

A Housing Assistance Plan

City of Connell, Washington

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Introduction

The City of Connell was awarded a Community Development Block Grant Planning Only Grant to develop a Citizen Participation/Community Development and Housing Assistance Plan. The task of performing a housing needs assessment, and developing housing goals, objectives and strategies was contracted to Northwest Regional Facilitators (NRF) through the Benton-Franklin Regional Council. The following plan is the result of research by NRF and the Council, and input from the community.

The conclusion from the assessment of housing in Connell is the same whether stated by each contact made or deduced from data collected: **more housing is needed**. Respondents to the "Destination 2010" Survey¹ listed housing as the number one priority. Interviews of 21 community leaders that represent all segments of the population listed housing as the greatest community weakness (with more than double the votes of any other of the nine priorities) and also listed housing and rental housing as the two top priorities. A community forum conducted in late August 1992 discussed housing as a priority and listed incentives for new construction as the top housing priority. In addition, the four major employers in Connell agree that the shortage of housing is "critical" and at least one of the employers blames housing for its high employee turnover rate.

In addition, research and data findings parallel the community opinions. The number of persons per household is increasing - contrary to a surrounding area and nationwide trend of decreasing household size. The percentage of households living in overcrowded conditions is larger than for surrounding areas. The population is increasing - specifically the "working poor" population - and it can be expected to continue to increase. For various reasons, new residential construction to accommodate this increase has only occurred on a very small scale, and then only for relatively expensive homes.

In addition, housing is most needed by households that cannot afford the typical cost of new houses. Also of note is the fact that the Hispanic and Asian communities are also experiencing large growth. These populations, their housing preferences, and affordability must be considered when planning future housing.

Housing of all types is needed in Connell. Current plans for development include a limited number of new homes that are only affordable to persons in the upper income categories. More modest housing, both owner occupied and rental, is needed in Connell, specifically, housing that is affordable to the low-moderate income wage earner typical of the majority of workers employed in Connell. It is this population that is working in Connell supporting the major industries, that is increasing and that has the greatest need for housing. This category of housing includes all types: modest single family homes for rental and purchase, apartments in a range of sizes, and farmworker housing.

Some of the need can be met through judicious use of the private market. By building efficiently, with attractive financing and in numbers that can achieve economy of scale, moderately affordable housing can be produced. However, it is likely that a public/private partnership will be necessary to produce units affordable to the lower income households. Federal, state and local programs and financing can be used to aid private for-profit and non-profit developers in the production of quality, affordable

housing. It is also apparent that certain households will need additional assistance to further supplement the physical housing unit. Most particularly, there is likely to be a need for rent subsidy, with some need for other kinds of assistance to aid with financial and living independence.

As a community Connell has actively worked to position itself to respond to development needs of present and future. Its city government is solvent. It has planned its infrastructure to accommodate growth. It has the space to grow. The physical framework to address its housing needs is present.

The Community of Connell

Connell...

... is a small, progressive city which over the past few years has striven to assure that it would not fade away as many small towns are doing across the United States. A major strength of the community is its attitude. Connell is characterized by its citizens as a small community that works together. Past efforts to insure community survival have been the completion of an economic development plan, a strategic planning study and a retail trade-area analysis.

The data from the past study and reports, along with recently conducted community forums and citizen participation efforts, have provided the City of Connell with a well defined road map for our community's future wellbeing. Seven distinct community goals have been developed, with the housing goal being of foremost concern.

Vision Statement

Connell Destination "2010"

Connell is envisioned as a growing and progressive community and as a clean community with well maintained business and residential areas, plenty of green trees, a diversified economy with an expanding correctional facility, strong agricultural related industries, healthy commercial center and broadening light industrial activity. There is a senior and community center, cultural activities are diverse and accentuate the strengths of Hispanic, Laotian and Anglo cultures that live in the community. Highway 395 has been completed, expanding the tourism and recreational potential of Connell. There is adequate, diverse and affordable housing for all residents. City and community services are second to none and residents enjoy the atmosphere of a small, friendly harmonious community with the advantages of a strong economic base.

Goals

The citizens of the City of Connell have developed the following goals for the purpose of making the aforementioned Vision Statement a reality. Detailed strategies for accomplishing the housing goal appear in the section entitled "Housing Strategies."

Goal 1: To provide affordable and diversified housing.

Goal 2: To provide an enhanced quality of life to the citizens of Connell through an improved community appearance.

Goal 3: Improve the quality of life for the area's senior citizens.

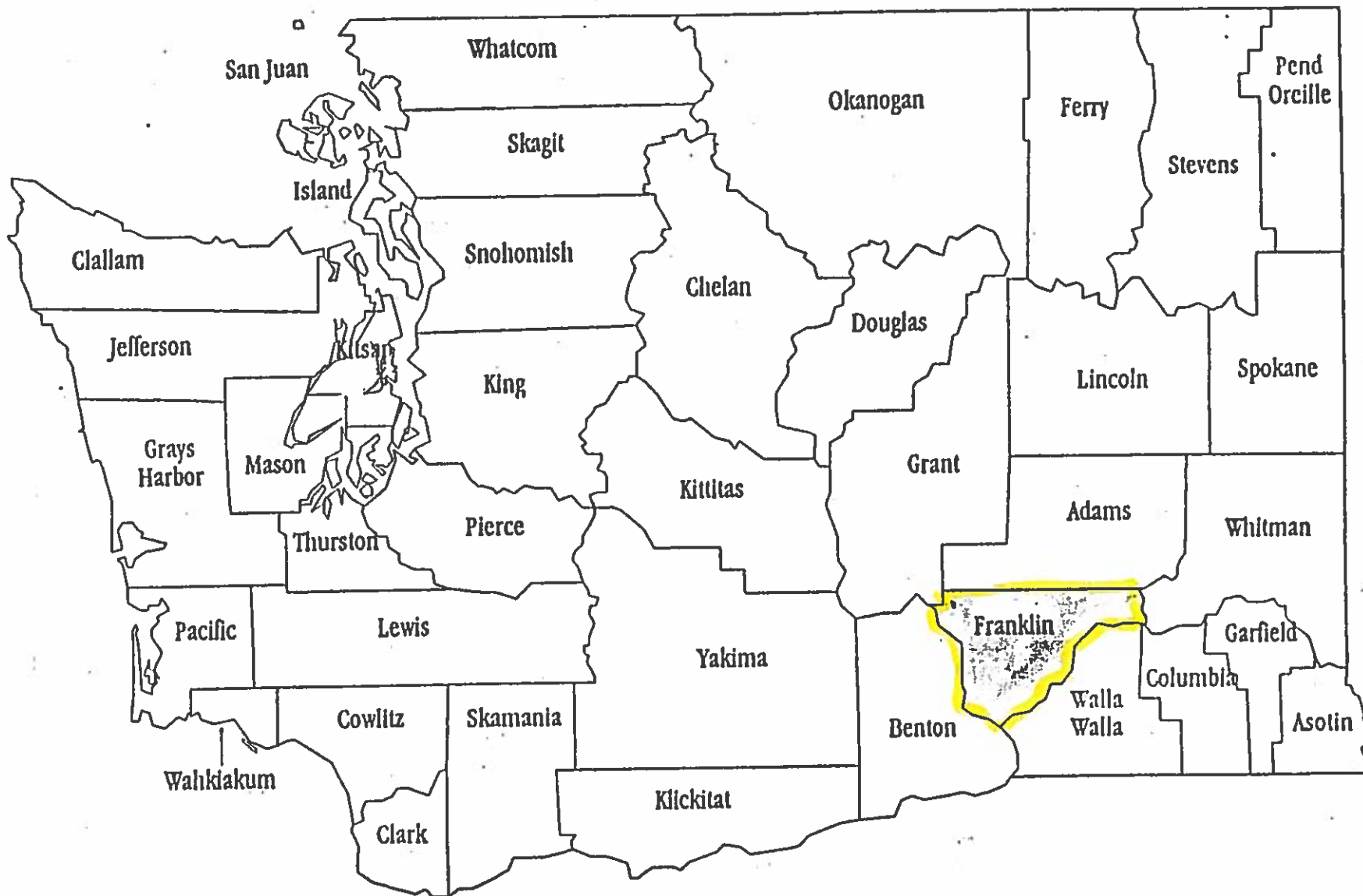
Goal 4: Enhance economic development and job opportunities for Connell citizens.

Goal 5: Expand and enhance public facilities and services to the citizens of the City of Connell.

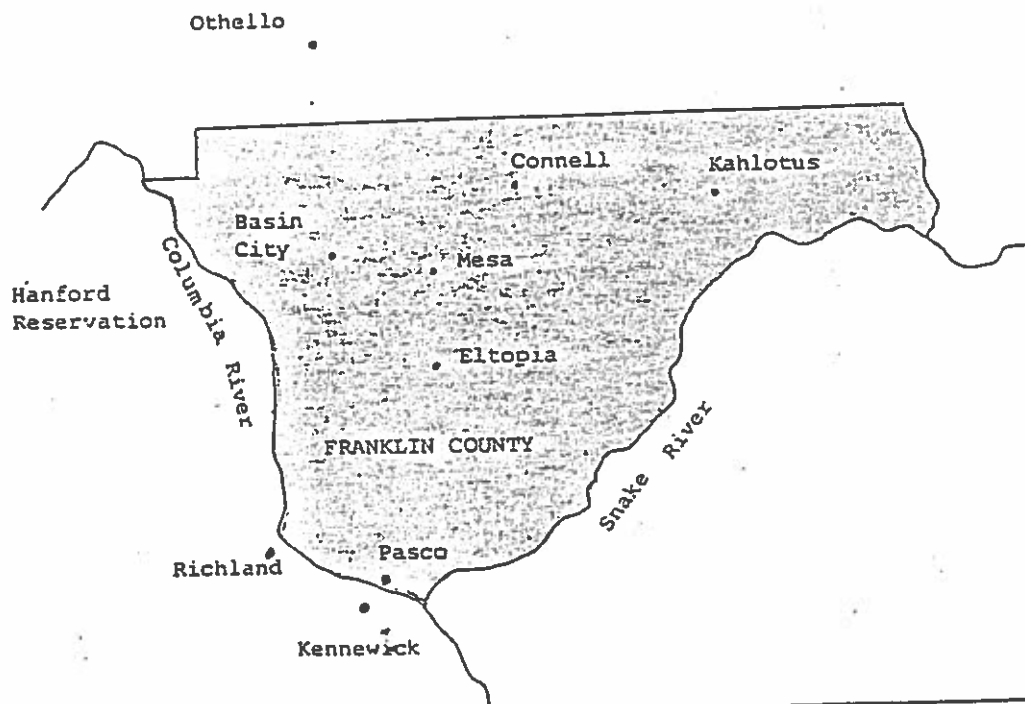
Goal 6: Provide enhanced opportunities for residents in Parks and Recreation activities.

Goal 7: Encourage diversified and multi-modal transportation opportunities for Connell's citizens.

State of Washington



MAP OF FRANKLIN COUNTY
AND ITS COMMUNITIES
(Area: 1,243 square miles)



Source: Developed by the Office of Rural and Farmworker Housing

Features of the City of Connell

GEOGRAPHIC LOCATION

The City of Connell is located in the central region of the Pacific Northwest, in the Columbia Basin near the northern border of Franklin County. The city is situated adjacent to State Route 260 and U.S. Route 395. It is 37 miles north of Pasco, 45 miles south of Ritzville, and 48 miles southeast of Moses Lake. The terrain of Connell is mostly flat, situated in a coulee with high plateaus on both sides. Elevation is 910 feet above sea level.

HISTORY

Connell was originally called Palouse Junction during its beginnings as a railroad station at the turn of the century. It is located in the Columbia River Basin in the midst of diversified irrigated and dryland farming. Wheat, potatoes, corn, and asparagus are the main crops, with apple orchards coming into production.

CLIMATE

A mild climate is enjoyed year round, allowing a broad range of seasonal activity. The average rain fall is 8.5 inches per year. Summer temperatures range in the 80's and low 90's; winter low temperatures average in the low 30's, with some periods in the 20's.

CITY GOVERNMENT

The city government consist of a mayor and five council members, all elected for four year terms. Staff includes a city administrator, a building inspector, public works superintendent, a police department, miscellaneous administrative personnel and two volunteer fire units..

BUSINESS COMMUNITY

Connell has two banks, two motels, numerous restaurants, hardware stores, farm chemical companies, major tire store, barber shop and beauty salons.

INDUSTRIAL BASE

The largest employers in the area are Lamb-Weston -- about 450 employees, Pioneer Hi-Bred -- 100-200 employees, Coyote Ridge Correction Facility -- 116 employees, and the North Franklin School District -- 238 employees.

MEDICAL SERVICES

Connell has two medical doctors and a dentist. The nearest hospital is located in Othello, 23 miles away. Three larger facilities are found in the Tri-Cities where a broader range of medical services are available.

TRANSPORTATION

Highway, air, rail, and water are transportation alternatives available in Connell. Connell is served by U.S. Highway 395, a north-south route, and State highway 260 an east-west connection. Burlington Northern Railroad runs directly through the city, with freight stops at the depot. Amtrak passenger

service is located in Pasco, 35 miles away. Connell has a municipal airport. Pasco is the nearest airport with commercial passenger service on Delta, Alaska and PSA airlines. Connell is located equidistant from the Columbia and Snake rivers. The Port of Kahlotus offers a barge facility on the snake, while the Port of Pasco offers container and bulk terminals on the Columbia. Connell is in the Port of Pasco district.

RECREATION

Swimming, tennis, baseball, basketball, and picnicking can be enjoyed in Connell's three parks. Within a short distance of Connell are state and county parks with camping and picnicking facilities.

SCHOOLS

Schools could currently accommodate 100-200 more families. Recently, a \$9 Million bond issue passed for North Franklin School District capital improvements. Between \$4-5 Million will be used to build an addition onto Connell High School.

Connell has one private school enrolling 18 K-6 students. There are two public school districts in the community, North Franklin School District and Star School District. Total enrollment of these two districts is 1712 which is split between four elementaries (1007 students), one junior high (255 students) and one high school (450 students).

The student population within the district averages 34% Hispanic, 4.7% Asian, 60% White, and .6% other races.

Two year degrees are offered by Columbia Basin College in Pasco (32 miles away) and Big Bend Community College, Moses Lake (45 miles away). Four year colleges within a 100 mile radius include Whitman College in Walla Walla, Whitworth College and Gonzaga University in Spokane, Eastern Washington University in Cheney, Central Washington University in Ellensburg, and Washington State University in Pullman. Washington State University also offers a degree program from a satellite campus located in the Tri-Cities.

INFRASTRUCTURE CAPACITY

The current capacity of the sewer and water systems is more than adequate to support the population projections for the year 2010. Sewer capacity is estimated at 2800 people. Connell currently uses 64% of its permitted water. In addition it is actively working to implement water conservation programs and to secure additional water rights.

UTILITIES

Sewer service is provided by the City of Connell with the total Capacity of 288,000 using secondary type treatment. Monthly commercial-industrial rate: \$15.60-\$31.20 or 75% of the current water billing, which is greater, plus 3.852% excise tax.² Sewer lines extend through most of the developed area of Connell and a large proportion of it is in either good or excellent condition. Lines are mostly 8" or 10" concrete.³ A new sewage treatment plant was completed in 1984. The plant has the capacity for a population of 2,800. The sewage treatment plant site is located to facilitate expansion by adding the needed filtration beds.

Basin Disposal, Inc., Pasco, is under contract with the City of Connell to provide garbage service to the town residents. Upon request Basin Inc., will provide refuse collection to rural residents.

Water service is provided by the City of Connell with a total capacity of 5 million gallons per day at a range of 55-78 psi. Monthly commercial-industrial rate: \$3.00 - \$160.00 (3/4"-10" meters), plus \$1.00 for first 300 cf, \$.275/100cf for the next 1,000 cf, over 1,300 cf is \$.25/100cf, plus 5.029% excise tax.⁴ City water lines extend through all of the developed area of Connell and extend substantially into undeveloped areas.⁵

Service is provided by PUD #1 of Franklin County with single and 3-phase services available. Monthly general service rate: \$10.00-\$12.00 plus an energy rate of \$.035 per kwh for the first 20,000 kwh, over 20,000 kwh is \$1.75 per kwh, April-August, and \$2.15 per kwh, September-March, plus demand charge of \$4.30 per kwh in excess of 50 kw with time-of-day rate available.⁶

Natural gas service is provided by Washington Water Power Company. General monthly rate: \$3.25 plus \$.30279/therm. Large general monthly rate: \$.2888/therm for first 200 therms, \$.28228/therm for next 800 therms, over 1000 therms is \$.23659/therm.⁷

There is a partial storm sewer system and the runoff drains into a coulee.⁸

NEW CONSTRUCTION HISTORY

Since 1989, 102 building permits have been issued within Connell. Of these 102, 15 are new single family construction, 3 are duplexes, 8 are for installation of manufactured homes, and 1 was for an apartment building. Although no specific data is available, it is likely that the remaining 75 permits are for remodeling of existing buildings. In the last 24 months, three permits for new construction have been issued and two of those were since November of 1991.⁹

LOT AVAILABILITY

Scattered throughout Connell are 232 residential lots that already have access to the existing sewer and water lines.¹⁰ In addition, there are 56 commercial sites scattered throughout town. The value of both residential and commercial lots ranges from \$6,000 to \$9,000.¹¹ Residential lots are in greater demand than commercial lots and therefore sell more quickly; there is little to no demand for commercial property in Connell at this time.

In addition, there is land around the perimeter of the City that could accommodate 226 residential lots. Sewer and water lines are available to this area but will not extend throughout the area until there is development.

DEVELOPMENT PROCESS

Rezoning -- The process of rezoning takes approximately 45 days. The procedure involves 2 city council meetings, which occur over the period of one month. The approval process for a preliminary plat requires 60 days.

Hooking Up to Sewer and Water Lines -- The City pays for extending existing sewer lines to a new development using the developer's crew. Cost for running the sewer into the development is the

responsibility of the developer. Sewer lines must be in place prior to permitting of residential construction.

Labor and materials specifications for these lines must be obtained through the City public works and building department. Sewer trunks must be 12" minimum.

In some developments where the cost of extending the sewer line would be prohibitive, septic tanks will be allowed; however, this practice is strongly discouraged.

Fire Service -- A fire system meeting the state fire code is required for developments. The fire line must be 8" minimum.

Storm Water Management Runoff -- A storm water system is required.

Streets, Sidewalks, Gutters and Lighting -- The cost of establishing streets within a development is the responsibility of the developer. Streets must be built to State Department of Transportation minimum requirements (concrete and asphalt, 2" left, rolled).

Sidewalks are not required.

Curbs are required.

Lighting is required.

Specifications for all of the above development, including valves, pipes, pressure testing, and type of bedding material, may be obtained through the City of Connell Engineers and the Building Department. The Engineers, City Utilities, and Building Department inspect all pipes and valves used for the above improvements.

Local Taxes -- Property tax levy rates are \$14.8894 - \$15.4193 per \$1,000 assessed valuation.¹²

The People of Connell

POPULATION

The 1990 population of Connell was 2005.¹³

Both Franklin County and Connell City showed considerable increase in population between the years of 1970 and 1980; Franklin County increased by 26% and the City of Connell by 41%. Between 1980 and 1990, both areas continued to show increase but at a much slower rate; Franklin County increased by only 6.5% and Connell by 1.2%.

In comparison, the State of Washington has increased at a consistent rate since 1970: approximately 16% per decade for an overall increase of 30% since 1970.

Since 1990, Connell has experienced considerable population growth as the result of the Coyote Ridge Correctional Facility start up in early 1992. In April, the facility met its 400 resident capacity and is expected to remain at this level of residents.

TWENTY-YEAR POPULATION PROJECTIONS

Population projections are based on an assessment of recent trends.

According to projections by the Office of Financial Management,¹⁴ Franklin County's population is expected to reach 44,630 by the year 2000, and 52,388 by 2010. Franklin County has experienced an average growth rate of 1.4% over the past 30 years.

Projecting population change for Connell is a little more difficult, since trends for the last 30 years are not consistent: the population surged between 1970 and 1980 (4.1% growth per year), substantially slowed between 1980 and 1990 (0.5% growth per year) and in the last two years has increased again due to start up of the correctional facility. Therefore, two approaches will be used. The actual growth is likely to be somewhere in between unless the community experiences a significant change such as a major employer leaving or coming to the community.

The first projection is based on the annual growth rate of Connell based on the past 30 years (2.1%). This rate is substantially skewed by the rate of growth between 1970 and 1980; since that time the population has grown at a much slower rate. Therefore, this projection will likely be high. At a rate of 2.1% per year, Connell's population will reach 2,426 by the year 2000 and 2,935 by 2010.

The second projection for Connell is calculated using Connell's historic proportion of Franklin County's projected population. Connell has averaged 4.825% of Franklin County's population since 1960. Using the Office of Financial Management projections above, the resulting population growth would be 2,153 by the year 2000 and 2,528 by 2010. Likely, this is a low projection.

CONNELL
Projected Population Range

	<u>2000</u>			<u>2010</u>		
	High	Low	Avg.	High	Low	Avg.
Connell:	2,426	2,153	2290	2,935	2528	2732
# New Households:	131	46	89	295	162	229

AGE

Two age groups within Connell's population stand out as different from the "norm": 21 years and younger, and 65 years and over. Characteristics of both groups should be considered in housing strategies.

The percentage of population under 21 years of age is higher in Connell (43%) than in either the County (38%) or the State (30%). Franklin County data shows that the median age for Black, Hispanic, Asian and other unidentified races is close to the age of 21 - the age group with the most growth potential; yet the median age for the White population is over 32 years of age. Data for Connell, although not presented in an analogous form, indicates the same trend.

The City of Connell has a smaller proportion of citizens over the age of 65 than either Franklin County or the State of Washington. However, this population has increased by 55% since 1980 and, if Connell follows trends of surrounding areas, this population will continue to grow. Currently, Seniors are primarily in the higher income ranges.

Following is a general overview of Connell's 1990 population distribution by age.

CONNELL
Population Distribution by Age

AGE	POPULATION	
	<u>1980</u>	<u>1990</u>
0-19	854	829
20-21	60	53
22-44	671	614
45-64	302	325
65-74	74	104
75 +	20	49

ETHNIC ORIGIN

Since 1980, there appears to have been a large movement of minority populations in and out of Connell; some ethnic groups have increased in large proportion and others have decreased.

Between 1980 and 1990, the racial composition of both Franklin County and Connell has changed significantly. Franklin County shows a drop in Native American - <163> (<43%>), Black - <260> (<17%>), and White - <3559> (<13%>) populations, and growth in the Asian - 457 (+57%), Hispanic - 5913 (+52%), and other unidentified races - 60 (+60%). The City of Connell shows declines in Native American - <5> (<56%>), White - <204> (<15%>), and other unidentified races - <5> (<38%>) and increases in Asian - 177 (+98%), Black - 2 (+40%), and Hispanic - 59 (+9%).

The 1990 Connell populations of each group and percentages of total population are as follows: White - 1114 (56%), Hispanic - 693 (35%), Asian - 181 (9%), other races - 8 (.3%), Black - 5 (.2%), and Native American - 4 (.2%).

EDUCATION

Of Connell persons 16-19 years of age in 1990, 83% were either in high school or were high school graduates.

Of persons 25 years and over, 63% were high school graduates and almost 15% had completed at least a bachelor's degree. This is an increase since 1980, when 56% were high school graduates and 13.5% had at least a bachelor's degree.

The number of children enrolled in the Migrant Education Program in the Connell School District (Connell, Basin City, Mesa and Eltopia) illustrates the presence of agriculture worker families in the area. In the North Franklin School District, there were a total of 717 students enrolled in the migrant education program in March 1991. Of the 717 students enrolled in the program, 280 of the children were considered "settled out" (i.e. living in the school district for more than one year), with 437 in "current migration" having been in the school district for less than one year.¹⁵

North Franklin School District enrollment figures fluctuate during the school year with an influx of primarily Hispanic students from March through May. The influx of students coincides with the asparagus harvest. Many families move in and out of the school district not only for the seasonal agricultural harvest, but also due to the lack of adequate housing. She also has reported two or three families living in one trailer because "nothing else is available".¹⁶

HOUSEHOLD TYPE

The majority of households in Connell are married couple families with children. These households make up 60% of Asian households, 48% of Hispanic households, and 32% of White households. Ten percent of Connell's population is comprised of persons 65 years and over and 35% of these are single person households. To further emphasize the large number of families in Connell, it is estimated that

80 percent of migrant workers in the area travel with spouses and children.¹⁷

Average household size for Connell has increased from 3.14 persons in 1980 to 3.21 persons in 1990; this is an increase of 2%. Household size for owner occupied properties has increased from 3.16 in 1980 to 3.42 persons in 1990 - an increase of 7.6%. And household size for renter occupied property has increased from 3.13 in 1980 to 3.28 in 1990 - an increase of 4.5%. This trend of increasing household size is quite contrary to the nationwide trend of decreasing household size that is demonstrated in the State and Franklin County. However, the increasing household size is another indication of overcrowded conditions found in Connell.

The overall 3.21 person household size in Connell is also larger than any surrounding towns. Surrounding towns with similar (but still smaller) 1990 household sizes also have a larger percentage of persons under the age of 21; this indicates that more young families with children reside in these areas (as opposed to a larger proportion of other family types such as single elderly, for example). Larger household sizes in Connell may also be attributed to the higher percentage of younger minority households that may prefer to live multi-generationally.

INCOME

The 1990 Census shows the middle point on the household income range (median income) for Connell is \$25,882 and \$24,604 for Franklin County.

Following is the 1990 population of Connell (taken from census) by commonly used income categories.

CONNELL				
Median Income: \$25,882				
CATEGORY	% OF MEDIAN	INCOME RANGE	% OF HOUSEHOLDS	#OF HOUSEHOLDS
extremely low	< 30%	< \$7,765	10%	63
very low	31-50%	\$7,766-12,941	10%	63
low	51-80%	\$12,942-20,705	18%	113
moderate	81-95%	\$20,706-24,588	9%	57
middle	96-110%	\$24,589-28,470	8%	50
upper	111% >	\$28,471 >	45%	284

In 1990, 17% of all households in Connell earned less than the poverty level (\$12,168 for a family of 3).

In 1990, 23% of Franklin County residents were below the poverty level. There is a substantial difference between the percentage of population below the poverty level in different races: white (15.7%),

Asian (22.3%), Native American (39.6%), Black (43.2%), Hispanic (46%), and other races (43.6%). Again, there is no indication that the same kind of racial disparity does not also exist in Connell.

The median income for a family of four agricultural workers in Franklin County is \$8,000 - about one-fifth that of the full population median income for a family of four.¹⁸

During 1980 and 1990, the overall population in Connell did not increase significantly (1.2%). However, since 1970, the rate of unemployment has remained consistent: the same percentage of residents are working. And yet, the percentage of persons earning below the poverty level of the time has changed from 9.4% in 1970 to 17% in 1990. Working people are poorer and have less discretionary income, and less spending power to purchase goods and services.

That households are becoming poorer is further indicated by the number of school children now participating in the State School Lunch Program. In North Franklin School District, 48% of students eating school lunches qualified for free lunches and 8.4% qualified for reduced lunches.¹⁹ Participation over 40% indicates a "severe need".²⁰

In addition, North Franklin School District also has a School Breakfast Program. Of the students eating school breakfasts, 90% ate free breakfasts and 3.7% ate reduced-price breakfasts.²¹

Lastly, there is another source of income data for Connell that is of particular significance. The City of Connell performed door-to-door interviews of 514 households in Connell in the spring of 1991. Residents were asked about number of persons in the household and what the total household annual income was. The survey results were then tabulated based on the median income of the statistical area calculated by family size. This survey, utilizing this method which correlates income to family size, indicates two important things: one, that 69% of the households in Connell fall at or below 80% of the median income (low-moderate); two, that the average family size of these households (3.5 persons) is larger than the higher income households (3.3 persons). The census which does not consider family size in its method, finds only 38% of the households below 80% of the census median income.

Unfortunately the bulk of the data in this report is extracted from the census and cannot be correlated accurately to the City survey. However, users of this information should bear in mind that family size greatly affects spendable income, so affordability of housing is even more important to most households in Connell than the report data indicates.

PUBLIC ASSISTANCE

State Department of Social and Health Services records are kept by zip code, so do not correspond exactly to the Connell city limits. However, the information clearly shows that a number of local residents receive some type of assistance. In 1990, DSHS had 482 clients in the 99326 zip code. Of these, 273 were female, 209 were male, 211 were working age, 19 were over 65, and 252 were youths. A breakdown of the type of assistance given shows that 132 receive AFDC/FIP, 196 receive Food Stamps and 154 receive medical assistance.

Employment in Connell

As of 1990, the three primary industries in Connell were manufacturing of nondurable goods, educational services, and agriculture/forestry/fishing. The census shows the following distribution of jobs:

CONNELL	
1990 Employment	
<u>BY INDUSTRY</u>	<u># OF PERSONS</u>
Retail Trade	86
Agricultural/Forestry	
Fishing/Mining	138
Construction	14
FIRE	18
Wholesale Trade	31
Services	225
Government	29
Manufacturing	243
Transportation/Communication	
Utilities	81
<u>BY OCCUPATION</u>	
Managerial/Professional	
Specialty	139
Technical/Sales/Admin Support	150
Service Occupations	115
Farming Forestry	125
Precision/Production/Craft/Repairs	88
Operator/Fabricator/Laborer	248

Between 1980 and 1990, the types of businesses showing the largest change in number of employees are manufacturing - 111 jobs lost, agriculture/forestry/mining - 67 jobs gained, and services - 46 jobs gained. Construction lost the largest percentage of employees - 63% (24 jobs). The loss of 111 manufacturing jobs and 24 construction jobs, both of which are typically higher paying jobs, and the increase of lower paying service jobs indicates an transition within Connell's economy to lower paying jobs. This shift of employment may be a contributing factor to the increase of Connell's "working poor".

The three primary types of occupation held by Connell residents in 1990 were operator /fabricator/laborer - 248, technical/sales/admin.support - 150, and professional specialty - 139. The occupations showing the greatest change in number of employees were farming/forestry - 60 jobs gained, operator/fabricator/laborer - 39 jobs lost, and technical/sales/admin.support - 38 employees

lost. Two of the occupations filled by the greatest number of employees in 1990 have also experienced a decline in number of employees since 1980.

The four major employers in the Connell area are Lamb-Weston, Pioneer Hi-Bred, North Franklin School District, and Coyote Ridge Correctional Facility. They all employ over 100 people and strongly impact Connell's economy. None of these businesses are planning major expansion or significant increase in need for employees in the near future. There are no known major businesses proposed for the Connell area at this time.

LAMB-WESTON

This company is a manufacturing processor of potatoes into a frozen product. The majority of jobs are manufacturing line workers (400 employees) with an average wage of \$8.50 per hour, and management (50 jobs). Approximately 50% of manufacturing line workers are of ethnic minority - primarily Hispanic and Asian.

About 60% of Lamb-Weston Employees live in Connell, with the remaining 40% distributed throughout the Tri-cities, Othello, and Moses Lake.²²

PIONEER HI-BRED

This company processes corn. The majority of jobs are seasonal agriculture labor (100-200 employees) with an average wage of \$6.00 per hour. An additional 8 employees are in management positions earning between \$30,000 and \$35,000 annually.

Of the employees living in the area (51), 55% live in the Connell area, 39% live in the Pasco area, and 6% live outside of the County. The majority of workers, however, are migrant farm workers that arrive seasonally from Texas, and live near the fields in temporary housing that normally consists of trailer houses and housing provided by growers.²³

COYOTE RIDGE CORRECTION FACILITY

This facility employs about 116 employees with the majority being corrections officers earning between \$19,200 and \$21,600 annually. Almost 7% of employees are Hispanic.

Approximately 43% of employees live in Connell. The remaining 57% live in Walla Walla, Tri-cities, Pasco, and Spokane.²⁴

NORTH FRANKLIN SCHOOL DISTRICT

This school district employs 135 faculty (earning an average of \$33,435 annually) and 103 other staff (earning an average of \$21,159 annually). Of faculty, 9% are an ethnic minority; of other staff, 17.5% are of ethnic minority.

Between 70% and 75% of employees live in the Connell area. The remaining employees live in primarily Othello and Pasco.²⁵

Housing in Connell

HOUSING AVAILABILITY

The 1990 Census shows that in Connell, 391 (58%) of units are owner occupied, 234 (35%) are renter occupied, and 50 (7.4%) are vacant.

Because Census vacancy data does not have a strong reputation for accuracy and because much of Connell's growth has occurred since the 1990 Census, it is likely that the City Administrator's assessment is closer to the truth: that the vacancy rate is 0%.

This is further evidenced by Dale Clark at the North Franklin School District who states that the state of housing in Connell is "critical" and that teachers are leaving the district because there is no housing. Teachers that were commuting long distances are finding jobs closer to their home. The district has to replace an average of three teachers annually for this reason; four full time teachers have been lost since August 1, 1992.

Lilly Martinez of the school district Migrant Education Program states that lack of housing is an issue frequently raised at Parent Advisory Committee (PAC) meetings. She cited instances where families are forced to live with relatives, sleeping on floors or in kitchens. In addition, several families who work in Connell are forced to house their family in Othello, Mesa, or Eltopia.²⁶

In Franklin County, 69% of surveyed agricultural workers were doubling up with other families because they could not afford or find appropriate housing. And 90% of households live in overcrowded conditions (more than 1 person per room).²⁷ Because this population doubles up, often what would normally be seen as homelessness is invisible to the community.

Within a seven mile radius of Basin City, 12 growers house 290 workers. Housing for farmworkers in Connell is considered to be much worse than in Basin City.²⁸ Growers are beginning to see the need for better housing for farmworkers. According to a study in Basin City, one grower felt that both migrant and year-round housing was needed so that growers could retain good local workers and bring in good help for periods of intense labor demand. Another grower stated, "If we don't get good housing soon, good labor won't continue to come."²⁹

In addition, Lamb-Weston, Pioneer Hi-Bred, and Coyote Ridge Correctional Facility agree that there is NO affordable housing for entry level workers and agree that housing is a critical issue in the area. Lamb-Weston estimates that about 40% of its employees commute from outlying areas. The most recent impact is the result of Coyote Ridge Correctional Facility beginning operation in May of 1992 with 110 employees. Currently, the majority of staff commutes from the Tri-Cities area partially due to lack of housing in Connell.

Lack of vacancies (particularly suitably-sized vacancies) is further evidenced by conditions of overcrowding. According to the Census, 10% of occupied housing units are overcrowded. Franklin County also shows a high percentage of overcrowding (12%) while nearby counties show less overcrowding: Adams -- 8.7%, Benton -- 3.6%, Grant -- 6%, and Walla Walla -- 3.5%.

HOUSING CONDITION

Recently, the local building inspector³⁰ surveyed housing condition throughout Connell and rated structures as either good, adequate, needing repair, needing major repair, or uninhabitable. Of the residential buildings, 21% were rated good, 51% were adequate, 24% need repair, 1% need major repair, and 2% are uninhabitable.

Of the 103 houses that were rated "need repair", 69% need roof and door repair, 62% need siding repair, and 57% need window repair. Even houses rated "adequate" needed roof and door repair. Thirty-five percent of homes are over 40 years old.

In addition, the Benton-Franklin Regional Council recently surveyed 250 Connell residents (about 12% of the population) and asked respondents to rate the quality of their housing. The respondents were wealthier, older, and more owned their home than in the general population. Since the lower income and renter households were under-represented, it is likely that the survey results indicate better overall housing condition than actually exists.

Three areas of soundness were assessed: (a) number of homes with open holes, cracks, and rotten, loose or missing material; (b) number of homes with open holes, cracks that totaled an open area of over 2 feet square; and (c) interior conditions of the housing.

(a) Number of survey homes with open holes, cracks, or rotten, loose, or missing material:

- 15 (6%) floors
- 12 (5%) roof
- 11 (4%) outside walls
- 10 (4%) inside walls
- 5 (2%) foundation

(b) Number of survey homes with open holes, cracks that totaled an open area of over 2 square feet:

- 6 (2%) roof
- 4 (2%) floor
- 4 (2%) inside walls
- 3 (1%) outside walls
- 2 (1%) foundation

(c) Interior condition of surveyed housing:

- 24 (9%) old/leaking sinks, tubs, toilets, other kitchen/bathroom fixtures
- 21 (8%) broken window/door frames
- 11 (4%) two or more broken windows
- 11 (4%) missing doors
- 8 (3%) sagging floors, walls, roofs
- 5 (2%) broken/unsafe stairs or porches
- 4 (2%) lacking electricity
- 4 (2%) damaged/unsafe chimney

- 3 (1%) lacking hot water
- 2 (1%) lacking heat

Often, people living in the worst conditions have trouble convincing the community that conditions are as bad as they are. Renters are afraid that if they complain about poor housing conditions, their landlords will evict them. Naturally, these householders feel that it is better to live in poor conditions than to risk homelessness for their family.

HOUSING CHARACTERISTICS

Following is a comparison of 1980 and 1990 units and number of bedrooms. Of particular significance is the fact that the number of units declined while the population grew. Two and three bedroom units declined while 4 bedroom units increased.

CONNELL Housing Units		
	<u>1980</u>	<u>1990</u>
Number of Units	685	675
Single Family	419	405
2 - 4 Units	38	65
5 or more Units	124	90
Mobile Homes	104	115
 Number of Bedrooms		
0 or 1 Bedroom	82	84
2 Bedroom	215	202
3 Bedroom	309	290
4 Bedroom	62	82
5 or more Bedrooms	17	17

Following are the characteristics of rented units in Connell as of December 1991³¹. Of obvious significance is that nearly every rental property was full. The property exhibiting the most vacancies, Wheatlands, is a low income senior housing property. While there are many seniors in Connell who desire to move from a large family home to an apartment, most do not meet the low income criteria for residence in the property.

CONNELL				
Rental Housing				
Housing <u>Category</u>	# of <u>Units</u>	Size <u>Bedrooms</u>	Occupancy <u>Last 12 Mo.</u>	<u>Rent</u>
Apartments				
Hillcrest	50	19 - 3	100%	418*
		31 - 2	100%	383*
Moon	22	6 - 3	100%	300
		12 - 2	100%	275
		4 - 1	100%	250
Wheatlands	20	4 - 2	75%	522*
		16 - 1	88%	433*
Colombian	24	8 - 2	100%	225
		16 - 1	94%	185
M & M	6	2 - 3	100%	345
		4 - 2	100%	300
Tumbleweed	3	Studio	88%	380
Duplex, Triplex, Fourplex				
*	4	3 - 2	100%	240
		1 - 2	100%	250
*	2	2 - 1	100%	160
*	3	3 - 2	100%	250
*	4	4 - 2	100%	340
*	4	1 - 2	100%	350
		2 - 1	100%	275
		1 - 1	100%	325
Mobile Homes	9	2 - 3	100%	300
		6 - 2	100%	285
		1 - 1	100%	225
Single Family Homes				
		1 - 1	100%	210
		1 - 2	100%	225
		2 - 2	100%	250
		1 - 2	100%	275
		1 - 2	100%	295
		1 - 2	100%	310
		1 - 2	100%	400
		2 - 3	100%	350
		1 - 3	100%	385
		4 - 3	100%	275
		1 - 3	100%	400
		3 - 3	100%	450
		3 - 3	100%	285
		1 - 4	100%	285

HOUSING AFFORDABILITY

According to the affordability standard used by the State Department of Community Development in its administration of State's Housing Trust Fund Program, home ownership is affordable if the cost of the mortgage (principal, interest, taxes & insurance) plus an allowance for average monthly utilities does not exceed 30% of the household income. The following table illustrates the size of mortgage various workers in Connell could afford.

CONNELL						
Mortgage Affordability						
Job	Annual Salary	30% of Income	Utility Allowanc	Tax & Insur	Prin & Int	Mortgage @ 9%
Lamb-Weston line/labor	\$12,528	\$313/mo	\$75	\$50	\$188	\$23,365
Pioneer labor	\$17,748	\$444/mo	\$75	\$50	\$319	\$39,646
Corrections Officer	\$19,200	\$480/mo	\$100	\$50	\$355	\$44,120
Management/Teacher	\$30,000	\$750/mo	\$100	\$75	\$575	\$71,462
Management/Other	\$40,000	\$1000/mo	\$120	\$80	\$800	\$99,425

In comparison to surrounding towns, Connell ranks fourth lowest in housing cost. Assuming a 10% down payment of \$4,830 on the median house price of \$48,300, a household would need to earn \$19,000 to afford the mortgage. Of the households in Connell, 66% could afford to purchase a median priced home; 34% could not. Further it should be noted that these houses are likely to be older, existing homes. According to a local realtor new homes built in Connell are selling in the \$80-100,000 range, a price that requires income of about \$35,000 per year.

In reality, it is likely that many of the 66% of households able to afford housing would be unable to purchase a home because they would be unable to save the nearly \$5,000 necessary for the down payment. It should also be noted that if family size is incorporated into the affordability scenario as in the aforementioned survey performed by the City of Connell, fewer than 66% of the households would find the median home affordable.

Comparison of Owner Occupied Housing Costs

	<\$50,000	\$50-100,000	\$100-149,000	\$150,000>	Median
CONNELL	55%	44%	1%	0	48300
Lind	82%	16%	.8%	.8%	29800
Othello	54%	43%	2%	1%	48400
Washtucna	89%	8%	3%	0	23800
Hatton	80%	10%	0	10%	27500
Tri-Cities	31%	54%	11%	3%	64800
FRANKLIN CO.	40%	50%	6%	2%	56000
The State	14%	41%	21%	23%	93400

The median rental housing cost in Connell is lower than in the Tri-Cities, but higher than other towns and higher than Franklin County as a whole. Using the State's affordability measure of rent plus utilities should not exceed 30% of household income, a family would need an income of around \$800 per month to afford the \$242 median rental if utilities were included in the rent. It should be noted however, that the census data for median rent generally does not include utilities. If utilities on a two bedroom apartment average an additional \$75 per month, the family income would need to be about \$1050 per month to afford the \$317 median unit. 81% of the households in Connell could afford the unit; 19% could not.

Comparison of Rents

	<\$250	\$250-499	\$500-749	\$750>	Median
CONNELL	53%	47%	0	0	242
Lind	95%	5%	0	0	163
Othello	65%	35%	.2%	0	225
Washtucna	100%	0	0	0	172
Hatton	100%	0	0	0	213
Tri-Cities	39%	56%	4%	2%	279
FRANKLIN CO.	59%	38%	2%	1%	234
The State	19%	56%	20%	5%	383

Again, it should be noted that the data in this section is taken from census information. Anecdotal evidence and the survey of rental properties cited above indicate that rental prices have escalated substantially since the census data was collected. That, when added to a consideration of family size in the affordability calculation points to much less affordable rentals than this data shows.

There are two subsidized housing complexes available in Connell. These complexes are normally at full capacity with waiting lists. However, the Hillcrest (subsidized by HUD) currently has vacant units that are not occupied, because HUD's occupancy requirements have become much stricter and people in need of assisted housing simply cannot meet the new requirements.³²

HOUSING CONCLUSIONS

Connell is growing faster than its housing supply. Housing costs are increasing and income is decreasing. The existing housing stock is getting older and needs repair. The cost of new construction exceeds local housing values and the price many residents can afford to pay. The data bears this out:

- * In 1990 there were 2005 people in Connell. Population growth in Connell has historically been erratic, reflecting changes in employment conditions in the community and economic conditions in the region. Different methods of growth projection anticipate growth to range between 46 and 131 new households by the year 2000, and 162 and 295 new households between 1992 and 2010. With growth will come increased housing demand.
- * Demographics show a small (7.6%) but fairly affluent senior (over 65 years of age) population that is expected to increase. There is a lack of senior housing now; as this group grows, the demand will only increase. Of Senior households, 35% are single.
- * Connell has a larger than average population of persons under 21 (43%), more of whom are Hispanic, Black and Asian than White. This age group is important because it may create more economic growth through creation of new families, increase the labor force, need more housing, and cause a greater need for urbanization.
- * The minority population of all ages is increasing. This indicates that consideration for cultural preferences in housing type and style, as well as accommodation of differences in family size and composition such as multi-generational living, must occur when planning housing for this segment.
- * The majority of households are married couples with children. The average household size has increased to 3.21. Larger units may be required and neighborhood amenities taken into account.
- * More persons 25 years and older were high school graduates in 1990 (63%) than in 1980 (56%). Of youth 16-19 years old, 83% are in school or are graduates. Of local high school graduates, 70% go on to college. A better educated work force may signal different income ratios or different housing preferences. It may also attract new employers which will drastically affect housing demand.
- * The median income for Connell is \$25,882. The number of persons below the poverty level have increased from 9.4% in 1970 to 17% in 1990, while the percentage of the population that is employed remained essentially unchanged. The major industries are manufacturing of nondurable goods, educational services and agriculture. Between 1980 and 1990 111 manufacturing jobs and 44 construction jobs were lost and lower paying service jobs increased. This shift may be in large part responsible for the increase of Connell's working poor. Clearly, affordability is the most critical factor in providing housing for this group. Less affluent households are more likely to need rental housing, since home ownership is likely to be out of the range of possibility for them.
- * The housing vacancy rate is thought to be 0%. There are a few uninhabitable houses and no vacant buildings suitable for use as multi-unit rentals. Every employer interviewed noted a large

proportion of its employees living outside Connell, and characterized the housing shortage, particularly housing for entry-level workers, as critical. This indicates a need for housing of all types, at all levels of affordability.

- * About 35% of the homes in Connell are over 40 years old. Much of the housing stock needs at least minor repair. Two obvious needs are financing for rehabilitation and contractors to perform the work. For the lower income homeowners and rental units occupied by lower income renters, financing sources will most likely need to be augmented by public programs.

- * The census data says the median housing price is \$48,300 and would be affordable to a household earning approximately \$19,000 (66% of the households in Connell). About 81% of the households in Connell could afford a rental unit priced at the median of \$317 (including utilities). It appears the real affordability picture is much worse than this. Rents are actually considerably higher, and more of the households fall below 80% of the median income when household size is factored in. This means that affordable financing for home purchase and reduced rents accomplished through subsidy of rent or project development cost is essential if much of the population is to be adequately housed and not burdened by the cost.

In order to address its housing need, Connell will need to be creative and access every resource available to it, both private and public. It must take care of and fully utilize the stock it has, and it must develop new units of all kinds in all price ranges. The community as a whole will need to overcome its differences and work together if the problem is to be solved. The housing goal, policies and strategies were developed toward this end.

HOUSING GOAL

Provide the opportunity for all citizens to have a range of housing choices that are decent, safe, sanitary and affordable.

HOUSING POLICIES

1. Increase homeownership opportunities at all income levels.
2. Promote and encourage rehabilitation of existing properties to improve and expand the inventory of owner occupied and rental housing in the community.
3. Promote and encourage new construction to expand the availability of owner occupied and rental housing stock.
4. Increase the capacity of providers of housing and related services.
5. Promote greater understanding and cooperation between various segments of the population in order to improve communication, and to insure acceptance of and support for housing solutions.
6. Develop and zone areas for homes and apartments.
7. Promote housing for particular population groups including seniors and migrant workers.
8. Provide tax and development incentives for housing development.

HOUSING STRATEGIES

1. Increase homeownership opportunities at all income levels.

- * expand home mortgage options for local citizens by working with local lenders to develop and market programs
- * encourage use of public first-time homebuyer programs
- * facilitate local FmHA Mutual Self-Help Housing development
- * utilize manufactured housing to increase affordable housing options, including development of new parks
- * implement subsidy component to increase affordability of privately financed home loans
- * improve local administrative capacity and/or utilize outside expertise to develop and manage local program elements
- * recruit private developers to develop new housing units both for pre-approved buyers and on a speculative basis

2. Promote and encourage rehabilitation of existing properties to improve and expand the inventory of owner occupied and rental housing in the community.

- * work with local lenders to improve opportunities for home improvement loans
- * recruit construction & remodeling contractors and tradespersons to area
- * encourage renovation of vacant properties suitable for restoration or conversion to residential use
- * utilize public programs to provide low interest and deferred loans to increase affordability of renovation efforts for eligible households
- * improve local administrative capacity and/or utilize outside expertise to manage local program elements

3. Promote and encourage new construction to expand the availability of owner occupied and rental housing stock.

- * work with local lenders to improve opportunities for construction and mortgage loans
- * recruit developers and construction companies and tradespeople
- * encourage infill development to reduce infrastructure costs and increase affordability to prospective buyers
- * work cooperatively with developers to provide infrastructure needed for new lots and subdivisions

- * facilitate local FmHA Mutual Self-Help Housing development
- * utilize public programs that will provide low interest financing, rent subsidies, operating costs and/or services to special needs residents
- * demolish and replace uninhabitable housing structures

4. Increase the capacity of non-profit providers of housing and related services..

- * expand the function of the North Franklin Development Association to include projects identified in strategies
- * utilize existing capacity of nearby agencies working in housing development such as La Clinica and the Office of Rural and Farmworker Housing
- * encourage local non-profit to become a Community Housing Development Organization (CHDO), thus becoming eligible for technical assistance for capacity building and for federal HOME program set-asides for CHDO projects
- * encourage the development of a housing authority to access and distribute funds for housing assistance
- * facilitate full utilization of public programs by enabling persons eligible for public programs to access resources to which they are entitled

5. Promote greater understanding and cooperation between various segments of the population in order to improve communication, and to insure acceptance of and support for housing solutions.

- * encourage and support mechanisms to educate citizens about the needs of others, the opportunities created through various programs, and the value of diversity in a community
- * promote activities by citizens, churches, service clubs, schools, agencies, etc. which enhance a sense of community
- * work with existing groups such as the Migrant Education Program's Parent Advisory Group to quantify needs and develop community education projects
- * develop strategies to diversify the ethnic mix throughout the community
- * actively involve a cross-section of citizens in the design and implementation of housing strategies
- * inform and involve the public in all activities to insure a sense of ownership of housing problems and solutions

6. Develop and zone areas for homes and apartments.

- * proceed with growth management process to plan for housing

- * set as priority Plan Commission workshop item

7. Promote housing for particular population groups including seniors and migrant workers.

- * evaluate needs of particular groups within existing housing
- * recruit/develop services to aid special needs populations with independent living and other life skills
- * promote development of new housing options for persons requiring special housing features

8. Provide tax and development incentives for housing development.

- * Create options for attractive local financing
- * Research feasibility of offering reduced fee and tax incentives
- * Research municipal contributions to development such as partnering on infrastructure costs
- * Improve local procedure where necessary to streamline the development process
- * Actively recruit developers and contractors by providing needed information about the community and its housing needs

End Notes

- (1) Benton-Franklin Regional Council, "Destination 2010 Survey", conducted between the months of June and August 1992.
- (2) Rates obtained from "Washington State Standard County/City Profile - CONNELL", a Team Washington project of the Department of Trade and Economic Development and TRIDEC. September 1990.
- (3) Jay Gunter. Telephone conversation, August 1992.
- (4) Washington State Standard County/City Profile - CONNELL.
- (5) Jay Gunter. Telephone conversation, August 1992.
- (6) Washington State Standard County/City Profile - CONNELL.
- (7) Washington State Standard County/City Profile - CONNELL.
- (8) Washington State Standard County/City Profile - CONNELL.
- (9) Jay Gunter. Telephone conversation, August 1992.
- (10) Map: Town of Connell by Jay Gunter, Connell Building Inspector.
- (11) Kay Carlisle, Realty World, Kennewick. Telephone conversation, September 1992. Has lived in Connell for 14 years.
- (12) Washington State Standard County/City Profile - CONNELL.
- (13) Unless otherwise stated, statistics have been taken from U.S. Department of Commerce, Economics and Statistics Administration, Bureau of the Census, 1970, 1980, 1990.
- (14) Office of Financial Management, Washington State - County Population Projections, 1990-2010, 2012. Forecasting Division. Olympia. January 31, 1992. 91pp.
- (15) Agricultural Worker Housing: An Assessment of Need and Demand - BASIN CITY, May 1991. The Office of Rural and Farmworker Housing. 29pp.
- (16) Lily Martinez, Migrant Education Program for North Franklin School District. Telephone Conversation, September 1992.
- (17) Agricultural Worker Housing: An Assessment of Need and Demand - BASIN CITY, May 1991. The Office of Rural and Farmworker Housing. 29pp.
- (18) *ibid*
- (19) State SPI Report, "School Food Services - School Lunch Program Reimbursements", Report 1019 FL.
- (20) Betty Marcylenas, Superintendent of Public Instruction, U.S.D.A. Telephone conversation, March 1992.
- (21) State SPI Report, " School Breakfast Program Reimbursement", Report 1019 FB.

- (22) Ron Boyer, Director of Personnel. Telephone conversation, August 1992.
- (23) Cindy Rochleau, Support Staff. Telephone conversation, August 1992.
- (24) Alberto Lara, Director of Personnel. Telephone conversation, August 1992.
- (25) Dale Clark, Superintendent of Schools. Telephone conversation, August 1992.
- (26) Lily Martinez, Migrant Education Program for North Franklin School District. Telephone Conversation, September 1992.
- (27) Agricultural Worker Housing: An Assessment of Need and Demand - BASIN CITY, May 1991.
- (28) Phil Hoge, Office of Rural and Farmworker Housing. Telephone conversation, September 1992.
- (29) Agricultural Worker Housing: An Assessment of Need and Demand - BASIN CITY, May 1991.
- (30) Jay Gunter, Connell Building Inspector. Telephone conversation, August 1992.
- (31) "Connell Housing Assessment - Rental Information Survey". Provided by Jeff Bishop, City Administrator. December 1991.
- (32) Sherrey Day, Manager. Hillcrest Apartments. Telephone conversation, September 1992
- (33) Officials of Washington Cities Directory, 1992-1993. Municipal Research Services Center of Washington. Olympia. February 1992.

Community Contacts

CONNELL³³

104 E. Abram St.
P.O. Box 187
Connell, WA 99326

Phone.....	(509) 234-2701
Fax.....	234-4140
Business Hours.....	8:00am - 5:00pm
Council Meets.....	2nd & 4th Mon - 7:30pm
County.....	Franklin
Population.....	2,005
Class.....	Code
Incorporation.....	1910
Form of Government.....	Mayor-Council
Mayor.....	Jim Kidworth
Councilmember.....	Larry Bafus
Councilmember.....	Homer Smith
Councilmember.....	Garland Walton
Councilmember.....	Max Yager
Councilmember.....	B.M. "Sajan" van den Steenhoven
Airport Manager.....	Bernie Eskildsen
Bldg. Inspector.....	Jay Gunter
Civil Service Chp.Pol.....	Frank Hart
Civil Service Secy, Pol.....	Carol Seachrist
City Administrator.....	Jeffrey T. Bishop
Engineering Consult.....	JUB Enterprises, Inc.
Public Works Maint. Supt.....	David Blum
Planning Comm. Chp.....	Larry Bafus
Sewer/Water TPO.....	Concepcion Larralde
DSHS Pasco.....	545-1400

Resource List

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Housing Programs - State - Washington
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**Housing Assistance Program (HAP)
(Formerly Housing Trust Fund)**

Sponsor

Washington State Department of Community Development
906 Columbia St. SW
P.O. Box 48300
Olympia, WA 98504-8300
(206) 586-6866 SCAN 321-6866
Housing Division: 1-800-964-0852

Description

Assist in financing projects that will provide affordable housing for persons and families with incomes at or below 50% of the area median, and for low-income persons with special housing needs.

Terms

Generally some type of deferred or amortized; low or no-interest loan tailored to the needs of the project. Most loans will contain contingent interest language allowing the program to receive its proportional share of the appreciated value if the property is sold or use is changed within specified time. Grants may be offered if projects do not create a capital asset or have no expectation of revenue (i.e. rent assistance, technical assistance, etc.); funds for non-bricks and mortar projects are limited.

Eligible Activities

Eligible activities include but are not limited to:

New construction, rehabilitation, or acquisition of low- and very low-income housing units;

Rent subsidies in new construction or rehabilitated multifamily units;

Mortgage subsidies for new construction or rehabilitation of eligible multifamily units;

Mortgage insurance guarantee or payments for eligible projects;

Acquisition of housing units for the purpose of preservation as low- or very low-income housing;
Shelter and related services for the homeless;

Matching funds for social services directly related to providing housing for special need tenants in program assisted projects.

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Housing Programs - State - Washington
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Community Development Block Grant Program

Sponsor

Washington State Department of Community Development
906 Columbia St. SW
P.O. Box 48300
Olympia, WA 98504-8300
(206) 586-1243 or SCAN 321-1243

Description

The Washington State Community Development Block Grant Program is designed to fund local housing, public facilities, economic development and comprehensive projects which principally benefit low-and moderate-income households, prevent or eliminate slums and blight, or resolve urgent public health and safety needs.

Approximately \$8 million in federal funding is distributed each year. Most of the funding is awarded through an annual competitive selection process. Applications for competitive general purpose grants are generally due in the late fall or early winter of each year. Notification of grant awards typically occurs between March and June of each year.

For projects which pose a serious immediate threat to public health or safety, the program also maintains an annual Imminent Threat reserve of \$200,000. Applications for reserve funds are reviewed on a case-by-case basis to determine the urgency and severity of the public health or safety threat, the necessity and effectiveness of the proposed project response, and the lack of other resources to address the emergency.

A separate competitive round has been established for Planning Only grants. These grants may be used for a variety of planning activities which focus on the needs of low- and moderate-income persons in the community, including studies, analyses, data gathering, identification of implementing actions, and preparation of plans. The maximum award amount is \$24,000 for a single eligible jurisdiction and \$40,000 for a joint application involving two or more eligible jurisdictions.

Eligible Applicant

Small cities (under 50,000 population) and non-urban counties are generally eligible to apply for funding. U.S. Department of Housing and Urban Development (HUD) entitlement jurisdictions and communities participating in HUD urban county consortia are not eligible for assistance under the state program.

HOME Program

Sponsor

Washington State Department of Community Development
906 Columbia St. SW
P.O. Box 48300
Olympia, WA 98504-8300
(206) 753-6652 or SCAN 234-6652
Housing Division: 1-800-964-0852

Description

A new program authorized by the National Affordable Housing Act of 1990. HUD will provide funds to Participating Jurisdictions (PJs) to expand their supply of decent, affordable low- and moderate-income housing through new construction, rehabilitation or tenant-based rental assistance. Preference for rehabilitation projects. Limited funding for new construction. Legislation requires PJs set aside 15% of HOME dollars for Community Housing Development Organizations.

Terms

Programs must be consistent with approved state or local Comprehensive Housing Affordability Strategies (CHAS) and meet income targeting and affordability requirements. Local or state match required: 25% for moderate rehab or tenant-based rental assistance; 33% substantial rehab and 50% for new construction.

Eligible Applicant

A state or unit of local government or Community Housing Development Organization.

Eligible Activities

Moderate rehab, substantial rehab, new construction (limited), site improvements, and tenant based rental assistance. Funds can be used as loans, grants, interest rate subsidies, equity or other methods approved by HUD.

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Housing Programs - State - Washington
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Affordable Housing Program (AHP)

Sponsor

Washington State Department of Community Development
906 Columbia St. SW
P.O. Box 48300
Olympia, WA 98504-8300
(206)753-6652 or SCAN 234-6652
Housing Division: 1-800-964-0852

Description

Similar to HAP except beneficiaries may have incomes up to 80% of median. Program funds ownership housing affordable to households at or below 80% median income or rental housing in which at least 20% of units are affordable to households at or below 50% of median income. Grants and loans.

Terms

Lenders may charge their customary fees, although applications that show flexible underwriting and/or reduced fees will receive higher priority. Loan amounts vary depending on the project, but the average per unit loan amount is \$4,000.

Application is made on a project-by-project basis through participating lenders. Lenders submit applications to FHLB in March and July each year.

Eligible Activities

- 1) The purchase or rehabilitation of government-owned housing;
- 2) housing developed (new construction or acquisition/rehabilitation) by any nonprofit organization, state or local government housing authority or state housing agency; and,
- 3) permanent housing for the homeless.

Eligible Applicant:

Local governments, housing authorities and nonprofit organizations.

Other

Applications are done in rounds, usually two per year. Process includes both pre-application and final applications phases. Projects must serve target populations for minimum of 25 years.

this needs to be checked out as a state program

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Housing Programs - State - Washington
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Housing Resource Team Program

Sponsor

Washington State Department of Community Development
906 Columbia St. SW
P.O. Box 48300
Olympia, WA 98504-8300
(206)586-5882 or SCAN 321-5882
Housing Division: 1-800-964-0852

Description

The Housing Resource Team is a program that provides technical assistance to nonprofits, housing authorities, and local governments to identify and meet low-income housing needs. Priority is given to organizations serving economically distressed areas which are rural in character. A network of peer and professional consultants, on a fee-for-service contract basis provide a wide range of assistance to organizations with specific needs in housing development, planning, and capacity building.

Terms

Awards are made to successful applicants on an open calendar basis until available funds are exhausted.

Eligible Activities

Needs assessments, resource identification, market analysis, strategic and project planning, feasibility studies, financial packaging, financial management, and property management.

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Housing Programs - State - Washington
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Section 8 Existing Housing Certificate/Voucher Program

Sponsor

Washington State Department of Community Development
906 Columbia St. SW
P.O. Box 48300
Olympia, WA 98504-8300
(206) 753-1928 or SCAN 321-1245
Housing Division: 1-800-964-0852

Description

The Section 8 Existing House Certificate/Voucher program provides rental assistance to low-income families, disabled individuals, and senior citizens. Eligible tenants find housing which meets program standards in the private rental market. Tenants pay 30 percent of their monthly income towards rent, and the balance of the monthly rent is paid directly to the owner of an approved unit by the Department of Community Development. The U.S. Department of Housing and Urban Development funds the program administration and the rental assistance payments to owners.

Eligible Beneficiaries

To qualify for the program, the tenant's family income must be at 50 percent or less of the area median. Eligible families are directed to look for housing or are placed on a waiting list which may typically require and 18-month wait for assistance.

Eligible Applicants

DCD administers the program in cooperation with ten contract agencies in 12 largely rural counties of the state. Local program staff, working directly with the owners and tenants, determine tenant eligibility. inspect housing units. For counties without a public housing authority, the State Department of Community Development (DCD) receives the certificates/vouchers and sub-allocates them to local agencies.

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## Housing Programs - FmHA - Washington

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### 502 Guaranteed Rural Housing Loans

#### **Description**

Guaranteed loans for single-family homes in rural areas. Guarantees offer lenders protection against any loss of up to 35 percent of the loan amount. Any remaining loss would be shared by FmHA with 85 percent and the lender with 15 percent. Guarantees also offer opportunities to moderate-income families who are not eligible for the direct loans, but who are unable to afford a commercial loan without a guarantee.

#### **Terms**

- \* Loans are determined by borrower's income, family size and repayment ability.
- \* FmHA's guarantee cannot exceed 90 percent of the loan amount.
- \* Loans may be made for up to \$67,500 in most areas. High cost areas have higher limits.
- \* FmHA's loan limits are the same as those of the Federal Housing Administration.

#### **Eligible Applicants**

- \* Low-income applicants usually will have family income of about \$18,000 to \$38,000, depending on family size.
- \* Moderate-income applicants will have family income of about \$23,000 to \$47,000 depending on family size.

#### **Other**

##### **Benefits to Borrowers**

- \* The program provides a source of up to 100 percent financing for low- and moderate-income applicants.
- \* Borrowers need less up-front cash for loans made under this program than for conventional or FHA loans.
- \* This program is targeted to borrowers in rural areas.

##### **Benefits to lenders**

- \* Participation in the program counts toward CRA goals.
- \* The program provides lenders with another tool to assist low- and moderate-income applicants in obtaining mortgage financing with no down payment less up-front cash than conventional or FHA.
- \* Loans made under this FmHA program may be sold for cash to Fannie Mae at prices that reflect the lender retaining the recourse.
- \* Loans can be up to 100 percent of the appraised value of the dwelling, 100

percent of the acquisition and development cost, whichever is less.

\* Lenders may use Fannie Mae forms for mortgage applications, processing, and loan documentation.

Contact: State FmHA for appropriate District Office  
(509) 662-4353, Wenatchee

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**Housing Programs - FmHA - Washington**  
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**502 Home Ownership Loans Program**  
(single family, owner-occupied)

***Description***

Mortgage loans enable low- and very low-income households to purchase, build, repair, renovate or relocate houses, including mobile manufactured home. Loans are also used to purchase and prepare sites, and/or provide a water supply and sewage disposal facility. Section 502 loans may be used to refinance debts when necessary to avoid losing a home or when required to make necessary rehabilitation of a house affordable.

***Terms***

\*Up to 33 years (38 years for those with incomes below 60% of the area median and who cannot afford 33-year terms).

\*30 years for mobile manufactured homes.

\*The interest rate is set by FmHA. Interest credits are available which can reduce the interest rate to as low as 1%. The amount of interest credit/subsidy is determined by family income, number of dependents, real estate taxes and insurance. There is no required down payment

\*Housing built under the Section 502 program must be modest in size, design and cost. Houses constructed, purchased, or rehabilitated must meet the voluntary national model building code adopted for that state and FmHA thermal and site standards.

\*Manufactured housing must be permanently installed, and meet the HUD Manufactured Housing Construction and Safety Standards, together with FmHA thermal standards.

***Eligible Applicant***

Eligible applicants must have very low or low incomes. Adjusted income ceilings are the same as for the HUD Section 8 program. Families must be without adequate housing; be able to afford the mortgage payments, taxes and insurance, typically within 20% of their incomes; and be unable to obtain credit elsewhere. They must have reasonable credit histories. Priority is provided to families with very low incomes living in substandard housing. The loan they seek must be for housing located in a rural area.

**Eligible Activities**

Purchase, build, repair, renovate or relocate rural homes and provide adequate water and waste disposal systems.

Contact: State FmHA for appropriate district office  
(509) 662-4353, Wenatchee

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**Housing Programs - FmHA - Washington**  
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**502 VARIATIONS**

***Self-Help Housing Program***

A construction program by which participating families organized in groups of 4 to 10 utilize their own labor to reduce total construction costs of their own homes. Loans are made on an individual basis, usually financed under Section 502. The group must agree to work together until all houses are built. Families must agree to:

- \*Working as a group under the guidance of a construction supervisor.
- \*Commit to provide the required labor, usually 30-40 hours per week, per family, in order to accomplish the required 65% of the total 100 percent home construction task.
- \*Attend all preconstruction meetings; build only modest, adequate housing.
- \*Build their houses in the same community.

***502 Deferred Mortgage Payment Demonstration***

For very low-incomed applicants unable to afford payments at 1% for 38 years, up to 25% of the required payment may be deferred. This option can reduce required incomes by 10-20%.

***502 Incentive Program***

This program provides rehabilitation loans of up to \$10,000 to families or elderly individuals with adjusted annual incomes under \$10,000, and who own their homes. The interest rate is set at 1%, 2% or 3% depending on the amount of the family income.

***Rural Housing Disaster Loans***

Loans at 5% interest are made under limited conditions to repair homes damaged or destroyed by a natural disaster. Deferred payments for up to three years are possible.

**502 Inventory**

From time to time, FmHA also has homes for sale that have been acquired through liquidation of loans. These homes may be purchased with Section 502 credit. Priority is given to those eligible for the program and to processing applications for the purchase of these "inventory" homes.

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**Housing Programs - FmHA - Washington**  
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**504 Very Low Income Housing Repair Loans/Grants  
(Single family, owner-occupied)**

**Description**

Loans of up to \$15,000 and grants of up to \$5,000 (loans and grants can be combined up to \$20,000) are provided to very low-incomed homeowners to repair, improve or modernize their dwellings or to remove health and /or safety hazards.

**Terms**

\*Loans are for up to 20 years at 1% interest. Grants may be recaptured if the property is sold in less that three years.

\*A real estate mortgage is required for loans of \$2,500 or more. Full title services are required for loans of \$7,500 or more.

\*Properties repaired do not need to meet other FmHA code requirements, except that installation of water and waste systems and related fixtures must meet local health department requirements. Water supply and sewage disposal systems should normally meet FmHA requirements. All work must meet local codes and standards.

**Eligible Applicants - Loans**

Eligible homeowner-occupants must have incomes below 50% of median and be unable to obtain affordable credit elsewhere. Applicants must need to make repairs and improvements to make the dwelling more safe and sanitary, or to remove health and safety hazards.

**Eligible Applicants - Grants**

Grants are available only to those homeowners 62 years of age or older who cannot repay part or all of a Section 504 loan. Grant funds may be used only to pay for repairs and improvements resulting in removal of health and safety hazards. If a person can pay part of the cost, a combination grant/loan is made.

**Eligible Activities**

Critical home repairs, to remove health and safety hazards including, but not limited to: sanitary water and waste disposal systems.

Contact: State FmHA (509) 662-4353, Wenatchee for appropriate district office

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Housing Finance Resources - Private - Washington
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**Federal Home Loan Bank Program (FHLB)**  
1501 Fourth Avenue  
Seattle, Washington 98101-1693  
(206) 340-8737

Program funds ownership housing affordable to households at or below 80% median income or rental housing in which at least 20% of units are affordable to households at or below 50% of median income.

***Terms***

Lenders may charge their customary fees, although applications that show flexible underwriting and/or reduced fees will receive higher priority. Loan amounts vary depending on the project, but the average per unit loan amount is \$4,000.

Application is made on a project-by-project basis through participating lenders. Lenders submit applications to FHLB in March and July each year.

***Eligible Activities***

- 1) The purchase or rehabilitation of government-owned housing;
- 2) housing developed (new construction or acquisition/rehabilitation) by any nonprofit organization, state or local government housing authority or state housing agency; and,
- 3) permanent housing for the homeless.

Eligible Applicant:

Local governments, housing authorities and nonprofit organizations.

***Other***

Applications are done in rounds, usually two per year. Process includes both pre-application and final applications phases. Projects must serve target populations for minimum of 25 years.

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Housing Finance Resources - Private - Washington

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WCRA Loans

Sponsor

Washington Community Reinvestment Association
2001 Western Ave, Suite 350
Seattle, WA 99121
(206) 728-8088
(800) 788-6508
Contact: Judy Reed

Description

Permanent loans for multifamily rental projects, refinancing/preservation loans, acquisition with moderate rehab loans for multifamily rentals.

Terms

10, 15 & 30 year maturities with 30 year amortization. Fixed interest rate based upon Treasuries of comparable maturities plus a minimum of 150 base points. Maximum loan is \$7.5 million.

Eligible Project

Must contain 5 units or more unless project qualifies as a special needs project (serves large families, single parent households, persons with physical or mental disabilities, or the elderly).

Must meet minimum affordability requirements (affordable is defined as a household not paying more than 30% of its income for housing) as follows:

At least 51% of units must be reserved for households earning not more than 80% of the median income,
OR

At least 40% of the units must be occupied by households earning not more than 60% of the median income, OR

At least 20% of the units must be occupied by households earning not more than 50% of median income.

For profit or nonprofit project sponsors are eligible. Must meet program criteria for development record, operating & management performance, credit history and other underwriting considerations. (Some technical assistance will be offered to nonprofit and community based organizations).

Other

Priority will be given to projects in which at least 30% of the units serve special needs populations (listed above).

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Housing Finance Resources - Private - Washington
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Washington State Housing Finance Commission

The Commission (WSHFC) was established in 1983, separate from the state government, to help citizens obtain affordable housing without using public funds or lending the credit of the state or local governments. Currently, the Commission provides funds through the following programs:

Single-family Mortgage Revenue Bonds -- This program provides below-market-rate mortgage funds to qualified homebuyers. The funds are generated by the sale of tax-exempt mortgage revenue bonds and are made available to eligible borrowers through private lenders. Borrower eligibility requirements differ based on the location of the home to be purchased (whether it is in a target area) and the number of children in the borrower's household. In addition, borrowers must be first-time home buyers except in target areas. Target areas were defined by the Internal Revenue Service in 1980 and will be redefined in 1991. Borrower incomes must not exceed 140 percent of HUD-estimated area median income for borrowers with three or more children and 120 percent for borrowers with one or two children for homes purchased in designated target areas. Borrower incomes must not exceed 115 percent of HUD-estimated area median income for borrowers with three or more children and 100 percent for borrowers with one or two children in other areas. Maximum purchase price limits are currently \$125,000 for new homes and \$104,500 for existing homes in both target areas and other areas.

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Housing Finance Resource - Private - Washington
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Special Nonprofit Assistance Program (SNAP)

Program is new, established in 1990. Provides mortgage financing for new construction, acquisition and/or rehabilitation, and refinancing of existing debt through Security Pacific Bank who is the mortgage lender and loan servicer. Loans are for a 10 year term with payments based on a 25 year amortization schedule. If the financing can be replaced at the end of 10 years, the loan term will be extended. Interest rate was locked-in advance at 8.99%. Loan fees are 3 points, a portion of which is paid at loan closing, with the balance collected over the life of the loan.

Eligible project owners include nonprofit organizations, public entities, and partnerships in which the

nonprofit organization is the managing general partner. A program focus is housing for special needs populations including the elderly and persons with physical, mental or developmental disabilities. At least 20% of units must be rented to households at or below 50% of the area median income or 40% of the units must be rented to households at or below 60% of the area median income for a minimum of 20 years. Typical loans range between \$100,000 and \$500,000. Program provides financing on a project-by-project basis. Good source of financing for nonprofit special needs housing projects which can support debt.

Contact: Washington State Housing Finance Commission (206) 464-7129.

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Housing Finance Resources - Private - Washington
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FHA/VA Programs

Another technique lenders use to increase their ability to make certain housing loans is to use the mortgage insurance programs provided by FHA and the Veterans Administration. For home buyers, this means down payments can be smaller and interest rates lower. FHA also has a number of insurance programs for multi-family housing. Most FHA and VA programs are accessed through the lender making the loan, so be sure the lender with whom you are working specializes in this type of lending, since not all lenders make FHA and VA loans.

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Housing Finance Resources - Private - Washington
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Federal Home Loan Bank Program (FHLB)
1501 Fourth Avenue
Seattle, Washington 98101-1693
(206) 340-8737

Program funds ownership housing affordable to households at or below 80% median income or rental housing in which at least 20% of units are affordable to households at or below 50% of median income. Grants and loans.

Terms

Lenders may charge their customary fees, although applications that show flexible underwriting and/or reduced fees will receive higher priority. Loan amounts vary depending on the project, but the average per unit loan amount is \$4,000.

Application is made on a project-by-project basis through participating lenders. Lenders submit applications to FHLB in March and July each year.

Eligible Activities

- 1) The purchase or rehabilitation of government-owned housing;
- 2) housing developed (new construction or acquisition/rehabilitation) by any nonprofit organization, state or local government housing authority or state housing agency; and,
- 3) permanent housing for the homeless.

Eligible Applicant:

Local governments, housing authorities and nonprofit organizations.

Other

Applications are done in rounds, usually two per year. Process includes both pre-application and final applications phases. Projects must serve target populations for minimum of 25 years.

Affordable Housing Program (AHP)

Lenders who are members of the Federal Home Loan Bank system can sponsor applications for subsidies through the Affordable Housing Program. Under the program, the Federal Home Loan Bank of Seattle sets aside five percent of its net income to help subsidize low-income housing. Subsidies are awarded to projects in a regional (Northwest states) competition twice a year. Projects serving the very lowest-income populations compete favorably.

Contact Judith C. Chaney, Community Investment Officer, Federal Home Loan Bank of Seattle, 1501 Fourth Avenue, Seattle, WA 98101-1693. (206) 340-8737.

Community Investment Fund (CIF)

Using this program, lenders who are members of the Federal Home Loan Bank can make slightly below market rate loans for home purchase or apartment projects affordable to households at or below 115 percent of median income. This fund is a good source of fixed-rate financing for projects using low-income housing tax credits.

Contact Judith C. Chaney, Community Investment Officer, Federal Home Loan Bank of Seattle, 1501 Fourth Avenue, Seattle, WA 98101-1693, (206) 340-8737.

Cascadia Revolving Fund

Cascadia is a financial institution which makes loans to community groups, nonprofits and small businesses. Cascadia's priorities include low income people, rural and economically distressed areas, companies run by minorities and women, companies that are democratically controlled and groups working towards improving the environment. Cascadia also lends to nonprofits for low-income housing developments. All loans are Made in Washington on and Oregon. Contact: Patty Grossman, Executive Director, (206) 447-9226.

HOME Program

The Home Program is a joint effort between First Interstate Bank & US Bank. The program is available for low- to moderate-income buyers of properties with a sales price of \$49,000 or less and requires 3% down. The buyer receives a 1% grant back.

Contact: Linda Bailey (206) 450-5700

US Bank of Washington

US Bank provides FHA and VA financing as well as low-interest mortgages under the program. US Bank is developing new programs for low-to-moderate income buyers needing down payment assistance. US Bank provides loans to for-profit and non-profit low income housing developers for multi-family projects.

Contact: Your local office or Bob Rygg at (206) 461-3912,

Seafirst Bank

Seafirst lends to experienced developers, contractors, and non-profit organizations to purchase and rehabilitate residential properties for low and moderate income families. The Neighborhood Advantage Program is targeted to specific geographic areas and provides loans to low and moderate income homebuyers.

Contact: Your local Seafirst office or Jim Monger, Manager of the Department, Bellevue Financial Center, Third floor, 10500 NE Eighth St., Bellevue, WA 98004, (206) 358-5310

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Support Services - Washington

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Low-Income Energy Assistance Program

Purpose is to help eligible households meet home energy costs. It is comprised of three basic elements: the Energy Assistance Program, the Energy Crisis Intervention Program, and the Weatherization Assistance Program (the weatherization segment is administered by the Housing Division).

The Energy assistance Program provides eligible households with financial assistance to help them meet rising home heating costs. The assistance is provided through payments to a heating vendor on behalf of the eligible households or through direct payments to the eligible applicants.

The Energy Crisis Intervention Program provides services to low-income households in crisis, due to actual or impending loss of home heating energy during the winter months. It also provides energy-related emergency services. Priority for assistance is given to persons facing life- or health-threatening situations. (206)753-3404 or SCAN 234-3403

Energy Relief for Low-Income

Provides funding for energy assistance and energy crisis intervention to migrant and seasonal farmworkers. It is also the vehicle for making energy assistance payments to newly legalized aliens under provisions of the Immigration & Reform Control Act of 1986. (206)753-3403 or SCAN 234-3403

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Support Services - Washington

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-Bonneville Power Administration -

Low-Income Weatherization Program

The Bonneville Power Administration Low-Income Weatherization program purchases energy through conservation, generated as a result of the weatherization of electrically heated homes of low-income households. The Northwest Power Act requires BPA to "acquire power" through conservation, particularly through residential weatherization. It stipulates that a proportionate number of weatherized homes must be those of low-income households. Of the four states in Region X, Washington State is the only one to administer a low-program. The program is run in cooperation with the local utilities, which are responsible for the non-low-income portion of the program. In 1989, 380 low-income homes were weatherized with \$631,600. Contact: Brooke Wickham, Program Manager, at 206-586-5574.

Department of Energy Weatherization Program

The Department of Energy Weatherization Program is intended to reduce national energy consumption, particularly of imported oil, and to reduce the impact of higher fuel costs on low-income families. In the state of Washington, our goal is to make the homes of low-income people more energy efficient. Toward this means, the program provides funds for the weatherization of homes, particularly for the low-income who are elderly, handicapped, or are families with very young children. Funds are used to install insulation, storm windows, caulking, weatherstripping, and make improvements with \$3.2 million. Contact: Michael Croman, Program Planner, at (206) 586-4876.

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Housing - Support Services - Washington
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Energy Efficient Mortgage

This program allows a homebuyer to qualify for a higher mortgage amount when buying a home that is certified energy efficient. Details on this program can be provided at the Washington State Energy Office, 206-956-2000.

Super Good Cents Program

This program is sponsored by BPA and the local electric utility and is a part of a popular nationwide utility program to promote energy efficient new homes or apartments. Super Good Cents construction reduces monthly heating bills by 25-50%. The Super Good Cents Program includes a menu of construction and equipment specifications. This list of energy features is based on model building standards for energy efficiency which were developed especially for areas in the Pacific Northwest. The local utility is able to provide information on this program.

Low-Income Energy Assistance Program

The Weatherization Assistance Program is funded through three federal agencies: The Department of Health and Human Services, the Department of Energy, and the Bonneville Power Administration. DOE and BPA weatherization programs are described separately. The weatherization component funded by HHS is through a block grant under the Low-Income Home Energy Assistance Program. The program installs energy conservation measures to make the dwelling units of low-income households more energy efficient, and to stabilize the cost of energy. Priority for service is granted to the homes of the elderly, disabled, and families with the very young children. In 1989, 2,439 low-income homes were weatherized. The need for weatherization is estimated to be about 165,000 homes. Funding in 1989 was \$4.1 million. Contact: Dept of Community Development, at (206) 586-4900.

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Support Services - Washington
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Oil Overcharge Funded Programs

Washington State has received over \$46 million from federal court-ordered settlements made by oil companies who were fined for charging too much for oil in the 1980's. The Housing Division administers the Energy Matchmakers program, which is an interest-bearing account established in the State Treasury to provide a long-term funding source for a low-income weatherization program. As of August 1990, \$15 million from the oil overcharge settlement has been deposited in the account. Funds in the account are to be used to leverage monies from other entities or resources; e.g., energy vendors, charitable organizations and other potential contributors. It is estimated that the homes of 10,000 low-income households will be weatherized through this program over a five-year period. The department will have received matching monies or resources in excess of \$13 million by June 1991. Contact: Department of Community Development, at (206) 586-4900.

State Legalization Impact Assistance Program

Run in conjunction with the Energy Matchmakers program, the program provides funding to weatherize homes of eligible, newly legalized aliens. Funds are distributed statewide to areas with high concentrations of NLA's. Approximately \$375,000 was available for the 1989 program and \$540,000 available for the 1990 program year. Contact: Department of Community Development, at (206) 586-4900.

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Housing Programs - State - Washington
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Emergency Shelter Assistance Program

Sponsor

Washington State Department of Community Development
906 Columbia St. SW
P.O. Box 48300
Olympia, WA 98504-8300
(206) 586-3355 or SCAN 321-3355
Housing Division: 1-800-964-0852

Description

The State Legislature appropriated \$5,280,000 in the 1990-1991 biennium for the Emergency Shelter Assistance program to provide shelter services to the homeless. DCD expects the current statewide funding level to remain about the same in 1992. Each county in the state receives an allocation. The funds are

funneled through Lead Agencies to local shelter programs. Funds are used to cover operating expenses of emergency shelters and to carry out homelessness prevention activities.

Eligible Activities

Covers operating expenses of emergency shelters. Up to 25% of the funds can be used for homelessness prevention activities such as rental assistance, first month's rent, or security deposits. Cannot be used for capital expenditures.

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Housing Programs - FmHA - Washington
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**515 Rural Rental and Cooperative Housing Loans
(multifamily)**

Description

Section 515 provides direct loans to finance rental or cooperatively owned housing designed for very low- and moderate-income families, the elderly and the handicapped. Funds may be used to construct new housing or to purchase and rehabilitate existing structures for rental purposes.

Congregate housing for the elderly and handicapped and group homes for the developmentally disabled are authorized through special regulations and requirements, but nursing or "special care" homes are not eligible. Funds may also be used to buy and improve land and provide necessary facilities such as water and waste disposal systems.

Terms

- * Maximum repayment period is 50 years at an effective 1% interest rate.
- * Borrowers must be unable to obtain credit elsewhere. Being unable to obtain credit elsewhere includes being unable to obtain financing that will result in rents affordable to low- and moderate-income tenants.
- * Loans to nonprofit organizations and public bodies may be up to 100% of the appraisal value or development costs, whichever is less, plus 2% initial operating capital.
- * For-profit borrowers must agree to operate on a limited-profit basis (currently 8% on initial investment).
- * Loans made to borrowers who operating on the limited-profit basis cannot exceed 97% of the appraisal value or development costs, whichever is less, and the borrower must provide the 2% initial operating capital.

Eligible Applicants

Individuals, partnerships, limited partnerships, for-profit corporations, nonprofit organizations, Indian tribes, and public agencies.

Eligible Tenants

Very low-, low- and moderate-income households are eligible to live in Section 515-financed housing. Priority is given to those living in substandard housing. When rental assistance is used, top priority is provided for very low-incomed households.

Eligible Activities

Build, purchase or repair housing; site acquisition and development; water and sewer improvements.

Contact: State FmHA (509) 662-4353, Wenatchee for appropriate district office.

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Housing Programs - FmHA - Washington
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515 VARIATIONS

Cooperative Housing

Separate rules apply for the use of Section 515 limited equity consumer cooperative loans. Weighted priorities do not apply and funds are from the national reserve. Housing can be detached and, once eligible, owner-occupants are always eligible.

Downtown Renewal Areas

FmHA rules require that Section 515 projects be located in residential areas of rural communities with services. Exceptions can be made to place units in business districts as part of official renewal efforts.

Congregate Housing

Congregate or group home services may be financed for semi-independent tenants provided there is either an assured source of funding for the operating costs, or these costs are affordable to the eligible client populations.

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Housing Programs - FmHA - Washington
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Farm Labor Housing 514-Loans and 516-Grants

Description

Loans and grants to finance low-rent housing for domestic farm workers earning a minimum amount of annual income. Section 514 loans and Section 516 grants are provided to build, buy, improve or repair housing for farm workers, including persons whose income is earned in aquaculture (fish and oyster farms) and those engaged in on-farm processing. Funds can be used to purchase a site or a leasehold interest in a site; to construct the housing; to construct day care facilities and community rooms; to pay fees; to purchase durable household furnishings; and to pay construction loan interest.

Terms

- *Maximum repayment is 33 years at 1% interest.
- *Grants may cover up to 90% of the total cash development cost. The balance may be financed by a Section 514 loan.
- *Davis-Bacon wage rates are required for projects involving a Section 516 grant.
- *When a grant is used, farmworker tenants cannot be required to work for any particular farmers.
- *The standards are the same as for Section 515 except that:

(1) housing seasonally occupied less than year-round but more than six months per year need only be in substantial conformance to the applicable code, provided it can be converted to Section 515 standards; and

(2) housing seasonally occupied for six or fewer months must conform to FmHA's seasonal farm labor housing standards.

Eligible Applicants

Loans - Individual farm owners, association of farmers, family farm corporations, Indian tribes, State or political subdivision, public or private nonprofit organization.

Grants - Nonprofit organization, Indian tribes, public agencies and farmworker associations.

Eligible Activities

Build, buy, improve or repair farm worker housing; develop water, sewage disposal, heating and lighting systems in conjunction with housing.

Contact: State FmHA for appropriate district office (509) 662-4353, Wenatchee

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Housing Programs - FmHA _ Washington
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521 Rural Rental Assistance Payments

Description

The program enable low-income families or individuals to reside in FmHA rural rental, cooperative or farm labor housing without paying over 30% of their income for rent. FmHA pays the owner the difference between the tenant's contribution and the monthly rental rate, including the cost of all utilities and services. Rental Assistance contracts between FmHA and the owner are for five years and are renewable.

Eligibility

Both FmHA existing and newly constructed projects are eligible. Eligible projects must be established on a nonprofit or limited profit basis.

Eligible Tenants

Very low- and low-income, elderly and handicapped persons are eligible if they are unable to pay the basic monthly rent with 30% of adjusted monthly income, and their annual adjusted income does not exceed the low-income limits defined by FmHA income guidelines. In new projects, 95% of those assisted must have very low incomes. In existing projects the corresponding figure is 75%.

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Housing Programs - FmHA - Washington
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523 Self-Help Technical Assistance Grants

Description

The self-help technical assistance (TA) program provides administrative funding to organizations sponsoring self-help housing development. Under self-help a group of families jointly contribute labor to building their own homes, which are usually financed under FmHA's Section 502 loan program. Individual families also participate to rehabilitate their own homes. The purposes of the program are to lower the cost of housing and provide skills enhancement to participating families.

Terms

Grants are generally awarded for a period of two years. However, successful program applicants may reapply to continue their activities. TA funds can pay administration and costs.

Eligible Applicants

Public or private nonprofit groups.

Eligible Activities

Self-help organizations form and supervise groups of families as they build their own homes and provide the following technical assistance:

- * Recruit qualified families interested in sharing labor in the construction of their own homes.
- * Help families prepare FmHA loan applications.
- * Acquiring and developing building site for 502 loan applicants.
- * Providing families with FmHA approved house plans
- * Obtaining costs estimates for construction materials and subcontracted labor services.
- * Educating and informing families about their responsibilities and obligations as homeowners, including discussion of monthly loan payments, taxes, insurance, maintenance and upkeep of property.
- * Providing construction supervision and training for the families as they build each other's houses.
- * Providing financial supervision individual 502 Rural Housing loan accounts and process payments to contractors and suppliers.

Contact: State FmHA for appropriate district office (509) 662-4353, Wenatchee or Rural Community Assistance Corp., Lacey, WA (206) 493-2260.

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Housing Programs - FmHA - Washington
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523 & 524 Rural Housing Site Loans

Description

Loans are made to nonprofit organizations and public agencies to purchase and develop building sites and to construct streets and utilities. Section 523 loans are for self-help housing sites and Section 524 loans are for sites for low- and moderate-income families. Section 524 sites may also be sold to public and nonprofit organizations using federal, state or local programs to house low-and moderate income families.

Terms

- *Repayment of all loans are expected within 2 years.
- *Section 523 loans for self-help organizations carry a 3% interest rate.
- *Interest rates for Section 524 loans are determined annually.

Contact: State FmHA for appropriate district office (509) 662-4353, Wenatchee

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Housing Programs - FmHA - Washington
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533 Housing Preservation Grants

Description

Rural Housing Preservation Grants (HPG) funds enable sponsoring organizations to assist low- and very-low income homeowners to repair or rehabilitate their dwellings. The grants are competitive and made available in areas where there is a concentration of need. The HPG funds received by the sponsors are combined with other programs of funds, and used as loans, grants or subsidies for recipient households, based on a plan contained in the sponsor's application.

Terms

- *Funds must be used within a period of up to two years.
- *Grantees must have proven background, ability and experience in performing low-income rural housing development, repair and rehab or have other business management or administration experience which indicates an ability to perform a program providing repair and rehab financial assistance.

Eligible Applicant

Units of local government, state agencies, Indian tribes, & nonprofit organizations.

Eligible Activities

Cost of labor and materials for general repairs and/or rehabilitation, administration/technical services directly related to authorized project.

Contact: State FmHA for appropriate district office (509)662-4353, Wenatchee

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Housing Programs - HUD - Washington
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HOPE III for Homeownership of Single Family Homes

Description

Provide grants to low-income families who are first-time homebuyers. Grants require a 33% match.

Terms

Programs must be consistent with approved state or local comprehensive Housing Affordability Strategies (CHAS) and meet income targeting and affordability requirements. Housing sales price must not require eligible families to spend more than 30% of their monthly income toward ownership cost.

Eligible Housing

Single family properties owned by HUD, VA and Public Housing Authority/Indian.

Eligible Applicants

Private nonprofit, public agencies in cooperation with private nonprofit.

Eligible Activities

Planning Grants - provide technical assistance, conduct feasibility studies, prepare preliminary architectural and engineering plans, provide planning for economic development activities to provide self-sufficiency.

Implementation Grants - develop cost, rehabilitation expenses, financing and relocation cost, counseling and training and administration and operation cost.

Contact: U.S. Department of Housing and Urban Development (206)553-4322

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Housing Programs - HUD - Washington
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Stewart B. McKinney Homeless Assistance Act

The programs authorized under this act provide grants and interest-free advances to government agencies, public housing authorities, and nonprofit sponsors of housing and services for the homeless. Specific programs are:

Emergency Shelter Grants Program - Funds the renovation, rehabilitation, or conversion of buildings for shelters for the homeless. Within certain limitations, funds can be spent on essential services for the homeless and operating costs.

Supportive Housing Demonstration Program -- Transitional Housing Component funds short-term (24 months or less) housing and support services for homeless persons who are capable of making the transition to independent living. The program is targeted to homeless individuals with mental disabilities and homeless families with children.

Supportive Housing Demonstration Program -- Permanent Housing Component provides assistance for housing and support services in projects serving disabled people who are homeless or at risk of becoming homeless.

Supplemental Assistance for Facilities to Assist the Homeless Program -- Provides interest-free advances and grants to acquire, lease, convert, or rehabilitate existing facilities to serve the homeless. Funding is also available for services.

Section 8 Moderate Rehab Assistance for Single-Room Occupancy (SRO) Dwellings -- Administered by PHA, provides rent assistance for up to 10 years for SRO units occupied by homeless individuals.

Contact: U.S. Department of Housing and Urban Development (206) 553-4322

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Housing Programs - HUD - Washington
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Family Self-Sufficiency Program

Description

Provides Section 8 certificates/vouchers and public housing development funds to public housing authorities for use in locally-designed programs to help families achieve economic independence.

Terms

1991 nationwide allocation of 12,000 certificates and vouchers, and up to \$73 million in public housing development funds.

In 1991 and 1992 funding will be awarded through a national competitive process.

Eligible Applicant

Program is intended to promote local strategies to coordinate federal rental assistance with public and private resources to help participating families achieve self-sufficiency. Rental assistance is to be provided to families participating in state, local, and privately funded education and job-training programs.

Contact U.S. Department of Housing and Urban Development, Seattle Office (206) 533-5322

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Housing Programs - HUD - Washington
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Supplemental Assistance for Facilities to Assist the Homeless (SAFAH)

Description

Provides grants to support services for the homeless. Funds can be used to provide support services to assist homeless families living in transitional housing to obtain permanent housing and achieve self-sufficiency. Program focus is on comprehensive and innovative activities / projects. Projects operated but nonprofit organizations may be included in the state's application. Projects compete for funding through a national competition.

Eligible Applicant

States

Contact the Seattle office of the U.S. Department of Housing and Urban Development (206) 533-5322.

Mortgage Credit Certificates (MCC)

The MCC Program assists qualified home buyers by providing a credit against their federal income taxes. The credit is equal to 20 percent of the annual interest payment on the real estate loan. This effectively reduces the cost of housing. The credit continues for as long as the MCC holder occupies the home and makes payments on the original loan. Eligibility requirements are the same as for the Single-Family Mortgage Revenue Bond program.

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Housing Finance Resources - Private - Washington
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Multi-family Mortgage Revenue Bonds

This program provides below-market-rate financing for developers of multi-family rental housing with the condition that the developer set aside units for low-income households. The funds are generated through the sale of tax-exempt mortgage revenue bonds and are made available through private lenders. The set-aside requirements are the same as those used for the tax credit program.

Nonprofit Bonds- This program provides below market rate financing to nonprofit sponsors of low-income rental housing projects. The funds are generated by the sale of tax-exempt nonprofit bonds and are made available through private lenders.

Contact: Washington State Housing Finance Commission 1111 Third Ave, Suite 2240, Seattle, WA 98101 (206)464-7139 or 1-800-767-HOME.

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Housing Finance Resources - Private
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Training and Technical Assistance to Rural Communities

Description

A non-profit entity funded by the government and private sources to provide assistance to state and local governments, rural organizations, and communities.

Rural Community Assistance Corporation (RCAC) is under contract to the state of Washington as part of its Housing Resource Team and to Farmer's Home Administration to provide technical assistance to communities.

Rural Community Assistance Corporation (RCAC) offers services in the following areas: needs assessment, housing finance and loan packaging, cooperative housing, water and waste water systems assistance, solid waste management, financial capability analysis, agency development and management, grant application and administration, mobile home park purchase, outreach, conference planning, publication development, and training.

Terms

Provides rural agencies short term loans to purchase land, develop lots and build affordable housing.

Contact Rural Community Assistance Corporation (RCAC), Northwest Office, Lacey, Wa 98503 (206) 493-2260

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Support Services - Washington
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Energy Relief for Low-Income

Provides funding for energy assistance and energy crisis intervention to migrant and seasonal farmworkers. It is also the vehicle for making energy assistance payments to newly legalized aliens under provisions of the Immigration & Reform Control Act of 1986. (206)753-3403 or SCAN 234-3403

Eligible Applicants

Nonprofit borrower must own 100% of the project for as long as the bonds are outstanding. For new construction or substantial rehabilitation, 10% of the unites must be affordable to households at or to below 80% of area median income and 10% must be affordable to households at or below 50% of area median income. For all projects, at least 20% of the units must be affordable to households at or below 50% of area median income.

Contact: Washington State Housing Finance Commission (206) 464-7129.