

Summary of Results

2003 San Juan County Housing Survey Community Land Trust Alliance of the San Juan Islands OCTOBER 2003

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Summary of Results and *Supplementary Detail, 2003 San Juan County Housing Survey*, are available for a modest cost at each of the Community Land Trust offices listed above and on the internet at www.cltsanjuans.org

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2003 San Juan County Housing Survey

Summary of Results

I. Introduction

1. Sponsors

The 2003 Housing Survey, sponsored by the Community Land Trust Alliance of the San Juan Islands, was conducted in May and June of 2003 in San Juan County, Washington. The survey was designed to give a broad understanding of the housing needs in the county and more specific information about unmet housing needs on each island served by a Community Land Trust. The Alliance, comprised of OPAL Community Land Trust, Lopez Community Land Trust, San Juan Community Home Trust and the Community Land Trust of Waldron Island, also wished to pose questions about community attitudes toward affordable housing¹ options. Lastly, the Housing Survey asked about community attitudes toward a possible ballot measure enacting a Real Estate Excise Tax to support affordable housing.

2. Survey distribution

The survey was mailed to 8,098 households throughout San Juan County, including non-ferry-served islands (Blakely, Stuart, Waldron, etc.) A High Intensity Random Sample (HIRS) of 1,000 was randomly selected from the 8,098 households to receive a pre-notification letter, reminder postcard, and a second mailing of the survey to boost response rate. We included this HIRS in the survey design to provide projectable results on opinions about housing issues for the population as a whole. The Alliance publicized the survey widely and made it available at community locations such as libraries. A Spanish-language version was available, with a notification of it included in the mailing.

This report summarizes the results of the survey. Additional information is available in the *Supplementary Detail* document, available from members of the Community Land Trust Alliance of the San Juan Islands and on the Internet.²

3. Response rate

One thousand four hundred sixty-five (1465) respondent households returned substantially complete surveys by the cut-off date. An additional 44 responses were comments-only, very sketchy or refusals. **Overall response rate of households was 18% of the 8,098 mailed surveys, and represented 22% of the total population of the county** as reported in the 2000 Census.

Response rates differed by island:

➤ 32.8%	Waldron	➤ 18.5%	Orcas
➤ 22.9%	Lopez	➤ 15.5%	San Juan
➤ 25.5%	County-wide High Intensity Random Sample		

¹ **Affordable Housing** is defined as housing where occupants pay no more than 30% of gross monthly income for total housing costs, including utilities other than telephone (for homeowners this includes mortgage, taxes and insurance). For example, a household with a monthly income of \$2,000 (a single adult earning about \$12 per hour for 40 hours/week) would pay \$600 per month for rent and utilities.

² Website for the Alliance: www.cltsanjuans.org.

The High Intensity Random Sample respondents were more reflective of the county as a whole (as profiled in the Federal 2000 Census) but still under-represented the very lowest income groups.

4. Profile of our respondents

- These 1485 respondents live in the county year-round (average of 11.3 months). Part-time and summer residents did not respond. Each respondent spoke for a household: the terms “respondent” and “household” are used interchangeably in this report.
- Respondents have lived in the county a median of 12 years. The range was 1 to 94 years, with only 9 % having lived here less than 2 years.
- 47.2% of the respondents are male, 52.8% are female
- 81.6% own their home; 18.4% rent
- 88% are registered to vote

5. How do our respondents compare to 2000 Census data?

- In general, characteristics of our respondents were similar, with some small differences, to county residents as reported in the 2000 Census for San Juan County.
- Most importantly for understanding our findings regarding housing need, lowest income households (earning less than \$15,000) were under-represented as compared to 2000 Census data.

II. Current Housing Needs

PLEASE NOTE: Not all respondents answered every question, so total responses may vary slightly from one question to another.

A total of 436 of all responding households (5.4% of the 8098 households that were mailed the survey) plan to move in the next five years (these households will be referred to as “Movers” in this report). And of all Movers, **270 said they do not anticipate being able to find market price housing in San Juan County that will meet their needs and that they can afford.**

Number mailed	8098
Number of responding households	1465
Number of Movers within 5 years	436
Number of Movers Within 2 years	261

Nearly 18% (261 of 1465 respondents) plan to move from their current housing in the next 2 years. Of those, 204 are in Very Low (earning less than 50% of county median income), Low, (earning less than 80% of county median income) and Moderate (earning less than 95% of county median income) income households.³ The following paragraphs give additional details.

1. Very Low Income and Low Income Movers

- County-wide **79 households** need housing in the next 6 months
- County-wide **74 additional households** need housing in the following 18 months
- Housing costs to meet these needs (based on a monthly cost to the household of 30% of income) would range from \$300 for a single person earning \$12,350 a year to \$1175 for a family of 4 earning \$46,950 a year.

2. Moderate and Middle Income Movers

- County-wide **32 households** need housing in the next 6 months
- County-wide **40 additional households** need housing in the following 18 months.
- Housing costs to meet these needs (based on a monthly cost to the household of 30% of income) would range from \$825 for a single person earning \$32,900 a year to \$1760 for a family of 4 earning \$81,720 a year.

One hundred and eleven (111) households in these lower income groups are seeking affordable housing in San Juan County now; 114 more lower-income households will be looking within the next two years. An additional 168 lower-income households will be in need of housing 2-5 years in the future. Based on respondents’ income and debt levels and preferences, a mix of housing types will

³ Definitions for income levels are summarized by household size in the following table.

	Household Size:	1	2	3	4
Very low income (<50% of median income for San Juan County)	Maximum Gross Annual Income:	\$20,350	\$23,500	\$26,400	\$29,350
Low income (<80% of median income for San Juan County)	Maximum Gross Annual Income:	\$32,850	\$37,550	\$42,250	\$46,950
Moderate income (<95% of median income for San Juan County)	Maximum Gross Annual Income:	\$39,045	\$44,650	\$50,160	\$55,765
Middle Income (<120% of median income for San Juan County)	Maximum Gross Annual Income:	\$49,320	\$56,400	\$63,360	\$81,720

be needed to meet these needs. Suitable housing could range from affordable apartments to townhouses, from single family homes on small lots, to clusters of single family homes on small lots with some common areas. Units for rent and for purchase will be needed.

3. Needs determined using High Intensity Random Sample (HIRS)

Our high intensity sample was **drawn randomly and controlled**, and can therefore be used to provide an estimate of the incidence of households in different categories in the overall population. Of our HIRS respondents, 25 households were very low or low income Movers planning to move within 2 years. **Projecting this proportion out to the overall county would indicate that between 526 and 772 households county-wide fall into this category (very low or low income, moving within 2 years) with the most probable number being 649 households.**

This is a lower number than would be obtained by projecting out the overall survey response, which would give rise to 701 households as the most probable number. This indicates that lower income people with housing needs are over-represented in the broader survey, which is a planned outcome of our research design. If that trend is reflected somewhat in the HIRS, we would be seeing an over-estimate of the households in need; conversely we know that the very low income households were less likely to complete the survey, which would give an under-count. It is not possible to see which effect would be larger. For the rest of this discussion, **we have therefore chosen to deal in raw numbers -- people who completed the survey and identified their needs** -- rather than projecting from our high intensity random sample to the county at large.

4. Island residents will need different housing in 10-15 years

One of the most surprising results of the survey was furnished by the response to a question regarding housing needs 10-15 years in the future. **Almost half of the respondents (48%) said they would need to find housing “easier to manage” or “with better access to services.”** Of those, 57% thought it would be “important” or “very important” to stay on the island where they now live.

5. What housing is needed on each island?

Below is a table of responding households planning to move in the next two years, showing the number by island in each of three income groups.

	Lopez	Orcas	San Juan	Waldron	Shaw	Total County
Very Low Income						
Need next 6 months	10	21	12	3	0	46
Need 6 months to 2 years	8	14	17	2	2	43
Low Income						
Need next 6 months	9	12	11	0	0	32
Need 6 months to 2 years	7	10	12	1	0	30
Total Very Low and Low Income	34	57	52	6	2	151
Moderate and Middle Income						
Need next 6 months	2	6	21	2	0	31
Need 6 months to 2 years	10	11	18	0	1	40
Total Moderate and Middle Income	12	17	39	2	1	71

Housing suitable for these households varies widely. Household size and composition, income level and debt level all influence what sort of home would be suitable and affordable. Many households indicated a preference for rentals; other households may wish to own but may be unable to qualify due to a combination of income level and debt.

6. Rent or own?

- 98 Movers in Very Low and Low income categories would prefer to own
- 45 Movers in Very Low and Low income categories would prefer to rent

7. Household size of Movers in very low and low income categories

- 57 One-person
- 22 One adult with one or more children
- 38 Two-adult households
- 31 Two-adult with one or more children
- 9 More than two adults with or without children

8. Do community land trust homes meet all needs?

Not all respondents see community land trusts as meeting their needs. When asked to choose which one of four statements best expressed their points of view,

- 32.5% of Movers earning Very Low to Middle household incomes responded that a Community Land Trust home “would meet my needs”

However:

- 21.6% of Movers earning Very Low to Middle household incomes said they would “rather leave San Juan County than buy a community land trust home”.
- 10.9% find purchase of any home too expensive; community land trust homes are not an option
- 34.9% prefer to remain in their current housing type, even if it is unstable

9. What types of housing do very low and low income Movers prefer?

- The average ranking of building with sustainable “green” materials was higher than conventional building methods, even if it meant building fewer units
- No significant preference between urban or rural settings
- Single family house on separate lot most popular
- Of more affordable options, cluster developments of single family homes ranked high
- 80% thought “sweat equity” housing was desirable or very desirable
- Townhouses have an appeal for 14-21% of very low, low, and moderate income Movers
- Lopez respondents exhibited more pronounced preferences in two categories:
 - housing constructed using “green” methods was preferred over conventionally constructed housing even if it meant building fewer units
 - cluster housing was preferred over attached housing

10. Where are low or very low income Movers living now?

Low or very low income Movers are living in a wide range of accommodations:

	Number	%
Single family home on acreage or with view	46	29%
Single family home on small lot	21	13%
Apartment	19	12%
Cabin	18	12%
Mobile home	11	7%
Guest house separate from main house	10	6%
Single family home in cluster development	5	3%
Trailer	4	3%
Room(s) in shared house	4	3%
Guest house attached to main house	3	2%

	Number	%
Basement	3	2%
Boat	2	1%
School bus	2	1%
Yurt	2	1%
Car	1	1%
Condo	1	1%
Duplex	1	1%
Townhouse	1	1%
No answer	1	1%

11. Why are Movers with very low and low household income seeking housing?

Below are the 6 most frequently mentioned reasons given by Movers with very low and low household income who are planning to move within 5 years. Respondents were asked their reasons for moving (multiple reasons were possible).

- Prefer to own vs. rent (for stability and/or investment)
- Need more space
- Current housing too expensive
- Want land or garden
- Need more privacy
- Need to move off island for better economic opportunities

12. Has the need for affordable housing on Orcas Island changed since the 2001 Housing Survey (conducted on Orcas Island only)?

- In 2001, 96 respondent households earning less than 80% of county median income needed housing within the following 2 years
- In 2003, 54 respondents earning less than 80% of median income need housing in the next two years. This represents a substantial need, but a reduction from three years ago.

III. Islanders' Attitudes Toward Affordable Housing

Survey respondents demonstrated a high level of **support for affordable housing** in the community and a desire for well-built, attractive, and permanently affordable units. When asked how to allocate a hypothetical new source of county funds, they **ranked low income housing as second highest**; only conservation/open space ranked higher. Moderate-income housing was ranked 5th out of 11 choices. **The two housing categories considered together represent the highest ranking of all.**

Respondents believed strongly in the importance of affordable housing remaining affordable **permanently**. They believed it should fit in with the appearance of a neighborhood. A surprising **61% favored using sustainable “green” materials and techniques even if that meant building fewer units**. All income levels, including those who would be potential residents of affordable housing, shared this desire for “greener” units even if it meant fewer would be built.

1. What housing-related issues were rated most important?

All respondents rated their agreement (from a range of “strongly disagree” to “strongly agree”) with seven statements about housing-related issues (drawn from comments made at focus groups held in the county). They then rated the importance of the issue (from a range of “not at all important” to “very important”). The two scores were combined for an overall ranking. The three highest rated were:

- Not just a housing issue, also a wage or employment opportunity problem
- Island society is becoming increasingly polarized between wealthy and service providers
- Most of the people living in the islands today could not afford to buy the house they now own, if they had to buy at today's prices

2. What type of housing does the community wish to see?

A number of possible ways to develop affordable housing were rated by all respondents. The four with the highest average ratings, in order, were:

- Building modest “sweat equity” houses (buyers help in building)
- Clustering of modest houses within town or village
- A few simple “affordable” homes mixed in with market-rate developments
- Clusters of up to 8 modest houses, each cluster on a rural 5 acre lot

IV. Attitudes Toward A Possible Real Estate Excise Tax (REET)⁴

The results shown in this section are drawn from the High Intensity Random Sample (HIRS) respondents who are registered voters. The results are projectable to the entire population of the county, within a worst-case error range of +/- 6% at a 95% confidence level. Bear in mind that the income group earning less than \$15,000 may have been underrepresented by 50%.

Respondents rated agreement with statements about a REET. The highest rating went to the statement: "This might help, but I need to know more about it".

Given a choice between approval, disapproval, or a need for more clarity, most respondents wanted more clarity about how an affordable housing REET would work and what projects would be supported.

- 12.1 % would vote for an affordable housing REET as described in the survey
- 14.8 % would never vote for an affordable housing REET
- 61.0% chose one or more options for specific conditions, more information, or both, before they could support an affordable housing REET
- 12.1% did not answer this question
- Compared to other respondents, people with lower household incomes were more likely to vote for an affordable housing REET and more likely to vote for the REET if specific conditions were met.

Reactions from HIRS respondents (registered to vote) regarding an Affordable Housing Real Estate Excise Tax (REET) if placed on a ballot:

I would vote for the Affordable Housing REET in the form described above	12.1%
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OR

I would vote for the Affordable Housing REET only if (*Please check ALL that apply*):

Housing developed through the Affordable Housing REET was made permanently affordable	42.6%
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I knew up front exactly what projects would be supported	37.2%
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Housing funded through the Affordable Housing REET gave preference to local contractors and builders	32.7%
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Money was allocated only for current island residents	29.1%
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Government gave the responsibility for developing and managing projects to non-profit organizations	28.7%
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Government gave the responsibility for developing and managing projects to for-profit organizations	4.5%
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OR

I would never vote for the Affordable Housing REET	14.8%
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⁴ San Juan County has been authorized by the state to consider a **Real Estate Excise Tax (REET)** similar to the existing 1% Land Bank REET, to fund **affordable housing**. If voted on and adopted, the tax would be:

- Charged to the purchaser of the property, rather than the seller
- At a rate of ½% (For example, the buyer of a \$200,000 property would pay \$1,000)
- Available to public, non-profit and for-profit developers to create affordable housing
- Must be re-authorized by voters after 12 years