

Consolidated Plan Overview

JUNE 2023 TO JULY 2027

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Assessment**

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Community Profile

Population growth is steady

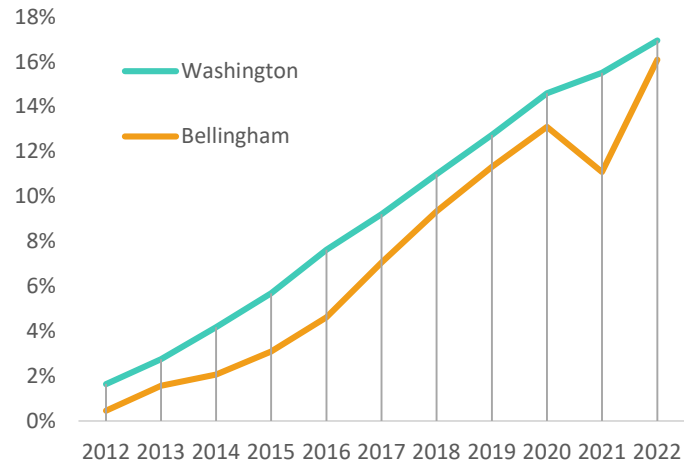
Bellingham's population growth has been steady in recent years and has tracked with regional and state growth.

During 2021, colleges went exclusively online and there was a sudden dip in population. The following year, once students returned to in-person learning, the population bounced back. Except for that year, our community's growth pattern is typical for our region.

When compared to statewide growth, Bellingham follows statewide population gains. From 2010 to 2022, the population of Washington grew by 17% and the population of Bellingham grew by 16.1%.

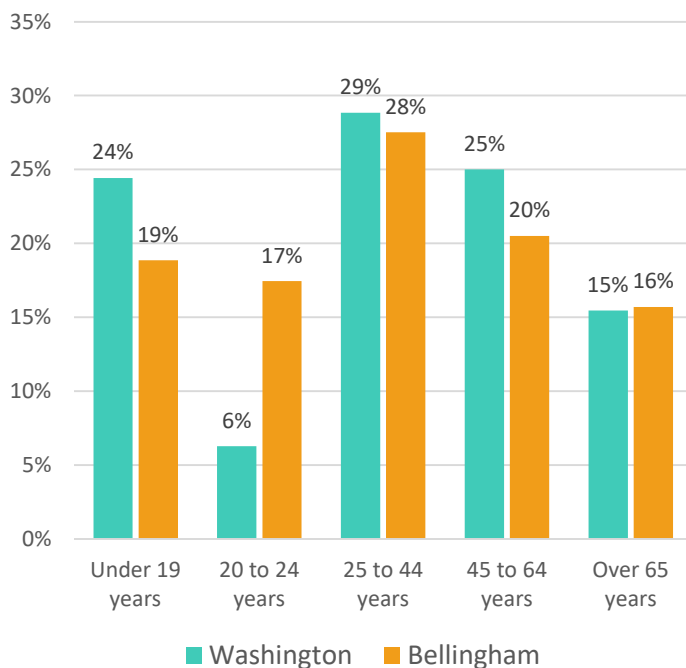
Bellingham is growing, but not faster than other communities in our region.

% population growth from 2010



How do our demographics compare?

Comparison by age group



Bellingham is a young city. Despite also being a popular retirement destination, the median age of Bellingham residents is 33, compared to the median age in Washington State of 38.

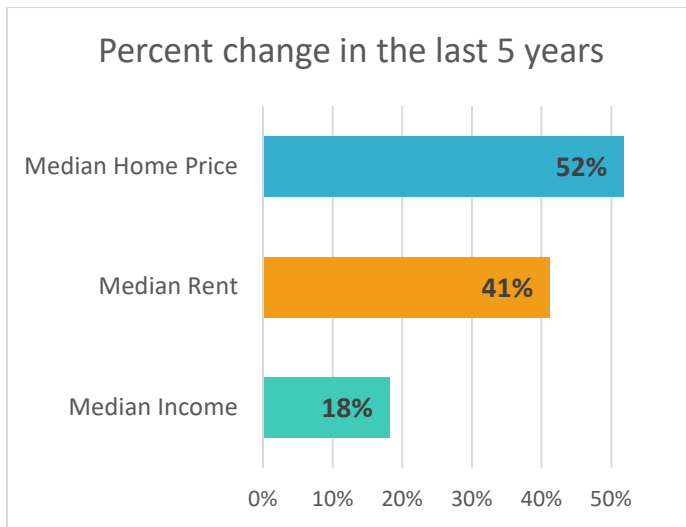
Comparing the proportion of different age groups to the state average, Bellingham has a smaller population of children under 19, but a significantly larger population of those age 20-24. As a college town, this is unsurprising. Despite our aging population, Bellingham does not have a significantly higher proportion of adults over age 65 when compared to the state.

Bellingham's housing is **54% renter-occupied** and **46% owner-occupied**. These percentages have remained consistent for over a decade.

Needs Assessment

Incomes don't stretch as far

People in Bellingham are earning more, but not enough to keep up with the increased cost of housing. Home and rent prices have escalated dramatically, and too many people are paying more than they can afford for housing.



Increasing housing costs mean that residents have fewer dollars to put toward other basic needs. Providers that offer basic needs assistance have seen a dramatic increase in demand. For example, the Bellingham Food Bank recorded its busiest week ever in 2022. Visits to the food bank have *more than doubled* since February 2020, from 17,000 to 35,000 monthly.

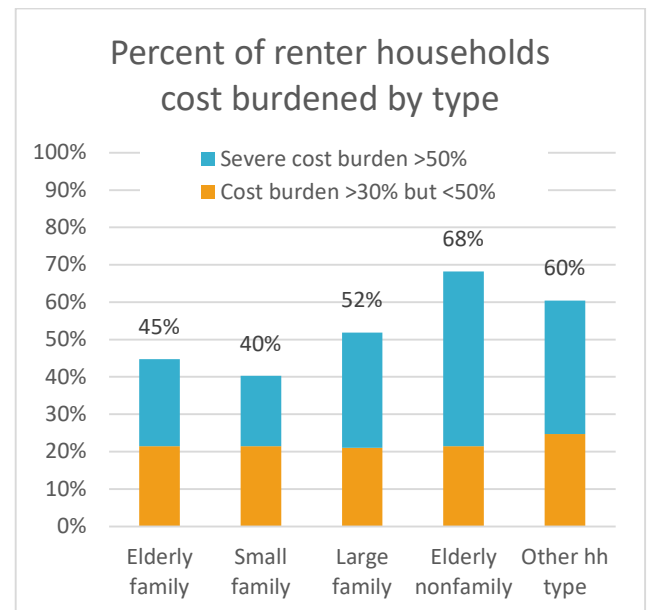
Increasing housing costs, especially rent, put low-income families at higher risk of housing instability when their incomes do not keep up.

The most recent data source was used, which was 2021 for incomes and 2022 for rent and home prices.

Paying too much for housing

Renters are significantly more likely to pay too much of their income for housing than are homeowners. This trend can be observed across all types of renter households – not just young adults or students.

Cost burden is when a household pays more than 30% of their income for housing, and severe cost burden is when they pay over 50%. In Bellingham, 24% of homeowners and 56% of renters are cost burdened. There are nearly three times as many cost-burdened renter households in Bellingham as there are cost-burdened homeowner households. While overall percent of cost burden has increased slightly, cost burden among homeowners has significantly *decreased* in the past five years. Generally, the longer a household has owned their home, the more insulated they are from cost burden.

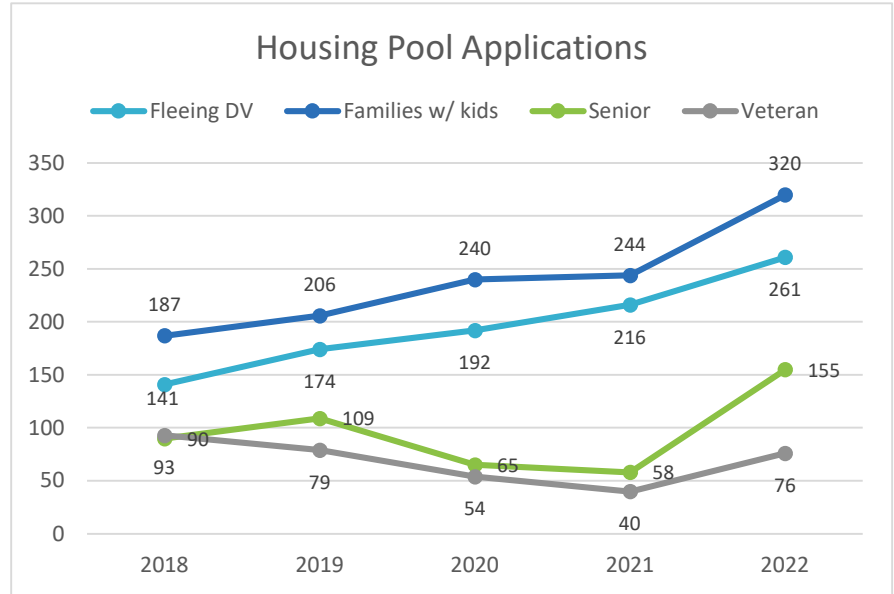


A large family is 5 or more people in the same household; a small family is 4 or fewer people.

As housing costs rise, more people become homeless

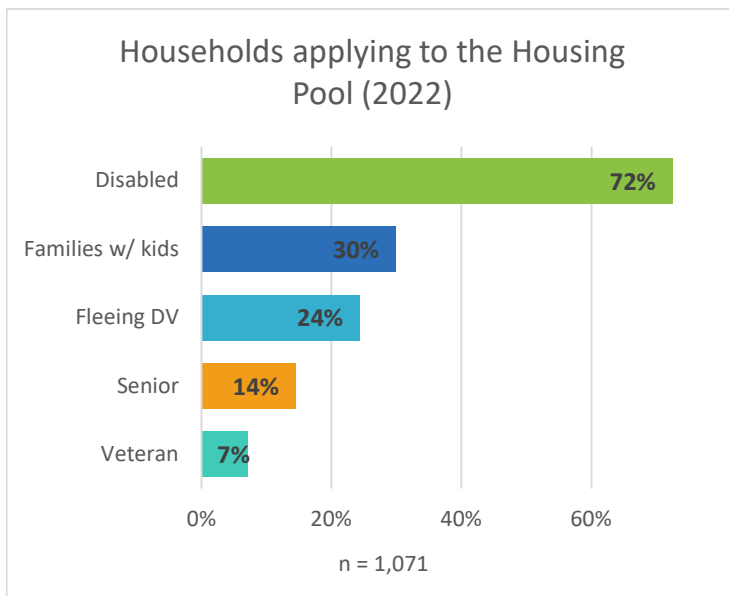
Homelessness is increasing in Bellingham, as it is across our region. More services and emergency shelter beds have been added in our community, but the need is still greater than the available resources.

The Whatcom County Homeless Service Center is the single point of intake for individuals and families who are experiencing homelessness and seeking help. Households who apply for housing assistance through the Homeless Service Center go into a database called the Housing Pool. Households remain on the Housing Pool while they are awaiting an appropriate referral. They are prioritized by vulnerability and matched with a program that best fits their needs. Annual applications to the Housing Pool have increased from 781 households in 2018 to 1,071 households in 2022 (a 37% increase).



Who is homeless in Bellingham?

A high percentage of people who are currently homeless are disabled, single-parent families, and households fleeing domestic violence. Some households may fall in more than one of these groups, as reflected in the graph below.



Last year, 1,071 households applied for assistance through the Housing Pool. It is important to recognize that the total number of people experiencing homelessness is much higher, but not all seek assistance or consent to being entered into a database. The Base Camp emergency shelter, for example, usually serves around 1,200 unique individuals per year, and our annual homeless census counted 823 individuals in Whatcom County sleeping outdoors or in shelters on just one night in 2022. Many do not apply for housing or other housing services.

The emergency shelters currently available are generally not sufficient to meet the specific needs of vulnerable populations like medically fragile seniors or families with children.

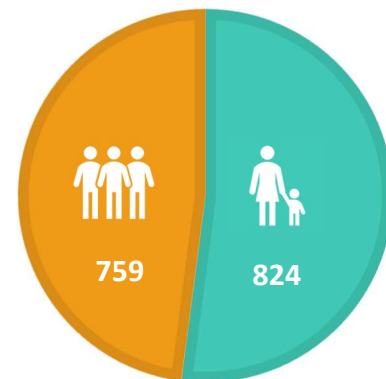
Homelessness among families with children is on the rise

Of serious concern is the trend over the past five years of increased family homelessness. Assisting homeless families with children has long been a top priority in our community. Despite this, more and more are falling into homelessness or are at risk, and our resources for aiding these families are too few.

From 2018 to 2022, families with children applying for services through the Whatcom Homeless Service Center increased by 71%. In 2022, over half (52%) of the new intakes for the Housing Pool were people in families with children. Not only is there an increase, but due to a tight housing market and multiple barriers, these families are remaining longer in shelter situations that are unsuitable for children. The primary shelter option for families with kids is currently motel stays.

NUMBER OF PEOPLE NEWLY HOMELESS IN 2022

■ Families with children ■ Adults only



Note that a household can be one individual or many people. Housing Pool applications are one per household. The pie chart above shows the total number of people in all households.

More than just a roof is needed

Homeless households are taking longer to find housing and require more support services along the way. Additionally, service providers report that they are seeing more households with complex barriers.



Housing programs in general are seeing clients take much longer to find stable housing, even once they have the support of a case manager or a rental assistance voucher. Nonprofit partners report that average stays in emergency and transitional housing are often twice as long as they were before than pandemic. For example, the average length of motel stays increased from 27 days in December 2020, to 85 days in December 2022. This means the agencies that provide housing and support services, such as domestic violence shelters or transitional housing programs, cannot serve as many households per year even while the demand is increasing.

Other individuals and families may not be able to live independently because of their complex behavioral or health needs. A recent estimate

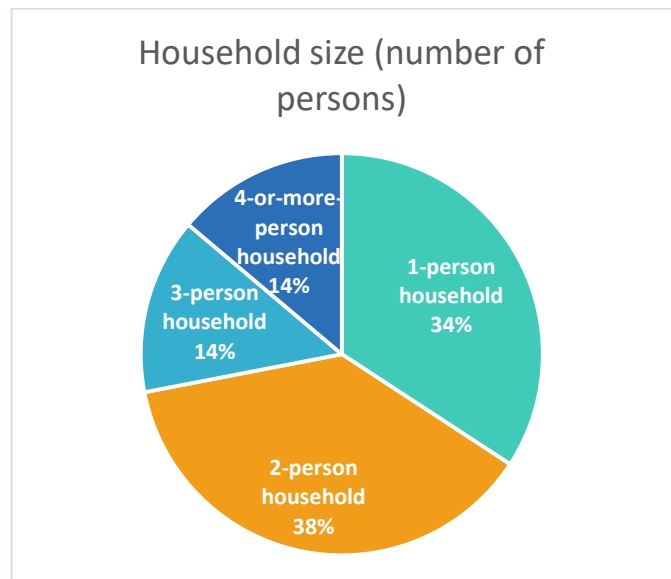
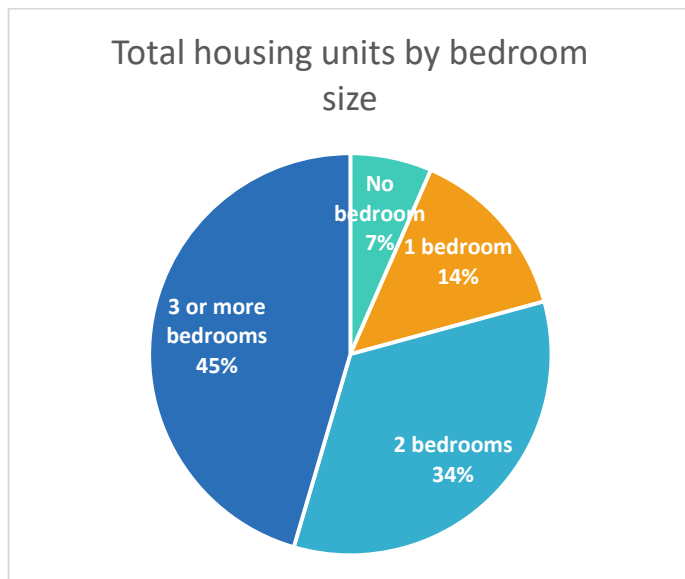
is that as much as 48% of households on the Housing Pool need some form of permanent supportive housing. There are currently 340 permanent supportive housing units or vouchers in our community, and capacity would need to double to accommodate all these households. Meanwhile, permanent supportive housing is the costliest type of housing to provide because of the ongoing expense of paying trained on-site staff.

Market Analysis

Our housing stock does not match our demographics

Our existing housing stock does not match our current population. Household composition is changing, and smaller family sizes are becoming more common. Meanwhile, most of our housing is built for larger households.

The two pie charts below illustrate a disconnect between the housing units that exist in Bellingham and the households that live here. Over 70% of our community is a one- or two-person households. Meanwhile, 45% of our housing units have three or more bedrooms, but only 28% of our households or families have 3 or more people. The market is providing larger houses than many people need or can afford in today's market.



Construction costs are up

A key factor that exacerbates the housing shortage is the cost of construction. Homebuilders must either charge market prices or access significant public subsidies to break even on new homes.

Construction costs are at historic highs. Recent capital costs for a non-profit to build a single apartment in a large multi-family building are over \$400,000 *per apartment*. This decreases the number of units that can be built with public funding sources, because our housing dollars don't go as far.



Homeownership is a gateway to housing stability

Ownership options for moderate-income families are key to breaking the cycle of cost burden and housing instability, but there are very few opportunities for moderate income households to become homeowners.

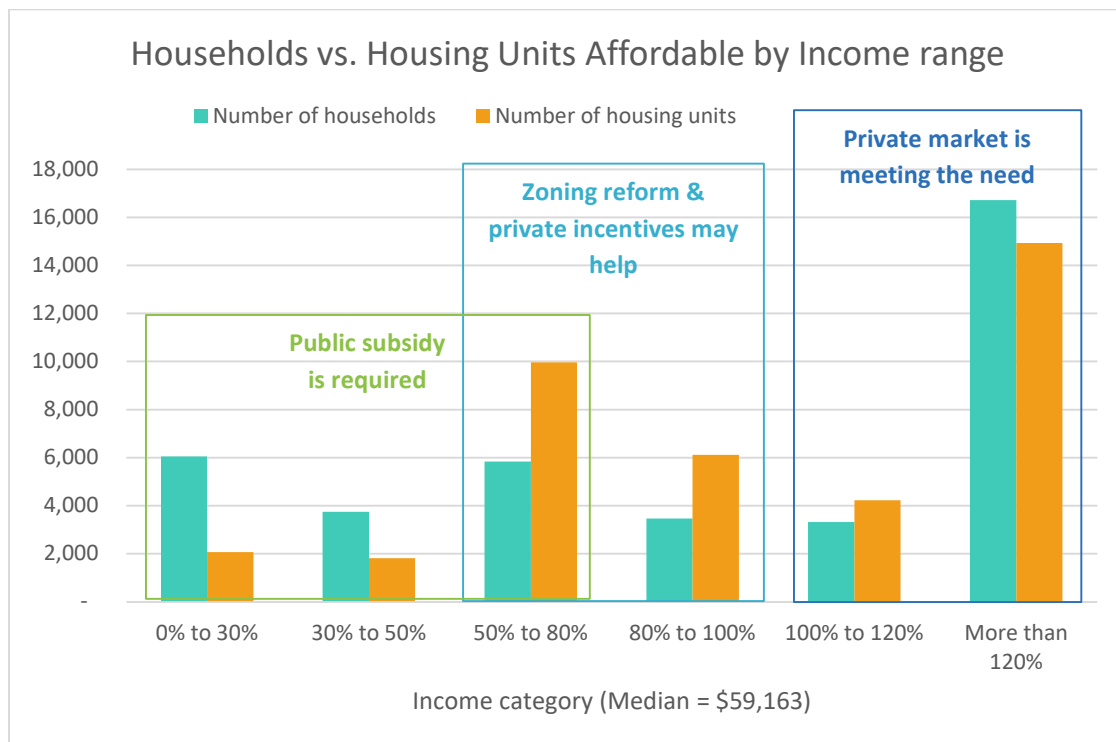
Rental housing units, primarily apartments, are being added to the housing market in much greater quantity than ownership units; 80% of new residential units permitted in the past 5 years were multi-family housing. Because of restrictive condominium liability laws, there has been a dramatic decrease in the number of multi-family units being built for condo ownership. Density helps our community accommodate more residents, but with a vacancy rate that hovers around 2%, rental costs will continue to rise in the private market. High demand means that prices will rise even in areas that were formerly affordable.



The private market does not supply housing for all incomes

There is a severe lack of housing that is affordable to those who earn less than 50% of the median income (about a quarter of households in Bellingham). At current construction costs and interest rates, the private market cannot provide housing that is affordable to these households. Other interventions are necessary.

Current local and federal funding dollars are not sufficient to make up the existing gap to meet this need. The chart below shows the number of housing units compared to the number of households who could afford these units, and overlays with what types of intervention would be needed to balance the housing supply with the incomes in Bellingham.



Strategic Plan

Past Performance

Available sources of funding, including the Bellingham Home Fund housing levy and other local and federal funds, are enough for our community to build or preserve 110 to 130 units of affordable non-profit housing per year on average. We estimate 425 new units that are affordable to low-income residents are needed per year to meet current and future demand.

Over the past five years, some priorities shifted in response to the Covid-19 pandemic and new ones emerged. Despite this challenge, the City of Bellingham maintained focus on our housing goals and was able to provide funding assistance with the building of many new affordable housing projects (see box below). In addition, we funded dozens of social service programs through local non-profit partners, which together have provided services to over 40,000 individuals.

Examples of these services include:

- Childcare tuition assistance
- Domestic violence support services
- Free groceries
- Literacy and job training
- Meal delivery for seniors
- Mental health counseling
- Social support for developmentally disabled adults



Some highlights during the last period were helping the Lighthouse Mission Ministries to quickly relocate to a larger temporary space that could allow for social distancing and more adequate services in the early days of the pandemic, and the opening of Gardenview Tiny House Village, a non-congregate shelter model that includes case management support to help elderly and medically fragile individuals and couples experiencing homelessness.

Recent & upcoming housing projects

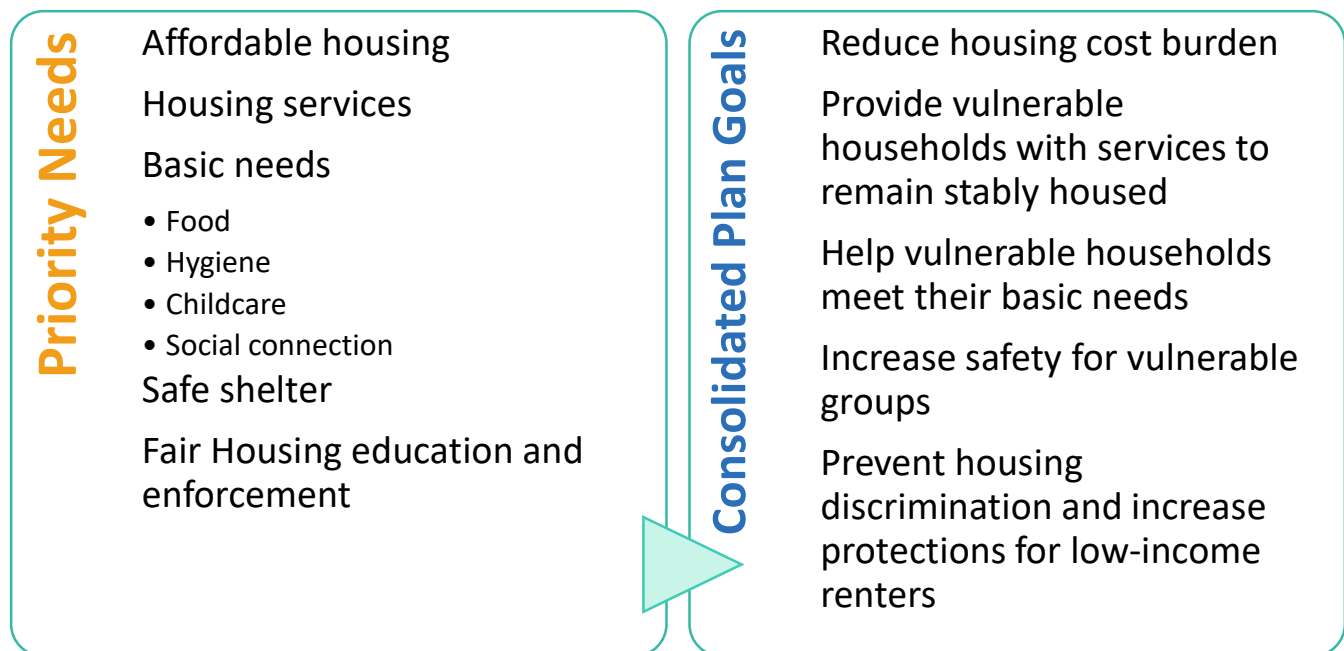
- **Eleanor Apartments**, 80 units for low-income and homeless seniors, completed in 2019.
- **Heart House**, 11 units of permanent supportive housing for formerly homeless families, completed in 2022.
- **Trailview Apartments**, 77 units for low-income and homeless families with children, completed in 2022.
- **Evergreen Ridge Apartments**, 145 units for low-income households, acquired in 2022.
- **Samish Commons**, 171 units for seniors, families, and formerly homeless households. To be completed in 2023.
- **Laurel & Forest**, 56 units for low-income and homeless seniors. To be completed in 2024.
- **Millworks**, 83 units for low-income families. To be completed in 2024.

More information about these and other affordable housing projects is available on the Housing & Human Services page: [Housing & Human Services \(arcgis.com\)](#).

Priority Needs & Goals for 2023-2027

The City used a variety of methods to reach out to stakeholders and the general public throughout the Assessment of Fair Housing and Consolidated Plan process. Below are the goals and priorities that were identified based on analysis of local data and input from community members.

City staff utilized focus groups, community meetings, online and printed surveys, social media, and the City’s online community participation forum, [Engage Bellingham](#), to gather feedback from over 1,200 residents. The community participation methods were generally focused on hearing the opinions and experiences of low-income residents, with targeted outreach to seniors, renters, young adults, families with children, Hispanic households, and the developmentally disabled community. We also solicited feedback from numerous local partner agencies, especially those who work directly with the target groups above.



More details regarding the proposed strategies and actions under each of the goals above is available in the full draft text of the 2023-2027 Consolidated Plan: <https://cob.org/services/planning/consolidated-plan>. For questions, contact cd@cob.org.

What is the Consolidated Plan?

Every five years, as a condition of receiving federal grants from the Department of Housing and Urban Development (HUD), the City is required to prepare a Consolidated Plan. This Plan provides an assessment of the City’s community development needs and an analysis of the housing market for low-income households. It also presents the proposed goals, strategies, and specific activities that will be implemented to address those needs. The Consolidated Plan is the community’s choice, within HUD parameters, for how approximately \$9 million per year will be used to support low-income households in the city.