office of Financial Management (OFM) annual population estimates show that in 2015, total housing units within the City limits were 2,912.¹ This is an increase of 982 units since 1990, as shown in Table 5-1. In 2015, single-family units were the dominant housing type – 2,098 units, multi-family – 783 units, and mobile homes or other housing – 31 units. Of the 2,912 occupied housing units in 2015, 1,257 were owner-occupied, 1,012 were renter-occupied, leaving 139 units vacant.

The age of the housing stock within the City of Selah is fairly comparable to Yakima County and Washington State. 28% of the housing units within the City are more than 50 years old (built before the year 1960), whereas 33% of the housing units in Yakima County and 23% of the total housing units in Washington State are more than 50 years old (ACS 2010-2014 5-Year Estimates).

Table 5-1 Housing Type (1990 and 2015)

HOUSING TYPE (1990)				
	Total Units	Single Family	Multi-Family	Mobile and Other
City of Selah	1,930	1,359 (70%)	504 (26%)	67 (4%)
Yakima County	70,852	49,356 (70%)	11,174 (16%)	10,322 (14%)
HOUSING TYPE (2015)				
City of Selah	2,912	2,098 (72%)	783 (27%)	31 (1%)
Yakima County	87,982	57,719 (66%)	16,765 (19%)	13,498 (15%)

Source: 1990: U.S. Bureau of the Census, Census of Population, Washington; 2015: OFM 2015.

Table 5-2 Housing Tenure, Value, and Vacancy, 2000-2014

	Total Occupied Units	Owner-occupied	Median Home Value	Homeowner Vacancy	Renter Occupied	Median Rent	Rental Vacancy Rate
2000							
City of Selah	2,269	1,256 (56%)	\$133,100	NA	1,012 (45%)	\$612	7.20%
Yakima County	73,993	47,670 (64%)	\$113,800	NA	26,323 (36%)	\$534	3.60%
2010							

¹State of Washington 2015 Population Trends, Office of Financial Management, September 2015.

City of Selah	2,475	1,458 (58%)	178,400	0.5	1,017 (41%)	719	3.60
Yakima County	79,075	50,710	\$149,700	1.5%	28,365	\$644	4.50%
2014							
City of Selah	2,937	1,686 (57%)	\$200,900	0.6	1,251 (43%)	\$831	8.70%
Yakima County	79,717	49,287	\$157,900	1.9	30,430	\$771	4.20%

Source: 2000: U.S. Bureau of the Census, 2000 Census of Population, Washington; 2010 and 2014: U.S. Bureau of the Census, American Community Survey 5-Year Estimates.

III. LAND REQUIREMENTS FOR HOUSING

The Land Use Element demonstrated a projected demand for approximately 731 additional dwelling units in the UGA by the year 2037. Approximately 269 acres will be required to support this future housing demand, assuming housing type distribution will match existing trends. As discussed in Chapter 3, this need can be met with the available developable land within the City limits and the unincorporated UGA with an appropriate market factor.

Affordable Housing

Across the State of Washington, a concern of many residents is the lack of affordable housing. It is becoming more and more difficult for the average citizen to purchase a new home. According to American Community Survey (ACS), the median value of a home in the City of Selah was \$200,900 in 2014 (Table 5-2), with a median household income of approximately \$50,333 (ACS 2010-2014 5-Year Estimates). However, 2016 Yakima County Assessor data shows a median value for Selah homes of \$159,800 and may be a more accurate estimate since it is based on current assessor values. The Yakima County Assessor value is slightly higher than the Yakima County median home value, while the ACS value is significantly higher than the Yakima County median home value.

Housing Strategies

With increasing home values, affordable housing is essential to communities. Affordable housing often has the connotation of being an undesirable large subsidized complex, but there are many alternatives. The City can encourage affordable housing, but still maintain the character of the community. After identifying and evaluating housing needs for the Selah UGA, the City and Yakima County should investigate and re-evaluate development regulations, permit procedures and funding decisions to meet the growing population and economic needs of the City.

As Selah's identity becomes more focused on development in the City center, affordable housing units should be accommodated in the city center, whether it be with mixed use structures or multi-family units. A few multi-family units are currently located in the City center – along First Street. Selah's city center provides schools, parks, retail neighborhood shops and jobs within walking distances of housing. Offering living in the city center would provide affordable housing for residents, and also enhance and maintain a quality of life in the city center area.

Manufactured housing.

Selah permits mobile homes and manufactured home parks in low-density single-family residential zones. As required by the GMA, the Selah zoning code should be amended to allow manufactured homes as a permitted use in all residential zoning districts. As manufactured housing becomes less distinguishable from stick-built housing, manufactured housing should become an option in more and more locations.

Accessory housing.

Accessory dwelling units or “granny flats” would provide another opportunity for those seeking affordable rental housing. This type of housing not only provides an affordable place to live, but also offers assistance to homeowners concerning their own financial burdens. These accessory units could be located within present single-family homes or as separate structures on existing single-family lots.

Special housing needs.

The GMA requires that the Housing Element of the Comprehensive Plan address special housing needs, such as group care homes and foster care facilities. While the current Selah Zoning Ordinance generally addresses these facilities it should be reviewed and clarified to reduce the potential for misinterpretation and ensure conformance with the Federal Fair Housing Act.

Cluster development.

By clustering development on a small portion of a large parcel, a more efficient, and therefore, theoretically, less costly, provision of services can be achieved. Provisions for this type of development should be incorporated into existing regulations, and applied throughout the UGA.

There are a number of state and federal initiatives that are aimed at fulfilling basic housing needs and expanding homeownership opportunities for low- and moderate-income citizens.

Yakima County Housing Authority

Federal housing programs, under the auspices of the U.S. Department of Housing and Urban Development (HUD) work with local and state agencies to administer their housing initiatives. The Yakima County Housing Authority (YCHA), located in the City of Yakima, administers three major HUD-funded programs – Public Housing and the Section 8 Certificate and Voucher Programs.

There are two YCHA public housing apartment properties in Selah, both of which offer Section 8 units. The majority of public housing units in Yakima County are located in the City of Yakima. The Section 8 Certificate and Voucher Programs are rental assistance programs designed to make decent, safe and sanitary housing more affordable to low-income, elderly and handicapped/disabled individuals and families. Applicants must meet HUD eligibility requirements, have incomes that do not exceed HUD-established area income limits. Potentially eligible applicants are placed on a waiting list until a housing Certificate or Voucher can be

issued. (It is not unusual for the waiting period to exceed 24 months). Under the certificate program, the tenant pays not more than 30% of adjusted income toward rent and utilities. The balance is paid directly to the landlord by YCHA. Rent and utilities for the unit must not exceed the fair market rent in the county. As an example, the fair market rent in Yakima County for a two-bedroom unit is \$759 in 2016 (HUD). This amount does not include utilities.

Under the voucher program, the payment standard is based on the fair market rent and is the amount used to determine the tenant's housing assistance. If the tenant chooses a unit that rents for less than the payment standard, the tenant pays less than 30% of adjusted income for rent and utilities. If the tenant chooses a unit that rents for more than the payment standard, the tenant pays more than 30% of adjusted income for rent and utilities.

IV. AFFORDABLE HOUSING PROGRAMS

The Washington State Housing Finance Commission (WSHFC), is a secondary lending institution that provides a variety of housing finance programs to low- to moderate-income residents of the state. The Commission's single-family program targets assistance to first-time homebuyers by offering mortgage loans at below market-rate financing through participating lenders. Eligible borrowers cannot earn more than 80% of the Yakima County median income, adjusted for family size.

The low-income Housing Tax Credit Program is a federally-sponsored incentive program that is administered by the WSHFC. The program assists in the development of low-income rental housing by providing qualified owners with credit to reduce their federal tax obligations. The credit is available to owners of qualifying buildings or projects which meet certain low-income occupancy and rent restrictions. The program allows developers to sell the tax credits to investors who purchase a partnership interest in the qualifying low-income property. This process allows the developer to raise the necessary funds to finance multi-family housing projects.

The City of Selah could consider participation in the Yakima County HOME Consortium. The HOME Consortium expands affordable housing opportunities for low- and moderate-income households in member jurisdictions throughout the region. Any jurisdiction other than City of Yakima is eligible to participate. The HOME Consortium is currently focused on housing rehabilitation as a pressing regional need, and is also able to assist with new construction for multi- or single-family rental units and affordable housing for a homebuyer program.

The Housing Trust Fund, administered by the Department of Commerce, makes funds available for affordable housing projects through a competitive application process. Housing Trust Fund dollars support a wide range of projects and low-income populations. Projects can serve people with incomes up to 80% of Area Median Income (AMI); however, the majority of projects funded serve households with special needs or incomes below 30% of Area Median Income (AMI). Examples include homeless families, seniors, farmworkers, and people with developmental disabilities.

V. LOCAL FINANCING OPTIONS

In addition to federal, state and county programs, there are a number of housing finance mechanisms the City of Selah could take advantage of to promote the construction of affordable housing. Local resources include use of general funds, block grants, bonds, levies, and partnerships with private sources.

General Funds. Local governments can budget general tax revenues or revenues from the real estate excise tax for the provision of housing for households at or below 80% of the area median income. Funds are generally provided as low- or no interest loans on which payment is deferred so long as the housing remains affordable.

Bonds. The City of Selah could issue general obligation bonds for public purposes, which include the provision of housing for households at or below 80% of the area median income. Bonds can be issued with or without voter approval. Voter-approved bonds are “unlimited” general obligation bonds and bonds issued without voter approval are “limited” or “councilmanic” bonds. No combination of voter-approved and councilmanic debt can exceed 2.5% of the total assessed value of all taxable property in the jurisdiction. Bond funds are limited to providing the capital costs of the projects.

Special Purpose Property Tax Levy. The City of Selah can increase the regular property taxes for special purposes, including low-income housing, for a specific time period subject to voter approval. Levies can provide housing at an overall lower cost than bonds because there are no issuance costs or repayment of principal and interest. Levy funds can also be used for a broader set of purposes than bonds, including operating and administrative costs. These funds are one of the most flexible local resources for housing. Programs can be designed to address local needs and levy funds qualify as matching funds for all state and federal housing programs.

VI. GOALS AND POLICIES

GOAL 5.1: Encourage the availability of affordable housing to all economic segments of the population, while maintaining the character of the community.

Objective 5.1.1: Investigate and re-evaluate development regulations, permit procedures and funding decisions to meet the growing population and economic needs of the City.

Policy 1: Sub-Area planning for the city center should accommodate affordable housing units.

Policy 2: Amend zoning regulations to allow housing types and special needs housing in a manner that is consistent with State laws:

1. As manufactured homes become less distinguishable from conventional housing they should be permitted in all residential zones.

2. Zoning requirements should not discourage or exclude family in-home daycare, group homes or foster care facilities.

Policy 3: Allow assisted living units as a method of increasing the supply of affordable housing, as an alternative to institutional or assisted care living, and to assist homeowners remaining in their existing homes.

Policy 4: Investigate the use of accessory dwelling units to provide for those seeking affordable housing.

Objective 5.1.2: Maintain and upgrade the character of existing residential neighborhoods..

Objective 5.1.3: Participate in the development of a regional fair share housing allocation that provides low and moderate income housing targets.

GOAL 5.2: Promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.

Objective 5.2.1: Maintain and upgrade the character of existing residential neighborhoods.

Policy 1: Discourage rezoning which would allow incremental conversion of existing single-family dwellings to duplexes or multi-family dwellings in low density residential areas.

Policy 2: Encourage new single-family development throughout low density residential areas as redevelopment and infill construction at appropriate densities.

Policy 3: Restrict the establishment of commercial and industrial uses in residentially zoned areas except for mixed use development consistent with adopted plan policies.

Policy 4: Ensure codes and ordinances promote and allow for a compatible mix of housing types in residential areas.

Policy 5: Special needs housing shall be designed and maintained to be compatible with the surrounding neighborhood.

Policy 6: Support reinvestment in deteriorating neighborhoods through strict code enforcement

Objective HSG 5.2.2: Encourage new residential construction to be compatible with existing residential development.

Policy 1: Encourage developers to use private covenants and deed restrictions which specify architectural, maintenance and landscaping standards within their development.

Objective 5.2.3: Minimize the negative impacts of medium and high-density residential projects on adjacent low-density residential areas, but encourage mixed use/density projects.

Policy 1: Encourage multi-family dwellings to locate in areas where increased density can be used as a tool to discourage urban sprawl.

Policy 2: Require high-density multi-family residential projects to meet minimum site design criteria including:

1. Adequate traffic access
2. Landscaping
3. Off-street parking
4. A suburban character.

Policy 3: Encourage the upgrade of existing mobile home parks to current development standards.