



CITY OF
Vancouver
WASHINGTON

2023 Housing Report

Economic Prosperity and Housing
April 2024



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Housing Action Plan

In response to the ongoing housing deficit, the City of Vancouver developed a Housing Action Plan. Through the development of this Plan, the City determined that **Vancouver must add 2,500 new housing units per year over the next 10 years to meet new and existing demand, with at least 1,000 new units affordable to households that earn less than 80% of the area median income.** To accomplish this, the City must “use all policy levers to promote supply and affordability.” The Housing Action Plan is a citywide effort encompassing over 50 separate actions. Included in the Action Plan is a commitment to regular reporting on the progress of the plan and its impact on Vancouver’s housing supply. This document is the first annual report.



A single unit in Vancouver’s Fruit Valley Terrace, a community providing 21 tiny homes for previously unsheltered residents.



The Housing Action Plan **establishes housing as a Citywide priority** and is intended to marshal the resources of all City departments to lower the cost and barriers to housing production. **The plan consists of over 50 actions across seven functional categories:**

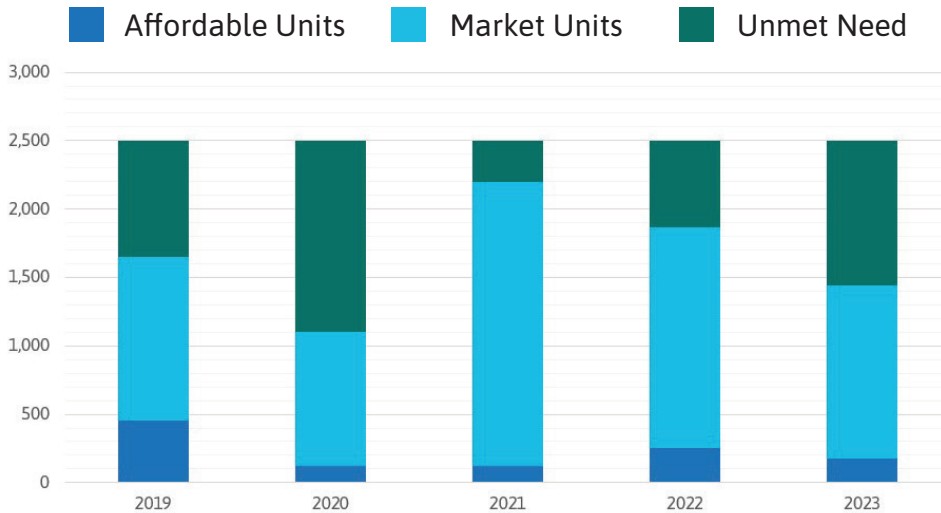
- Land Use and Code
- Policies and Process
- Investments
- Fees
- Innovation
- Advocacy
- Data Tracking

A summary of each strategy and progress to date is attached as Appendix A.

Vancouver Housing Need

While Vancouver has been focused on increasing housing production and affordability for many years, the City has consistently fallen short of its goal of creating 2,500 housing units per year.

Vancouver Housing Unit Construction

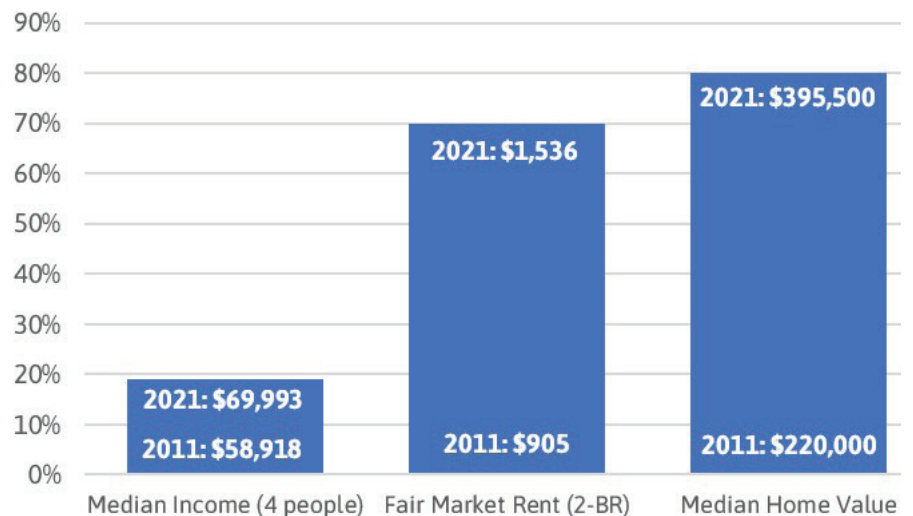


Acute Need

Vancouver has declared a state of emergency for affordable housing and resulting rise in homelessness. Due to unprecedented population growth and a **deficit of over 10,000 units**, Vancouver has seen a steep increase in housing costs over the last 5 years, resulting in increased homelessness.

Housing costs have rapidly increased. Both rental and ownership costs have far outpaced income growth in the city, with median home prices up 80% and average rents increasing 70% from 2011 to 2021. Average median income increased only 18.8% during this decade.

Percent Increase from 2011 to 2023

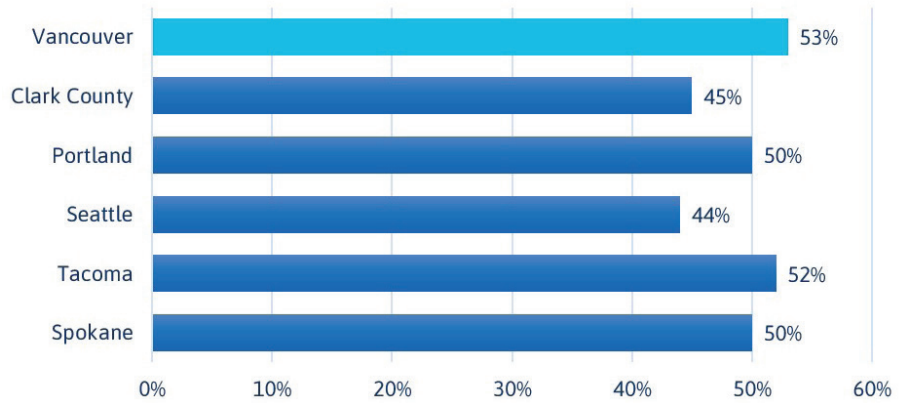


Renters are nearly three times more likely to be cost burdened than homeowners, with 27% of renters severely cost burdened (spending more than 50% of their income on rent) and around 57% cost burdened (spending more than 30% of their income on rent) in the City as of 2021.



Racial disparities exist in Vancouver's housing access. White households have higher rates of homeownership than Hispanic and Black households; and Hispanic and Black households have the highest housing cost burden. People of color are disproportionately homeless in Clark County.

Cost Burdened Renters



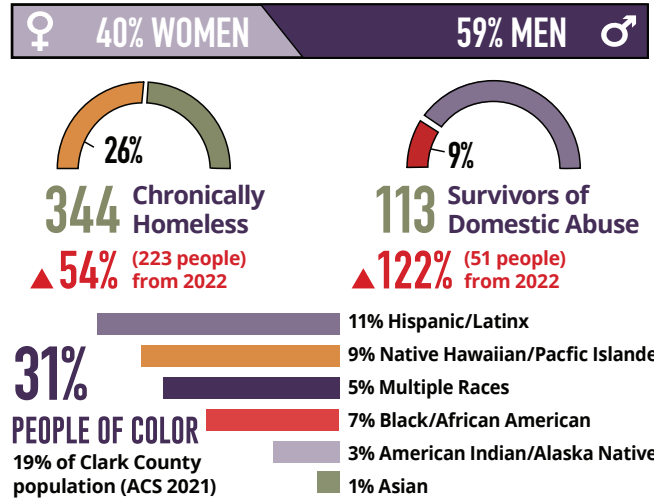
2023 CLARK COUNTY, WA POINT IN TIME COUNT RESULTS with 2022 comparisons

COUNCIL FOR THE HOMELESS
Leadership • Advocacy • Solutions

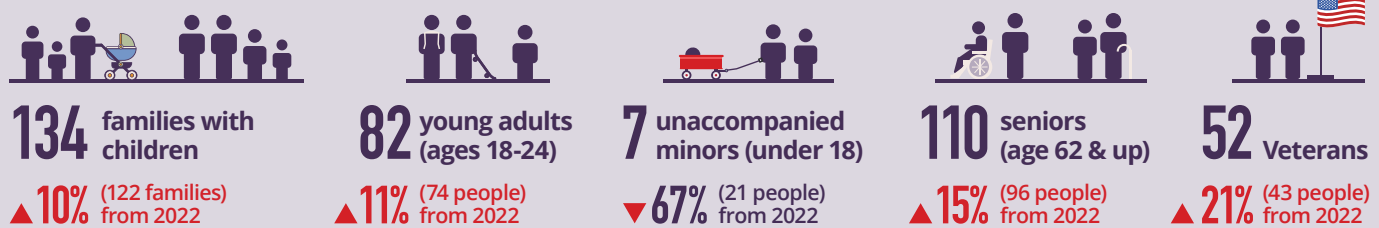
1300 People were experiencing homelessness in Clark County on January 26, 2023.
▲ 9% from February 24, 2022



Of the 1300 people:



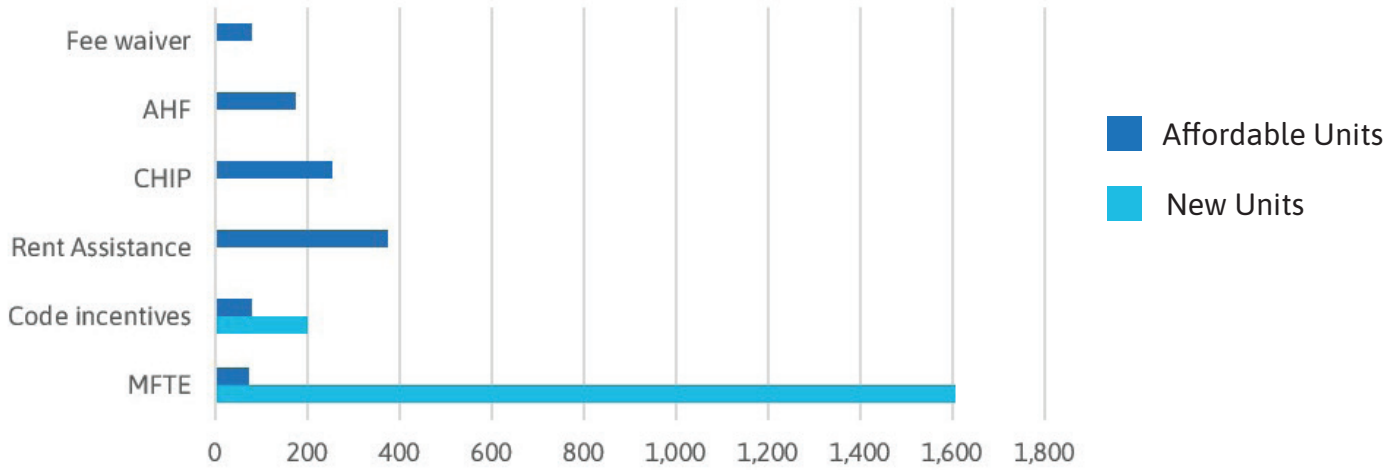
INCLUDED AMONG THE 1300 PEOPLE:



2023 Housing Outcomes

Below is a summary of the number of affordable housing units funded or incentivized through the City's housing programs. More detailed information is provided throughout this report.

2023 Housing Funded or Incentivized





Development Code Incentives

As part of the City's work to encourage the development of affordable housing units, the City often requires that housing projects that have been approved for development code flexibility adhere to long-term affordability requirements on a percentage of the units in the project.

- In 2023, the City allowed two developers to build housing on commercially zoned property, with affordability restrictions. Covenants on these properties will ensure that **52** of the **129** new housing units remain affordable over the next 30 years.
- In addition, a developer committed to affordable housing to receive an upzoning allowance. This project will build **72** units with **29** affordable for 25 years.



Commercial construction in downtown Vancouver

Affordable Housing Fund (AHF)

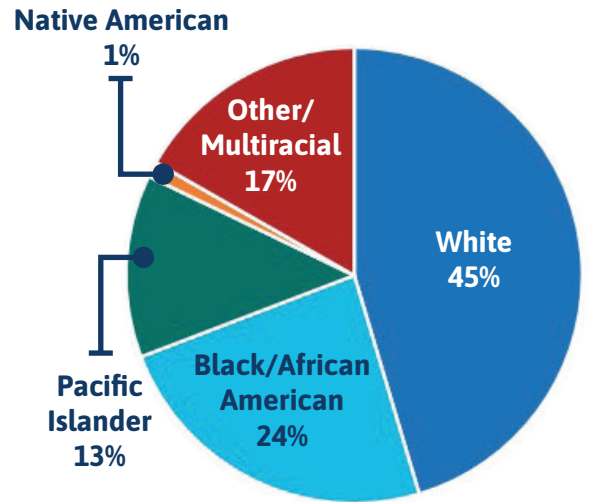
The AHF is the City's largest resource for affordable housing. AHF funding builds and preserves affordable housing, as well as temporary shelter and rental assistance for very low-income tenants.

The AHF was established by Vancouver voters in 2016 to provide \$6 million annually for affordable housing and voters approved a renewal and increase of AHF in 2023.

Beginning in 2024, \$10 million per year will fund affordable housing over the next 10 years. Additional detail about AHF funding available at cityofvancouver.us/ahf.

In 2023, the City awarded the last year of funding from the 2017-2023 levy. The City also celebrated the grand opening of Fourth Plain Commons, a partnership with VHA and Fourth Plain Forward.

Households served by AHF Rental Assistance in 2023



Avia Lofts on Parkway

2023 Affordable Housing Fund Outcomes

185

HOUSEHOLDS*
STABILIZED WITH RENT

**79% of households earned less than 30% of area median income.*

**65% of the households served were families with children.*



948

TOTAL AHF UNITS
CURRENTLY RENTED



80

NEW
SHELTER BEDS

151

UNITS UNDER
CONSTRUCTION

176

NEW UNITS
OPENED

\$16 million



LEVERAGED BY THE
AFFORDABLE HOUSING FUND



The Safe Stay Community at 4611 Main St. opened on Dec. 15, 2023. The community provides 20 modular shelters serving up to 40 people.

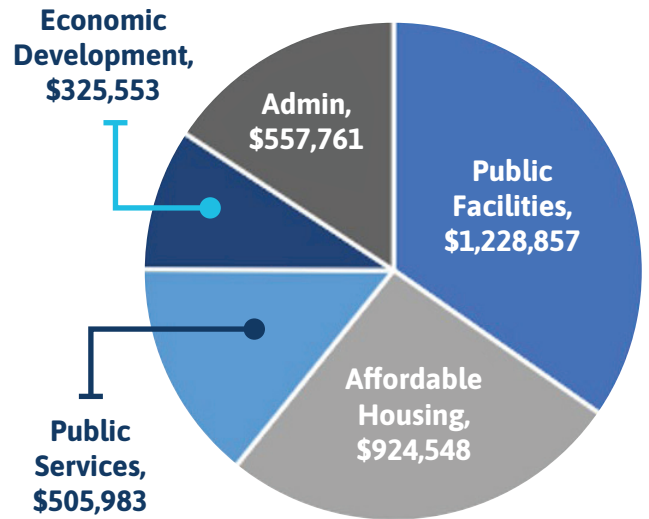
Federal Investments

Vancouver uses CDBG and HOME funding from the U.S. Department of Housing and Urban Development for affordable housing, homelessness services, facility improvements and small business assistance. During the July 1, 2022 - June 30, 2023 program year, the City achieved the following outcomes from these funds:

- 2 first-time homebuyers purchased an affordable home
- 5 homeowners made repairs to their home
- 65 households exited homelessness with rental assistance and case management
- 953 people living outside connected to outreach, street medicine, recovery support and case management

Additional information available at cityofvancouver.us/cdbg

Program Year Expenditures



Housing Rehabilitation Program house before (left) and after renovation (right).

Multifamily Tax Exemption

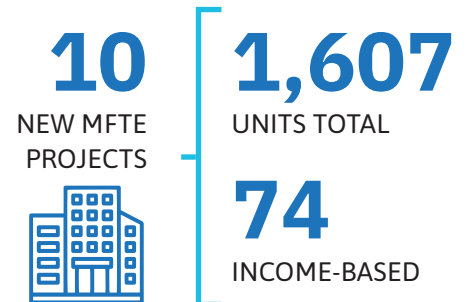
Since 1997, Vancouver has offered a tax incentive to assist housing development in certain target areas. Seeking to increase the scale and impact of this program, the City adopted comprehensive changes to the program in July 2023.

Updates include:

- 7 new target areas near high-capacity transit
- Density targets or fee in lieu requirement for market rate projects
- Added exemption option for homeownership projects

Additional details at cityofvancouver.us/mfte

2023 outcomes include:



\$5,313,849

COMMITTED TO AFFORDABLE
HOUSING FEE IN LIEU FUND



Connecting Housing to Infrastructure Program (CHIP)

Washington State announced a new funding opportunity in 2022 to help affordable housing projects finance infrastructure connections and System Development Charges (SDCs). **Through multiple state funding rounds, the City received over \$5M for 8 projects to support the development of 468 new affordable units and one 13-bed group home.**



Laurel Manor, currently under construction, will provide 82 affordable housing units for seniors.

Impact Fee Waivers

City Code 20.915.080 allows for a partial waiver of traffic and park impact fees for new housing that is affordable to households earning 80% of area median income. **In 2023, one impact fee waiver was requested and approved in the amount of \$207,447, supporting 82 units of affordable housing for seniors.**

Homeownership

The Vancouver Housing Authority has partnered with market rate builders and nonprofit partners to develop over 80 new affordable homeownership units. Through this partnership, eligible households will be able to purchase new homes at affordable prices. Planning and coordination occurred in 2023; state and City funding is available to assist homebuyers with purchases starting in 2024.



Ginn Group's Parkhouse Vista development offers single-family homes through a first-time homebuyer program to working families who earn around 80% of the area median income.

More information available at cchp.org



Upcoming opportunities

In 2024, the Housing Team is implementing a new Construction Sales Tax Deferral program authorized by State law and pursuing climate action funding for energy retrofits in existing affordable multifamily units.