

**Analysis of Impediments  
to  
Fair Housing in Kitsap County**



*Prepared for:*

**Community Development Block Grant Program  
Kitsap County**

*Adopted by:*

**Kitsap Regional Coordinating Council**

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## **1. Background**

### **a. Study Area**

This Analysis of Impediments to Fair Housing (AI) addresses Kitsap County, excluding the City of Bremerton which conducted a separate Analysis of Impediments (AI) within its city limits, published May, 2005. Certain findings of that report are referenced herein. The last Analysis of Impediments to Fair Housing in Kitsap County was conducted in 1996.

The period of this analysis is 1996 through 2004.

### **b. Requirement to Conduct Analysis of Impediments to Fair Housing**

The Analysis of Impediments to Fair Housing Choice (AI) is required by the U.S. Department of Housing and Urban Development (HUD) of all state and local governments that receive housing and community development funds from any of the following programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnership (HOME)
- Emergency Shelter Grant (ESG)
- Housing Opportunities for Person with AIDS (HOPWA)

Kitsap County (excluding Bremerton) currently receives approximately \$2 million annually in CDBG and HOME funds.

### **c. Scope of the Analysis of Impediments to Fair Housing**

The Analysis of Impediments to Fair Housing addresses two areas, as per federal requirements:

- Impediments to Fair Housing experienced by protected classes of persons
- Issues that limit the ability of residents to own or rent housing regardless of their inclusion in a protected class.

HUD requires that the Analysis of Impediments consider at least the following:

- Demographic analysis, including household income, housing, and employment
- Fair housing complaints filed during the study period
- Impediments identified in:
  - Sale or rental of housing
  - Brokerage services provided
  - Housing financing
  - Public policies
  - Administrative policies for housing and community development activities that affect housing choice for protected classes
- Current fair housing resources

The Analysis of Impediments is also to include recommendations to address any impediments identified through the above analyses.

#### d. The Governing Law <sup>1</sup>

Since the end of the U.S. Civil War, there has been protection against racial discrimination in housing. The Civil Rights Act of 1866 states: “All citizens of the United States shall have the same right in every State and Territory, as is enjoyed by white citizens thereof, to inherit, purchase, lease, sell, hold and convey real and personal property.”

In 1968, there was substantial expansion of federal fair housing protections into the private housing market for a broader range of “protected classes”:

- The Supreme Court ruled that the Civil Rights Act of 1866 prohibited “all racial discrimination, private as well as public, in the sale or rental of property.”<sup>2</sup> Up to that time, it was interpreted as prohibiting racial discrimination by government or public action, including restrictive zoning and restrictive covenants.
- Congress passed the Civil Rights Act of 1968 with Title VIII that prohibits housing discrimination based on race color, religion, sex, or national origin, and identifies HUD as the enforcement agency charged with investigating, mediating, and if necessary (where a pattern of discrimination has been identified) prosecuting claims of discrimination in federal court.

In 1988, protection was extended to people with disabilities and families with children (“familial status”). They were identified through the Fair Housing (Amendments) Act of 1988 as protected classes. Also, the concept of “accessibility” for people with disabilities was defined:

- “Reasonable modifications” can be made to housing at their own expense
- “Reasonable accommodations” are to be made in rules, policies, practices, and services allowing access to and use of a dwelling
- Housing built after March 13, 1991 is to be accessible

The Fair Housing Act (as it is now called) prohibits the following actions based on a person’s race, color, religion, national origin, sex, familial status (called parental status by King County & Seattle), or disability<sup>3</sup>:

- Refusing to rent or sell a dwelling after a bona fide offer has been made
- Refusing to negotiate for the sale or rental of a dwelling
- Setting different terms, conditions, or privileges related to the sale or rental of a dwelling or to the use of facilities and services provided in conjunction with a dwelling
- Saying a dwelling is unavailable for rent or sale when it is available
- Making a profit by convincing owners to sell or rent properties based on fear of a declining property values because members of a protected class are moving into a neighborhood (an action known as “blockbusting”)
- Advertising the availability of a dwelling in a way that implies a preference for a certain type of buyer or renter or places a limitation on the use of a dwelling for certain groups

<sup>1</sup> Some data in this section drawn from City of Bremerton *1996-2005 Analysis of Impediments to Fair Housing Choice*, prepared by Fair Housing Center of South Puget Sound

<sup>2</sup> U.S. Commission on Civil Rights, *The Fair Housing Amendments Act of 1988: The Enforcement Report*

<sup>3</sup> From the Federal Register, 24 CFR Part 14 et al, *Implementation of the Fair Housing Amendments Act, 1988: Final Rule, 3284* (Washington D.C. US Printing Office 1989)

- Denying access to or membership in any multiple listing service, real estate brokers association or other organization in the business of selling or renting housing, or setting different terms or conditions for membership in such organizations
- Refusing to make a mortgage loan
- Refusing to give information about loans
- Setting different terms or conditions for loans
- Discriminating in the appraisal of property
- Refusing to purchase a loan or setting different terms for the purchase of a loan
- Interfering in any way with a person’s exercise of their fair housing rights

States, counties, and cities may adopt fair housing laws to affirm and/or expand federal protections. In WA State, protected classes and “clusters” have been amplified (+): (See Table 1-1)

- Religion + Creed (WA State, Seattle, other cities); Political Ideology (Seattle)
- Familial Status + Marital Status (WA State, King & Thurston Counties, major cities)
- Race/Color/National Origin + Ancestry (Seattle, Bremerton)
- Sex + Sexual Orientation (King, Thurston, major cities) and Gender Identity (Olympia)
- New class: Age (King, Thurston, Seattle, Tacoma)
- New class: Section 8 Recipients (King, Seattle)

Kitsap County doesn’t have Fair Housing Laws. WA State and federal law applies.

✓ = federal law  
○ = state/local law

**Table 1-1: Comparison of Classes Protected by Jurisdiction’s Own Fair Housing Laws**

Classes ↓	Federal	WA State	King Co.	Thurston Co.	Seattle	Tacoma	Olympia	Spokane	Burien	Bremerton	Kitsap Co.
Race	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Color	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
National Origin	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ancestry					○					○	
Religion	✓	✓	✓		✓	✓	✓		✓	✓	✓
Creed		○		○	○			○			○
Political Ideology					○						
Sex	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sexual Orientation			○	○	○	○	○	○			
Gender Identity							○				
Disability	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Familial Status	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Marital Status		○	○	○	○	○	○	○	○		○
Age			○	○	○	○			○		
Section 8 Recipient			○		○						
Retaliation	✓	✓	✓		✓	✓					✓

Where state, county, or local laws are (at least) substantially equivalent to the federal law, and where an enforcement agency has been designated or established with the demonstrated capacity to enforce fair housing laws, HUD can certify that government as a “substantially equivalent agency” with the authority to investigate and process referrals to HUD of fair housing complaints within its jurisdiction.

In Washington State, four jurisdictions are HUD-certified as substantially equivalent (Fair Housing Assistance – FHAP) agencies:

State of Washington  
King County  
Seattle  
Tacoma.

The FHAP agency for Kitsap County is the WA State Human Rights Commission (WSHRC).

Through another federal program – the Fair Housing Initiative Program (FHIP), there are also designated Qualified Fair Housing Organizations (QFHO’s), with the same responsibilities as FHAP agencies to attempt conciliation between the parties and investigate complaints before referring cases to HUD. The only QFHO serving Kitsap is the Fair Housing Center of South Puget Sound.

- Three types of housing exempted from certain terms of the Fair Housing Act:
- Religious organizations or private clubs which own or operate housing (for other than commercial use) may give preference to members of the organization in the sale, rental, or occupancy of that housing.
  - Owners of not more than 3 single family dwelling units who do not advertise their rental property and/or does not use realtor or broker services in renting or selling those units are exempt, except from compliance pertaining to discriminatory advertising or retaliation.
  - Housing for people aged 62+ and 55+ is exempt (only) from the prohibition based on discrimination against familial status

It is worth noting that the QFHO’s are advocacy agencies, and provide support to claimants through the long and sometimes arduous complaint process, as contrasted to the FHAP agencies which are required to maintain a neutral role.

For Kitsap County, then, fair housing complaints can be referred to either the WA State Human Rights Commission (WSHRC) or to the Fair Housing Center of South Puget Sound. Either agency can accept complaints of alleged discrimination, evaluate the complaints for legitimacy and substance, and conduct investigations where appropriate. Since a thorough investigation can take many months, settlements are a faster, more efficient way to settle a complaint. The agency often acts as a “neutral fact finder” and attempts to meet with both sides to explore resolution of the issue. The agency may issue a finding of “reasonable cause” or “no reasonable cause.” If a “reasonable cause” finding has occurred, settlement between the parties can include rent refunds and training to eliminate the unfair practice.

Cases may be closed administratively when the complainant can’t be located, refuses to cooperate, or withdraws the complaint.

**e. Overview: Data Sources Used**

This Analysis of Impediments to Fair Housing in Kitsap County is based upon information from a range of sources:

- U.S. Census 2000
- *Factors Affecting Health Disparities in Kitsap County: An Assessment Based on Data from the US 2000 Census and Vital Statistics*, prepared by Kitsap County Health District, September 2004
- Kitsap County TRENDS Report, *Spring 2005*
- The *2005 Kitsap Fair Housing Survey* designed in collaboration with the Kitsap Housing Coalition and conducted among members of the Kitsap Housing Coalition. Altogether, 20 housing professionals responded to the self-administered questionnaire:

Home Mortgage Professionals	6	Credit Counseling	1
Realtors	3	City/County Staff	3
Housing Authorities	5	Elected Officials	2

(See Appendix 1 for copy of survey questionnaire and results.)

- *Public Fair Housing Forum* co-hosted with Fair Housing Center of South Puget Sound on behalf of the City of Bremerton (*January 18, 2005*) (See Appendix 2 for results.)
- *Kitsap Countywide Planning Policies*, adopted *November 22, 2004* (Appendix 3 for excerpt)
- U.S. Dept. of Housing and Urban Development (HUD) (See Appendix 4)
- City of Bremerton *1996-2005 Analysis of Impediments to Fair Housing Choice*, prepared by Fair Housing Center of South Puget Sound
- Other Meetings & Forums:
  - Kitsap Housing Coalition regular meetings
  - Housing Coalition’s Affordable Housing Brainstorming *November 8, 2005*  
(See Appendix 5)
  - Kitsap Regional Coordinating Council’s Planning Directors’ Forum
  - Kitsap Affordable Housing Summit *December 16, 2005*
- *Consolidated 2006-2010 Plan*, Community Development Block Grant Programs, Kitsap County & City of Bremerton, *November 2005*
- *2060 Low Income Housing Grant Program Needs Assessment*, Kitsap Regional Coordinating Council, *July, 2003*
- Primary research with agencies in Kitsap County and Washington State

**2. Fair Housing Laws in Kitsap County**

Review of municipal code (Cities of Bainbridge Island, Port Orchard, and Poulsbo) and Kitsap County ordinance reveals that there are no specific fair housing laws at the County or City level. Thus, the protected classes in Kitsap County are the same as those in all of Washington State:

Race	Religion	Familial Status/Parental Status
Color	Creed (WA State)	Marital Status (WA State)
National Origin	Handicap/Disability	Sex

**3. Kitsap County Demographics <sup>1</sup>**

The following analysis addresses the range of protected classes in Kitsap County (race, color, national origin, gender, disability, religion, and familial status) plus household income. The data below, unless otherwise noted, excludes population within the city limits of Bremerton.

**a. Overall Population Growth**

Kitsap County (excluding Bremerton) had an overall population of 194,710 in 2000. Between 1990 and 2000, this increased 28%, from 151,589. (*U.S. Census 2000*)

Compared to the Balance of Kitsap County’s 28% growth rate 1990 – 2000, Silverdale and North Kitsap (excluding Bainbridge Island and Suquamish) are generally growing faster. Port Orchard is growing more slowly (as is Bremerton).

<b>Table 3-1: Population Growth in Kitsap County</b>	<b>1990 Population</b>	<b>2000 Population</b>	<b>% Change</b>	<b>U.S. Census Estimated 2004</b>
Total Kitsap County	189,731	231,969	+ 22%	239,138
<City of Bremerton>	<38,142>	<37,259>	- 2%	<35,967>
Balance of Kitsap County	151,589	194,710	+ 28%	203,171

<b>Population Growth in Places in Kitsap County <sup>2</sup></b>			
Suquamish	4,516	5,301	+ 17%
Bainbridge Island	15,486	20,308	+ 28%
Poulsbo	10,997	15,238	+ 39%
Kingston	3,335	4,810	+ 44%
Indianola	1,902	3,026	+ 59%
Other North County	6,843	9,130	+ 33%
Silverdale	11,618	18,775	+ 62%
Bangor Trident Base	3,702	7,253	+ 96%
Tracyton	5,323	6,835	+ 28%
Other Central County	28,247	33,549	+ 19%
Port Orchard	24,452	25,421	+ 4%
Manchester	4,551	5,542	+ 22%
Other South County	20,873	27,480	+ 32%

Significantly Higher Growth

± 20 ≤ % from Balance of County + 28% Rate

Significantly Lower Growth

<sup>1</sup> Data in Section 3 drawn from: U.S. 2000 Census, unless otherwise noted.

<sup>2</sup> Data drawn from: Factors Affecting Health Disparities in Kitsap County: An Assessment Based on Data from the U.S. 2000 Census and Vital Statistics, by Kitsap County Health District, *September 2004*; This analysis is based on groupings of census tracts, not Census Defined Place boundaries used in some other analyses. Presented for general trend comparison; does not add to *Total Balance of Kitsap*.



## b. Household Profile

“About 28% of (total) County households were married couples with children, 30% were married couples with no children younger than 18, 23% were one-person households, and about 19% were single people living with their children.”<sup>3</sup> This pattern of households is similar in the balance of Kitsap County (not including Bremerton).

The pattern of household types in Kitsap County (outside of Bremerton) is somewhat different than statewide and nationally.

- Kitsap is home to proportionally more family households than average – three out of four (74% vs. 66% statewide) – and fewer non-family households (24%) [including people living alone, unrelated adults/roommates and/or adult(s) raising an unrelated child].
- Kitsap households are somewhat more likely to include married couples, either with or without children (62% vs. 52% state/national).
- Kitsap households are also slightly more likely to include children (under 18) – 40% of households vs. state/national at 35-36%.

<b>Table 3-2: Household Type in Kitsap County in 2000</b>	<b>Kitsap County</b>		<b>&lt;less&gt; City of Bremerton</b>		<b>Balance of County</b>		<b>WA State</b>	<b>Total US</b>
		%		%		%	%	%
<b>Total # of Households</b>	<b>86,416</b>		<b>15,096</b>		<b>71,320</b>			
<b>Family Households (Families)</b>	<b>61,344</b>	<b>71%</b>	<b>8,469</b>	<b>56%</b>	<b>52,875</b>	<b>74%</b>	<b>66%</b>	<b>68%</b>
• <i>With own children &lt; 18 years</i>	31,085	36%	4,558	30%	25,527	37%	33%	33%
- Married couple – family *	49,839	58%	5,801	38%	44,038	62%	52%	52%
• <i>With own children &lt; 18 years</i>	23,293	27%	2,693	18%	20,600	29%	24%	24%
- Female Householder, no husband present *	8,232	10%	2,012	13%	6,220	9%	10%	12%
• <i>With own children &lt; 18 years</i>	5,679	7%	1,426	9%	4,253	6%	6%	7%
<b>Non-Family Households</b>	<b>25,072</b>	<b>29%</b>	<b>6,627</b>	<b>44%</b>	<b>18,445</b>	<b>26%</b>	<b>34%</b>	<b>32%</b>
• Householder living alone	19,537	23%	5,343	35%	14,194	20%	26%	26%
- Householder 65+ alone	6,596	8%	1,798	12%	4,798	7%	8%	9%
Households w/individual < 18 years	33,241	39%	4,942	33%	28,299	40%	35%	36%
Households w/individual 65+ years	17,012	20%	3,327	22%	13,685	19%	20%	23%

\* Doesn't add to Total Family Households; some categories not broken out e.g. Male Householder/ no wife present

## c. Gender

Kitsap's population (outside of Bremerton) is half males and half females, and close to the Washington State and overall United States ratios.

<b>Table 3-3: Gender in Kitsap County in 2000</b>	<b>Kitsap County</b>		<b>&lt;less&gt; City of Bremerton</b>		<b>Balance of County</b>		<b>WA State</b>	<b>Total US</b>
		%		%		%	%	%
<i>Total</i>	231,969		<37,259>		194,710			
Males	117,510	51%	18,969	51%	98,541	51%	50%	49%
Females	114,459	49%	18,290	49%	96,169	49%	50%	51%

<sup>3</sup> Factors Affecting Health Disparities in Kitsap County: An Assessment Based on Data from the US 2000 Census and Vital Statistics, by Kitsap County Health District, September 2004

**d. Race, Color, & Ethnicity**

“There is relatively little racial and ethnic diversity in Kitsap County.”<sup>4</sup>

- More than four out of five (84%) of the people that live in Kitsap County (outside of Bremerton) are white, compared to two thirds (69%) of the United States population. (Note: 72% white in Bremerton.)
- In particular, there are proportionately fewer black/African American (2% vs. 12% nationally) or Hispanic people (4% vs. 13% nationally) living in Kitsap (outside of Bremerton).
- This homogeneity results in a much lower proportion of households speaking other-than-English at home: 7% of Kitsap households (outside of Bremerton) vs. 18% nationally.
- The pattern in Kitsap reflects that in Washington State, but with even less diversity.

At the more local, “place” level<sup>4</sup>:

- Relatively more Native Americans live in non-urban North Kitsap (especially Suquamish – 10% --and Indianola – 5%) than elsewhere in the County (2%).
- A higher proportion of Asian Americans live in Silverdale (11% vs. 4%).
- A higher proportion of African Americans (7%) and Hispanics (7%) live near the military’s Trident Base (as well as in Bremerton – 7%) than elsewhere (4%).

<sup>4</sup> Factors Affecting Health Disparities in Kitsap County: An Assessment Based on Data from the US 2000 Census and Vital Statistics, by Kitsap County Health District, September 2004

<b>Table 3-4: Ethnic &amp; Racial Diversity in Kitsap County in 2000</b>	<b>Kitsap County</b>		<b>&lt;less&gt; City of Bremerton</b>		<b>Balance of County</b>		<b>WA State</b>	<b>Total US</b>
		%		%		%		
<i>Total</i>	231,969	%	<37,259>	%	194,710	%	%	%
One Race	221,195	95%	34,813	93%	186,382	96%	96%	98%
White, non-Hispanic	190,791	82%	26,950	72%	163,841	84%	79%	69%
Black/African American	6,648	3%	2,793	7%	3,855	2%	3%	12%
Native American/Alaskan	3,760	2%	726	2%	3,034	2%	2%	1%
Asian American	10,192	4%	2,061	6%	8,131	4%	6%	4%
Some other race	5,114	2%	1,301	3%	3,813	2%	4%	6%
Two or more races	10,774	5%	2,446	7%	8,328	4%	4%	2%
Hispanic of any race *	9,609	4%	2,457	7%	7,152	4%	8%	13%
Speak a language other than English at home	18,011	8%	3,836	10%	14,175	7%	14%	18%

\* Hispanic people may be of any race and are not included in any specific racial group.

**e. Disability**

In 2000, one in six (17%) Kitsap residents over the age of five reported at least one disability -- that is, a physical or mental condition that kept them from functioning normally for all of the six months before the US Census questionnaire was completed. The incidence of disability among Kitsap residents outside of Bremerton is strikingly similar to Washington State’s and the United States as a whole (18% and 19%, respectively). (See Table 3-5)

Disabilities do not affect all age groups equally:

- The young (ages 5-20) are half as likely (8%) to report a disability.
- The older population (65+ years) is much more likely – two out of five persons (41%).

At the more local, “place” level <sup>5</sup>:

- Disability rates were higher in Port Orchard (and Bremerton), especially among seniors over 65 – with half again as many (62%) reporting at least one disability as countywide.
- Disability rates were generally somewhat lower in North Kitsap, Bainbridge Island and in particular the Trident military area.

<sup>5</sup> Factors Affecting Health Disparities in Kitsap County: An Assessment Based on Data from the US 2000 Census and Vital Statistics, by Kitsap County Health District, September 2004

Disability in Kitsap County in 2000	Kitsap County		<less> City of Bremerton		Balance of County		WA State	Total US
		%		%		%	%	%
Total population 5+ years	201,902		<29,910>		171,992			
Among total population (5+ years)	36,948	18%	7,627	25%	29,321	17%	18%	19%
Among those 5- 20 years *	4,516	8%	937	12%	3,579	8%	8%	8%
Among those 21-64 years *	22,412	18%	4,462	25%	17,950	17%	18%	19%
Among those 65+ years *	10,020	43%	2,228	52%	7,792	41%	42%	42%

\* Percentages calculated based on number of people in age group

## f. Employment & Income

Employment rates are the same in Kitsap County and Bremerton as WA State and the nation – two thirds of people over age 16 are employed (64-66%). Incomes are lower, poverty more widespread in

	Kitsap County	City of Bremerton	WA State	Total US
In labor force (16+ years)	115,055 65%	18,608 65%	66%	64%
Median Household Income *	\$46,840	\$30,950	\$45,776	\$41,994
Median Family Income *	\$53,878	\$36,358	\$53,760	\$50,046
Per Capita Income *	\$22,317	\$16,724	\$22,973	\$21,587
Families below Poverty Level	6%	16%	7%	9%
Individuals below Poverty Level	9%	19%	11%	12%

Bremerton, but in Kitsap overall, median incomes (\$46,840 for households) are somewhat higher than WA State. The incidence of poverty in Kitsap is also below State.

	Median Household Income *
White, non-Hispanic	\$46,800
Asian American	\$46,300
African American	\$33,700
American Indian/Native Alaskan	\$41,600
Other (incl. Pacific Islander)	\$35,850
Two or more races	\$37,800
Hispanic of any race	\$40,700

\* In 1999 Dollars

At the more local, “place” level <sup>6</sup>:

Considering income levels among different ethnic/racial groups, the disparities are striking:

- Non-Hispanic White and Asian households enjoy median incomes over \$46,000.
- African American households earn a median income of only \$33,700 & Others (including Pacific Islanders) earn \$35,850.
- American Indians, Mixed Race, & Hispanic households are mid-range locally at \$37,800-\$41,600 – closer to the national median.

- The median household income is lower than the County median (\$46,840) in Suquamish (\$29,216), [Bremerton (\$30,950)], and Port Orchard (\$34,020) and higher in Bainbridge Island (\$70,110).
- Poverty rates (individuals and children) are somewhat higher in Port Orchard, [Bremerton], and the Bangor Trident area.

**g. Housing Characteristics Own vs. Rent by Race/Ethnicity**

Kitsap County (excluding City of Bremerton) has a relatively high rate of home ownership -- 73% of homes are owner-occupied units. This is substantially higher than the WA State and national rate of home ownership. (*Note: The ownership rate for the entire County including Bremerton is essentially the same as State and national – 67%.*)

<b>Table 3-8: Kitsap Housing Characteristics: 2000</b>	<b>Occupied Housing Units</b>	<b>Units Owned</b>	<b>Units Rented</b>
Total United States	105,480,101	66%	34%
Total Washington State	2,271,398	65%	35%
Total Kitsap County	86,416	67%	33%
<City of Bremerton>	<15,096>	41%	59%
Balance of County	71,320	73%	27%
White, non-Hispanic	64,906	73%	27%
Asian American	2,162	76%	24%
African American	1,178	48%	52%
American Indian/Native Alaskan	899	67%	33%
Other (incl. Pacific Islander)	1,126	52%	48%
Two or more races	1,853	59%	41%
Hispanic of any race *	1,992	55%	45%

Higher rates of home ownership are found among Asian (76%), White (73%), and to a lesser degree, American Indians (67%) in the balance of Kitsap County (outside of Bremerton).

Lower rates of home ownership (<60%) are found among African Americans (48%), other ethnic minority groups (52%), and Hispanics (55%).

\* Hispanic people may be of any race and are not included in any specific racial group.

At the more local, “place” level <sup>6</sup>:

- Home ownership rates are substantially lower in Port Orchard (44%), Silverdale (52%) as compared to 67% in all of Kitsap County and 73% countywide (not including Bremerton).

**Summary Comments about Section 3: Kitsap County Demographics (not including Bremerton):**

- Kitsap County is growing rapidly-- +28% during the period 1990-2000.
- Three out of four Kitsap households are families and 40% of households include children.
- There is relatively little racial and ethnic diversity in Kitsap County compared to the national experience – 84% of the County population is white vs. 69% nationwide.
- Kitsap households are more affluent than national averages in terms of household and per capita income and home ownership.
- However, some Kitsap communities are decidedly poorer financially -- in particular, Port Orchard and the communities of color (African American, Native Americans, and Pacific Islander).
- One in six Kitsap residents are disabled in some way, especially those over 65 years of age – quite similar to the national and WA State experience.

<sup>6</sup> Factors Affecting Health Disparities in Kitsap County: An Assessment Based on Data from the US 2000 Census and Vital Statistics, by Kitsap County Health District, September 2004

#### 4. Fair Housing Complaints in Kitsap County

##### a. Lodging a Fair Housing Complaint

Kitsap County and the three Cities included in this analysis – Bainbridge Island, Port Orchard, and Poulsbo – were each contacted (by mail and telephone) and asked a series of questions about complaints they may have received about fair housing:

- Have you received any such complaints during the timeframe 1996 – present?
- Do you log such complaints?
- Do you have a formal policy for handling such complaints?
- To what agency do you/would you refer fair housing complaints?

The responses:

- **Kitsap County:** No records kept; no formal policy; “probably” refer to Kitsap Human Rights Network
- **City of Bainbridge Island:** No records kept; no formal policy
- **City of Port Orchard:** No records kept; no formal policy
- **City of Poulsbo:** No records kept; no formal policy

The Kitsap Human Rights Network also does not keep records of complaints, but staff stated that “1 or 2 a quarter, at most” complaints are received and referred to the Fair Housing Center of South Puget Sound (the QFHO serving Kitsap) for review and ultimate referral to U.S. Dept. of Housing & Urban Development (HUD) if the circumstances warrant a formal complaint.

Local governments’ general lack of awareness of appropriate channels for handling fair housing complaints was also found among professional housing services providers (the primary responders to the 2005 Kitsap Fair Housing Survey – see *Appendix I*). When presented with a list of possible referral agencies:

- Only 3 out of 20 survey respondents considered the WA State Human Rights Commission (Kitsap’s *substantially equivalent agency* for fair housing enforcement) or U.S. Dept. of Housing & Urban Development (HUD) for referral.
- 7 mentions made were of agencies that probably would provide an appropriate referral leading to the State Human Rights Commission and/or HUD: the Kitsap Human Rights Network, the WA State Office of the Attorney General, or the Tenants Union.
- 8 mentions were for local human services agencies –United Way, Kitsap Community Resources – with a few more thinking those agencies might be an appropriate referral.

<i>Table 4-1: Referral Sources for (fair housing complaint) situations:</i>	<b>Have Referred Complaint to:</b>	<b>Would Refer to:</b>	<b>Not Sure</b>
WA State Human Rights Commission		1	1
U.S. Dept. of Housing & Urban Development		2	
Kitsap County Human Rights Commission		1	
WA State Office of the Attorney General	1	3	
Tenants Union		2	
United Way	2	2	2
Kitsap Community Resources	2	2	1
Other: Housing Finance Commission			2

*Data from 2005 Kitsap Fair Housing Survey*

**b. Pattern of Fair Housing Complaints**

The pattern of complaints originating in Kitsap is somewhat different over the 10-year review period than the national experience. (See Appendix 4) Specifically:

- Complaints from residents with a disability account for two thirds (2/3) of those filed with an enforcement agency serving Kitsap (e.g. Washington State’s Human Rights Commission or Fair Housing Center of South Puget Sound) and then forwarded to HUD for investigation.
- Family status (families with children) accounts for more of the Kitsap complaints, with fewer from race/ethnicity/place of origin than nationally.

<b>Table 4-2: Summary of Fair Housing Complaints</b>	<b>National Experience</b>	<b>Kitsap County (excluding Bremerton)</b>
<b>Protected Classes</b>		
Disability	42.5%	65%
Race	39.3%	10%
Family Status	n/a	20%
Retaliation	n/a	5%
<b>Closure Type</b>		
Reasonable Cause referrals and Successful settlements	40%	40%
No cause finding	26%	50%
Administrative closure	32%	n/a
Cases Still Open	n/a	10%

*Data provided by U.S. Department of Housing & Urban Development*

**c. Observed Instances of Discrimination**

Only 1 of the 20 professional housing services providers who responded to the 2005 Kitsap Fair Housing Survey (see Appendix 1) described a specific instance of discrimination against a member of a protected class (disability), occurring a year ago, “deaf family with children.”

However, one of the participants in the January 2005 Public Fair Housing Forum provided an important context comment:

*80% of people don't report discrimination incidents.*

**Summary Comments about Section 4: Fair Housing Complaints in Kitsap County:**

- The referral network for fair housing complaints -- public and private -- is practically non-existent in Kitsap County (outside the City of Bremerton).
- Discrimination based on disability is the most frequently reported basis for complaints in Kitsap. This is not surprising, since 17% of Kitsap County residents have a disability.
- Racial discrimination cannot be discounted. It may be that there are so few persons of color in Kitsap compared to the national experience that having any more complaints would be a sign of very widespread racial discrimination.

## 5. Identification of Impediments to Fair Housing Choice in Kitsap County

### a. **Banking & Financing:**

Information pertaining to this potential impediment is drawn from five sources:

- ① Banks and the Community Reinvestment Act: <sup>1</sup> Banks are regulated by one of four federal agencies responsible for ensuring compliance with the fair lending provisions of the Fair Housing Act, the Equal Credit Opportunity Act, and the Community Reinvestment Act. Compliance with fair housing law is monitored by bank examiners to determine disparity in loans to members of protected classes. In particular, the Community Reinvestment Act (CRA) is designed to evaluate lenders' commitment to and investment in low and moderate-income neighborhoods. It requires the federal financial institution supervisory agencies, in connection with their examinations of certain depository institutions, to assess the institutions' CRA performance. A financial institution's performance in helping to meet the credit needs of its community is evaluated in the context of information about the institution (capacity, constraints and business strategies), its community (demographic and economic data, lending, investment, and service opportunities), and its competitors and peers. Upon completion of a CRA examination, an overall CRA Rating is assigned using a four-tiered rating system. These ratings are: Outstanding, Satisfactory, Needs to Improve, and Substantial Noncompliance. <sup>2</sup>

Unreasonable banking practices can have a disparate impact on people in protected classes because disproportionate numbers of people in protected classes live in low to moderate income neighborhoods.

Banks operating within Kitsap County (and those used by the jurisdictions) show a pattern <sup>3</sup> of Satisfactory CRA ratings, with Key Bank (Tacoma), US Bank (Minneapolis), and Wells Fargo (San Francisco) rated as Outstanding.

<b>Bank of</b>	Kitsap County:	Bank of America	Poulsbo:	Frontier Bank
<b>Record:</b>	Port Orchard:	Kitsap Bank	Bainbridge Island:	American Marine

<i>Table 5-1: CRA Ratings of Banks Operating in Kitsap County</i>	<b>Bank Headquarters</b>	<b>Exam Date</b>	<b>CRA Rating</b>	<b>Exam Methods</b>
American Marine	Bainbridge Island, WA	1998	Satisfactory	Small Bank
Bank of America	Boise, ID	1993	Satisfactory	Large Bank
Frontier Bank	Everett, WA	2004	Satisfactory	Large Bank
Kitsap Bank	Port Orchard, WA	2002	Satisfactory	Large Bank
State Farm	Bloomington, IL	2002	Satisfactory	Large Bank
West Sound Bank	Bremerton, WA	2001	Satisfactory	Small Bank
Washington Mutual	Seattle, WA	<i>Information unavailable as of 12/10/05</i>		
Columbia Bank	Tacoma, WA	2002	Satisfactory	Large Bank
1 <sup>st</sup> Security Bank	Mountlake Terrace, WA	2005	Satisfactory	Small Bank
Timberland Bank	Hoquiam, WA	2005	Satisfactory	Large Bank
Peoples Bank	Lynden, WA	2004	Satisfactory	Large Bank
US Bank	Minneapolis, MN	2000	Outstanding	Large Bank
Wells Fargo Bank	San Francisco, CA	2001	Outstanding	Large Bank
Key Bank	Tacoma, WA	1997	Outstanding	Small Bank

<sup>1</sup> Some data in this section is drawn from City of Bremerton *1996-2005 Analysis of Impediments to Fair Housing Choice*, prepared by Fair Housing Center of South Puget Sound

<sup>2</sup> FFIEC Community Reinvestment Act Rating Search *Frequently Asked Questions* at FFIEC.gov

<sup>3</sup> Telephone + Internet research

- ② The Home Mortgage Disclosure Act (HMDA) requires lenders to provide information about the disposition of home mortgage applications, so it can be made available for public review, as a means of measuring the relative success and failure of applicants who seek home financing. There are limitations to use of the HMDA data for this Analysis:
- The HMDA data is shown for the Bremerton PMSA (Primary Metropolitan Statistical Area, which is part of the Seattle/Bellevue/Everett CMSA or Consolidated Metropolitan Statistical Area). The Bremerton PMSA includes all of Kitsap County; there is no way to report on Kitsap County not including the City of Bremerton. However, this is probably not a serious limitation for the Analysis of Impediments to Fair Housing.<sup>4</sup>
  - The historical assumption of the HMDA is that people of color are more likely to be denied mortgage financing than white people making the same loan requests. However, it is difficult to determine from the data alone whether observed disparities are the result of discrimination *per se* or the result of some combination of factors (including normal lending financial criteria) that may (not) include underlying discrimination. For this reason, HMDA data should be treated as suggestive rather than determinative.
  - The HMDA data includes a substantial number – one in six, or 17% -- of all loan applicants classified as “race not available.” Whether or not these non-reports are systematic *vs.* randomly (and thus relatively evenly) spread across all ethnicity/racial groups cannot be clearly ascertained. For this reason, only large pattern differences in the reported data can be relied upon to reflect actual differences in behavior and experience.

With these limitations in mind, this Analysis of Impediments presents and evaluates HMDA data for all of Kitsap County in 2004 for conventional, re-finance, home improvement, and government-insured mortgage finance products.

- Banks report 79% approval rate for the 7,406 conventional home mortgage applications (typically requiring down payment and relatively strict financial ratios) and 82% for the 1,132 government-insured mortgages (*e.g.* Veterans Administration, US Dept of Housing & Urban Development). This may indicate banks’ and other mortgage loan specialists’ effectively referring potential applicants to the government-insured programs for which they may qualify.
- The primary home loan activity during 2004 was mortgage re-financings (almost 17,000 applications were made and 9,600 were approved) but they are relatively difficult to obtain – only 57% of applications were approved.
- Home improvement loans (without additional collateral beyond the possibly increased value to the home) were a much smaller proportion of lending activity and are also relatively difficult to obtain – 52% of applications were approved.

<b>Table 5-2:<sup>5</sup> MDA Home Loan Data: Kitsap County, 2004</b>	<b>Loan Applications</b>		<b>Applications Approved</b>		<b>Applications Denied</b>		<b>Applications Closed or Withdrawn</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
Conventional	7,406	27%	5,850	79%	808	11%	748	10%
Re-finance	16,893	62%	9,574	57%	3,531	21%	3,788	22%
Home Improvement	1,802	7%	933	52%	636	35%	233	13%
Gov’t-insured	1,132	4%	923	82%	111	10%	98	8%
<b>Total</b>	<b>27,233</b>	<b>100%</b>						

<sup>4</sup> U.S. Census: Metro- & Micro-politan Stat’l Area Definitions

<sup>5</sup> FFIEC Home Mortgage Disclosure Act Aggregate Reports, [www.ffiec.gov](http://www.ffiec.gov)



In comparing HMDA data on different groups' loan *success rates*, there is a pattern of differences among the reported data. (Note: The pattern "holds" when "closed/withdrawn applications" are removed from analysis).

- White, Asian, and White/minority loan applicants are more likely to receive loan approvals for the most common loan products – conventional home mortgages and re-finances. *For mortgage loans*: 81%, 78%, and 83% respectively, compared to 63 – 70% for African Americans, American Indians, and Native Alaskans, and 43% for Others (primarily Pacific Islanders). *For refinanced loans* : 60-62%, compared to 46-50%.
- Government-insured mortgage loans show a similar pattern to conventional mortgage loans. Note: The low 50% success rate among American Indians and Native Alaskans is based on the experience of only 8 applicants; this in itself may indicate these groups' lack of past (as well as current) success with these resources.
- There seems to be relatively similar experience among the ethnic/racial groups for their home improvement loan applications, with an overall 52% approval rate.

	Loan Applications		Disposition of Loan Applications		
			Approved	Denied	Closed or Withdrawn
<b>Conventional Mortgage Loans</b>	7,406	100%	79%	11%	10%
White	5849	79%	81%	10%	9%
Asian American	259	3%	78%	10%	12%
African American	77	1%	70%	10%	20%
American Indian/Native Alaskan	46	1%	63%	26%	11%
Other (primarily Pacific Islander)	54	1%	43%	57%	-
Joint (white/minority)	276	4%	83%	8%	9%
Race not available	845	11%	67%	15%	18%
Hispanic <sup>7</sup>	139	2%	74%	19%	7%
<b>Re-finance Mortgage Loans</b>	16,893	100%	57%	21%	22%
White	11985	70%	61%	19%	20%
Asian American	413	2%	60%	19%	21%
African American	307	2%	50%	22%	28%
American Indian/Native Alaskan	123	1%	46%	41%	13%
Other (primarily Pacific Islander)	183	2%	53%	26%	21%
Joint (white/minority)	531	3%	62%	21%	17%
Race not available	3351	20%	40%	28%	32%
Hispanic <sup>7</sup>	292	2%	54%	22%	24%
<b>Home Improvement Loans</b>	1,802	100%	52%	35%	13%
White	1256	70%	55%	34%	11%
Asian American	50	3%	48%	44%	8%
African American	43	2%	46%	42%	12%
American Indian/Native Alaskan	17	1%	47%	47%	6%
Other (primarily Pacific Islander)	28	1%	68%	21%	11%
Joint (white/minority)	83	5%	54%	34%	12%
Race not available	325	18%	38%	38%	24%
Hispanic <sup>7</sup>	40	2%	37%	53%	4%
<b>Gov't-insured Mortgage Loans</b>	1,132	100%	82%	10%	8%
White	869	77%	84%	9%	7%
Asian American	45	4%	91%	5%	4%
African American	34	3%	73%	15%	12%
American Indian/Native Alaskan	8	1%	50%	12%	38%
Other (primarily Pacific Islander)	15	1%	86%	7%	7%
Joint (white/minority)	84	7%	87%	6%	7%
Race not available	77	7%	56%	21%	23%
Hispanic <sup>7</sup>	28	2%	71%	7%	22%

White	82%
Asian American	3%
African American	4%
American Indian/ Native Alaskan	2%
Other	2%
Two or more races	5%
Race not available	n/a
Hispanic <sup>7</sup>	4%

The overall pattern of people's applying for loans is generally similar to the overall ethnicity/racial make-up of Kitsap County.

Comparing loan application behavior among ethnic/racial groups is somewhat challenging, because of the relatively large number (7– 20% among loan types) of applicants classified as "race not available." However, all groups seem under-represented and it appears that applicants whose race wasn't recorded were less likely to complete the loan process (application closed or withdrawn). This suggests that non-reported ethnicity data may result from random (vs. systematic) reporting error.

<sup>6</sup> FFIEC Home Mortgage Disclosure Act Aggregate Reports, [www.ffiec.gov](http://www.ffiec.gov)

<sup>7</sup> Hispanic people may be of any race and are not included in any specific racial group.

<sup>8</sup> U.S. 2000 Census

③ The WA State Housing Finance Commission financed 61 loans in Kitsap County (outside of Bremerton) during the period 2000-2005. Loans were made in each Kitsap City and unincorporated areas of Kitsap County. It cannot be ascertained from this data if a pattern of discrimination exists.

④ From the 23 participants in the Public Fair Housing Forum (generally City and County staff, social service providers, housing professionals) that was jointly sponsored by the City of Bremerton and Kitsap County in January, 2005, there were 13 specific comments about possible financial discrimination in Kitsap County (outside of Bremerton).

Of those, one (1) noted predatory lending based on race/ethnicity and disability. Some comments (5) were positive, specifically noting that financial discrimination may happen elsewhere but not aware of it in Kitsap. The rest of the comments were neutral, describing financial discrimination and how it happens. *(See Appendix 2)*

**Negative:** Discrimination noted (1) comment:

- *Predatory Lending: Need stricter laws. Asian descent, disabled.*

**Positive:** No discrimination noted against protected classes (5) comments:

- *Thousands of Lending Institutions (120 in Kitsap County) w/ different numbers & closing costs. Issue: two different quotes based on discrimination – don't see it in Kitsap County -- there are federal caps.*
- *No targeting in Kitsap -- realtor and lender don't care, it's based on credit rating.*
- *Bought 5 homes over 35 years – First time: White guy builder had to get my loan (for me). Easier to get loan second time (loan/credit history). This year for first time, able to get loan (downtown Bremerton revitalization).*
- *Halitosis: Who makes subjective decision on credit worthiness? It is in subtle treatment – it does happen elsewhere*
- *(I've been a ) Realtor for 18 yrs - never heard concerns or complaints.*

**Neutral:** Comments about discrimination tactics, not specific to Kitsap (7).

⑤ Among the 20 housing professionals who responded to the 2005 Kitsap Fair Housing Survey, 4 spoke to financial discrimination, in particular predatory lending, in Kitsap County (outside of Bremerton). They suggest that predatory lending in Kitsap may be present, but does not seem to be directed towards protected classes. *(See Appendix 1)*

The survey covered three aspects of possible financial discrimination. Two topics were of note: *(See Table 5-5)*

- Institutional reluctance re: older and/or manufactured homes
- Predatory lending practices

<b>Table 5-4: WSHFC Loans: Kitsap County 2000-2005:</b>	<b>% Loans to Non-Whites</b>
Bremerton	8%
Bainbridge Island	-
Port Orchard	-
Poulsbo	-
Kingston	50%
Suquamish	-
Other Unincorp. Kitsap *	13%

*\* includes Silverdale, Hansville, Olalla, Seabeck*

<b>Table 5-5: Survey Response: Possible Financial Discrimination</b>	<b>Number said Yes (20)</b>	<b>Comments:</b>
2. Insurers reluctant to insure property:		
a. in specific areas of Kitsap County	-	<i>Older + manufactured homes</i>
b. to specific groups of people	-	<i>Older homes with flooding or water damage</i>
c. with specific types of housing	<b>4</b>	<i>Manufactured + older homes</i>
3. Financial institutions reluctant to make mortgage loans:		
a. in specific areas of Kitsap County	-	<i>Possibly students, low income families</i>
b. to specific groups of people	-	<i>Older mobiles, older homes</i>
c. with specific types of housing	<b>3</b>	<i>Manufactured, older homes needing rehab</i>
4. Predatory lending practices that affect specific groups of people in Kitsap County	<b>4</b>	<i>Affects low income uneducated people who buy into balloon payments, interest only loans, not informed about the contracting. Not directed at a specific group.</i>
1. People being told they must rent units in a certain area of an apartment complex.	-	

**Summary Comments about Section 5a: Banking & Financing**

- The banks operating in Kitsap County score at least adequately on federal Community Reinvestment Act audit and review (CRA).
- Mortgage loan activity reported through the federal Home Mortgage Discrimination Act (HMDA) displays a pattern of possible discrimination against African Americans, American Indians, Native Alaskans, and Others (primarily Pacific Islanders) in obtaining loans. While the HMDA data must be treated as suggestive rather than definitive, the pattern merits note.
- On the other hand, local affordable housing professionals affirmatively reported that mortgage and/or insurance discrimination towards protected classes is minimal in Kitsap County. This is in contrast to the HMDA data cited above.
- Predatory lending may be an issue in Kitsap County (acknowledged locally through the 2005 Survey & Forum – whose participants represented the affordable housing professional community in Kitsap County), although it is not perceived as specific to protected classes.

## **b. Limits on the Ability of Kitsap County Residents to Own/Rent their Home: Cost of Housing**

HUD requires that the Analysis of Impediments to Fair Housing identify issues that limit the ability of all residents to own or rent housing regardless of their inclusion in a protected class. In addition, the demonstrated relationship between lower income and race/ethnicity (see Section 3g, page 10) demonstrates the functional linkage.

The primary factor negatively affecting Kitsap County residents' ability to own or rent their own home is the sharp inflation in housing prices. Escalating housing prices throughout the market put increasing pressure on the lower end supply of affordable housing. What was affordable to a working family earning the median household income is no longer affordable today – those families reach farther down the housing spectrum to meet their needs, leaving fewer units available for those below the median income.

In comparison to discrimination, it is cost and financial capability that are the primary impeding factor:

*No targeting in Kitsap -- realtor and lender don't care, it's based on credit rating.*  
– a respondent to the 2005 Kitsap Fair Housing Survey

Increasing population in Kitsap contributes to the cost pressure. Between 1990 - 2000, population in Kitsap County (including City of Bremerton) increased 22% to 231,969. In 2005, Kitsap population is estimated by the U.S. Bureau of Census to have grown further to approximately 239,138 and by the Washington State Office of Financial Management to 240,400.

However, housing cost pressure is not unique to Kitsap County. It is statewide, national, and international in scope, and it is dramatic beyond Kitsap's 22% population increase. From *Habitat World, The Publication of Habitat for Humanity International*, December 2005:

### “A Global Problem: Price Explosions Are Not Strictly a U.S. Phenomenon

The South African Bureau for Economic Research reported that building costs rose 13.5% in the last quarter of 2004, more than triple the rate of inflation. In Sri Lanka, there are concerns that rising home-construction costs will compromise the number of tsunami-destroyed homes that might be rebuilt...A midlevel office worker who bought a house in middle-class Sydney, Australia, suburb for US \$142,600 in 1996 would have been offered about US \$450,000 for it in 2003, according to a recent story in *The New York Times*. Soaring prices lifted the average deposit put down by a first-time buyer in Great Britain to US \$58,554, though the British housing market has slowed considerably in the past 18 months. Still, the number of people who buy their first home before they are 25 has slumped to its lowest level in at least 20 years. In South Korea, the government has stepped into the fray...In Spain, overall house prices have risen more than 140% in the past seven years.”

It is beyond the scope of this analysis to consider all of the factors contributing to national and global housing prices. However, contributing forces include at least:

- Lower interest rates: “Housing markets ...were driven by improving economic fundamentals and by mortgage interest rates which were only marginally above 40-year lows.”<sup>9</sup>
- Increasing cost of construction materials (sure to increase even further after severe weather damage in southern U.S.)

<sup>9</sup> *Housing Market & Affordability, TRENDS Report 2005*, WA Center for Real Estate Research

- Changes to the U.S. income tax code that encourage purchase of second (often smaller) homes, depleting the local market of its smaller stock. “National data suggests that nearly a quarter of homes sold during 2004 were investment purchases, where the buyers are not intending to occupy the home.”<sup>10</sup>

A comparison of 2000 rents and mortgages reported by the U.S. Census demonstrates the situation in WA State, Kitsap County, and nationwide (Table 5-6). Kitsap County is comparable to WA

	Kitsap County	WA State	Total US
Median rent	\$667	\$663	\$602
Median owner costs (including mortgage )	\$1,228	\$1,268	\$1,088
% of households that pay more than 35% of Household Income for Housing:			
Renter	29%	31%	30%
Owner	18%	18%	16%

State in terms of median rents and home-owner costs. Both are 10-15% higher than national average, with home ownership costs almost double the cost of renting.

Note that half again as many renters pay more than 35% of their household income than home-owners – 29% of renters vs. 18% of Kitsap homeowners.

The Kitsap County TRENDS Report published in Spring 2005 details further the housing cost pressure in Kitsap County. Below are excerpts from the chapter *Housing Market & Affordability*, contributed by Washington Center for Real Estate Research at Washington State University. “It is based on a quarterly report published by the Center which examines county-by-county housing markets throughout the state. Data estimates are based on data from the U.S. Dept. of Commerce, multiple listing services, local REALTOR® associations, and private data vendors.”<sup>10</sup>

	Resale Housing Activity: Annual Totals		Median Homes Prices: Annual Basis	
	Kitsap County	WA State	Kitsap County	WA State
1999	4,140	120,510	\$143,100	\$166,600
2000	4,070	119,390	\$149,400	\$176,300
2001	4,510	125,240	\$155,000	\$179,900
2002	4,460	133,200	\$165,900	\$188,500
2003	5,080	156,880	\$184,000	\$203,800
2004	5,460	169,560	\$206,900	\$225,000
% change 02-03	+ 12.2%	+ 15.1%	+ 10.9%	+ 8.1%
% change 03-04	+ 7.5%	+ 8.0%	+ 12.4%	+ 10.4%
% change 99-04	+ 31.9%	+ 41.1%	+ 44.6%	+ 35.0%

Both real estate sales activity and median home price have risen well in excess of general inflation rate over the past 5 years.<sup>10</sup>

While the growth in number of sales may be slowing somewhat since the ‘02-03 peak, median prices continue to climb. *Note:* Kitsap home prices remain lower than in neighboring Jefferson County, but somewhat higher than in

Pierce and Mason. Data for first half 2005<sup>11</sup> point to the upward price trend continuing: second quarter home prices 2004 vs. 2005 (\$204,000 vs. \$248,000) are + 22% from 2004 to 2005.

Other indicators of housing market pressure also reflect the upward track (e.g. number of average days a home remains on the market before being sold has fallen from 84 to 71 days average between 1999-2004 and average rental vacancy rates have decreased).<sup>10</sup>

<sup>10</sup> *Housing Market & Affordability, TRENDS Report Spring 2005*, WA Center for Real Estate Research

<sup>11</sup> *Housing Market & Affordability, TRENDS Report Fall 2005*, WA Center for Real Estate Research

The TRENDS Report offers a more subtle analysis of housing affordability, with its Buyer Index. This index tracks the percentage of household income necessary for a home buyer to minimally qualify for the home purchase. So, a Buyer Index of 116.9 means that the typical family had 16.9% more income than the bare minimum required to qualify for the home; a Buyer Index of 78.4 means that the typical family had only 78.4% of the income necessary to qualify for home purchase.

- In Kitsap County, the All Buyer Index (among all consumers at all income levels) has suffered from the inflation in housing costs. Over the seven quarters (Q4, 2003 – Q2, 2005), the Affordability Index fell from 150.8 (meaning that the typical family has 51% more income than necessary to qualify for home purchase) to 111.8 (the typical family in early 2004 had only 12% more income than necessary to qualify).

Note that this compares favorably to the statewide trend of 134.4 (Q4, 2003) falling to 106.6 (Q2 2005).

- Even more apropos is the First Time Buyer Affordability Index. It measures the ability of a household to purchase its first home, assuming a less expensive home, a lower down payment, and private mortgage insurance. First-time buyer affordability at mid-year [2005] was clearly below year-ago levels statewide and in Kitsap County. While it had generally improved over a 10 year period, it has “moved downward toward more typical levels during the last year.” The Q2 2005 result for WA State is 61.9 – meaning that typical first time buyers have only 62% of the income necessary to qualify for the typical starter home. Kitsap County is somewhat better than statewide with a First Time Buyer Affordability Index of 66.9 (Q5 '02).<sup>12</sup>

Another facet of housing affordability in Kitsap is the construction of multi-family housing. The TRENDS Report in Spring, 2005 tabulated the number of residential building permits issued throughout Kitsap County (the Bremerton PMSA) from 1994-2004.<sup>13</sup>

- Multi-family permits have declined dramatically both in real numbers (from 573 such permits issued in 1994 countywide to 67 permits issued in 2004) and as a percentage of all permits issued (from 20% of all permits in 1994 to 9% of permits in 2004).
- During that same period, the total number of permits issued decreased from 1994's 2,878 countywide to 1,595 in 2004.
- The combination: fewer permits overall + fewer multi-family permits: increased price pressure on the new single family homes coming onto the market.

#### **Summary Comments about Section 5b: Housing Cost in Kitsap County:**

- Cost of housing is indeed going up in Kitsap County disproportionately to inflation.
- Although it is not unique to Kitsap County, it is a particular burden to those residents in the protected classes, who are more likely to have lower incomes.
- First time buyers are particularly threatened.
- Even at \$667 rent and \$1228 ownership costs (within about 10% of national average), Kitsap renters are hard hit – 29% are paying 35% + of household income and so, at risk for homelessness.
- A typically lower-cost housing product -- multi-family housing -- is not a large component of the Kitsap housing picture, and less so over the past decade.

<sup>12</sup> *Housing Market & Affordability*, TRENDS Report Fall 2005, WA Center for Real Estate Research

<sup>13</sup> *Single Family Building Permits*, TRENDS Report Spring 2005, Richards & Associates

c. **Public Policies**

Information pertaining to local public policy effects on access to fair housing is drawn from seven directions:

- ① As noted in Section 2 (page 4), there are no specific fair housing laws at the County or City level.
- ② The Kitsap Countywide Planning Policies clearly envision the provision of affordable and below-market rate housing throughout the community (which will in turn benefit protected classes), utilizing a wide range of tools:

“Innovative regulatory strategies [that] shall be developed and implemented to provide incentives for the development of below market rate housing within Designated Centers. ... strategies which provide a wide range of opportunities for promoting the production of below market rate housing through means such as: reducing housing cost by subsidizing utility hook-up fees and rates, impact fees, and permit processing fees; density incentives; smaller lot sizes; zero lot line designs; inclusionary zoning techniques, such as requiring below-market rate housing in new residential developments; transfers of development rights and/or a priority permit review and approval process.” (See *Countywide Planning Policy Element: Affordable Housing, Appendix 3*).

This Analysis of Impediments to Fair Housing did not include a review of all County and City codes and policies as might be related to the provision of affordable and/or below-market rate housing in Kitsap County. However, the October 13, 2005 meeting of the Kitsap Regional Coordinating Council’s Planning Directors Forum (including Planning Directors from Kitsap County and the Cities of Bremerton, Bainbridge Island, Poulsbo, and Port Orchard), included discussion of possible impediments to fair and affordable housing and possible strategies to attempt to offset the effect of inflationary housing prices:

- Federal support to affordable housing in the form of Section 8 rental subsidies has decreased over the past several years.
- The lack of infrastructure – especially sewer – to potential building sites is a significant factor in higher housing costs.
- There are more subtle structural impediments in the building codes that do not encourage innovations and affordable urban-scale density. An example is the need for design standards that would make manufactured housing more desirable additions to urban neighborhoods.
- Reasonable Measures describe strategies to achieve urban densities within the Urban Growth Areas.
- The WA State Dept. of Ecology has recently issued storm water management requirements (based on the federal Clean Water Act) that inhibit urban infill.

It was agreed among the jurisdictions’ Planning Directors that integrated and coordinated discussion among all stakeholders is needed to develop a set of usable incentives to development within the Urban Growth Areas (as per the WA State Growth Management Act).

- ③ The Public Fair Housing Forum in January, 2005 elicited a few comments from the 23 participant housing professionals citing public policy (or lack thereof) as contributing barriers to protected classes’ access to fair housing. (See *Appendix 2*)
  - Two references to local government’s role:

- ✓ “People can’t afford low income housing in rural areas. 5 acre lots. Huge impact on supply/demand.”
- ✓ What can government do? Educate!”

- And two references to the inadequacy of Section 8 funds: federal program cuts and program caps.

④ The 2005 Kitsap Fair Housing Survey covered several aspects of possible barriers to affordable housing and/or discrimination that may be affected by public policy. Of the 20 affordable housing professionals who responded to the survey, lack of available building sites (and resulting higher land cost) was described most often in written comments as impeding affordable housing. This was related by survey respondents to lack of infrastructure and the land use controls and growth limits required by the WA State Growth Management Act. This state statute requires local governments to set Urban Growth Area boundaries, outside of which development is restricted to (approximately) one unit per 5-10 acres. The intent of the statute is to prevent urban sprawl that cannot be served economically with urban services (sewer, transit, road network, et al) and to preserve agricultural, forest, mineral, and other resource lands. One statewide effect is that land prices both inside and outside the UGA’s may have escalated somewhat more steeply than national land prices overall. (*See Appendix 1*)

<b>Table 5-8: Survey Response: Possible Policy Impacts on Fair Housing</b>	<b>Number said Yes (20)</b>	<b>Comments:</b>
7. Building codes being a barrier to fair housing choices	2	<i>Some requirements add extra expense that result in no really affordable starter homes.</i>
8. Zoning codes being a barrier to fair housing choices.	7	<i>GMA unintended consequences Septic designs, setbacks.</i>
9. Lack of infrastructure (e.g. sewer, water) creating a housing scarcity that is a barrier to fair housing choices	10	<i>GMA requires density but sewer isn’t available. Many lots=no access to sewer &amp; septic reg’s require it. Elaborate systems cost \$15,000 = Only big lots buildable</i>
10. Other land use policies creating a housing scarcity that is a barrier to fair housing choices.	10	<i>Land use policies are weak on inclusionary zoning. Changing the Critical Areas Ordinance will be disaster for affordable housing.</i>

⑤ The Kitsap Housing Coalition sponsored a Brainstorming Session on November 8, 2005 to initiate a countywide discussion of barriers to affordable housing. 46 people participated, including local elected officials, affordable housing professionals, and jurisdictions’ staff. Particularly relevant issues and strategies included: (*see Appendix 5*)

- Education & outreach, especially financial literacy for people of all ages
- Work toward the creation of a housing consortium, including community partners, both public and private sector (*Note: the Kitsap Housing Coalition has been in existence since 1996.*)
- Develop a range of techniques e.g. inclusionary zoning, waiving fees for affordable housing, land trusts with self-help support and innovation

⑥ The Kitsap Homebuilders, Realtors Association, and the Kitsap County Consolidated Housing Authority co-sponsored an Affordable Housing Summit on December 16, 2005, to discuss the factors driving up housing prices and constraining lot supply in Kitsap County. 50+ people participated, including state and local elected officials, housing professionals, and jurisdictions’ staff. The assemblage identified several areas to analyze further that might meaningfully offset the effect of inflationary housing prices, including:



- Accept residential density and seek housing/jobs balance within communities
  - Infrastructure financing, especially sewer (public/private partnership? Up-front public financing with private hook-up fees as pay-back?)
  - Permitting “bill of rights” to provide greater level of predictability to the development process (“Time is money”)
  - Streamline duplicative permitting processes (unified SEPA for Urban Growth Areas? Performance standards?)
- ⑦ Kitsap Cities and County have come to recognize the importance of dispersing subsidized housing throughout Kitsap communities. There are clear differences among the communities in Kitsap County with regards to demographic profile (housing, income, et al). These were documented by the Kitsap Health District in its report, *Factors Affecting Health Disparities in Kitsap County: An Assessment Based on Data from the US 2000 Census and Vital Statistics*, prepared in September 2004. It highlighted the complex of factors that put the Cities of Bremerton and Port Orchard at increased risk for health challenge, including lower incomes, higher disability rates, et al. On the other hand, Citizen Advisory Boards to the Kitsap Community Development Block Grant Program requested policy guidance about the use of grant funds to build/rehabilitate housing in the City of Bainbridge Island (at a higher cost/unit) rather than elsewhere in the County.

Over the past five years, the Kitsap Countywide Planning Policies were revised to address the issue of community-wide dispersal (geographic equity) of low income housing (see Appendix 2). As well, specific policies have been put in place regarding dispersal (geographic equity) of low income housing grant funds relating to the two housing grant programs administered through the Kitsap Regional Coordinating Council:

- The federal Kitsap County Community Development Block Grant Program (not including the City of Bremerton which manages its own CDBG Program)
- The WA State 2060 Surcharge Low Income Housing Grant Program (covering all of Kitsap County).

These policies are intended to both offset concentrations of low income and/or publicly-subsidized housing in certain geographic areas and ensure that all Kitsap communities are able to support an economically-diverse diverse population.

**Summary Comments about Section 5c: Public Policy Impacts on Fair and Affordable Housing in Kitsap County:**

- Cutbacks to federal Section 8 funding negatively impact low income households.
- Constraints on lot availability imposed by the WA State Growth Management Act could possibly be eased through infrastructure development within the Urban Growth Areas. This is challenging but techniques do exist and should be studied.
- At the local level, countywide policies are already in place directing the development of a range of affordability strategies such as inclusionary zoning; financial incentives; priority permit review and approval process. These are currently oriented to below-market rate housing.
- Dispersing subsidized housing throughout Kitsap communities is a recognized countywide policy.
- Seeking housing/jobs balance is part of achieving affordable, fair housing choices.
- Coordinated efforts among affordable housing providers would benefit protected classes.
- There are subtle structural impediments in the building codes that do not encourage innovations and affordable urban-scale density, e.g. lack of urban design standards for manufactured housing.
- Reasonable Measures are already outlined – a policy tool kit for achieving cost-effective density.

## 6. Differences among Geographic Areas in Kitsap County

### a. Kitsap Demographics

Section 3 of this Analysis of Impediments to Fair Housing described demographic differences among Kitsap communities, primarily drawing from the Kitsap Health District's *Factors Affecting Health Disparities in Kitsap County: An Assessment Based on Data from the US 2000 Census and Vital Statistics*, prepared in September 2004. Summarizing the major profile differences:

- Compared to other Kitsap communities, Port Orchard grew at the slowest rate 1990-2000, with a larger proportion of lower income and poverty-level households, higher disability rates (especially seniors 65+), more renters, and more households paying too much (more than 35% of their income) for housing costs (whether they own or rent).
- The median household income in Suquamish is also relatively lower than other communities, with the highest concentration of Native Americans living there & the surrounding area.
- Silverdale, with a relatively higher concentration of Asian Americans, was one of the fastest growing communities 1990-2000, with a relatively higher proportion of renters.
- Indianola has also experienced a relatively high rate of growth 1990-2000.
- Bainbridge Island households have a higher median income than other Kitsap communities.

### b. Housing Affordability

Housing prices throughout Kitsap County are related to the demographics of each community:

- Bainbridge Island home prices (\$550,910 in 2004) are substantially higher than elsewhere in the County (average \$222,263) and are routinely "excepted" from County statistics to provide a truer picture of the County.
- North Kitsap and Central Kitsap/West housing prices are on the higher side (\$270,521 and \$245,459) of the County \$222,263 average.
- South Kitsap and Central Kitsap/East prices are on the lower side (\$211,108 and \$210,086) of the County \$222,263 average.

MLS Areas ↓	2000	2001	2002	2003	2004	Appreciation Rate 2000-2004
South Kitsap	\$149,594	\$159,104	\$166,353	\$187,687	\$211,108	41%
Central/West	\$168,894	\$177,702	\$188,754	\$211,005	\$245,459	45%
Central/East	\$140,272	\$149,512	\$160,555	\$184,063	\$201,086	43%
West Bremerton	\$108,358	\$105,859	\$120,920	\$142,763	\$166,108	53%
East Bremerton	\$124,236	\$128,923	\$143,652	\$164,760	\$188,362	52%
North Kitsap	\$190,273	\$201,808	\$220,237	\$244,927	\$270,521	42%
Bainbridge Island	\$416,975	\$434,697	\$423,115	\$478,979	\$550,910	32%
County Average	\$186,214	\$191,299	\$203,134	\$227,661	\$255,662	37%
w/o Bainbridge	\$154,285	\$163,557	\$175,554	\$197,875	\$222,263	44%

<sup>1</sup> *Single Family Building Permits, TRENDS Report Spring 2005, Richards & Associates*

**c. Perceived Differences**

Respondents to the 2005 Fair Housing Survey were asked if they considered some areas of Kitsap County as more commonly having barriers to fair housing.

- North Kitsap (especially Bainbridge Island) most widely cited, especially for land cost and general lack of affordability.
- Central Kitsap and South Kitsap seen with more barriers about as widely (although less than North Kitsap).
- South Kitsap notes included concern over barriers to manufactured homes and infrastructure.
- Central Kitsap issues included (lack of) sewer and sub-division in rural areas.

<b>Table 6-2 : Areas of Kitsap County (outside the City of Bremerton) where barriers to fair housing are (perceived as) more common? Check all that apply.</b>		
<b>Area</b>	<b>Total = 20</b>	<b>Comments</b>
Poulsbo *	5	(1) Land cost (2) Not affordable
Bainbridge Island	7	(1) No USDA loans (2) Land cost (3) Not affordable
Other North Kitsap *	2	Kingston
Silverdale *	3	(1) No USDA loans (2) Not affordable (3) (Not) what feds +/- or state gov't say are violations
Other Central Kitsap *	2	Rural; Many rural properties can't be sub-divided (GMA) -- creates sewer shortage & increase in demand
Port Orchard *	3	(1) No USDA loans (2) Lack of sewer/roads in Manchester; (3) Lenders not wanting to lend on manufactured homes
Other South Kitsap *	2	(1) No zoning (2) Manufactured homes

\* larger area

**d. Origin of Fair Housing Complaints**

The table below summarizes the U.S. Dept. of Housing & Urban Development (HUD) record of fair housing complaints from Kitsap County, indicating that Poulsbo has had proportionally more fair housing complaints, and all since 2000: (*See Appendix 4*)

<b>Table 6-3: Fair Housing Complaints By Location</b>		
<b>Location</b>	<b># Complaints</b>	<b>Complaint per # population</b>
Silverdale	3	1 complaint per 5,092 population
Bainbridge Island	6	1 complaint per 3,384 population
Port Orchard	5	1 complaint per 1,538 – 3,852 population *
Poulsbo	6	1 complaint per 1,135 – 1,269 population *

\* considers population within range: city limits - associated Urban Growth Area

**Summary Comments about Section 6: Differences among Geographic Areas:**

- Silverdale: Fast-growing, higher proportion of renters, higher home prices. Fewest fair housing complaints.
- Bainbridge Island: Higher home prices and income level
- Port Orchard and South Kitsap: lowest housing prices and household income; concern over lack of infrastructure and institutional resistance to manufactured housing.
- Poulsbo: Higher North Kitsap home prices and most (recent) fair housing complaints.

**7. Fair Housing Resources**

**a. Outreach to Residents**

The Kitsap Housing Coalition (KHC) is comprised of partnerships among lenders, realtors, housing authorities, businesses, non-profits, and the jurisdictions that support the KHC’s mission to develop, educate and advocate affordable home ownership. The Coalition was established in 1996 to coordinate home ownership events and home buyer seminars. It meets monthly and provides a network for counseling, referrals, coordination of services, and providing available resources to current and potential homeowners and industry professionals. Functionally, the Coalition has been instrumental in stimulating outreach and consumer education, both as a coalition and through their individual agency members. (See Section 7-c: Programs.)

Nevertheless, the need for more information and outreach is demonstrated by response to the 2005 Fair Housing Survey:

<b>Table 7-1: Survey Response: Need for Information and Outreach on Fair Housing</b>	<b>Number said Yes (20)</b>	<b>Comments:</b>
Not enough information & outreach about housing discrimination issues.	<b>3</b>	<i>On the street, people don't know what to do if they are discriminated against. Have seen increase in outreach: mall events, homebuyer classes. Need more.</i>

**b. Fair Housing Training for Real Estate and Mortgage Banking Professionals**

A number of possible Fair Housing training resources were reviewed through telephone research. The participants in the Public Fair Housing Forum also provided information.

- Interviews with a sampling of banks operating in Kitsap County re: Fair Housing training:

<b>Table 7-2: Banks Provide Training</b>	<b>Provide Fair Housing Training</b>	<b>Format of Training</b>	<b>Who Does Training</b>
Kitsap Bank	Each employee annually	On-line program	Bankers e-Learning.com
Bank of America	Annually	Compliance trainer	In-house (corporate)
State Farm	At initial hire & as needed: program changes	e-mail updates & booklets	In-house (corporate)
1 <sup>st</sup> Security Bank	Monthly program & branch meetings 2-3 times/year	On-line program, monthly	In-house (corporate)
Timberland Bank	Loan officers quarterly +	On-line program	In-house
Frontier Bank	Credit trainings for loan officers twice/year & as needed: program changes	Training program: materials/test/Q&A; Compliance trainer	In-house

- The Kitsap Association of Realtors requires its members to take in-house fair housing training every 3 years; publishes Fair Housing “Do’s & Don’t’s” for its members; produced a fair housing video (2000). A complaint filed with the Board of Realtors can carry a \$5000 fine.
- WA State Human Rights Commission, the substantially equivalent FHAP agency for Kitsap County, provides training on the prevention and elimination of discrimination. They occasionally give free fair housing workshops in Seattle and Olympia.
- WA State Housing Finance Commission trains their loan staff in tax credit compliance, not fair housing.

- Fair Housing Center for South Puget Sound, the QFHO agency serving Kitsap County, provides trainings on request; none have been done in Kitsap County outside of Bremerton “in the past few years” although it has conducted 6 fair housing trainings in Bremerton 1996-2004. These trainings probably had “audience reach” throughout Kitsap County.

**c. Housing & Services**

The 2060 *Low Income Housing Grant Program Needs Assessment* conducted by the Kitsap Regional Coordinating Council in July, 2003 included a review of currently existing subsidized housing units and rental assistance programs. This supplements the information compiled in the *Consolidated 2006-2010 Plan*, Community Development Block Grant Programs, Kitsap County & City of Bremerton, *November 2005*.

- Subsidized Housing Units

The Kitsap County Consolidated Housing Authority (KCCHA) provides 904 subsidized housing units throughout Kitsap County. Outside of Bremerton, the agency has provided a broad mix of housing serving low and very low-income people. Those seeking subsidized housing are more likely to be members of a protected class covered by fair housing laws. KCCHA serves a population disproportionately comprised of people with disabilities, families with children, and single mothers.

<b>Table 7-3: Subsidized Housing Units: 2005</b>	<b>Population Served</b>	<b># Units</b>	<b>Area</b>
Public Housing	Elderly	15	Silverdale
	Families	10	Poulsbo
	Families	10	County
Special Needs Housing	Developmentally Disabled	6	Silverdale
	Mental Illness	8	Port Orchard
	Transitional	12	Silverdale, Poulsbo, Port Orchard
Other Subsidized Housing	Seniors	126	Poulsbo, Bainbridge
	Families	236	Poulsbo, Bainbridge, Port Orchard
	Mixed	13	Bainbridge
Workforce Housing	Families	471	Silverdale, Kingston, Port Orchard, Central Kitsap

KCCHA maintains a wait list of 1,040 individuals for public housing, with most (91%) being families with children and a disproportionately high number of African Americans (15%):

<b>Table 7-4: Demographics of Wait List for KCCHA Subsidized Housing: 2005 <sup>1</sup></b>	<b>% of Households on Wait List</b>		<b>% of Households on Wait List</b>
Families with Children	91%	Asian	6%
Elderly Families	6%	African-American	15%
Families with Disabilities	3%	Native American	4%
		Caucasian	67%

<sup>1</sup> Data drawn from City of Bremerton *1996-2005 Analysis of Impediments to Fair Housing Choice*, prepared by Fair Housing Center of South Puget Sound; underlying data from KCCHA website

- Rental Assistance Vouchers

Bremerton Housing Authority: *Section 8 Vouchers for Families: 968*  
 (for scattered sites throughout County)  
*Wait list: 2,649 persons (2-4 year wait)*

- Self Help Home Ownership

There are two programs in Kitsap County that promote self-help or "sweat equity" home ownership:

*Habitat for Humanity:* 16 single-family homes were built in Kitsap County outside of Bremerton in the period 2001 – 2005: three homes were for disabled heads of household; ten (10) were for families with children; two (2) were Hispanic and the balance were white. The homes are geographically dispersed throughout the County.

*KCCHA:* Administers the USDA Mutual Self Help Program since 1973, completing over 700 homes throughout Kitsap County (including Bremerton) for income-eligible families (< 80% of AMI household income).

- Programs

A range of programs are offered countywide to assist households in achieving independence, including home ownership, in several ways:

Family Self Sufficiency: *KCCHA*

First Time Home Buyer classes: *KCCHA*

Down Payment Assistance: *KCCHA, USDA Rural Program*  
*WA State Housing Finance Commission*

Rehab, Weatherization & Modernization programs: *KCCHA*  
*Kitsap Community Resources*

Homeowners counseling (budgeting, credit repair, predatory lending workshops, foreclosure prevention) *KCCHA*  
*American Financial Solutions*

**d. SHB 2060 Grant Program**

In 2002, the WA State Legislature enacted a document recording surcharge (\$10 per certain documents) to be shared by the State and each county 40/60% through grants to subsidize capital costs, provide short-term rental assistance, and/or operations & maintenance of emergency shelters and/or housing for low income residents (under 50% Adjusted Median Income). The program in Kitsap County has been organized and is administered through the Kitsap Regional Coordinating Council, so that all jurisdictions and communities have oversight and access to the grant funds. The program is completing its third cycle of grant awards, and has been recognized by WA State as "in the forefront" of successful program implementation in WA State.

<b>Table 7-5: Utilization of 2060 Low Income Housing Grant Funds in Kitsap County</b>		
<b>Cycle Year</b>	<b>Maintenance &amp; Operations</b>	<b>Capital Projects</b>
2004 (Cycle 1)	\$222,900	\$442,968
2005 (Cycle 2)	\$232,615	\$344,730
2006 (Cycle 3)	\$324,917	\$258,500
<b>Total Program</b>	<b>\$780,432</b>	<b>\$1,046,198</b>

During the first 3 program cycles, more than \$1.8 million was awarded to support low income housing projects and programs. Although the grants are generally not targeted towards members of protected classes, they are more likely than the general population to suffer from low incomes.

**e. ESSHB 2163 Grant Program**

Homelessness, which may affect members of protected classes disproportionately, is the focus of this State-mandated program adopted by the WA State Legislature in 2005. This program constitutes the State's response to the federal initiative to end homelessness within 10 years.

The program's legislative goal is to reduce homelessness statewide and within each county by 50% within 10 years. It requires that by the end of 2005, each county in Washington State prepare a 10 Year Plan to Reduce Homelessness by 50%, with refinements due by mid-2006. The 34 different county plans will form the local component of a WA Statewide Homelessness Reduction Program.

WA State instituted a document recording fee surcharge (\$10 on real estate transactions) to provide funding for actions identified as part of the State and local plans.

Kitsap County is on track with its obligations under this program. Its countywide plan has been forwarded to the Kitsap County Board of Commissioners for action before the end of 2005, and the Kitsap Continuum of Care Coalition (authors of the plan) are already engaged in its refinement, including the assignment of responsible parties and costs to its defined action strategies.

**f. Community Development Block Grant Fund**

Kitsap County's federal Community Development Block Grant Program distributes approximately \$2 million annually, based upon recommendations from the CDBG Citizen Advisory Boards. The HOME Program is specifically oriented to housing, distributing \$500,000 annually. In addition, housing awards from the other CDBG program average another \$500,000 (although the amount fluctuates depending on the number and type of applications received). The total CDBG amount that goes to housing in Kitsap is generally \$1,000,000 annually.

**Summary Comments about Section 7: Fair Housing Resources:**

- Despite increasing numbers of subsidized housing units throughout Kitsap County, the waiting list for public housing is 1000+ strong, primarily families with children.
- Funding for federal Section 8 tenant assistance vouchers is decreasing. With 968 vouchers currently in use in Kitsap County, the wait list for this program includes 2,649 persons – requiring a 2-4 year wait.
- There is approximately \$500,000 available annually from the 2060 Low Income Housing Grant Program that can be targeted to low income housing, including capital and maintenance/operations. An allowable use of funds is rental assistance voucher programs, but with narrow definitions: an existing program that mirrors the federal Section 8 voucher program.
- The 2163 Grant Program will come on line in 2006, with approximately the same amount of funding to be focused on facilities and programs that target a decrease in homelessness.
- The Kitsap CDBG Program typically distributes \$1 million annually to housing programs.
- A range of agencies in Kitsap County are providing the programmatic support to low income households, e.g. family self-sufficiency, first time home buyer education, etc.
- Training in fair housing issues is provided (typically in-house) by mortgage lenders to their loan officers and staff; through the Board of Realtors to their licensed members; and on request by the two HUD-recognized fair housing agencies serving Kitsap County: WA State Human Rights Commission and the Fair Housing Center for South Puget Sound.

## 8. Summary & Recommendations

**Impediment 1:** It is difficult to ascertain the extent of housing discrimination because local agency staff (government, real estate professionals, and non-profit housing services agencies) don't keep track of complaints/enquiries and don't have clear knowledge of where to make appropriate referrals.

### Recommendations:

- 1a. Kitsap County and the Cities of Bainbridge Island, Port Orchard, and Poulsbo should institute a policy for handling, recording/tracking, and appropriately referring fair housing complaints.
- 1b. In particular, information about Kitsap's appropriate referral agencies – WA State Fair Housing Commission (FHAP) and Fair Housing Center of South Puget Sound (QFHO) should be provided to Kitsap County, Cities, members of the real estate and financial industries and social service agencies throughout Kitsap County.

**Impediment 2:** It is likely that there is a pattern of discrimination against people with disabilities, based on HUD records of actual discrimination complaints filed.

### Recommendations:

- 2a. Raise awareness of the meaning of discrimination, impacted groups and protected classes (e.g. ethnic/racial, disabled, single mothers, children in poverty), and Fair Housing Choice, in particular through expanded training opportunities, outreach to landlords, and outreach to the broader community.
- 2b. Continue outreach activities to members of protected classes, in particular people with disabilities.

**Impediment 3:** It is likely that there is a pattern of mortgage lending discrimination against people of color in Kitsap County, in particular African Americans, Native Americans, Pacific Islanders, and, to a lesser extent, Hispanics. Racial discrimination is discernible from federal Home Mortgage Discrimination Act (HMDA) data showing the actual results of mortgage applications among different ethnic/racial groups.

### Recommendations:

- 3a. Target home ownership and lending programs to African American, Native American, Pacific Islanders, and Hispanics.
- 3b. Expand outreach and programmatic support for first time buyers.
- 3c. Expand consumer education concerning predatory lending.

**Impediment 4:** Keeping in mind that a lack of affordable housing disproportionately affects protected classes, there is a sharp increase in the cost of housing in Kitsap County. Almost one third of renters are at risk for homelessness because they are paying 35% or more of their household income for rent; one in five homeowners are at similar risk. Existing policy is oriented to below-market rate housing; the housing cost inflation is affecting the entire market.



Recommendations:

- 4a. Convene affordable housing stakeholders to develop a range of affordability strategies:
  - Inclusionary zoning; financial incentives
  - Priority permit review and approval process
  - Infrastructure financing models (in particular, sewer)
  - Ordinances and zoning that inhibit affordability, *e.g.* manufactured housing design standards for urban areas
  - Reasonable Measures as tools to increase residential density
- 4b. Expand the Kitsap Countywide Planning Policies' Affordable Housing element to address affordability for market rate housing as well as below-market rate housing.
- 4c. During Comprehensive Plan updates, Kitsap County and the Cities should review their respective planning policies with conscious attention to protected classes and housing affordability.
- 4d. Prioritize rental assistance as on-going funding priority for the 2060 Low Income Housing Grant Program.
- 4e. Communicate the importance of increased Section 8 and Community Development Block Grant HOME funding to federal legislators.
- 4f. Communicate to WA State legislators the importance of local program flexibility in the use of 2060 Low Income Housing Grant funds for tenant assistance voucher programs that (1) may be newly established and (2) do not necessarily mirror federal Section 8 programs.

**Impediment 5:** Current home building in Kitsap County favors larger, single family homes over smaller (under 2000 square feet) and multi-family housing with lower cost per unit.

Recommendations:

- 5a. Stimulate further discussion among affordable housing stakeholders about residential density and techniques to achieve it within the Urban Growth Areas.
- 5b. Explore program models for subsidized housing that utilize multi-family housing.  
Examples include:

Habitat for Humanity has recently planned two new projects including 29 units of multi-family housing.

Bainbridge Helpline House is conducting a feasibility study of an agrarian group living model for developmentally disabled adults.

## **9. Appendices**

1. Kitsap County 2005 Fair Housing Survey
2. Comments from Public Fair Housing Forum *January, 2005*
3. Excerpt from Kitsap Countywide Planning Policies
4. Fair Housing Complaints in Kitsap County (HUD 1996-2004)
5. Kitsap Housing Coalition Brainstorming Session *November, 2005*

## Appendix 1: Kitsap County Fair Housing Survey (outside the City of Bremerton)

Based on your experience in Kitsap County's housing market, please consider the following issues:	Are you personally aware of any of these events occurring in Kitsap County?	Do you consider this a problem in Kitsap County that should be considered further, e.g. more research, or review existing codes & ordinances, or better training on fair housing. Mark each issue as a 1, 2, 3, or 4 and write any comments in the space to the right.  1 = A problem that should be addressed now 2 = Somewhat of a problem 3 = Not a Particular Problem 4 = Not sure if it's a problem or not in Kitsap County
20 respondents		
1. People being told they must rent units in a certain area of an apartment complex		
2. Insurers reluctant to insure property:		
a. in specific areas of Kitsap County		
b. to specific groups of people		
c. with specific types of housing	4	Older + manufactured homes (more of a risk) Older homes with flooding or water damage Manufactured + older homes
3. Financial institutions reluctant to make mortgage loans:		
a. in specific areas of Kitsap County		
b. to specific groups of people		
c. with specific types of housing	3	Possibly students, low income families Older mobiles, older homes Manufactured, older homes needing rehab
4. Predatory lending practices that affect specific groups of people in Kitsap County	4	1
5. Non-compliance with fair housing laws in government-subsidized housing	1	2
6. Not enough information & outreach about housing discrimination issues	3	2
7. Building codes being a barrier to fair housing choice	2	1-2
8. Zoning codes being a barrier to fair housing choices	7	1
9. Lack of infrastructure (e.g. sewer, water) creating a housing scarcity that is a barrier to fair housing choices	10	1
10. Other land use policies creating a housing scarcity that is a barrier to fair housing choices	10	1

Did this affect Rental, Home Ownership, or Both

For example: past month, 3 months ago, year ago, on-going

Briefly describe any situation (s) that you have seen in your work in Kitsap County that creates a barrier to fair housing choice.	Who was affected? Who did you see affected by this, for example, gender, age, race or color, disability, Section 8, family with children, national origin, some other factor, or everyone.	About how long ago did you see this happen in Kitsap County?	Compared to 2-3 years ago, do you think this type of thing has gotten better, gotten worse, or stayed about the same?
Deaf family with low income	Disability, family with children	Year ago	Stayed the same
	Everyone, everyday: Lack of job creation	Every day	Some improvement

**Are there particular areas of Kitsap County (outside the City of Bremerton) where barriers to fair housing are more common? Check all that apply.** Comments:

- Poulsbo area 5 Land cost Not affordable
- Bainbridge Island 7 No USDA loans Land cost Not affordable
- Other North Kitsap area 2 Kingston
- Silverdale area 3 No USDA loans Not affordable Have not encountered what I have been taught by feds +/- or state gov't to be violations
- Other Central Kitsap area 2 Rural; Many rural properties can't be sub-divided (GMA) -- this is creating sewer shortage & increase in demand.
- Port Orchard area 3 No USDA loans Lack of sewer, roads, in Manchester Lenders not wanting to lend on manufactured homes
- Other South Kitsap area 2 No zoning Manufactured home

**Please check all that describe your involvement in Kitsap County's housing market:**

- |                              |                          |                  |                          |                       |                          |
|------------------------------|--------------------------|------------------|--------------------------|-----------------------|--------------------------|
| Housing Provider or Landlord | <input type="checkbox"/> | Realtor          | 3 + 1                    | Elected Official      | 2                        |
| Home mortgage Professional   | <input type="checkbox"/> | Broker           | <input type="checkbox"/> | Planning Commissioner | <input type="checkbox"/> |
| Social Service Provider      | <input type="checkbox"/> | Insurance broker | <input type="checkbox"/> | City/County Staff     | 3                        |
| Other (write in):            | ___                      | Credit Counselor | 1___                     | KCCHA                 | 5                        |

**Appendix 2**  
 Comments from Public Fair Housing Forum  
 Co-Sponsored by City of Bremerton & Kitsap County  
 January 18, 2005

Area	Topic	Comment
	What is Fair Housing?	Housing Available for all Right to Quiet Enjoyment Non-discriminatory Equal Access
City	Rental Housing	East Bremerton complex no longer rents to people with mental illness (from manager) – private rental – as per the owner (possibly due to damage issues)
CW		Bremerton housing mediation promises equal access but landlord doesn't have to take it (results)
CW		Sexual predators/criminal background? <i>Not a protected class – unlikely to change – but working on improving option for this class.</i>
CW		Section 8: But prices of rentals over caps (\$10-\$15) <i>Intentional?</i> Little birds say “yes” <i>Not a protected class in Kitsap County or Bremerton. But</i> housing prices have increased – it's an economic reality.
CW		Tax credit & Bond Financed properties: Income caps to move in/live there – <i>maybe income too high?</i> Students <i>if not every HH member is a student, then eligible.</i> Once income-qualified, “always qualified” with re-audit.
	Race	
	Gender/Sex	
	Domestic Violence	
	National Origin	
City	Disability	City of Bremerton Fair Housing Law: does it cover age? <i>Issue: enforcement mechanisms</i>
CW		Income too high to qualify (people on disability)
CW		Less & less money for all programs – Section 8, mental illness (15 beds in county) - don't see funding for those needs – housing costs up, and home ownership up, good for city, not good for people
CW		Licensed people under fair housing law and fines but not single owners, landlords, managers, etc.

CW	Is it legal to discriminate on <u>lack of disability</u> – No licensing required – group home – Lots of specific regulations for group home – non-profit housing for people with developmental disabilities – Housing trust fund – set up to provide housing for disabled. Not defined/protected
CW	80% (++) of people don't report discrimination incidents. Need to make sure citizens know what protected classes are.
CW	Health/Safety * requests to move units- refused/evicted * doctor's note re: toxicity. Request for reasonable accommodation: up to landlord to determine if "reasonable". Reasonable modifications also exist.
City	Idea for encouraging families with children...may be reverse discrimination (policy discussion, not specific incident) Look at who trying to keep out to see if discriminatory.
CW	Some ads say: Just right for empty-nesters / newlyweds. What does this tell people? No kids! Can't do that! Key Issue: "Adults Only" vs. 55+ or 65+
CW	Magazine (Safeway): Kitsap ad uses discriminatory language
CW	Kitsap Board of Realtors publishes list of "No, No's"
CW	If you have a note from doctor then not a pet, then no pet deposit. Have to have disability to request reasonable accommodation. Different kinds of cases recourse (with back-up documentation): file complaint with HUD
East Bremerton	Extensive list of things had to do to get loan...African American Family (14 years ago). More recently, through WA Mutual, different/short list
City	Do 120 agencies treat people differently? Morass! Banks can offer workshops. (City of Bremerton did a survey of best practices and standardized list of City's requirements, caps, fees, etc) Excellent approach for equal info.
City	As with any commercial venture, very few lenders willing to loan in certain areas → Bremerton as a city. Also for individuals too, combination of Bremerton and person. (Changing now)
CW	Thousands of Lending Institutions (120 in Kitsap County) w/ different #s and closing costs – Issue: two different quotes based on discrimination – don't see it in Kitsap County -- there are federal caps- Home Lending Disclosure Act info : Compare loans to: Asian, White, Hispanic, African American
CW	No targeting in Kitsap -- realtor and lender don't care, it's based on credit rating.
CW	Predatory Lending: Need stricter laws. Asian descent, disabled
CW	Can't fit everyone into underwriting model – takes human interface- underwriter review

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		although more computerized now -- subscribe to what (Fannie May) requirements
CW		Time pressure on transaction
CW		Bought 5 homes over 35 years – First time: White guy builder had to get my loan (for me). Easier to get loan second time (loan/credit history) This year for first time, able to get loan (downtown Bremerton revitalization)
CW		What can local government do? <i>Education</i>
CW		Larger the institution, the more likely to be clean transaction. Smaller institutions sell loans. Go direct to lender. (Note: Larger institution greater target for litigation)
CW	RE: R.E. Brokerage	(I've been a )Realtor for 18 yrs- never heard concerns or complaints
CW		Hallitosis: Who makes subjective decision on credit worthiness? It is in subtle treatment – it does happen elsewhere -
CW		(HUD) conciliates cases
CW		Not every licensed realtor/broker is a Realtor – training code of ethics, etc. (Can file a complaint @ Board of Realtors w/ \$5000 fine)
CW		Predatory lending: Additional costs e.g. some up front, 2 years of fees. Based on person's knowledge going into situation
CW		First Time Home Buyers Program: Include requirements to protect homebuyer.
City	Policy & Zoning e.g. NIMBY – displacement of protected classes e.g. group homes (NIMBY is Countywide)	Sewer plant in Gorst for construction -- City bought a lot of homes – there was a settlement – 10-15 years ago – then became commercial
City		Just outside of Bremerton: Kitsap Mental Health wanted to site home for people with mental illness – (sites: 2 in Bremerton, 1 in Port Orchard) ! in Bremerton, was nixed due to fire truck inaccessibility. But now explain to neighbors that mental illness does not equal dangerous. 2 years experience no real problems.
City		Board of Realtors: Concern over displacement of people (Westpark – commercial and residential) to areas without urban services.
City		City is investigating how redevelopment affects fairness and discrimination
CW & City		Water hook-up fees – doubled! No difference in service.
CW		Only 604 houses on market today vs. 3700 houses 3 years ago. (included N. Mason)
CW		People can't afford low income housing on rural areas. 5 acre lots. Huge impact on supply/demand. Growth Management Act issue: 4300 building permits in 2004 but 1200 new lots came on-line



	Board of Realtors training – take the refresher or lose license. Includes fair housing training – every third year 3 – 3 ½ hours
	Lenders Association
	Affordable Fair Housing Event (annual) (Housing Coalition)
	City of Bremerton: 2 trainings in 2004, require first time buyers education
	Instituted Kitsap Housing Coalition – meet monthly, providers, lenders, etc
	Puget Rental Owners Association active w/ Fair Housing Issues
	Home Buyer Programs should focus more on Predatory Lending
	Navy: Need to educate about home buying.
Recommendations	Education through public/private partnership w/ Puget Rental Owners, Board of Realtors, Brokerages
	Control over GMA impact on supply of affordable housing
	Sewer/water lines extended to Urban Growth Areas
	Nat'l Alliance for Mentally Ill (resource for educational info)
	How can people see (HUD) complaints and their disposition? <i>Freedom Info Request</i>
	Include Section 8 protection (Bremerton) (Maybe squishy e.g. raise rent above cap) Issue: Private owners!

## **Appendix 3: Excerpt from the Kitsap Countywide Planning Policies**

### **Policies for Affordable Housing (AH):**

- 1. Coordinated process among County, Cities, and housing agencies for determining and fulfilling housing needs, and the equitable distribution of below market rate housing in Kitsap County:**
  - a. The County and the Cities should inventory the existing housing stock consistent with the Growth Management Act following each decennial census review, and correlate with current population and economic conditions, past trends, and ten year population and employment forecasts, to determine short and long range housing needs, including rental and home ownership. Navy personnel housing policy should also be considered.
  - b. Recognizing the percentage share of the existing and forecasted countywide population and the distribution of existing below market rate housing, the County and the Cities should develop strategies to equitably disperse projected countywide below market rate housing needs throughout Kitsap County in the Urban Growth Areas and, where they are specifically found to be appropriate in consideration of existing development patterns and densities, in designated Rural Communities.
  - c. Local housing inventories, projections, and equitable distribution strategies should be compiled, updated, and monitored under the coordination of the Kitsap Regional Coordinating Council to identify countywide conditions and projected needs.
  - d. The County and the Cities should each identify specific policies and implementation strategies in their Comprehensive Plans and should enact implementing regulations to provide a mix of housing types and costs to achieve identified goals for both market rate and below market rate housing.
- 2. Recognizing that the market place makes adequate provision for those in the upper economic brackets, each jurisdiction should consider some combination of appropriately zoned land, regulatory incentives, financial subsidies, and innovative planning techniques to make adequate provisions for the needs of middle and lower income persons. (WAC 365.195-070.6)**
- 3. Provision of below market rate housing:**
  - a. Local comprehensive plan policies and development regulations shall encourage and not exclude below market rate housing.
  - b. Below market rate housing strategies should include:
    - i. preservation, rehabilitation and redevelopment of existing neighborhoods as appropriate, including programs to rehabilitate substandard housing;
    - ii. provision for a range of housing types such as multi-family, single family, accessory dwelling units, cooperative housing, and manufactured housing on individual lots and in manufactured housing parks;
    - iii. housing design and siting compatible with surrounding neighborhoods;
    - iv. mechanisms to help people purchase their own housing, such as low interest loan programs, "self-help" housing, and consumer education.

- c. Each jurisdiction shall promote the development of below market rate housing in a dispersed pattern so as not to concentrate or geographically isolate low-income housing in a specific area or community.
- d. Below market rate housing should be located throughout Kitsap County in a manner to provide easy access to transportation, employment, and other services. Designated Centers should include below market rate housing. Rural self-help housing programs should be encouraged either in or outside of designated Rural Communities.
- e. Housing policies and programs shall address the provision of diverse housing opportunities to accommodate the homeless, the elderly, physically or mentally challenged, and other segments of the population that have special needs.
- f. Innovative regulatory strategies shall be developed and implemented to provide incentives for the development of below market rate housing within Designated Centers. Jurisdictions shall develop strategies which provide a wide range of opportunities for promoting the production of below market rate housing through means such as: reducing housing cost by subsidizing utility hook-up fees and rates, impact fees, and permit processing fees; density incentives; smaller lot sizes; zero lot line designs; inclusionary zoning techniques, such as requiring below-market rate housing in new residential developments; transfers of development rights and/or a priority permit review and approval process.
- g. Policies and regulations shall encourage the production of below market rate housing. The County and the Cities shall incorporate a regular review of public health and safety regulations pertaining to housing implementation strategies to assure that protection of the public health and safety remains the primary purpose for housing standards.
- h. The County and the Cities shall participate with housing authorities established to facilitate the production of below market rate housing. The County and the Cities shall also recognize and support other public and private not-for-profit housing agencies. Supporting housing agencies is encouraged through public land donations, guarantees, suitable design standards, tax incentives, fee waivers, providing access to funding sources and support for funding applications, or other provisions as appropriate.

## Appendix 4

<b>Complaints in Kitsap County (excluding City of Bremerton) January 1, 1996 – December 31, 2004</b>			
Year	Protected Class	Issue	Finding
<b><i>Bainbridge Island: Population 20,308<sup>1</sup> (2000) Total Complaints: 6</i></b>			
1998	Disability	Terms & Conditions	No cause finding
1998	Disability	Terms & Conditions	Successful conciliation
1998	Disability	Terms & Conditions	No cause finding
2000	Disability, retaliation	Terms & Conditions	No cause finding
2000	Disability	Terms & Conditions	No cause finding
2004	Disability	Refusal to rent	No cause finding
<b><i>Port Orchard: Population 7,693<sup>1</sup> – 19,263<sup>2</sup> (2000) Total Complaints: 5</i></b>			
1996	Disability	Terms & Conditions	No cause finding
1997	Disability	Refusal to rent	Successful conciliation
1997	Disability	Terms & Conditions	Withdrawn after resolution
1997	Family status	Terms & Conditions	Successful conciliation
2000	Other origin: Asian	Terms & Conditions	No cause finding
<b><i>Poulsbo: Population 6,813<sup>1</sup> – 7,614<sup>2</sup> (2000) Total Complaints: 6</i></b>			
2001	Disability	Failure to make reasonable accommodation	Successful conciliation
2001	Sex, Family Status	Refusal to rent	Successful conciliation
2002	Sex, Family Status	Terms & Conditions	Successful conciliation
2004	Disability	Refusal to rent Failure to permit reasonable modification	No cause finding
2004	Retaliation	Refusal to negotiate for rental	No cause finding
2004	Disability	Refusal to rent Terms & Conditions	<i>Open</i>
<b><i>Silverdale: Population 15,276<sup>2</sup> (2000) Total Complaints: 3</i></b>			
1997	Disability	Terms & Conditions	Successful conciliation
2000	Family status	Refusal to rent	No cause finding
2005	Race	Terms & Conditions	<i>Open</i>

<sup>1</sup> Within City Limits

<sup>2</sup> Within associated Urban Growth Area

Ordinances / Laws	Private Policies / Guidelines	Education / Outreach	Practices	Funding Collaboration
City should empower employees to find solutions - Speed up permit process	Create land trusts for self-help to allow the program to be used in areas not designated as rural	Bring financial literacy education into the high schools	Reuse Westpark single-family homes after redevelopment	Work toward the creation of a housing consortium - Create a housing resources office
Threshold met development - faster process if worked with diverse partners; only players now are big developers	Create more land trusts and prevent them from having deed restrictions; use tiered income brackets instead	Let the public know what we are doing on this issue - bring the classes to the public	Amenities are kept when incentives are given to development	Include community partners with similar interests to join KHC efforts
Develop 8-week permitting process or "money back" as Tacoma did	Limit subsidy recapture in land trusts	Place bank/credit union branches in high schools - these are pilot programs for financial literacy	Gather input from consumers on a regular basis	Ask the private sector to provide funding to non-profits for counseling and education - Elicit realtor association & lenders to provide sponsorship
Rewrite affordable housing zoning ordinances to better meet the needs of the community	Provide no-cost credit reports for those seeking rental housing - ask for acceptance of counseling approval	Increase private sector support of housing counseling and homebuyer education	Include manufactured housing in urban areas - revise design standards by planners	Protect and preserve low-income housing through rehabilitation
Inclusionary zoning process has been tried with success	Relieve (or waive) building site preparation costs for affordable housing	Stabilization through education of sources for home rehabilitation and weatherization	Spend more time on solutions and collaborate!	Identify relocation partners for the Westpark redevelopment
Pay attention to global law changes (GSE and Mortgage Tax Proposals)	Look at publicly-owned land for infrastructure to set aside low-income housing	Recategorize the target population from "low-income" to something else - those in this group may not recognize themselves as low-income	Invite the "big money movers" to the Task Force's brainstorming discussions	Elicit support for lobbying tax increment financing

Ordinances / Laws	Private Policies / Guidelines	Education / Outreach	Practices	Funding Collaboration
<p>Inclusionary zoning ordinance requiring developers to build # of affordable homes through incentive points as set by local government</p>		<p>Share resources (information) of KHC to all lenders and realtors, not just KHC membership</p>		<p>Stabalize families in safe rental housing in order to save for downpayment</p>
<p>Look at waiving impact fees for self-help and affordable housing density areas</p>		<p>Reverse mortgage counseling referral fees? (RESPA?)</p>		
<p><b>WRITTEN SUBMITTALS:</b></p>				
<p>Financial component in WASL to include debt exposed as a trap. Products exposed as a front for debt. Warning about living beyond means. Long term affect. Curbing wants. Identify needs.</p>		<p>Offer financial education to schools, private and public. Partner with financial institutions to pay the cost. Utilize the school and their facilities, and their schedules to access students.</p>	<p>Take a large truck of land, i.e., Bremerton's Eastpark, formerly publically-owned, and currently designated in the comp plan for "Public Benefit as Redevelopment" and use as a model to provide affordable housing in a plan meant primarily for market-rate housing. Begin to address housing needs with this available property.</p>	<p>Encourage programs thru employers that can assist their employees in purchase or rehab housing (same way some employers encourage their employees through continued education (i.e., KMHS)) by subsidizing a percentage or a set amount of the cost to benefit employees and employers by stabilizing their work force and the community.</p>