

# Data sources & assumptions

## WORKING HARD, BUT IT'S NOT ENOUGH: INCOME AND HOUSING

---

- *1 in 4 working families in Bellingham can't afford their basic needs:* United Way's ALICE (Asset-Limited, Income Constrained, and Employed) Report counts households who are working, and earning above the Federal Poverty level, but still do not make enough to afford a basic household budget (2013 data). The report estimates 24% of Bellingham households fall into this category. This is in addition to the 18% of households living below the Federal poverty level. Available at:  
<http://www.unitedwaywhatcom.org/sites/unitedwaywhatcom.oneeach.org/files/Hand%20out%20ALICE%20info%20Whatcom%20County%20and%20Washington.pdf>
- *Housing affordability affects everyone:*
  - \$52,076 is the self-sufficiency wage for 2 adults and 1 infant in Whatcom County, and comes from “The Self-Sufficiency Standard for Washington State 2017,” Table 13. Page 64. Available at:  
<http://www.selfsufficiencystandard.org/Washington> . Self-Sufficiency Standards for single individuals and other family compositions is also available within this document.
  - Wage data is from the Bureau of Labor Statistics as of May 2016, and are average (mean) wages in Bellingham. The example jobs are common occupations in Bellingham, chosen to represent a range of salaries and industries. Available at:  
[https://www.bls.gov/oes/current/oes\\_13380.htm#43-0000](https://www.bls.gov/oes/current/oes_13380.htm#43-0000).
- *Families need to make at least \$76,000 per year to own a median value home in Bellingham:* This calculation is based on several assumptions:
  1. Median home value in Bellingham for single-family homes for June, July, and August 2017 was \$379,000 (condos not included). Data was obtained from Whatcom County Assessor Sales Search, accessed September 28, 2017.
    - Note that assessed home values are substantially lower than median sales or list price, which was recently reported as high as \$405,000 (<http://www.bellinghamherald.com/news/local/article176835666.html>).
  2. An affordable mortgage is 30% of income, minus \$150 per month for utilities.
    - Note that this calculation does not include taxes or mortgage insurance.
  3. Using these assumptions, a homebuyer with an income of \$76,000, a 10% down payment, and a 30-year fixed-rate mortgage at 4.5% could afford a home worth \$379,920. Of course, actual affordability would also depend on a household's other monthly expenses—car payments, daycare, medical bills, student loans, etc.—not income alone.
    - Note that this is a conservative “best-case scenario” estimate, and we recognize that many families earning such an income today still might not be able to find or purchase a house which they can easily afford.

# Data sources & assumptions

- *67% of Bellingham households earn less than that (\$76,000 per year):* This data is from the American Community Survey (ACS) 1-year estimate of household income for 2016. The number of households making \$75,000 per year or less is 18,119 out of 34,317 households in Bellingham. Available at: <https://factfinder.census.gov>
- *2000 to 2016 increases in Bellingham:* All data comes from the 2000 Census (base year) and the 2016 ACS 1-year estimate (most recent year). Available at: <https://factfinder.census.gov>
  - Median home value: in 2000 was \$148,900; in 2016 was \$352,700
  - Median rent: in 2000 was \$559; in 2016 was \$961
  - Median household income: in 2000 was \$32,530; in 2016 was \$47,652
- *From 2000 to present:*
  - *Bellingham's vacancy rate has decreased:* From 3.40% in 2000 to 1.79% in 2016. Data for 2000 is from the Census, calculated by adding vacant housing units for sale (311) and for rent (692), and dividing by total number of housing units in Bellingham at that time (29,474). Available at: <https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk>. Data for 2016 is from HUD-USPS Residential Vacancy Rates during the first quarter of the year.
  - *Rental and housing prices have increased:* Median rent has increased from \$613 in 2000, to \$961 in 2016. The median rent for each respective year comes from the Census or ACS. Available at: <https://factfinder.census.gov>