

Affordable Housing

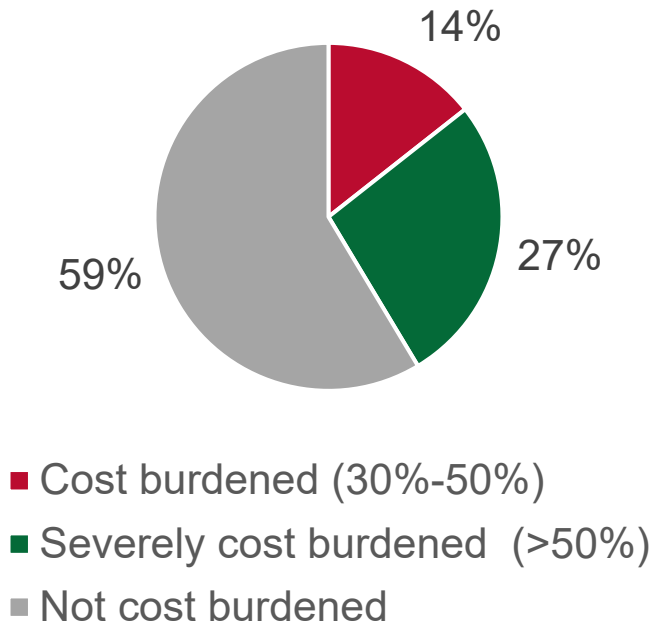
Ellensburg Academy

July 29, 2025

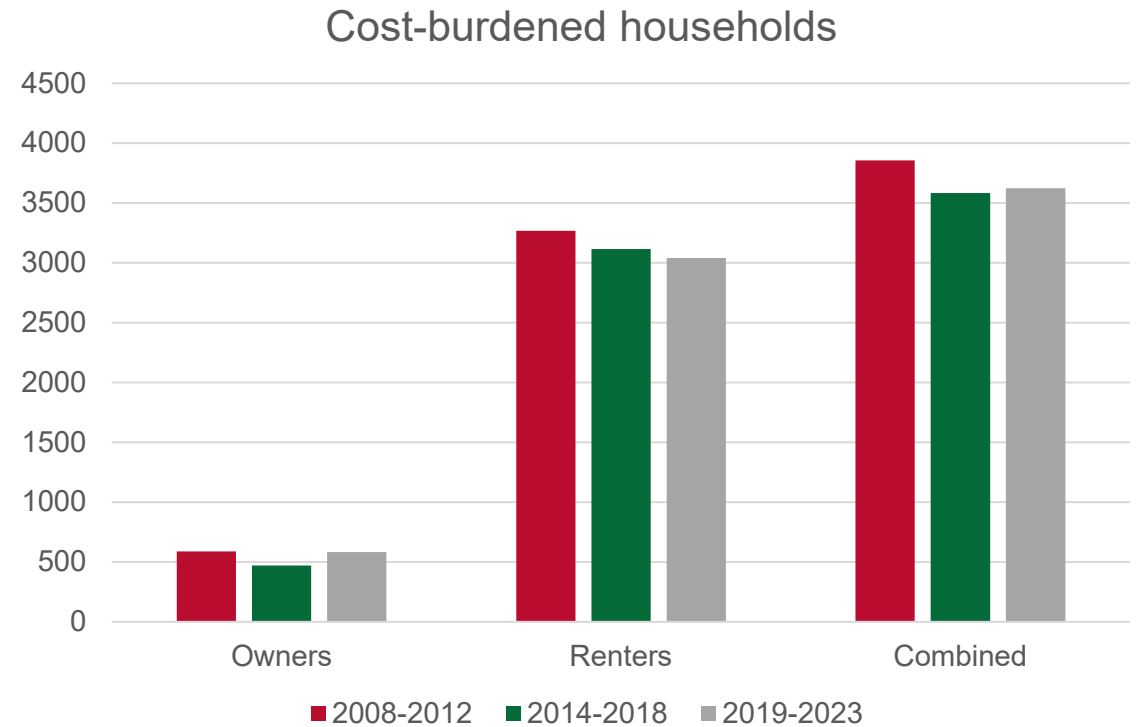
When is Housing “Affordable”?

- Generally, when a household spends **no more than 30%** of income on **rent and basic utilities**. (Up to 38% for a homeownership)
- If housing costs **> 30%** of income, a household is considered **cost-burdened**
- If housing costs **> 50%**, of income, a household is considered **severely cost-burdened**

Housing Needs: Cost burden



Source: HUD Comprehensive Housing Affordability Strategy (CHAS) based on American Community Survey (ACS) data



What is Area Median Income (AMI)?

- Established by Housing and Urban Development (HUD), updated annually
- Adjusted for household size
- Used for income-restricted housing eligibility

People in HH	1	2	3	4	5
Extremely low (30%) income (\$)	22,650	25,850	29,100	32,300	37,650
Very low (50%) income (\$)	37,700	43,100	48,500	53,850	58,200
60% AMI (\$)	45,240	51,720	58,200	64,620	69,840
Low (80%) income (\$)	60,350	68,950	77,550	86,150	93,050

Source: HUD 2025 income limits summary, WSHFC

Rent limit for a 1BR unit at
50% AMI = \$1010 monthly

Ellensburg Housing Costs

To afford **rent** for a two-bedroom home in Ellensburg:

Rent: \$1,325 (Zillow)

Annual income: \$53,000 (~55% AMI)

Or average hourly wage (full time): \$25.48

To afford average **homeownership** costs

Home price: \$435,000 (WCBER)

Annual income: \$98,840 (~92% AMI)

Average hourly wage (full time): \$47.52

Based on 10% downpayment and 6.5% interest rate

Why is housing so expensive & what can (and can't) we do about it?

5 Ls:

- Land*
- Lumber
- Labor
- Laws*
- Lending

Housing Goals

Ellensburg Housing Action Plan (2021):

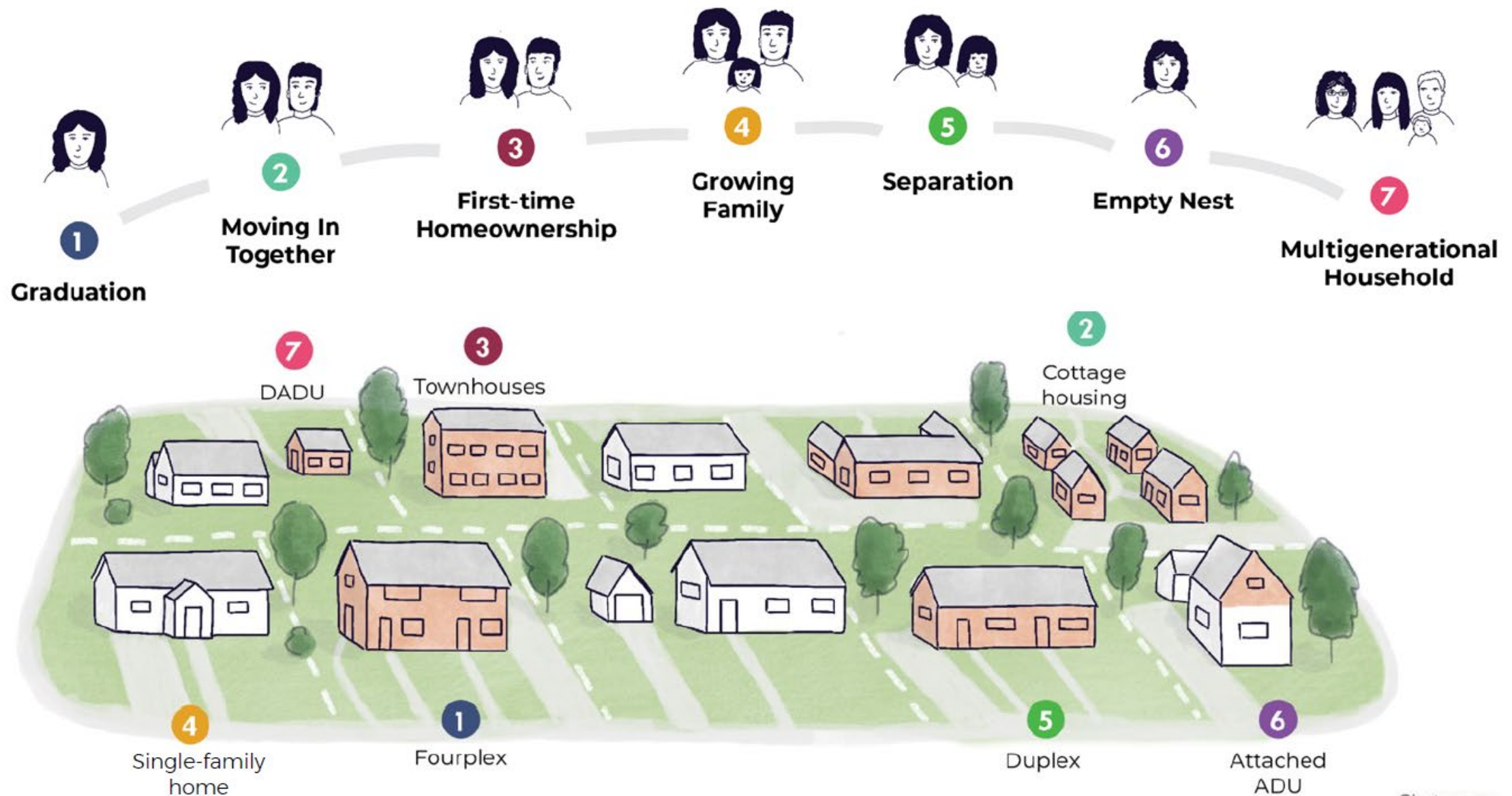
1. Produce more housing
2. Add variety to the housing stock
3. Preserve and create income-restricted affordable housing units

1. Produce more housing

- Needed production: 281 (Housing Action Plan goal)
- Current production:

Type / Number of dwelling units	2024	2023	2022
Single family detached	70	55	51
Duplex	16		
Triplex			
5+ unit multifamily	15	16	68
Accessory dwelling unit (ADU)	7	4	15
Total	108	75	134

Housing needs change over the course of our lives.



3. City resources for income-restricted housing

- Sales tax funds (0.1% voter-passed and smaller rebate)
 - up to 60% AMI
 - ~\$725,000 can be allocated considering admin and reserves
- Surplus property contributions – up to 80% AMI
- Pass-through grant support (Connecting Housing to Infrastructure Program or CHIP) – up to 80% AMI

Project Example: Stuart Meadows

Developer: Habitat for Humanity –
Seattle, King and Kittitas Counties

Units: 18 total homeownership units

Affordability: three at up to 60% AMI, 15
at up to 80% AMI

City contributions: property donation,
affordable housing funds for three units,
pass-through for state infrastructure
grants

Completion date: six units inhabited, six
units in 2025; six units in 2026



Photo credit: Habitat for Humanity SKKC

Project: Pathways Place

Developer: HopeSource

Units: 78 total rental units

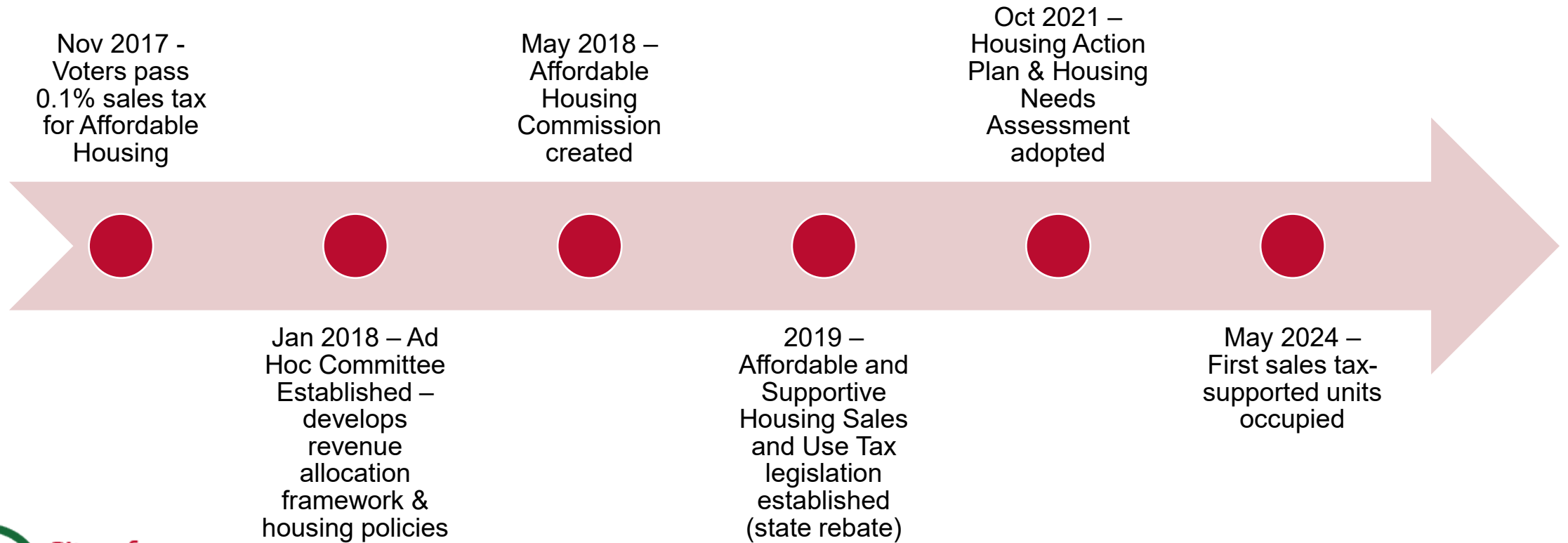
Affordability: 39 at up to 30% AMI, 39 at up to 50% AMI across renovated motel and two new housing buildings, one new community building

20 units set aside for homeless or at risk of homelessness

City contributions: funds for motel/land purchase, pass-through for state infrastructure support grant



Affordable Housing Timeline



Questions?